

1990-91
Governor's
Executive Budget



Commonwealth of Pennsylvania

Robert P. Casey
Governor

FOREWORD

TAX EXPENDITURES

Prior to 1988-89, the budget document only showed estimated Commonwealth revenues and the recommendations for the appropriation of those revenues for various programs. Beginning in 1988-89 the budget considers the indirect subsidies that occur through preferential treatment within the tax structure. Within the tax structure are various tax credits, deductions, exemptions and exclusions which result in reductions in revenue that would otherwise be received by the Commonwealth at current tax rates. These reductions are "tax expenditures."

The 1990-91 Governor's Executive Budget document further expands the initial steps taken in the previous budgets towards a comprehensive tax expenditure analysis. This is provided in Section D of this document.

THE COMMONWEALTH PROGRAM PLAN

The budget presentation for each department or agency is shown on an appropriation basis and also on a program/subcategory basis. Program/subcategory explanations, analyses and measures are shown by individual departments. A summary presentation by Commonwealth Program shows program costs according to seven major program classifications. These program classifications are each defined in terms of broadly stated goals of State Government. One of these Commonwealth Programs, Direction and Supportive Services, includes the costs of supporting administrative functions which affect the overall operations of the Commonwealth. The remaining Commonwealth programs are substantive in nature and deal with costs related to the following areas:

- Protection of Persons and Property
- Health and Human Services
- Intellectual Development and Education
- Economic Development
- Transportation and Communication
- Recreation and Cultural Enrichment

Each of the seven Commonwealth Programs is subdivided into program categories defined by goals that are more specific in nature. Program categories are broken down into program subcategories which are defined by program objectives. It is at the program subcategory level that program explanations, analyses and measures are shown by individual department. To clearly show the link between the Commonwealth Program Plan and agency program subcategories, identical or similar titles have been used in both places. Debt service continues to be shown in all Commonwealth Programs but is not merged with program expenditures, rather it is shown in a separate program category so that direct program expenditures may be seen more clearly.

THE DEPARTMENTAL PRESENTATION

Recommendations for the continuation of current programs at essentially current levels of commitment are shown within departmental program subcategories. Recommendations for major program changes in 1990-91 are identified as departmental Program Revision Requests (PRRs) which provide explanations and justification for the change.

Beyond 1990-91, the projections of financial data, as well as impacts and other program measures, show the future implications of the 1990-91 recommendations and policies.

Consequently, the five-year plan is a base line which represents the future program effort and financial resources needed to sustain the 1990-91 level of commitment.

To assist in understanding the individual agency presentations, the following information and key is provided for the reader.

PROGRAM PRESENTATION

Each Program Presentation provides a written and financial explanation of the activities of the program. These include:

Objective—A statement of the program purpose in terms of desired accomplishments.

Narrative—Describes program services and activities.

Program Recommendations—Identifies the increases or decreases over the available funds as presented in the summary by fund and appropriation.

Appropriations within this Program—Identifies State appropriations which support the activities within the program. Each appropriation appears in only one agency program.

Program Element—Is used within a program narrative to identify sub-program components.

Program Measures—Indicate the expected impact of the proposed budget on services, costs, etc., involved in the program.

SUMMARY BY FUND AND APPROPRIATION

Identifies the State appropriation and those Federal funds and other augmentations which supplement the activities within that individual State appropriation. The following key will help to identify individual items:

General Government Operations—Identifies an appropriation by the General Assembly or an executive authorization (EA) by the Governor to spend State monies.

For purposes of this presentation, State funds include the General, Motor License, Banking Department, Boat, Economic Revitalization, Energy Conservation and Assistance (Oil Overcharge), Fair, Farm Products Show, Fish, Game, Lottery, Milk Marketing and Racing Funds.

(F) Identifies a Federal appropriation by the General Assembly or an executive authorization by the Governor to spend Federal monies. Medical assistance is an example of Federal funds.

The amounts shown as "Federal funds" include appropriations to date as well as anticipated adjustments because of increases or decreases in the amount of funds to be received. Because of the manner in which 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 are shown with the State funds which they supplement.

For the sake of brevity and ease of identification, common abbreviations are used in the Federal titles. The most common are listed at the end of this Foreword.

(A) Identifies monies which augment a State appropriation. Institutional collections are an example of an augmentation.

(R) Identifies funds which are in a restricted account and which may only be spent for very limited purposes related to the State appropriation. Receipts from snowmobile regulations are an example of a restricted account.

In some cases the budget may propose the shifting of appropriations between agencies, departmental reorganizations or the restructuring of appropriations within departments. Usually, for ease of comparison, all columns in the budget presentation are shown consistent with the recommendation in the budget year. This means, however, that the amounts shown in the actual and available columns may not be consistent with those shown in accounting reports and appropriations acts. When this occurs, explanations have been included in the budget.

Section H of this document provides descriptions and financial statements for all of the active special funds of the Commonwealth not otherwise reflected in the budget.

PROGRAM EVALUATIONS

The Budget Office conducts program evaluations and other analyses as the need arises. The following describes the results of analyses conducted.

Commonwealth Fee Report—This fee report is part of a continuing effort to manage the array of fees and associated activities conducted by the various agencies, boards and commissions of the Commonwealth. The report details fees, fee objectives and rates, fee related activities and costs, and fee collections for all current fees. Agency recommended fee revisions and the justification and implications of those revisions are included in cases where the costs of fee related activities exceed fee rates.

Local Tax Reform Municipality Payments—A computer model was developed to calculate one-time payments to municipalities under proposed 1989 local tax reform legislation. The payment distribution formula considered the population, personal income and market value of each municipality in the Commonwealth.

State Correctional System Capacity Expansion—This study examined the Commonwealth's State correctional institution capacity expansion efforts since 1987. It reports on capacity expansion projects completed and opened, projects planned prior to the October 1989 disturbance at SCI-Camp Hill, and additional projects to deal with increasing State prison inmate populations.

Federal Funds Identification

The most common abbreviations used to identify Federal funds are:

ADA	Anti-Drug Abuse
ADMSBG	Alcohol, Drug Abuse and Mental Health Services Block Grant
AFDC	Aid to Families with Dependent Children
ARC	Appalachian Regional Commission
BG	Block Grant
BVS	Blind and Visual Services
CSBG	Community Services Block Grant
DCSI	Drug Control and Systems Improvement
DFSC	Drug Free Schools and Communities
DOE	Department of Energy
ECIA	Education Consolidation and Improvement Act
ECIBG	Education Consolidation and Improvement Block Grant
EDA	Economic Development Administration
EEOC	Equal Employment Opportunity Commission
EPA	Environmental Protection Agency
EPCA	Energy Policy and Conservation Act
ESEA	Elementary and Secondary Education Act
FEMA	Federal Emergency Management Agency
FUTA	Federal Unemployment Tax Act
GED	General Education Development
HUD	Department of Housing and Urban Development
JTPA	Job Training Partnership Act
LIHEABG	Low-Income Home Energy Assistance Block Grant
LSCA	Library Services Construction Act
LWCF	Land and Water Conservation Fund
MCHSBG	Maternal and Child Health Services Block Grant
MH/MR	Mental Health/Mental Retardation Services
NCHS	National Center for Health Statistics
NPDES	National Pollutant Discharge Elimination System
NSF	National Science Foundation
PAFE	Pennsylvania Agricultural Foods Exposition
PEP	Pennsylvania Employment Program
PHHSBG	Preventive Health and Health Services Block Grant
PHRC	Pennsylvania Human Relations Commission
SCDBG	Small Communities Development Block Grant
SDA	Service Delivery Area
SSA	Social Security Act
SSBG	Social Services Block Grant
VA	Veterans Administration
YDC	Youth Development Center

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COMMONWEALTH OF PENNSYLVANIA
GOVERNOR'S OFFICE
HARRISBURG

Michael H. Hershock
Secretary
OFFICE OF THE BUDGET

February 6, 1990

*To the Members of the General Assembly and
all Citizens of Pennsylvania:*

Governor Casey and I are pleased to present to you his Administration's fourth state budget. It is the result of extensive, careful planning that sets a fiscally responsible course as we lead the Commonwealth into the 1990s.

The budget outlined in this book will serve us well as we guide the Commonwealth through uncertain economic times. While we anticipate no recession, it appears that growth will occur at a slower rate than previously projected.

This financial plan allows for moderate growth of programs and requires no tax increase. It also provides the tools to ensure effective administration of the wide array of new programs begun during the past three years.

Responsible fiscal management has helped us avoid deficits that would have caused cutbacks in our programs. But fluctuations in revenue collections make it imperative that we start or expand only those programs that we can prudently afford.

We have taken additional steps to address the problems we inherited with the Lottery Fund. Our series of past, present and future actions ensure we will be able to maintain the valuable programs that benefit older Pennsylvanians.

The Commonwealth's \$22.4 billion operating budget for the 1990-91 fiscal year is comprised of \$12.3 billion from the General Fund, \$1.6 billion from the Motor License Fund, \$3.9 billion in fees and special fund revenues and \$4.6 billion in Federal funds.

For the second consecutive year, we are publishing a companion State of the Commonwealth document that provides a broad perspective of Pennsylvania and its government.

Sincerely,

A handwritten signature in cursive script that reads "Michael H. Hershock".

Michael H. Hershock
Secretary of the Budget

1990-91

STATEMENTS

GENERAL FUND

Five Year Financial Statement

The projections beyond the 1990-91 fiscal year show future implications of the present budgetary policies and recommendations only. Revenue estimates are based upon current tax rates.

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Beginning Balance	\$ 94,658	\$ 385,079	\$ 1,446	\$ 1,925	.....	.....	.....
Revenues	\$ 11,256,651	\$ 11,875,900	\$ 12,428,400	\$ 13,033,700	\$ 13,771,800	\$ 14,561,700	\$ 15,469,200
Adjustments ^a	3,764	-333,814	-168,020	-226,326	-234,713	-242,969	-249,345
Tax Stabilization Reserve .....	.....^c	.....^c	.....^c	.....	.....	.....	.....
Sunny Day Reserve .....	.....^c	.....^c	.....^c	.....	.....	.....	.....
Funds Available	\$ 11,355,073	\$ 11,927,165	\$ 12,261,826	\$ 12,809,299	\$ 13,537,087	\$ 14,318,731	\$ 15,219,855
Expenditures	-10,969,994	-11,925,719	-12,259,901	-12,808,955	-13,150,265	-13,486,391	-13,848,614
Ending Balance^b	\$ 385,079	\$ 1,446	\$ 1,925	\$ 344	\$ 386,822	\$ 832,340	\$ 1,371,241

^aIncludes net revenue accruals, refunds, lapses and adjustments to beginning balances.

^bEnding balances not carried forward after 1991-92.

^cBoth Sunny Day Fund and Tax Stabilization Fund received a \$25 million appropriation from the State Workmen's Insurance Fund in 1988-89 and a \$5 million appropriation in 1989-90. The 1990-91 budget recommends additional appropriations from the State Workman's Insurance Fund to the Tax Stabilization Reserve Fund (\$25 million) and to the Sunny Day Fund (\$10 million).

FIVE YEAR FINANCIAL STATEMENTS

Motor License Fund^a

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Beginning Balance	\$ 104,147	\$ 74,643	\$ 47,349	\$ 5,401	\$ 921	\$ 4,517	\$ 7,845
Receipts	1,490,476	1,497,124	1,524,630	1,513,829	1,517,600	1,518,383	1,530,661
Funds Available	<u>\$ 1,594,623</u>	<u>\$ 1,571,767</u>	<u>\$ 1,571,979</u>	<u>\$ 1,519,230</u>	<u>\$ 1,518,521</u>	<u>\$ 1,522,900</u>	<u>\$ 1,538,506</u>
Less Expenditures	-1,519,980	-1,524,418	-1,566,578	-1,518,309	-1,514,004	-1,515,055	-1,526,592
Ending Balance	<u>\$ 74,643</u>	<u>\$ 47,349</u>	<u>\$ 5,401</u>	<u>\$ 921</u>	<u>\$ 4,517</u>	<u>\$ 7,845</u>	<u>\$ 11,914</u>

Banking Department Fund

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Beginning Balance	\$ 2,576	\$ 1,240	\$ 655	\$ 679	\$ 1,005	\$ 1,663	\$ 2,489
Receipts	7,550	8,355	9,120	9,743	10,408	10,921	11,457
Funds Available	<u>\$ 10,126</u>	<u>\$ 9,595</u>	<u>\$ 9,775</u>	<u>\$ 10,422</u>	<u>\$ 11,413</u>	<u>\$ 12,584</u>	<u>\$ 13,946</u>
Less Expenditures	-8,886	-8,940	-9,096	-9,417	-9,750	-10,095	-10,452
Ending Balance	<u>\$ 1,240</u>	<u>\$ 655</u>	<u>\$ 679</u>	<u>\$ 1,005</u>	<u>\$ 1,663</u>	<u>\$ 2,489</u>	<u>\$ 3,494</u>

Boat Fund

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Beginning Balance	\$ 4,094	\$ 2,870	\$ 3,329	\$ 2,169	\$ 1,236	\$ 532	\$ 61
Receipts	3,274	5,735	4,487	4,633	4,729	4,875	5,030
Funds Available	<u>\$ 7,368</u>	<u>\$ 8,605</u>	<u>\$ 7,816</u>	<u>\$ 6,802</u>	<u>\$ 5,965</u>	<u>\$ 5,407</u>	<u>\$ 5,091</u>
Less Expenditures	-4,498	-5,276	-5,647	-5,566	-5,433	-5,346	-5,091
Ending Balance	<u>\$ 2,870</u>	<u>\$ 3,329</u>	<u>\$ 2,169</u>	<u>\$ 1,236</u>	<u>\$ 532</u>	<u>\$ 61</u>	<u>\$ 61</u>

^aExcludes restricted revenue.

**FIVE YEAR FINANCIAL STATEMENTS
(Continued)**

Economic Revitalization Fund

	(Dollar Amounts in Thousands)						
	1988-89	1998-90	1990-91	1991-92	1992-93	1993-94	1994-95
Beginning Balance	\$ 20,281	\$ 5,413	\$ 3,898	\$ 2,183	\$ 1,908	\$ 2,053	\$ 2,138
Receipts	46,285	38,100	126,900	124,340	123,760	125,200	122,600
Funds Available	<u>\$ 66,566</u>	<u>\$ 43,513</u>	<u>\$ 130,798</u>	<u>\$ 126,523</u>	<u>\$ 125,668</u>	<u>\$ 127,253</u>	<u>\$ 124,738</u>
Less Expenditures	-61,153	-39,615	-128,615	-124,615	-123,615	-125,115	-122,615
Ending Balance	<u>\$ 5,413</u>	<u>\$ 3,898</u>	<u>\$ 2,183</u>	<u>\$ 1,908</u>	<u>\$ 2,053</u>	<u>\$ 2,138</u>	<u>\$ 2,123</u>

Energy Conservation and Assistance Fund

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Beginning Balance	\$ 85,932	\$ 53,440	\$ 18,566	\$ 741	\$ 1	\$ 1	\$ 1
Receipts	\$ 13,482	14,126	14,000	16,300	4,635	4,425	4,115
Funds Available	<u>\$ 99,414</u>	<u>\$ 67,566</u>	<u>\$ 32,566</u>	<u>\$ 17,041</u>	<u>\$ 4,636</u>	<u>\$ 4,426</u>	<u>\$ 4,116</u>
Less Expenditures	-45,974	-49,000	-31,825	-17,040	-4,635	-4,425	-4,114
Ending Balance	<u>\$ 53,440</u>	<u>\$ 18,566</u>	<u>\$ 741</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 2</u>

Farm Products Show Fund

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Beginning Balance	\$ 983	\$ 1,639	\$ 2,018	\$ 329	\$ 382	\$ 412	\$ 428
Receipts	3,550	4,503	3,350	3,352	3,412	3,483	3,555
Funds Available	<u>\$ 4,533</u>	<u>\$ 6,142</u>	<u>\$ 5,368</u>	<u>\$ 3,681</u>	<u>\$ 3,794</u>	<u>\$ 3,895</u>	<u>\$ 3,983</u>
Less Expenditures	-2,894	-4,124	-5,039	-3,299	-3,382	-3,467	-3,555
Ending Balance	<u>\$ 1,639</u>	<u>\$ 2,018</u>	<u>\$ 329</u>	<u>\$ 382</u>	<u>\$ 412</u>	<u>\$ 428</u>	<u>\$ 428</u>

**FIVE YEAR FINANCIAL STATEMENTS
(Continued)**

Fish Fund

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Beginning Balance	\$ 10,441	\$ 10,568	\$ 8,158	\$ 7,448	\$ 6,765	\$ 5,564	\$ 3,822
Receipts	24,986	24,458	27,994	28,770	28,931	29,155	27,477
Funds Available	<u>\$ 35,427</u>	<u>\$ 35,026</u>	<u>\$ 36,152</u>	<u>\$ 36,218</u>	<u>\$ 35,696</u>	<u>\$ 34,719</u>	<u>\$ 31,299</u>
Less Expenditures	-24,859	-26,868	-28,704	-29,453	-30,132	-30,897	-29,671
Ending Balance	<u>\$ 10,568</u>	<u>\$ 8,158</u>	<u>\$ 7,448</u>	<u>\$ 6,765</u>	<u>\$ 5,564</u>	<u>\$ 3,822</u>	<u>\$ 1,628</u>

Game Fund

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Beginning Balance	\$ 25,298	\$ 30,644	\$ 27,224	\$ 25,245	\$ 21,193	\$ 15,646	\$ 8,550
Receipts	47,201	43,635	42,868	42,000	42,000	42,000	42,000
Funds Available	<u>\$ 72,499</u>	<u>\$ 74,279</u>	<u>\$ 70,092</u>	<u>\$ 67,245</u>	<u>\$ 63,193</u>	<u>\$ 57,646</u>	<u>\$ 50,550</u>
Less Expenditures	-41,855	-47,055	-44,847	-46,052	-47,547	-49,096	-50,550
Ending Balance	<u>\$ 30,644</u>	<u>\$ 27,224</u>	<u>\$ 25,245</u>	<u>\$ 21,193</u>	<u>\$ 15,646</u>	<u>\$ 8,550</u>	<u>.....</u>

Lottery Fund

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Beginning Balance	\$ 169,621	\$ 130,205	\$ 57,603	\$ 795	\$ -55,600	\$ -131,411	\$ -231,734
Add Reserve From Previous Year	110,132	126,435	122,916	138,263	138,181	140,870	144,448
Receipts	942,834	964,662	1,018,021	1,027,207	1,050,313	1,078,145	1,106,717
Funds Available	<u>\$ 1,222,587</u>	<u>\$ 1,221,302</u>	<u>\$ 1,198,540</u>	<u>\$ 1,166,265</u>	<u>\$ 1,132,894</u>	<u>\$ 1,087,604</u>	<u>\$ 1,019,431</u>
Less Expenditures	-965,947	-1,040,783	-1,059,482	-1,083,684	-1,123,435	-1,174,890	-1,230,930
Less Reserve	-126,435	-122,916	-138,263	-138,181	-140,870	-144,448	-148,115
Ending Balance	<u>\$ 130,205</u>	<u>\$ 57,603</u>	<u>\$ 795</u>	<u>\$ -55,600</u>	<u>\$ -131,411</u>	<u>\$ -231,734</u>	<u>\$ -359,614</u>

**FIVE YEAR FINANCIAL STATEMENTS
(continued)**

Milk Marketing Fund

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Beginning Balance	\$ 221	\$ 159	\$ 264	\$ 254	\$ 243	\$ 255	\$ 247
Receipts	1,662	1,870	1,715	1,765	1,840	1,875	1,940
Funds Available	<u>\$ 1,883</u>	<u>\$ 2,029</u>	<u>\$ 1,979</u>	<u>\$ 2,019</u>	<u>\$ 2,083</u>	<u>\$ 2,130</u>	<u>\$ 2,187</u>
Less Expenditures	-1,724	-1,765	-1,725	-1,776	-1,828	-1,883	-1,939
Ending Balance	<u>\$ 159</u>	<u>\$ 264</u>	<u>\$ 254</u>	<u>\$ 243</u>	<u>\$ 255</u>	<u>\$ 247</u>	<u>\$ 248</u>

Racing Fund

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Beginning Balance	\$ 1,940	\$ 1,612	\$ 401	\$ 1,901	\$ 3,352	\$ 4,002	\$ 5,830
Receipts	7,512	6,812	8,509	10,223	11,119	13,201	13,778
Funds Available	<u>\$ 9,452</u>	<u>\$ 8,424</u>	<u>\$ 8,910</u>	<u>\$ 12,124</u>	<u>\$ 14,471</u>	<u>\$ 17,203</u>	<u>\$ 19,608</u>
Less Expenditures	-7,840	-8,023	-7,009	-8,772	-10,469	-11,373	-13,466
Ending Balance	<u>\$ 1,612</u>	<u>\$ 401</u>	<u>\$ 1,901</u>	<u>\$ 3,352</u>	<u>\$ 4,002</u>	<u>\$ 5,830</u>	<u>\$ 6,142</u>

Five-Year Department Summary by Fund

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
GOVERNOR'S OFFICE							
General Fund.....	\$ 5,686	\$ 6,201	\$ 6,610	\$ 6,848	\$ 7,095	\$ 7,350	\$ 7,615
EXECUTIVE OFFICES							
General Fund.....	\$ 62,558	\$ 77,124	\$ 70,111	\$ 72,736	\$ 74,722	\$ 76,780	\$ 78,911
Lottery Fund.....	2	66	65	67	69	71	74
Motor License Fund.....	4,110	4,510	4,665	4,833	5,007	5,187	5,374
Energy Conservation And Assistance Fund..	7,100	10,500	4,900	4,260	1,159	1,106	1,028
TOTAL.....	\$ 73,770	\$ 92,200	\$ 79,741	\$ 81,896	\$ 80,957	\$ 83,144	\$ 85,387
LIEUTENANT GOVERNOR'S OFFICE							
General Fund.....	\$ 774	\$ 863	\$ 906	\$ 938	\$ 972	\$ 1,007	\$ 1,043
OFFICE OF ATTORNEY GENERAL							
General Fund.....	\$ 29,920	\$ 44,487	\$ 41,581	\$ 43,639	\$ 45,206	\$ 46,829	\$ 48,511
AUDITOR GENERAL							
General Fund.....	\$ 33,116	\$ 51,915	\$ 54,318	\$ 55,647	\$ 57,024	\$ 58,451	\$ 59,929
TREASURY							
General Fund.....	\$ 396,903	\$ 470,567	\$ 499,838	\$ 554,264	\$ 595,810	\$ 619,482	\$ 642,395
Lottery Fund.....	13	60	60	60	60	60	60
Racing Fund.....	0	30	30	30	30	30	30
Motor License Fund.....	184,323	190,081	191,742	191,992	190,478	184,893	184,392
Game Fund.....	0	18	18	18	18	18	18
Fish Fund.....	6	78	73	65	58	49	39
Banking Department Fund.....	0	15	15	15	15	15	15
Milk Marketing Fund.....	0	20	20	20	20	20	20
Farm Products Show Fund.....	0	15	15	15	15	15	15
Boat Fund.....	0	17	17	17	17	16	16
Economic Revitalization Fund.....	0	15	15	15	15	15	15
TOTAL.....	\$ 581,245	\$ 660,916	\$ 691,843	\$ 746,511	\$ 786,536	\$ 804,613	\$ 827,015
AGING							
General Fund.....	\$ 2,778	\$ 3,800	\$ 9,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000
Lottery Fund.....	269,564	304,056	350,975	385,591	423,680	463,807	507,939
TOTAL.....	\$ 272,342	\$ 307,856	\$ 359,975	\$ 397,591	\$ 435,680	\$ 475,807	\$ 519,939
AGRICULTURE							
General Fund.....	\$ 34,389	\$ 38,702	\$ 38,694	\$ 39,291	\$ 39,983	\$ 40,699	\$ 41,440
Racing Fund.....	7,733	7,864	6,850	8,608	10,301	11,200	13,287
Farm Products Show Fund.....	1,894	3,109	4,024	2,284	2,367	2,452	2,540
Economic Revitalization Fund.....	1,000	0	1,000	1,000	1,000	1,000	1,000
TOTAL.....	\$ 45,016	\$ 49,675	\$ 50,568	\$ 51,183	\$ 53,651	\$ 55,351	\$ 58,267
BANKING							
Banking Department Fund.....	\$ 8,592	\$ 8,642	\$ 8,798	\$ 9,114	\$ 9,442	\$ 9,782	\$ 10,134
CIVIL SERVICE COMMISSION							
General Fund.....	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1

Five-Year Department Summary by Fund

(Dollar Amounts in Thousands)

	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
COMMUNITY AFFAIRS							
General Fund.....	\$ 77,089	\$ 83,447	\$ 34,116	\$ 34,482	\$ 34,862	\$ 35,256	\$ 35,663
Economic Revitalization Fund.....	7,500	1,250	28,200	28,200	28,200	28,200	28,200
Energy Conservation And Assistance Fund..	21,431	18,500	0	0	0	0	0
TOTAL.....	\$ 106,020	\$ 103,197	\$ 62,316	\$ 62,682	\$ 63,062	\$ 63,456	\$ 63,863
CORRECTIONS							
General Fund.....	\$ 269,169	\$ 345,554	\$ 369,211	\$ 397,253	\$ 429,424	\$ 460,787	\$ 491,933
CRIME COMMISSION							
General Fund.....	\$ 2,501	\$ 2,683	\$ 2,559	\$ 2,651	\$ 2,746	\$ 2,845	\$ 2,947
ECONOMIC DEVELOPMENT PARTNERSHIP							
General Fund.....	\$ 131,743	\$ 138,103	\$ 33,563	\$ 159,560	\$ 158,368	\$ 159,187	\$ 156,018
Economic Revitalization Fund.....	52,653	33,850	93,400	89,400	88,400	89,900	87,400
TOTAL.....	\$ 184,396	\$ 171,953	\$ 126,963	\$ 248,960	\$ 246,768	\$ 249,087	\$ 243,418
EDUCATION							
General Fund.....	\$ 5,191,640	\$ 5,641,353	\$ 5,765,931	\$ 5,928,842	\$ 6,023,868	\$ 6,132,012	\$ 6,249,325
Motor License Fund.....	1,910	2,300	5,197	2,197	2,197	2,197	2,197
TOTAL.....	\$ 5,193,550	\$ 5,643,653	\$ 5,771,128	\$ 5,931,039	\$ 6,026,065	\$ 6,134,209	\$ 6,251,522
EMERGENCY MANAGEMENT AGENCY							
General Fund.....	\$ 3,343	\$ 4,728	\$ 3,962	\$ 4,105	\$ 4,253	\$ 4,406	\$ 4,565
ENVIRONMENTAL RESOURCES							
General Fund.....	\$ 184,664	\$ 207,556	\$ 212,743	\$ 225,359	\$ 232,655	\$ 240,413	\$ 248,442
FISH COMMISSION							
General Fund.....	\$ 7	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9
Fish Fund.....	16,381	18,076	19,193	19,884	20,600	21,342	22,110
Boat Fund.....	3,864	4,442	4,729	4,634	4,542	4,451	4,191
TOTAL.....	\$ 20,252	\$ 22,527	\$ 23,931	\$ 24,527	\$ 25,151	\$ 25,802	\$ 26,310
GAME COMMISSION							
Game Fund.....	\$ 37,448	\$ 41,941	\$ 40,091	\$ 41,534	\$ 43,029	\$ 44,578	\$ 46,032
GENERAL SERVICES							
General Fund.....	\$ 72,674	\$ 73,656	\$ 70,189	\$ 78,911	\$ 81,633	\$ 83,287	\$ 86,192
Lottery Fund.....	184	180	180	183	186	190	194
Motor License Fund.....	14,659	27,000	26,500	26,500	26,500	26,500	26,500
Banking Department Fund.....	294	283	283	288	293	298	303
TOTAL.....	\$ 87,811	\$ 101,119	\$ 97,152	\$ 105,882	\$ 108,612	\$ 110,275	\$ 113,189
HEALTH							
General Fund.....	\$ 150,819	\$ 177,024	\$ 162,958	\$ 167,392	\$ 169,005	\$ 170,676	\$ 172,406

Five-Year Department Summary by Fund

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
HIGHER EDUCATION ASSISTANCE AGENCY							
General Fund.....	\$ 154,822	\$ 170,483	\$ 186,845	\$ 186,845	\$ 186,845	\$ 186,845	\$ 186,845
HISTORICAL AND MUSEUM COMMISSION							
General Fund.....	\$ 16,997	\$ 18,394	\$ 16,309	\$ 16,758	\$ 17,073	\$ 17,555	\$ 18,054
HOUSING FINANCE AGENCY							
General Fund.....	\$ 11,700	\$ 10,000	\$ 7,500	\$ 7,500	\$ 3,750	\$ 0	\$ 0
INFRASTRUCTURE INVESTMENT AUTHORITY (PENNVEST)							
General Fund.....	\$ 15,000	\$ 11,500	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000
INSURANCE							
General Fund.....	\$ 10,710	\$ 11,274	\$ 11,414	\$ 11,825	\$ 12,251	\$ 12,692	\$ 13,149
LABOR AND INDUSTRY							
General Fund.....	\$ 47,863	\$ 47,441	\$ 45,019	\$ 44,948	\$ 44,894	\$ 44,858	\$ 44,841
Economic Revitalization Fund.....	0	6,000	6,000	6,000	6,000	6,000	6,000
TOTAL.....	\$ 47,863	\$ 53,441	\$ 51,019	\$ 50,948	\$ 50,894	\$ 50,858	\$ 50,841
MILITARY AFFAIRS							
General Fund.....	\$ 32,647	\$ 33,876	\$ 35,429	\$ 38,356	\$ 43,135	\$ 44,545	\$ 46,007
MILK MARKETING BOARD							
General Fund.....	\$ 950	\$ 931	\$ 600	\$ 650	\$ 725	\$ 760	\$ 825
Milk Marketing Fund.....	774	814	1,105	1,106	1,083	1,103	1,094
TOTAL.....	\$ 1,724	\$ 1,745	\$ 1,705	\$ 1,756	\$ 1,808	\$ 1,863	\$ 1,919
BOARD OF PROBATION AND PAROLE							
General Fund.....	\$ 37,915	\$ 42,735	\$ 45,059	\$ 46,056	\$ 47,089	\$ 48,159	\$ 49,267
PUBLIC TELEVISION NETWORK							
General Fund.....	\$ 10,148	\$ 10,624	\$ 10,923	\$ 11,026	\$ 11,133	\$ 11,244	\$ 11,359
PUBLIC WELFARE							
General Fund.....	\$ 3,216,536	\$ 3,433,163	\$ 3,660,979	\$ 3,783,836	\$ 3,926,911	\$ 4,073,410	\$ 4,234,064
Lottery Fund.....	126,000	106,000	96,000	76,000	66,000	66,000	66,000
Energy Conservation And Assistance Fund..	17,443	20,000	26,925	12,780	3,476	0	0
TOTAL.....	\$ 3,359,979	\$ 3,559,163	\$ 3,783,904	\$ 3,872,616	\$ 3,996,387	\$ 4,139,410	\$ 4,300,064
REVENUE							
General Fund.....	\$ 170,112	\$ 176,408	\$ 182,157	\$ 189,874	\$ 192,952	\$ 194,813	\$ 198,117
Lottery Fund.....	446,153	504,403	478,702	485,331	492,613	500,123	508,069
Racing Fund.....	107	129	129	134	138	143	149
Motor License Fund.....	9,705	10,040	10,588	10,866	11,154	11,452	11,761
TOTAL.....	\$ 626,077	\$ 690,980	\$ 671,576	\$ 686,205	\$ 696,857	\$ 706,531	\$ 718,096

Five-Year Department Summary by Fund

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
SECURITIES COMMISSION							
General Fund.....	\$ 2,941	\$ 3,258	\$ 3,169	\$ 3,283	\$ 3,401	\$ 3,523	\$ 3,650
STATE							
General Fund.....	\$ 3,926	\$ 3,706	\$ 3,656	\$ 3,721	\$ 4,123	\$ 3,963	\$ 4,141
STATE EMPLOYEES' RETIREMENT SYSTEM							
General Fund.....	\$ 705	\$ 679	\$ 672	\$ 672	\$ 672	\$ 672	\$ 672
STATE POLICE							
General Fund.....	\$ 84,612	\$ 107,816	\$ 103,012	\$ 106,667	\$ 110,453	\$ 114,377	\$ 118,440
Motor License Fund.....	171,371	187,261	199,164	205,896	211,899	219,527	227,430
TOTAL.....	\$ 255,983	\$ 295,077	\$ 302,176	\$ 312,563	\$ 322,352	\$ 333,904	\$ 345,870
TAX EQUALIZATION BOARD							
General Fund.....	\$ 1,064	\$ 1,132	\$ 1,189	\$ 1,232	\$ 1,276	\$ 1,322	\$ 1,370
TRANSPORTATION							
General Fund.....	\$ 226,424	\$ 242,785	\$ 253,207	\$ 253,363	\$ 253,524	\$ 253,690	\$ 253,863
Lottery Fund.....	124,031	127,818	133,500	136,452	140,827	144,639	148,594
Motor License Fund.....	1,133,902	1,133,026	1,128,722	1,076,025	1,066,769	1,065,299	1,068,938
TOTAL.....	\$ 1,484,357	\$ 1,503,629	\$ 1,515,429	\$ 1,465,840	\$ 1,461,120	\$ 1,463,628	\$ 1,471,395
LEGISLATURE							
General Fund.....	\$ 132,363	\$ 142,292	\$ 152,978	\$ 152,978	\$ 152,978	\$ 152,978	\$ 152,978
JUDICIARY							
General Fund.....	\$ 142,785	\$ 149,449	\$ 152,484	\$ 154,437	\$ 156,444	\$ 158,508	\$ 160,627
COMMONWEALTH TOTALS							
GENERAL FUND.....	\$10,969,994	\$11,985,719	\$12,259,901	\$12,808,955	\$13,150,265	\$13,486,391	\$13,848,614
LOTTERY FUND.....	965,947	1,042,583	1,059,482	1,083,684	1,123,435	1,174,890	1,230,930
RACING FUND.....	7,840	8,023	7,009	8,772	10,469	11,373	13,466
MOTOR LICENSE FUND.....	1,519,980	1,554,218	1,566,578	1,518,309	1,514,004	1,515,055	1,526,592
GAME FUND.....	37,448	41,959	40,109	41,552	43,047	44,596	46,050
FISH FUND.....	16,387	18,154	19,266	19,949	20,658	21,391	22,149
BANKING DEPARTMENT FUND.....	8,886	8,940	9,096	9,417	9,750	10,095	10,452
MILK MARKETING FUND.....	774	834	1,125	1,126	1,103	1,123	1,114
FARM PRODUCTS SHOW FUND.....	1,894	3,124	4,039	2,299	2,382	2,467	2,555
BOAT FUND.....	3,864	4,459	4,746	4,651	4,559	4,467	4,207
ECONOMIC REVITALIZATION FUND.....	61,153	41,115	128,615	124,615	123,615	125,115	122,615
ENERGY CONSERVATION AND ASSISTANCE FUND..	45,974	49,000	31,825	17,040	4,635	1,106	1,028
GRAND TOTAL.....	\$13,640,141	\$14,758,128	\$15,131,791	\$15,640,369	\$16,007,922	\$16,398,069	\$16,829,772

GENERAL FUND AND SPECIAL FUNDS
Five-Year Commonwealth Program Summary

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Recommended	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
Commonwealth Program							
Direction and Supportive Services	\$ 730,940	\$ 850,138	\$ 843,221	\$ 868,700	\$ 889,811	\$ 908,326	\$ 929,590
Protection of Persons and Property	1,069,867	1,247,793	1,287,428	1,349,379	1,409,479	1,470,992	1,534,791
Intellectual Development and Education	5,470,138	5,952,909	6,105,355	6,278,412	6,383,338	6,496,056	6,617,855
Health and Human Services	4,136,913	4,411,706	4,675,205	4,808,296	4,979,210	5,166,558	5,375,972
Economic Development	524,106	552,684	467,072	623,735	633,907	643,001	648,218
Transportation and Communication	1,519,052	1,535,877	1,545,834	1,495,919	1,491,652	1,488,545	1,494,410
Recreation and Cultural Enrichment	189,125	207,021	207,676	215,928	220,525	224,591	228,936
GENERAL FUND AND SPECIAL FUNDS TOTAL	<u>\$13,640,141</u>	<u>\$14,758,128</u>	<u>\$15,131,791</u>	<u>\$15,640,369</u>	<u>\$16,007,922</u>	<u>\$16,398,069</u>	<u>\$16,829,772</u>

Distribution of the Commonwealth Dollar GENERAL FUND AND SPECIAL FUNDS

1990-91 Fiscal Year
(Dollar Amounts in Thousands)



Intellectual Development
and Education \$6,105,355
40.3%

Health and Human Services \$4,675,205
30.9%

Transportation and Communication \$1,545,834
10.2%

Protection of Persons and Property \$1,287,428
8.5%

Direction and Supportive Services \$843,221
5.6%

TOTAL \$15,131,791

Economic Development \$467,072*
3.1%

Recreation and Cultural Enrichment \$207,676
1.4%

*The budget also recommends utilizing the remaining \$117 million in unused Pennsylvania Economic Revitalization Fund bond authority to further economic development programs.

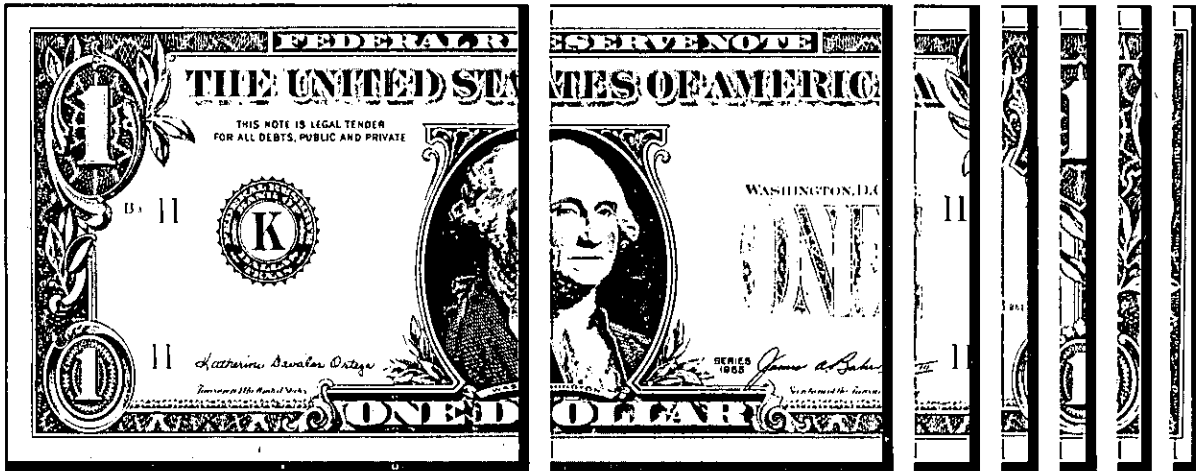
GENERAL FUND

Five-Year Commonwealth Program Summary

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Recommended	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
Commonwealth Program							
Direction and Supportive Services	\$ 410,770	\$ 455,235	\$ 468,757	\$ 484,337	\$ 495,430	\$ 503,631	\$ 514,275
Protection of Persons and Property	814,380	969,960	992,317	1,045,250	1,098,438	1,149,062	1,199,970
Intellectual Development and Education	5,468,228	5,950,609	6,100,158	6,276,215	6,381,141	6,493,859	6,615,658
Health and Human Services	3,438,372	3,693,183	3,912,255	4,044,723	4,194,727	4,343,912	4,507,389
Economic Development	435,422	482,584	334,572	495,875	510,148	517,795	525,590
Transportation and Communication	271,396	291,651	308,239	312,731	318,072	323,947	329,154
Recreation and Cultural Enrichment	131,426	142,497	143,603	149,824	152,309	154,185	156,578
GENERAL FUND TOTAL	<u>\$10,969,994</u>	<u>\$11,985,719</u>	<u>\$12,259,901</u>	<u>\$12,808,955</u>	<u>\$13,150,265</u>	<u>\$13,486,391</u>	<u>\$13,848,614</u>

Distribution of the Commonwealth Dollar GENERAL FUND

1990-91 Fiscal Year



Intellectual Development
and Education 49.8¢

Health and Human Services 31.9¢

Protection of Persons and Property 8.1¢

Direction and Supportive Services 3.8¢

Economic Development 2.7¢*

Transportation and Communication 2.5¢

Recreation and Cultural Enrichment 1.2¢

\$1.00

*The budget also recommends utilizing the remaining \$117 million in unused Pennsylvania Economic Revitalization Fund bond authority to further economic development programs.

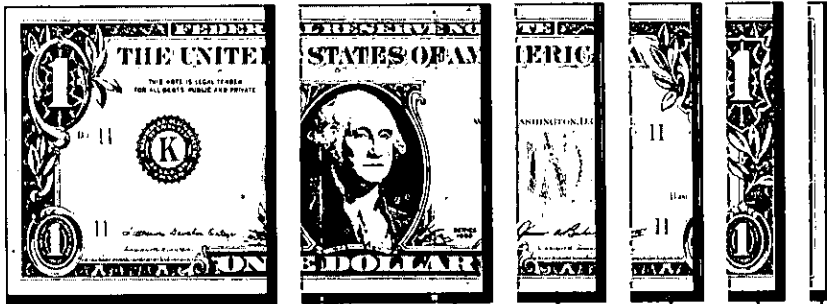
GENERAL FUND

Program Summary

	(Dollar Amounts in Thousands)			
	<u>1989-90</u>		<u>1990-91</u>	
Direction and Supportive Services	\$ 455,235	3.8%	\$ 468,757	3.8%
Protection of Persons and Property	969,960	8.1%	992,317	8.1%
Intellectual Development and Education	5,950,609	49.7%	6,100,158	49.8%
Health and and Human Services	3,693,183	30.8%	3,912,255	31.9%
Economic Development	482,584	4.0%	334,572	2.7%
Transportation and Communication	291,651	2.4%	308,239	2.5%
Recreation and Cultural Enrichment	142,497	1.2%	143,603	1.2%
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
GENERAL FUND TOTAL	<u>\$ 11,985,719</u>	<u>100.0%</u>	<u>\$ 12,259,901</u>	<u>100.0%</u>

General Fund

1990-91 Fiscal Year



SALES \$4,465,113 35.8% —
 PERSONAL INCOME \$3,575,474 28.7% —
 OTHER BUSINESS \$1,689,300 13.6% —
 CORPORATE NET INCOME \$1,228,700 9.9% —
 OTHER REVENUES \$967,478 7.7% —
 INHERITANCE \$538,815 4.3% —

Income

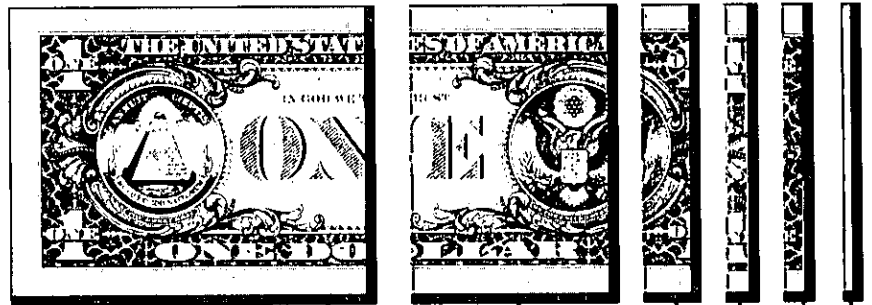
(Dollar Amounts in Thousands)

TOTAL INCOME	\$ 12,464,880
REFUNDS	-257,000
LAPSES	52,500
BEGINNING BALANCE	1,446
<hr/>	
TOTAL	\$ 12,261,826

Outgo

(Dollar Amounts in Thousands)

TOTAL OUTGO	\$ 12,259,901
PLUS ENDING SURPLUS	1,925
<hr/>	
TOTAL	\$ 12,261,826



INTELLECTUAL DEVELOPMENT AND EDUCATION \$6,100,158 49.8% —
 HEALTH AND HUMAN SERVICES \$3,912,255 31.9% —
 PROTECTION \$992,317 8.1% —
 DIRECTION \$468,757 3.8% —
 OTHER PROGRAMS \$451,842 3.7% —
 ECONOMIC DEVELOPMENT \$334,572 2.7% —

* The budget also recommends utilizing the remaining \$117 million in unused Pennsylvania Economic Revitalization Fund bond authority to further economic development programs.

Combatting Drug and Alcohol Abuse

State public health officials estimate that 1.2 million Pennsylvanians are addicted to alcohol and other drugs like cocaine and its deadly derivative, crack. The cost to the State's economy of health care costs, lost productivity and the funding of government human services associated with substance abuse is estimated to be more than \$10 billion annually. Drug and alcohol abuse is linked to child and spousal abuse, contributes to crimes against people and property, and directly and indirectly causes deaths and injuries.

The Commonwealth made fighting the war against drugs a major priority in 1989-90. The 1989-90 Governor's Budget contained the first comprehensive drug and alcohol abuse initiative ever proposed by a Pennsylvania Governor at a cost of \$25.5 million. The Governor also proposed a \$140 million initiative, known as PENNFREE, to expand the war on drugs. The General Assembly eventually approved a \$90.26 million PENNFREE Program that provided a one-time infusion of funds for up to two years for drug law enforcement, prevention and treatment. These funds have already helped to reduce drug trafficking, provide treatment for drug and alcohol addicts and establish school and community-based drug and alcohol prevention programs.

This Program Revision builds on this effort by increasing State funding by \$10.7 million and allocating over \$51 million in new Federal funding available under the Drug Control and Systems Improvement (DCSI) Formula Grant Program; the Alcohol, Drug Abuse, and Mental Health Services Block Grant (ADMBSBG); and the Drug Free Schools and Communities (DFSC) Act.

Recommended Program Revisions:

This budget recommends the following Program Revisions which are explained in more detail in the agency presentations.

Program Revision / Department / Appropriation	1990-91	
	General Fund (Dollar Amounts in Thousands)	Other Funds
DRUG AND ALCOHOL PROGRAM EXPANSION		
OFFICE OF ATTORNEY GENERAL:		
Drug Law Enforcement	\$ 475	.....
CORRECTIONS:		
State Correctional Institutions	\$ 549	.....
EDUCATION:		
Dropout Prevention	\$ 250 ^a	.....
MILITARY AFFAIRS:		
Drug Interdiction	\$ 54	.....
PROBATION AND PAROLE:		
Improvement of Adult Probation Services	\$ 453	.....
General Government Operations	83	.....
PUBLIC WELFARE:		
County Child Welfare	\$ 3,600	.....
Community Mental Health Services	4,982	.....
STATE POLICE:		
General Government Operations	\$ 481	.....
Subtotal	\$ 10,677	.....

This Program Revision, which appears under the Executive Offices, will provide \$10.7 million in State funds and over \$51 million in new Federal funds to expand drug law enforcement, drug and alcohol education and prevention activities, and drug and alcohol treatment services.

^aFunds are not included in the subtotal for this Program Revision to avoid double counting. Funds are included in the Dropout Prevention Program Revision.

Improving the Quality of Family Life

Over the last three years, this Administration has made significant commitments to improving the quality of family life in Pennsylvania. The new decade brings with it new challenges, both for the individual and for the State. These range from preventing unplanned pregnancies to caring for older family members in the community.

This budget meets the human services challenges of the 1990s by providing prevention, crisis intervention and ongoing support services for the Commonwealth's most vulnerable citizens. These services are designed to enhance the well-being of program participants and to provide assistance in the least restrictive setting. Special emphasis is placed on human dignity, self worth and independence.

Recommended Program Revisions:

This budget recommends the following Program Revisions which are explained in more detail in the agency presentations.

	1990-91	
	General Fund	Other Funds
	(Dollar Amounts in Thousands)	
Program Revision / Department / Appropriation		
ASSISTING WOMEN IN CRISIS		
PUBLIC WELFARE:		
Domestic Violence	\$ 1,286	.....
Rape Crisis	626	.....
Subtotal	\$ 1,912	.....

This Program Revision will strengthen and expand Pennsylvania's network of domestic violence and rape crisis programs. It will provide assistance to an additional 4,384 victims of domestic and sexual assault.

WOMEN'S SERVICE PROGRAMS PROVIDING ALTERNATIVES TO ABORTION		
PUBLIC WELFARE:		
Women's Service Programs Providing Alternatives to Abortion	\$ 2,000	.....

This Program Revision provides resources to support women's service programs that provide alternatives to abortion. Comprehensive family planning services, excluding abortion and abortion counseling, will be provided to 25,000 low-income women.

EXPANSION OF HEALTHY BEGINNINGS		
PUBLIC WELFARE:		
Medical Assistance—Inpatient	\$ 11,518	.....
Medical Assistance—Outpatient	4,725	.....
Subtotal	\$ 16,243	.....

This Program Revision will expand Medical Assistance coverage to include women and children with family incomes below 133 percent of the Federal poverty level and children under age six. This will serve an additional 73,121 children and 12,044 pregnant women.

FAMILY AND COMMUNITY BASED SERVICES		
PUBLIC WELFARE:		
Community Mental Health Services	\$ 900	.....
Community-Based Services for the Mentally Retarded	950	.....
Subtotal	\$ 1,850	.....

This Program Revision will provide family based services for 235 mentally ill children and adolescents. It will also provide in-home, family based and supportive living alternatives for 125 mentally retarded individuals.

Program Revision / Department / Appropriation	1990-91	
	General Fund	Other Funds
	(Dollar Amounts in Thousands)	
PENNCARE EXPANSION		
AGING:		
Family Caregiver	\$ 4,500	.....
General Government Operations .....	.....	\$ 160
PENNCARE .....	.....	3,377
Subtotal	\$ 4,500	\$ 3,537

This Program Revision will increase the availability of community-based services for older Pennsylvanians and their families. It provides funds for the Statewide expansion of both intensive in-home services and the Family Caregiver Program, for the elimination of the basic in-home services waiting list and for the transfer of adult day care licensure from the Department of Public Welfare to the Department of Aging.

MAINTAINING THE INTEGRITY OF THE LOTTERY FUND		
AGING:		
Medical Assistance—Long-Term Care .....	.....	\$ -10,000
Pharmaceutical Assistance Fund .....	.....	-21,485
PUBLIC WELFARE:		
Long-Term Care Facilities	\$ 10,000	.....
Subtotal	\$ 10,000	\$ -31,485

This Program Revision will continue the commitment to maintain the integrity of the Lottery Fund by transferring an additional \$10 million in funding for Medical Assistance—Long-Term Care from the Lottery Fund to the General Fund and by implementing cost savings initiatives in the PACE Program.

Health Care Cost Containment

Health care costs in Pennsylvania and the nation are escalating at a phenomenal rate. In order to maintain high quality health care services and full accessibility to these services, cost containment measures must be implemented. This budget includes two Program Revisions that will reduce prescription costs to both the Medical Assistance and PACE programs and will expand cost recovery and avoidance efforts of the Third Party Liability System in the Medical Assistance Program. These Program Revisions will help reduce costs without reducing the quality or quantity of services provided.

Recommended Program Revisions:

This budget recommends the following Program Revisions which are explained in more detail in the agency presentations.

Program Revision / Department / Appropriation	1990-91	
	General Fund	Other Funds
	(Dollar Amounts in Thousands)	
EXPANSION OF THIRD PARTY LIABILITY		
PUBLIC WELFARE:		
Medical Assistance—Inpatient	\$ -10,904	.....
Medical Assistance-Outpatient	-626	.....
Program Accountability	59	.....
County Administration — Statewide	509	.....
Subtotal	\$ -10,962	.....

This Program Revision will expand the cost recovery and avoidance efforts of the Third Party Liability System by implementing the automatic recovery system, expanding recoveries based on trauma diagnosis, expanding research identification pilot projects, and investigating client resources identified by the Social Security Administration and the department's Domestic Relations Section.

PHARMACEUTICAL COST CONTAINMENT

PUBLIC WELFARE:

Medical Assistance — Outpatient	\$ -10,414
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AGING:

Pharmaceutical Assistance Fund	\$ -21,485
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Subtotal	\$ -10,414	\$ -21,485
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This Program Revision will reduce pharmaceutical costs to the Medical Assistance and PACE programs by adopting the Federal Food and Drug Administration's generic drug formulary and establishing the Drug Manufacturers' Rebate Program. Also, the dispensing fee for pharmacies participating in the Medical Assistance and PACE programs will increase by \$.75 over three years, from \$2.75 to \$3.50.

Improving Basic Education

Over the past three years, this Administration has demonstrated an unprecedented commitment toward providing quality education for all of Pennsylvania's children. This investment has enabled our schools to successfully meet the serious challenges of attracting and keeping good teachers, increasing the status and competence of the teaching profession, helping regular and special students in school, and encouraging more graduates to go on to college. This budget continues the Administration's efforts to improve basic education in Pennsylvania.

Two years ago, this Administration recommended and the General Assembly approved an \$18,500 minimum starting salary for Pennsylvania teachers. By paying starting teachers a competitive wage, Pennsylvania is again attracting quality college graduates to teaching. To continue to attract and retain teachers of the highest quality in the face of an impending national teacher shortage, this budget recommends a \$21,000 minimum starting salary for teachers.

Since its inception three years ago, the Successful Student Partnerships Program has improved attendance and academic achievement, reduced disciplinary referrals, and cut the dropout rates of participating schools. In 1990-91, funding for the dropout prevention program will be doubled so that 10 additional school districts can provide these important services.

Pennsylvania is making important progress in educating children with special needs. More children with disabilities now receive increased individual attention, a greater percentage of students are completing high school, and older students are aided in their transition to jobs or higher education. This progress and other improvements in special education, however, are being threatened by the unconstrained growth in special education costs, by a budgeting/reporting system that errs in estimating school district program requirements, and by a payment system that does not provide stable or timely funding. This budget provides for a new reimbursement-based payment system to assure timely, predictable State special education payment, and to improve school district and State level planning, reporting and budgeting.

Recommended Program Revisions: _____

This budget recommends the following Program Revisions which are explained in more detail in the agency presentations:

Program Revision / Department / Appropriation	1990-91	
	General Fund	Other Funds
(Dollar Amounts in Thousands)		
TEACHER SALARY INCREASE _____		
EDUCATION:		
Equalized Subsidy for Basic Education .....	.....	.....
<i>This Program Revision will provide funding in 1991-92 on a reimbursement basis to all school districts, intermediate units and vocational-technical schools which establish a \$21,000 minimum starting salary for teachers during the 1990-91 school year.</i>		
DROPOUT PREVENTION _____		
EDUCATION:		
Dropout Prevention	\$ 250	.....

This Program Revision will allow 10 additional school districts to provide on-site coordinated dropout prevention services to 4,000 additional students.

Program Revision / Department / Appropriation

1990-91

General Fund	Other Funds
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(Dollar Amounts in Thousands)

IMPROVING SPECIAL EDUCATION _____

EDUCATION:

Special Education	\$ 31,660
Instructional Support Teams	5,000	.....
	<hr/>	<hr/>
Subtotal	\$ 36,660	.....

This Program Revision will provide funding to implement a reimbursement-based system for special education excess costs and to establish Instructional Support Teams to assist regular education teachers in providing remedial services to non-special education students. This Program Revision will also establish a Medical Assistance reimbursement system for health-related services.

Improving Access to Higher Education

Pennsylvania's colleges and universities provide diverse, quality educational opportunities attracting students from across the nation and around the world. But, higher education is expensive. Nationally, costs have been rising seven to nine percent annually — twice the inflation rate. At Pennsylvania's public institutions, tuition rates have increased about 10 percent annually over the past decade. Soaring tuition has put a college education out of reach for many of Pennsylvania's high school graduates. This Administration is committed to giving all Pennsylvania students the opportunity to go as far and achieve as much as their abilities will allow. Over the past three years, this Administration has spent over a billion dollars a year on higher education. Efforts will continue to control higher education costs, and to increase scholarships and loans to keep a college education in reach of all aspiring students. This budget includes Program Revisions to increase the direct aid to students provided through grants to full-time students and institutional assistance grants and significant increases in funding for the State System of Higher Education and the State-related Universities. In addition, a challenge grant is provided as an incentive for universities to limit annual tuition increases. Increased funding for the recruitment and retention of minority and disadvantaged students also is provided.

Recommended Program Revisions:

This budget recommends the following Program Revisions which are explained in more detail in the agency presentations.

	1990-91	
	General Fund	Other Funds
	(Dollar Amounts in Thousands)	
Program Revision / Department / Appropriation		
AID TO STUDENTS		
HIGHER EDUCATION ASSISTANCE AGENCY:		
Grants to Full-Time Students	\$ 12,778	.....
Institutional Assistance Grants	2,645	.....
Subtotal	\$ 15,423	.....

This Program Revision will provide a \$100 increase in the maximum grant to full-time students and will improve program access and change eligibility requirements enabling 4,500 additional students to receive these grants. This Program Revision will also provide an \$84 per capital grant increase to the 88 independent postsecondary institutions to help stabilize their tuition costs.

Recommended Program Revisions: _____

This budget recommends the following Program Revisions which are explained in more detail in the agency presentations.

Program Revision / Department / Appropriation	1990-91	
	General Fund	Other Funds
	(Dollar Amounts in Thousands)	
IMPROVING ACCESS TO HIGHER EDUCATION _____		
EDUCATION:		
Tuition Challenge	\$ 15,226	.....
State System of Higher Education:		
Educational and General	15,003	.....
Affirmative Action	815	.....
Recruitment of the Disadvantaged	50	.....
The Pennsylvania State University:		
Educational and General	7,252	.....
Recruitment of the Disadvantaged	50	.....
University of Pittsburgh:		
Educational and General	4,970	.....
Recruitment of the Disadvantaged	50	.....
Temple University:		
Educational and General	5,445	.....
Recruitment of the Disadvantaged	50	.....
Lincoln University:		
Educational and General	400	.....
Recruitment of the Disadvantaged	50	.....
TOTAL GENERAL FUND	\$ 49,361	.....

This Program Revision will provide a \$100 per resident undergraduate student challenge grant to each SSHE or State-related university which limits its annual tuition increase to no more than \$100. This Program Revision also will provide a 4.5 percent increase in funding for the general education operating programs of these universities and additional funding for the recruitment and retention of minority and disadvantaged students.

Commitment to Economic Development

This budget accelerates the Administration's commitment to strengthening and diversifying Pennsylvania's economy and concentrates particular attention on high technology development.

Technology development plays a vital role in Pennsylvania's evolution from a traditional "rust belt" state to a technological leader nationwide. Utilizing technology in effective ways is crucial in managing information, boosting productivity, and producing the specialized and high value-added products and services that make the Commonwealth's business community more competitive.

This Program Revision enhances the development of new technologies and technology transfer, encourages the utilization of existing technologies, targets industries with high growth potential, and supports regional technology resource development. All of these are important investments in Pennsylvania's economic future.

Recommended Program Revisions: _____

This budget recommends the following Program Revisions which are explained in more detail in the agency presentations.

	1990-91	
	General Fund	Other Funds
Program Revision / Department / Appropriation	(Dollar Amounts in Thousands)	
HIGH TECHNOLOGY ENHANCEMENTS		
ECONOMIC DEVELOPMENT PARTNERSHIP:		
MAGLEV Study	\$ 300	
Powdered Metallurgy Research and Development		\$ 400
Engineering School Equipment		2,000
Lehigh Mountaintop Campus		1,000
Ben Franklin Partnership		2,600
Super Computer Center		1,000
Industrial Resource Centers		1,500
Subtotal	\$ 300	\$ 8,500

This Program Revision will provide for venture capital seed funds, additional Ben Franklin challenge grants, expansion of IRC consulting services, a portion of the start-up costs of the new Powdered Metallurgy Center in Johnstown, additional Engineering School Equipment grants, partial funding for a magnetic levitation study and upgrading of the Cray super computer in Pittsburgh. In addition, the Institute for Advanced Science and Technology at the University of Pennsylvania will receive \$1 million in Redevelopment Assistance capital budget funds to develop a Center for Technology Transfer.

Protecting Persons and Property

The increase in drug-related crime and longer prison sentences are overburdening the Commonwealth's Correctional System and Youth Development System. This Administration is committed to protecting our citizens from crime and rehabilitating those offenders who are willing to change their behavior. This budget includes two Program Revisions that will expand corrections services and facilities for adult and juvenile offenders.

Recommended Program Revisions: _____

This budget recommends the following Program Revisions which are explained in more detail in the agency presentations.

	1990-91	
Program Revision / Department / Appropriation	General Fund	Other Funds
	(Dollar Amounts in Thousands)	
CORRECTIONS EXPANSION AND IMPROVEMENTS _____		
CORRECTIONS:		
State Correctional Institutions	\$ 22,468	.....
EDUCATION:		
Correctional Institutions—Education	\$ 566	.....
Subtotal	\$ 23,034	.....

This Program Revision will improve and expand facilities and services, and enhance management effectiveness at the State correctional institutions.

JUVENILE JUSTICE SYSTEM EXPANSION _____

PUBLIC WELFARE:

Youth Development Institutions	\$ 2,002
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This Program Revision will provide for the appropriate level of staff resources consistent with an occupancy rate at 110 percent of capacity. In addition, the department will use \$2.2 million in Social Services Block Grant funds to expand the juvenile justice system by 270 beds in 1989-90. These beds will be fully funded in 1990-91 with \$5.1 million in Social Services Block Grant funds and \$1.6 million in State funds.

Improving Transportation Safety

Pennsylvania's transportation system provides its 12 million citizens with safe and efficient access to their jobs, shopping, schools, emergency services and recreation. In the last three years, the Commonwealth has made major improvements to the transportation system designed to enhance safety and access for all of its citizens.

Commercial vehicles pose a greater risk of serious accidents because they are much larger and heavier than most vehicles on the road. Improving commercial vehicle safety can significantly improve safety for all vehicles. Since 1986-87, 135,000 trucks were inspected and 54,000 units were removed from service due to violations. Furthermore, in 1989-90 the Commonwealth began work on 55 high accident corridors, and started modification of its driver licensing system. In 1990-91, the Commonwealth will expand these efforts by further implementing safety improvement projects on highway corridors which have a high number of accidents and improving its testing of commercial and bus drivers.

Recommended Program Revisions:

This budget recommends the following Program Revisions which are explained in more detail in the agency presentations.

	1990-91	
Program Revision / Department / Appropriation	General Fund	Other Funds
	(Dollar Amounts in Thousands)	
COMMERCIAL DRIVER SAFETY AND LICENSING		
TRANSPORTATION:		
Commercial Driver Safety and Licensing	\$ 917
STATE POLICE:		
Commercial Driver Safety and Licensing	429
EDUCATION:		
Commercial Driver Licensing Test Preparation	3,000
Subtotal	\$ 4,346

This Program Revision will provide funding to the Department of Transportation, Pennsylvania State Police and the Department of Education to improve the safety of commercial vehicles operating in Pennsylvania by developing an extensive testing program for commercial and bus drivers.

USE OF THE GENERAL FUND DOLLAR

1990-91 Fiscal Year

GRANTS AND SUBSIDIES 76.9¢

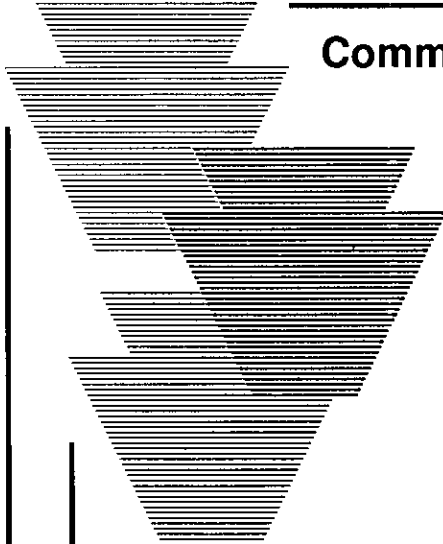


GENERAL GOVERNMENT 11.1¢

INSTITUTIONAL 8.1¢

DEBT SERVICE REQUIREMENTS 3.9¢

\$1.00



Federal Block Grants

The Federal Omnibus Budget Reconciliation Act of 1981 created nine block grants. The Primary Care Block Grant was subsequently repealed by the Federal Government. The remaining eight were implemented during 1982-83. In addition information is provided in this section on the Job Training Partnership Act which has not been labeled by the Federal Government as a block grant but which provides for a program that operates in a very similar manner to the original block grants. Federal funds for Anti-Drug Abuse also are summarized to indicate the total effort by the Commonwealth.

The following tables provide information on the estimated amounts to be received from the Federal Government and an estimated distribution of the funds by program within the block grant. The 1989-90 estimated block amounts reflect the best current estimate of the amounts available and, therefore, may be different from the amounts appropriated.

The distribution by program for 1990-91 is a preliminary proposal. Opportunities for public review and comment and the public hearing process will provide feedback from affected groups and the public which may result in modifications to the proposed distribution.

In general, the amount shown for administrative costs represents the amount that Federal law permits under that particular block grant. It is shown for informational purposes although in many cases it is anticipated that less than the full amount will be spent. The major exception to this approach is the Education Block grant. The law permits up to 20 percent to be spent for administration, Effective Schools, and targeted assistance. The remaining amount goes directly to Local Education Authorities. The proposed spending plan would direct 83 percent to the Local Education Authorities.

SUMMARY OF FEDERAL BLOCK GRANTS

(Dollar Amounts in Thousands)

	1988-89 Actual Block	1989-90 Estimated Block	1990-91 Recommended Block
Community Services	\$ 17,059	\$ 19,599	\$ 16,689
Small Communities	65,915	65,963	65,921
Education	21,004	23,743	22,843
Maternal and Child Health	21,408	24,761	25,036
Preventive Health and Health Services . . .	4,836	5,231	5,399
Alcohol, Drug Abuse, and Mental Health .	36,098	46,957	86,442
Low-Income Home Energy Assistance . . .	96,240	97,738	94,781
Social Services	134,163	134,142	135,641
Job Training Partnership	169,968	158,561	153,223
Anti-Drug Abuse	17,332	26,862	44,584
TOTAL	<u>\$ 584,023</u>	<u>\$ 603,557</u>	<u>\$ 650,559</u>

Community Services

This block grant provides funds for community-based programs that offer health, nutrition, housing and employment related services to improve the standard of living of low-income persons.

Programs consolidated into the block include Community Action; Senior Opportunities and Services; Community Food and Nutrition; Energy Conservation; Training, Evaluation and Technical Assistance.

The requirement that 90 percent of the funding be distributed to existing Community Action Agencies (CAAs) has been continued for future years of the program; 5 percent is allowed for administration and the remaining 5 percent is utilized for competitive projects. The 90 percent program monies are being granted to existing CAAs for operating costs and low income energy assistance efforts; Pennsylvania Intergovernmental Council; Pennsylvania Director's Association for Community Action; and competitive grants in the areas of employment training, job preparedness, community conservation corps, community economic development, summer employment and youth programs and emergency assistance.

The funds estimated for administration are based on the statutory limitation of five percent and will be utilized for program purposes if not needed for administration.

(Dollar Amounts in Thousands)

Department / Appropriation	1988-89	1989-90	1990-91
	Actual Block	Estimate Block	Recommended Block
Community Affairs			
Administration	\$ 640	\$ 609	\$ 689
Community Services	16,419	18,990	16,000
TOTAL	<u>\$ 17,059</u>	<u>\$ 19,599</u>	<u>\$ 16,689</u>

Small Communities

This block grant provides assistance in expanding low and moderate income housing opportunities; enhancing economic development and job opportunities for low and moderate income individuals; correcting deficiencies in public facilities such as water and sewer systems; and improving public facilities that affect the public health and safety.

The program recognizes Pennsylvania's need to rehabilitate its aging housing and infrastructure in order to benefit low and moderate income citizens.

Act 179 of 1984 requires that funds be allocated on a formula basis. Eighty-five percent of the funds must go for grants to eligible cities, boroughs/townships and counties with 24 percent allocated to cities, 38 percent to boroughs/townships and 38 percent for counties. There is a 13 percent setaside for discretionary projects which the department plans to distribute to boroughs and townships under 10,000 in population. The remaining 2 percent is set aside for administrative costs.

(Dollar Amounts in Thousands)

Department / Appropriation	1988-89	1989-90	1990-91
	Actual Block	Estimate Block	Recommended Block
Community Affairs			
Administration	\$ 1,073	\$ 963	\$ 921
Small Communities	64,842	65,000	65,000
TOTAL	<u>\$ 65,915</u>	<u>\$ 65,963</u>	<u>\$ 65,921</u>

Education

The 1988-89 reauthorization of the ECIA Chapter 2 Block Grant targets the use of block grant funds to meet specific educational needs including students at risk of dropping out, acquisition of instructional material for improving the quality of education, programs for training and professional development, programs designed to enhance personal excellence of students, programs for gifted and talented students and innovative programs to carry out schoolwide improvements including the effective schools program. The reauthorization also limits block grant funds that can be used for administration.

Federal law provides that the Commonwealth must distribute at least 80 percent of the block grant to school districts and may retain up to 20 percent for administration and targeted programs. The recommended budget includes 83 percent for school districts.

The school district portion of the block grant is distributed according to a formula based on number of students, poverty and population density.

Department / Appropriation	(Dollar Amounts in Thousands)		
	1988-89 Actual Block	1989-90 Estimate Block	1990-91 Recommended Block
Education:			
Education Block Grant—Administration	\$ 2,308	\$ 2,907	\$ 700
Education Block Grant—Targeted Assistance and Effective Schools			3,200
Subtotal	\$ 2,308	\$ 2,907	\$ 3,900
School Districts:			
Education Block Grant — School District Distribution	\$ 17,676	\$ 18,968	\$ 18,943
Education Block Grant — Technology Initiative	1,020	1,868	
Subtotal	\$ 18,696	\$ 20,836	\$ 18,943
TOTAL	\$ 21,004	\$ 23,743	\$ 22,843

Maternal and Child Health

This block grant provides funds for health services for mothers and children to reduce infant mortality and the incidence of preventable diseases and handicapping conditions among children; rehabilitative services for blind and disabled individuals under age 16, and treatment and care for crippled children.

Consolidated programs include maternal and child health services/crippled children's services, supplemental security income, and disabled children's services.

The Omnibus Budget Reconciliation Act of 1981 provides that the Department of Health and Human Services (DHHS) monitor administrative expenses to insure they do not exceed traditional levels. In accordance with DHHS final rules and regulations, administrative costs will not exceed ten percent.

Department / Appropriation	(Dollar Amounts in Thousands)		
	1988-89	1989-90	1990-91
	Actual Block	Estimate Block	Recommended Block
Health:			
Administration	\$ 1,812	\$ 2,000	\$ 2,255
Maternal and Child Health Services	12,369	15,211	14,211
Crippled Children's Services	6,277	6,600	7,620
Supplemental Security Income Services	950	950	950
TOTAL	\$ 21,408	\$ 24,761	\$ 25,036

Preventive Health and Health Services

This block grant provides for preventive health services for individuals and families, and for a variety of public health services to reduce preventable morbidity and mortality. Programs consolidated into the block grant include emergency medical services, health incentive grants, hypertension control, rodent control, health education/risk reduction, and rape prevention and crisis services.

The Omnibus Budget Reconciliation Act provides a ceiling of ten percent on funds which may be used for administration.

Department / Appropriation	(Dollar Amounts in Thousands)		
	1988-89 Actual Block	1989-90 Estimate Block	1990-91 Recommended Block
Health:			
Administration	\$ 346	\$ 307	\$ 317
Hypertension	1,023	1,217	1,375
Health Education and Prevention	464	700	700
Tuberculosis Programs	468	569	569
Diabetes	217	218	218
Fluoridation	59	60	60
Aids Education	375	.....	.....
Subtotal	<u>\$ 2,952</u>	<u>\$ 3,071</u>	<u>\$ 3,239</u>
Public Welfare:			
Rape Crisis Centers	<u>\$ 180</u>	<u>\$ 180</u>	<u>\$ 180</u>
Environmental Resources:			
Administration	\$ 74	\$ 180	\$ 180
Rodent Control	1,630	1,800	1,800
Subtotal	<u>\$ 1,704</u>	<u>\$ 1,980</u>	<u>\$ 1,980</u>
TOTAL	<u><u>\$ 4,836</u></u>	<u><u>\$ 5,231</u></u>	<u><u>\$ 5,399</u></u>

Alcohol Drug Abuse and Mental Health

This block grant provides funds to establish and maintain programs to combat alcohol and drug abuse, to care for the mentally ill and to promote mental health. Programs include: community mental health centers, drug abuse programs, community services, drug and alcohol formula grants and alcoholism treatment and rehabilitation. The amounts recommended for Health reflect the Federal combination of this block grant with the substance abuse component of the 1986 Anti-Drug Abuse grant, which was incorporated into the ADMSBG of 1988.

(Dollar Amounts in Thousands)

Department / Appropriation	1988-89 Actual Block	1989-90 Estimate Block	1990-91 Recommended Block
Health:			
ADA — Substance Abuse — Administration	\$ 149	\$ 225	. . . . .
Alcohol and Drug Abuse Administration	1,324	1,550	\$ 1,750
Alcohol Grant Programs	4,308	11,000	26,000
Drug Grant Programs	6,362	14,500	34,500
ADA — Substance Abuse	10,004	4,000	. . . . .
Subtotal	<u>\$ 22,147</u>	<u>\$ 31,275</u>	<u>\$ 62,250</u>
Public Welfare:			
Alcohol Drug Abuse and Mental Health			
Administration	\$ 134	\$ 134	\$ 137
Mental Health — Community Health	13,707	15,438	19,840
Child Abuse Drug and Alcohol Treatment . . . . .	. . . . .	. . . . .	2,000
Homeless Drug and Alcohol Services . . . . .	. . . . .	. . . . .	1,033
Subtotal	<u>\$ 13,841</u>	<u>\$ 15,572</u>	<u>\$ 23,019</u>
Corrections:			
Alcohol and Drug Addiction	\$ 110	\$ 110	\$ 1,173
TOTAL	<u>\$ 36,098</u>	<u>\$ 46,957</u>	<u>\$ 86,442</u>

Low-Income Home Energy Assistance

This block grant provides funds to assist eligible low income individuals and families to meet the cost of home energy and to provide low cost residential weatherization or other energy related home repairs for low income households. In addition to the amounts shown below, the Department of Public Welfare's energy assistance program receives supplemental funding from the Energy Conservation and Assistance Fund. During 1989-90, the fund provided \$20,000,000. The recommendation for 1990-91 is to transfer \$26,925,000 from the fund to maintain the current energy assistance program level. The energy assistance program is supplemented by using a portion of the Energy Conservation and Assistance Fund money to match Federal Maintenance Assistance funds to provide grants directly to AFDC eligible households.

(Dollar Amounts in Thousands)

Department / Appropriation	1988-89 Actual Block	1989-90 Estimate Block	1990-91 Recommended Block
Community Affairs:			
Low-Income Home Energy Assistance Block			
Grant — Administration .....	.....	.....	\$ 561
Low-Income Home Energy Assistance Block			
Grant — Grants .....	.....	.....	10,671
Subtotal .....	.....	.....	<u>\$ 11,232</u>
Public Welfare:			
Low-Income Home Energy Assistance Block			
Grant — Administration	\$ 11,753	\$ 11,570	\$ 9,976
Low-Income Home Energy Assistance Block			
Grants	84,487	86,168	73,573
Subtotal	<u>\$ 96,240</u>	<u>\$ 97,738</u>	<u>\$ 83,549</u>
TOTAL	<u>\$ 96,240</u>	<u>\$ 97,738</u>	<u>\$ 94,781</u>

Social Services

Funds are provided to help individuals achieve or maintain self-sufficiency; to prevent, reduce or eliminate dependency; to prevent or remedy abuse and neglect of children and adults; and to prevent or reduce institutional care. Most services are delivered by local entities that receive grants or contract with the department. These Federal allocations serve to augment State appropriations thereby increasing the total level of services provided. Pennsylvania's share of total Federal funds appropriated has been declining due to a decline in the State's proportional share of national population.

(Dollar Amounts in Thousands)

Department / Appropriation	1988-89 Actual Block	1989-90 Estimate Block	1990-91 Recommended Block
Public Welfare:			
General Government	\$ 5,056	\$ 4,913	\$ 4,987
County Assistance Offices	12,929	12,563	12,743
Youth Development	950	2,244	1,432
Community Mental Health	12,050	11,709	11,709
Community Mental Retardation	13,203	12,829	12,829
Mental Retardation Residential Services	5,319	5,169	5,169
County Child Welfare	9,000	11,193	13,044
Day Care	39,904	38,775	38,775
Domestic Violence	1,573	1,529	1,551
Rape Crisis	826	803	815
Family Planning	5,020	4,878	4,948
Legal Services	6,688	6,499	6,499
Homeless Assistance	2,849	2,768	2,808
Attendant Care	4,457	4,337	4,399
Human Services Development Fund	14,339	13,933	13,933
TOTAL	\$ 134,163	\$ 134,142	\$ 135,641

Job Training Partnership

The Federal Job Training Partnership Act (JTPA) places responsibility for the administration of job training programs with the Commonwealth. The ultimate goal is to provide unsubsidized employment to those entering and completing the program. Under JTPA, Title II (Training Services for Disadvantaged) economically disadvantaged adults, youth and older workers receive training, education and job search assistance and placement services to assist them in reentering the workforce.

Title II, the larger of two titles, requires that 78 percent of its funds pass through to Service Delivery Areas (SDAs) established by the Governor in coordination with the State Job Training Coordinating Council (SJTCC). Those areas establish Private Industry Councils (PIC's) whose responsibility is to develop plans for expenditures to be approved by the Governor and the SJTCC. The remainder of the funds under this title are spent as follows: 8 percent for educational training programs; 6 percent for incentive grants; 3 percent for an older workers program and 5 percent for administration.

Beginning July 1, 1989, the Economic Dislocation and Worker Adjustment Assistance Act (EDWAAA) revised the program for providing employment and training services to dislocated workers. Under the provisions of EDWAAA a dislocated worker unit was established to: make training and readjustment services available through the use of rapid response teams, substate grantees and other organizations; promote labor-management cooperation; coordinate with all other programs available to dislocated workers; and inform dislocated workers on the services available. A rapid response capability, to assist in plant closings and mass layoffs is also required under EDWAAA and was implemented.

Administration of these titles is shared by the Departments of Labor and Industry, Education, the Office of the Budget, as well as the Economic Development Partnership. Any unused portion of the five percent administrative funds may be used to fund special training project priorities of the Governor.

(Dollar Amounts in Thousands)

Department / Appropriation	1988-89	1989-90	1990-91
	Actual Block	Estimate Block	Recommended Block
Labor and Industry:			
Administration	\$ 2,422	\$ 2,184	\$ 2,184
Grants to Service Delivery Areas	81,999	67,000	67,000
Summer Youth Program	28,995	38,000	38,000
Incentive Grants	15,644	12,000	8,000
Technical Assistance	1,966	.....	.....
Older Workers	4,531	4,586	4,586
Dislocated Workers	24,078	24,200	24,000
Veterans' Employment	1,187	1,187	1,187
Teen Pregnancy and Parenthood	983	.....	.....
Subtotal	<u>\$ 161,805</u>	<u>\$ 149,157</u>	<u>\$ 144,957</u>
Executive Offices:			
Office of the Budget	\$ 575	\$ 888	\$ 688
Economic Development Partnership:			
Occupational Information	\$ 118	\$ 130	\$ 130
Education:			
Linkages	\$ 538	\$ 1,089	\$ 858
Corrections Education	504	840	890
Educational Training	6,428	6,457	5,700
Subtotal	<u>\$ 7,470</u>	<u>\$ 8,386</u>	<u>\$ 7,448</u>
TOTAL	<u><u>\$ 169,968</u></u>	<u><u>\$ 158,561</u></u>	<u><u>\$ 153,223</u></u>

Anti-Drug Abuse

The Anti-Drug Abuse (ADA) Act of 1986 authorized funds for drug law enforcement, education, prevention, and treatment. The drug law enforcement funds available under the Anti-Drug Abuse Act of 1986 were combined with other Federal law enforcement funds under the Justice Assistance Act to establish a new state grant program in 1988. The reauthorized Anti-Drug Abuse Act of 1988 established the Drug Control and Systems Improvement (DCSI) Formula Grant Program. The DCSI Formula Grant Program provides Federal financial assistance to state and local governments for programs to improve drug laws and to improve the functioning of the criminal justice system with an emphasis on violent crime and serious offenders. Grants may be used for personnel, equipment, training, technical assistance, and information systems for the apprehension, prosecution, adjudication, detention, and rehabilitation of criminal offenders.

The Anti-Drug Abuse Act of 1986 also established the Drug Free Schools and Communities (DFSC) Act which provided Federal financial assistance to school districts, community groups and other nonprofit organizations to provide drug and alcohol education and prevention. Although created as part of the Anti-Drug Abuse Act of 1986, the Drug Free Schools and Communities Act as amended in 1989 is actually an amendment to Title V of the Federal Elementary and Secondary Education Act. DFSC grants to the States must be used for two purposes. A formula grant to the state must be passed directly through to the school districts. These funds must be used by the school districts for drug and alcohol prevention and education activities such as drug abuse curricula, school based drug abuse prevention or intervention programs, family based drug abuse prevention programs, counseling, outreach, referral services, school employe training, and community education. The remaining share of DFSC funds are available to the Governor to be used at the Governor's discretion for a variety of community and school based drug and alcohol prevention and education programs.

Treatment funds provided originally under the Anti-Drug Abuse Act of 1986 are now consolidated into the Alcohol, Drug Abuse, and Mental Health Services (ADMS) Block Grant. Funding recommendations for the ADMS Block Grant can be found elsewhere in this section.

Department / Appropriation	(Dollar Amounts in Thousands)		
	1988-89 Actual Block	1989-90 Estimate Block	1990-91 Recommended Block
DRUG CONTROL AND SYSTEMS IMPROVEMENT FORMULA GRANT PROGRAM (DCSI)			
Executive Offices			
<i>Commission on Crime and Delinquency</i>			
ADA-Law Enforcement—Administration	\$ 233	\$ 245	.....
DCSI-Administration . . . . .	.....	.....	\$ 260
ADA-Law Enforcement	4,684	6,000	.....
DCSI-Law Enforcement . . . . .	.....	.....	8,528
Subtotal	\$ 4,917	\$ 6,245	\$ 8,788
<i>Drug Policy Council</i>			
ADA-Law Enforcement-Administration	\$ 39	\$ 47	.....
DCSI-Administration . . . . .	.....	.....	52
Subtotal	\$ 39	\$ 47	\$ 52
Attorney General			
ADA-Mobile Cooperative Task Force	\$ 411	\$ 411	.....
ADA-Expansion of Mobile Cooperative Task Force . . . . .	.....	78	.....
ADA-Financial Asset Investigation	390	250	.....
ADA-Expansion of Financial Asset Investigation . . . . .	.....	28	.....
ADA-Technical Assistance	47	85	.....
DCSI-Technical Assistance . . . . .	.....	.....	\$ 28
ADA-Drug Law Enforcement	24	24	.....
DCSI-Drug Transportation Interdiction . . . . .	.....	.....	525
DCSI-Local Drug Task Forces . . . . .	.....	.....	1,000
Subtotal	\$ 872	\$ 876	\$ 1,553
Corrections			
ADA-Therapeutic Community	\$ 492	\$ 650	.....
DCSI-Correctional Institutions . . . . .	.....	.....	\$ 1,646
Subtotal	\$ 492	\$ 650	\$ 1,646
Health			
ADA-TASC/SCI Pre/Post Release	\$ 28	.....	.....

Anti-Drug Abuse (continued)

(Dollar Amounts in Thousands)

Department / Appropriation	1988-89 Actual Block	1989-90 Estimate Block	1990-91 Recommended Block
Probation and Parole			
ADA — Statewide Urinalysis Testing	\$ 111	\$ 113	.....
DCSI — Statewide Urinalysis Testing .....	.....	.....	\$ 75 ✓
ADA — Special Intensive Supervision Drug Project	557	570	.....
DCSI-Special Intensive Supervision Drug Project .....	.....	.....	180 ✓
DCSI-State Parole Services .....	.....	.....	248
DCSI-Local Probation Services .....	.....	.....	1,357
Subtotal	\$ 668	\$ 683	\$ 1,860
State Police			
ADA-Drug Identification .....	.....	\$ 186	.....
ADA-Drug Lab Enforcement .....	.....	.....	.....
ADA-DNA Analysis .....	.....	181	.....
ADA-State Law Enforcement	\$ 323	380	.....
DCSI-Drug Law Enforcement .....	.....	.....	\$ 1,441
DCSI-Municipal Police Drug Law Enforcement .....	.....	.....	2,000
Subtotal	\$ 323	\$ 747	\$ 3,441
TOTAL	\$ 7,339	\$ 9,248	\$ 17,340
DRUG FREE SCHOOLS AND COMMUNITIES (DFSC)			
Executive Offices			
Drug Policy Council			
DFSC-Administration	\$ 57	\$ 94	\$ 120
Juvenile Court Judges Commission			
DFSC-Special Programs-Probation Services .....	.....	\$ 200	\$ 200
Education			
DFSC-Administration	\$ 452	\$ 1,409	\$ 1,500
DFSC-School Districts	5,702	8,016	13,500
DFSC-Special Programs	2,782	6,510	9,000
Subtotal	\$ 8,936	\$ 15,935	\$ 24,000
Health			
DFSC-Special Programs-Student Assistance Program	\$ 1,000	\$ 1,035	\$ 1,000
Public Welfare			
DFSC-Special Programs-Juvenile Aftercare Services .....	.....	\$ 350	\$ 1,350
DFSC-Special Programs-Domestic Violence .. .....	.....	.....	449
DFSC-Special Programs-Rape Crisis .....	.....	.....	125
Subtotal .....	.....	350	\$ 1,924
TOTAL	\$ 9,993	\$ 17,614	\$ 27,244
GRAND TOTAL ALL PROGRAMS	\$17,332	\$ 26,862	\$ 44,584

PENNFREE SUMMARY

Part III of the General Appropriations Act of 1989 appropriated funds to supplement funding for drug and alcohol abuse programs. These additional funds, known as PENNFREE, were a one-time infusion of money to fight the war on drugs. PENNFREE funds are being used for drug law enforcement, drug and alcohol abuse treatment, drug and alcohol education, and to assist the victims of drug and alcohol abuse.

Most of the funds appropriated under PENNFREE were appropriated for a two year period from July 1, 1989 through June 30, 1991. Thus, a portion of these funds were held in reserve to pay for programs during 1990-91. However, a few programs only received funding for one year. To continue these programs, additional State and Federal funds are recommended.

The following table summarizes the 1989-90 PENNFREE appropriations and the recommended funding level for 1990-91. Additional drug and alcohol funding has been provided to supplement these PENNFREE initiatives and to begin new initiatives. See the Program Revision entitled "Drug and Alcohol Program Expansion" under the Executive Offices for additional information.

(Dollar Amounts in Thousands)

Department/Appropriation	1989-90 PENNFREE Appropriation	1989-90 PENNFREE Program	1990-91 Budget			
			1989-90 PENNFREE Balance	State Funds	Federal Funds	Total Funds
Executive Offices						
Juvenile Drug and Alcohol Probation						
Units	\$ 3,500	\$ 1,765	\$ 1,735	.....	.....	\$ 1,735
Attorney General						
Drug Law Enforcement	\$ 5,499	\$ 5,399	\$ 100	\$ 4,769	.....	\$ 4,869
Local Drug Task Forces	5,701	2,353	3,348	.....	.....	3,348
Subtotal	<u>\$ 11,200</u>	<u>\$ 7,752</u>	<u>\$ 3,448</u>	<u>\$ 4,769</u>	.....	<u>\$ 8,217</u>
Corrections						
Drug and Alcohol Treatment Facility	\$ 212	\$ 212	.....	.....	.....	.....
Farview State Hospital Conversion	12,000	12,000	.....	.....	.....	.....
Subtotal	<u>\$ 12,212</u>	<u>\$ 12,212</u>	.....	.....	.....	.....
Education						
Community and School Based Drug Prevention	\$ 6,000	\$ 3,000	\$ 3,000	.....	.....	\$ 3,000
Health						
Assistance to Drug & Alcohol Programs ..	\$ 6,000	\$ 2,500	\$ 3,500	.....	.....	\$ 3,500
Residential Drug Treatment Programs ...	3,300	1,100	2,200	.....	.....	2,200
Student Assistance Program	4,500	2,050	2,450	.....	.....	2,450
AIDS Outreach	1,000	500	500	.....	.....	500
AIDS Programs	1,500 ^a	1,000	500 ^b	.....	\$ 1,430	1,930
Drug & Alcohol Facilities Improvements ..	750	.....	750	.....	.....	750
Subtotal	<u>\$ 17,050</u>	<u>\$ 7,150</u>	<u>\$ 9,900</u>	.....	<u>\$ 1,430</u>	<u>\$ 11,330</u>

^aOne year appropriation. All other PENNFREE appropriations are two year continuing appropriations.

^bContracts were made with local providers for calendar year 1990. Thus, funding is available for the first six months of 1990-91 even though these funds were a one year appropriation for 1989-90.

PENNFREE SUMMARY (continued)

(Dollar Amounts in Thousands)

Department/Appropriation	1989-90	1989-90	1990-91 Budget			
	PENNFREE Appropriation	PENNFREE Program	1989-90 PENNFREE Balance	State Funds	Federal Funds	Total Funds
Public Welfare						
Medical Assistance—Drug & Alcohol	\$ 14,000	\$ 4,457	\$ 9,543	.....	.....	\$ 9,543
Student Assistance—Mental Health	6,000	4,986	1,014	\$ 4,982	.....	5,996
Children & Youth Programs	5,000 ^a	3,000	2,000	1,700	\$ 2,000	5,700
Family Preservation	1,900 ^a	1,900	.....	1,900	.....	1,900
Transitional Housing for Homeless	2,000 ^a	1,055	945 ^b	.....	1,033	1,978
Domestic Violence	449 ^a	449	.....	.....	449	449
Subtotal	<u>\$ 29,349</u>	<u>\$ 15,847</u>	<u>\$ 13,502</u>	<u>\$ 8,582</u>	<u>\$ 3,482</u>	<u>\$ 25,566</u>
State Police						
Local Drug Law Enforcement	\$ 2,000	\$ 1,000	\$ 1,000	.....	.....	\$ 1,000
Drug Law Enforcement	5,000	2,275	2,725	.....	.....	2,725
Mobile Narcotics Teams	2,016 ^a	2,016	.....	\$ 2,360	\$ 1,031	3,391
Subtotal	<u>\$ 9,016</u>	<u>\$ 5,291</u>	<u>\$ 3,725</u>	<u>\$ 2,360</u>	<u>\$ 1,031</u>	<u>\$ 7,116</u>
Probation and Parole						
Drug Offenders Work Program	\$ 120 ^a	\$ 120	.....	.....	.....	.....
Intensive Drug Parole Units	944	515	\$ 429	\$ 598	\$ 248	\$ 1,275
Improvement of Adult Probation Services	869	869	.....	980	335	1,315
Subtotal	<u>\$ 1,933</u>	<u>\$ 1,504</u>	<u>\$ 429</u>	<u>\$ 1,578</u>	<u>\$ 583</u>	<u>\$ 2,590</u>
TOTAL	<u><u>\$ 90,260</u></u>	<u><u>\$ 54,521</u></u>	<u><u>\$ 35,739</u></u>	<u><u>\$ 17,289</u></u>	<u><u>\$ 6,526</u></u>	<u><u>\$ 59,554</u></u>

^aOne year appropriation. All other PENNFREE appropriations are two year continuing appropriations.

^bContracts were made with local providers for calendar year 1990. Thus, funding is available for the first six months of 1990-91 even though these funds were a one year appropriation for 1989-90.

PUBLIC INFORMATION AND COMMUNICATIONS

The Commonwealth spends funds on activities to provide government information to the news media and the general public and for other essential communication efforts. Funds are budgeted in over 30 agencies to provide public notification and information to the Commonwealth's public, news media, businesses, legislators and citizens regarding the bidding of contracts, issuance of rules and regulations, announcement of public hearings and the availability of services and financial aid such as the weatherization program and low income energy assistance. This amount which is detailed below excludes those items which are strictly educational and materials which are offered for public sale such as the "Game News" and "Angler."


<u>Department</u>	(Dollar Amounts in Thousands)	
	1989-90	1990-91
	<u>Estimate</u>	<u>Estimate</u>
Governor's Office	\$ 543	\$ 570
Executive Offices	227	243
Lt. Governor	34	38
Department of Aging	201	211
Department of Agriculture	252	264
Banking Department	79	84
Civil Service Commission	57	57
Department of Community Affairs	263	266
Department of Corrections	190	200
Economic Development Partnership	189	198
Department of Education	314	328
Emergency Management Agency	119	128
Department of Environmental Resources	1,003	1,078
Fish Commission	101	106
Game Commission	78	82
Department of General Services	184	190
Department of Health	120	124
Historical and Museum Commission	38	41
Insurance Department	139	148
Department of Labor and Industry	252	266
Liquor Control Board	136	117
Department of Military Affairs	156	164
Milk Marketing Board	48	50
Board of Probation and Parole	20	22
Public Television Network	87	92
Public Utility Commission	221	217
Department of Public Welfare	311	323
Department of Revenue	178	189
Securities Commission	12	13
Department of State	137	148
State Police	84	88
Department of Transportation	451	481
TOTAL	\$ 6,224	\$ 6,526

The Commonwealth also spends funds in these areas:

- *Lottery sales promotion* — \$12.1 million will be spent on advertising campaigns to promote lottery sales and to disseminate information on the various lottery programs including property tax and rent assistance for elderly citizens during 1989-90. These expenditures are expected to generate approximately \$945 million in lottery revenues during 1989-90.
- *Economic development* — A total of \$10.5 million is recommended from the General Fund to promote tourism and economic development. This has contributed to an estimated \$15.6 billion in 1989-90 travel revenues to Pennsylvania and supports the State's aggressive effort to preserve and create jobs.

1990-91

PROGRAM BUDGET SUMMARY

A stylized graphic of the Commonwealth of Pennsylvania, composed of horizontal lines forming the shape of the state, located on the left side of the page.

Commonwealth of Pennsylvania

Commonwealth Program Budget

This section summarizes the 1990-91 budget by the seven 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 improvements or continuation.

Each program presentation contains a summary statement of budget recommendations in that program as well as a breakout of categories and subcategories (subdivisions of activities) which contribute to the Commonwealth's total effort in that program.

Five-Year Summary of Commonwealth Programs

(Dollar Amounts in Thousands)

	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
DIRECTION AND SUPPORTIVE SERVICES							
GENERAL FUND.....	\$ 410,770	\$ 455,235	\$ 468,757	\$ 484,337	\$ 495,430	\$ 503,631	\$ 514,275
SPECIAL FUNDS.....	320,170	394,903	374,464	384,363	394,381	404,695	415,315
FEDERAL FUNDS.....	721	1,049	1,426	1,429	1,433	1,436	1,439
OTHER FUNDS.....	83,056	91,404	96,048	98,912	101,934	105,643	109,502
TOTAL OPERATING.....	\$ 814,717	\$ 942,591	\$ 940,695	\$ 969,041	\$ 993,178	\$ 1,015,405	\$ 1,040,531
CAPITAL BOND AUTHORIZATION.....	\$ 59,313	\$ 0	\$ 2,724	\$ 5,500	\$ 5,800	\$ 6,075	\$ 6,400
PROGRAM TOTAL.....	\$ 874,030	\$ 942,591	\$ 943,419	\$ 974,541	\$ 998,978	\$ 1,021,480	\$ 1,046,931
PROTECTION OF PERSONS AND PROPERTY							
GENERAL FUND.....	\$ 814,380	\$ 969,960	\$ 992,317	\$ 1,045,250	\$ 1,098,438	\$ 1,149,062	\$ 1,199,970
SPECIAL FUNDS.....	255,487	277,833	295,111	304,129	311,041	321,930	334,821
FEDERAL FUNDS.....	60,979	88,403	86,407	81,893	82,708	81,540	81,932
OTHER FUNDS.....	611,257	760,054	721,108	704,780	720,742	740,746	753,469
TOTAL OPERATING.....	\$ 1,742,103	\$ 2,096,250	\$ 2,094,943	\$ 2,136,052	\$ 2,212,929	\$ 2,293,278	\$ 2,370,192
CAPITAL BOND AUTHORIZATION.....	\$ 388,782	\$ 247,719	\$ 16,855	\$ 60,750	\$ 59,625	\$ 62,550	\$ 65,850
PROGRAM TOTAL.....	\$ 2,130,885	\$ 2,343,969	\$ 2,111,798	\$ 2,196,802	\$ 2,272,554	\$ 2,355,828	\$ 2,436,042
INTELLECTUAL DEVELOPMENT AND EDUCATION							
GENERAL FUND.....	\$ 5,468,228	\$ 5,950,609	\$ 6,100,158	\$ 6,276,215	\$ 6,381,141	\$ 6,493,859	\$ 6,615,658
SPECIAL FUNDS.....	1,910	2,300	5,197	2,197	2,197	2,197	2,197
FEDERAL FUNDS.....	48,358	67,882	70,712	70,712	70,712	70,712	70,712
OTHER FUNDS.....	745,422	744,177	832,413	832,835	833,379	833,938	834,517
TOTAL OPERATING.....	\$ 6,263,918	\$ 6,764,968	\$ 7,008,480	\$ 7,181,959	\$ 7,287,429	\$ 7,400,706	\$ 7,523,084
CAPITAL BOND AUTHORIZATION.....	\$ 630,419	\$ 0	\$ 4,068	\$ 55,400	\$ 62,500	\$ 65,575	\$ 69,025
PROGRAM TOTAL.....	\$ 6,894,337	\$ 6,764,968	\$ 7,012,548	\$ 7,237,359	\$ 7,349,929	\$ 7,466,281	\$ 7,592,109
HEALTH AND HUMAN SERVICES							
GENERAL FUND.....	\$ 3,438,372	\$ 3,693,183	\$ 3,912,255	\$ 4,044,723	\$ 4,194,727	\$ 4,343,912	\$ 4,507,389
SPECIAL FUNDS.....	698,541	718,523	762,950	763,573	784,483	822,646	868,583
FEDERAL FUNDS.....	2,965,580	3,125,369	3,263,155	3,242,042	3,419,372	3,533,010	3,645,025
OTHER FUNDS.....	324,386	344,135	347,165	352,061	358,271	362,462	366,702
TOTAL OPERATING.....	\$ 7,426,879	\$ 7,881,210	\$ 8,285,525	\$ 8,402,399	\$ 8,756,853	\$ 9,062,030	\$ 9,387,699
CAPITAL BOND AUTHORIZATION.....	\$ 97,412	\$ 0	\$ 7,477	\$ 20,300	\$ 21,350	\$ 22,400	\$ 23,575
PROGRAM TOTAL.....	\$ 7,524,291	\$ 7,881,210	\$ 8,293,002	\$ 8,422,699	\$ 8,778,203	\$ 9,084,430	\$ 9,411,274
ECONOMIC DEVELOPMENT							
GENERAL FUND.....	\$ 435,422	\$ 482,584	\$ 334,572	\$ 495,875	\$ 510,148	\$ 517,795	\$ 525,590
SPECIAL FUNDS.....	88,684	70,100	132,500	127,860	123,759	125,206	122,628
FEDERAL FUNDS.....	326,117	374,376	378,039	353,606	343,141	342,891	342,891
OTHER FUNDS.....	184,366	293,350	326,850	313,503	316,045	320,120	326,205
TOTAL OPERATING.....	\$ 1,034,589	\$ 1,220,410	\$ 1,171,961	\$ 1,290,844	\$ 1,293,093	\$ 1,306,012	\$ 1,317,314
CAPITAL BOND AUTHORIZATION.....	\$ 854,728	\$ 0	\$ 3,000	\$ 0	\$ 0	\$ 0	\$ 0
PROGRAM TOTAL.....	\$ 1,889,317	\$ 1,220,410	\$ 1,174,961	\$ 1,290,844	\$ 1,293,093	\$ 1,306,012	\$ 1,317,314

Five-Year Summary of Commonwealth Programs

(Dollar Amounts in Thousands)

	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
TRANSPORTATION AND COMMUNICATION							
GENERAL FUND.....	\$ 271,396	\$ 291,651	\$ 308,239	\$ 312,731	\$ 318,072	\$ 323,947	\$ 329,154
SPECIAL FUNDS.....	1,247,656	1,244,226	1,237,595	1,183,188	1,173,580	1,164,598	1,165,256
FEDERAL FUNDS.....	803,648	906,458	756,837	704,888	707,190	682,308	682,639
OTHER FUNDS.....	314,731	404,310	357,491	328,266	310,131	244,589	224,333
TOTAL OPERATING.....	\$ 2,637,431	\$ 2,846,645	\$ 2,660,162	\$ 2,529,073	\$ 2,508,973	\$ 2,415,442	\$ 2,401,382
CAPITAL BOND AUTHORIZATION.....	\$ 2,542,716	\$ 781,775	\$ 61,262	\$ 51,000	\$ 54,000	\$ 57,000	\$ 60,000
PROGRAM TOTAL.....	\$ 5,180,147	\$ 3,628,420	\$ 2,721,424	\$ 2,580,073	\$ 2,562,973	\$ 2,472,442	\$ 2,461,382
RECREATION AND CULTURAL ENRICHMENT							
GENERAL FUND.....	\$ 131,426	\$ 142,497	\$ 143,603	\$ 149,824	\$ 152,309	\$ 154,185	\$ 156,578
SPECIAL FUNDS.....	57,699	64,524	64,073	66,104	68,216	70,406	72,358
FEDERAL FUNDS.....	10,794	11,443	11,724	11,795	11,807	12,080	12,132
OTHER FUNDS.....	12,368	12,486	13,654	13,653	13,703	13,763	13,837
TOTAL OPERATING.....	\$ 212,287	\$ 230,950	\$ 233,054	\$ 241,376	\$ 246,035	\$ 250,434	\$ 254,905
CAPITAL BOND AUTHORIZATION.....	\$ 277,405	\$ 10,190	\$ 605	\$ 13,050	\$ 13,725	\$ 14,400	\$ 15,150
PROGRAM TOTAL.....	\$ 489,692	\$ 241,140	\$ 233,659	\$ 254,426	\$ 259,760	\$ 264,834	\$ 270,055
COMMONWEALTH TOTALS							
GENERAL FUND.....	\$10,969,994	\$11,985,719	\$12,259,901	\$12,808,955	\$13,150,265	\$13,486,391	\$13,848,614
SPECIAL FUNDS.....	2,670,147	2,772,409	2,871,890	2,831,414	2,857,657	2,911,678	2,981,158
FEDERAL FUNDS.....	4,216,197	4,574,980	4,568,300	4,466,365	4,636,363	4,723,977	4,836,770
OTHER FUNDS.....	2,275,586	2,649,916	2,694,729	2,644,010	2,654,205	2,621,261	2,628,565
TOTAL OPERATING.....	\$20,131,924	\$21,983,024	\$22,394,820	\$22,750,744	\$23,298,490	\$23,743,307	\$24,295,107
CAPITAL BOND AUTHORIZATION.....	\$ 4,850,775	\$ 1,039,684	\$ 95,991	\$ 206,000	\$ 217,000	\$ 228,000	\$ 240,000
PROGRAM TOTAL.....	\$24,982,699	\$23,022,708	\$22,490,811	\$22,956,744	\$23,515,490	\$23,971,307	\$24,535,107

Direction and Supportive Service

The goal of this Commonwealth program is to provide an effective administrative support system through which the goals and objectives of the Commonwealth programs can be attained.

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

The agencies in this program include the Governor's Office, Executive Offices, Lieutenant Governor, Auditor General, Treasury, Civil Service Commission, Department of General Services, Department of Revenue, the State Employees' Retirement System and the Legislature.

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
Administrative And Support Services.... \$	44,456	55,225	52,748	54,590	56,502	58,481	60,533
Executive Direction.....	42,366	52,903	50,378	52,159	54,008	55,921	57,905
Personnel Selection.....	1	1	1	1	1	1	1
State Retirement System.....	705	679	672	672	672	672	672
Legal Services.....	1,384	1,642	1,697	1,758	1,821	1,887	1,955
Fiscal Management..... \$	449,967	532,738	521,079	534,653	549,574	563,641	579,523
Revenue Collection And Administration	373,440	436,098	417,389	430,414	443,316	455,290	469,005
Disbursement.....	46,945	62,206	66,778	65,998	66,640	67,306	67,995
Auditing.....	29,582	34,434	36,912	38,241	39,618	41,045	42,523
Physical Facilities And Commodities							
Management..... \$	87,811	101,119	97,152	105,882	108,612	110,275	113,189
Facility, Property And Commodity							
Management.....	87,811	101,119	97,152	105,882	108,612	110,275	113,189
Legislative Processes..... \$	132,363	142,292	152,978	152,978	152,978	152,978	152,978
Legislature.....	132,363	142,292	152,978	152,978	152,978	152,978	152,978
Interstate Relations..... \$	723	727	748	748	748	748	748
Interstate Relations.....	723	727	748	748	748	748	748
Debt Service..... \$	15,620	18,037	18,516	19,849	21,397	22,203	22,619
Debt Service.....	15,620	18,037	18,516	19,849	21,397	22,203	22,619
PROGRAM TOTAL.....	730,940	850,138	843,221	868,700	889,811	908,326	929,590

Protection of Persons and Property

The goal of this Commonwealth program is to provide an environment and a social system in which the lives of individuals and the property of individuals and organizations are protected from natural and man-made disasters and from illegal and unfair action.

This program deals with the following substantive areas: consumer protection, certain regulatory activities, the criminal justice system and mitigation of the effects of disasters.

Within these broad areas, the State Police, Department of Banking, Attorney General, Department of Corrections, Crime Commission, Public Utility Commission, Liquor Control Board, Department of Military Affairs, Emergency Management Agency, Board of Probation and Parole, State Judicial System, Milk Marketing Board, Securities Commission, Department of State and the Insurance Commission deal almost entirely with protection of persons and property. Several agencies such as the Executive Offices and the Departments of Environmental Resources, Agriculture and Labor and Industry are more diversified and some of their activities are included in this program as well as other Commonwealth programs.

Contribution by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
General Administration And Support..... \$	12,509	\$ 15,412	\$ 15,395	\$ 15,841	\$ 16,303	\$ 16,782	\$ 17,279
Criminal & Juvenile Justice Planning.	2,302	2,373	2,146	2,223	2,303	2,386	2,472
Environmental Support Services.....	10,207	13,039	13,249	13,618	14,000	14,396	14,807
Public Protection And Law Enforcement.. \$	336,056	\$ 394,837	\$ 402,419	\$ 416,616	\$ 426,485	\$ 441,799	\$ 457,665
State Police.....	255,983	295,077	302,176	312,563	322,352	333,904	345,870
Attorney General.....	29,920	44,487	41,581	43,639	45,206	46,829	48,511
Highway Safety Administration And Licensing.....	50,153	55,273	58,662	60,414	58,927	61,066	63,284
Control And Reduction Of Crime..... \$	309,585	\$ 390,972	\$ 416,829	\$ 445,960	\$ 479,259	\$ 511,791	\$ 544,147
Criminal Law Enforcement.....	2,501	2,683	2,559	2,651	2,746	2,845	2,947
Institutionalization Of Offenders....	269,169	345,554	369,211	397,253	429,424	460,787	491,933
Reintegration Of Adult Offenders.....	37,915	42,735	45,059	46,056	47,089	48,159	49,267
Juvenile Crime Prevention..... \$	3,721	\$ 7,256	\$ 3,783	\$ 3,803	\$ 3,823	\$ 3,844	\$ 3,866
Reintegration Of Juvenile Delinquents	3,721	7,256	3,783	3,803	3,823	3,844	3,866
Adjudication Of Defendants..... \$	142,785	\$ 149,449	\$ 152,484	\$ 154,437	\$ 156,444	\$ 158,508	\$ 160,627
State Judicial System.....	142,785	149,449	152,484	154,437	156,444	158,508	160,627
Public Order & Community Safety..... \$	14,342	\$ 16,123	\$ 15,998	\$ 16,513	\$ 17,088	\$ 17,683	\$ 18,299
Emergency Management.....	2,456	3,817	3,048	3,158	3,272	3,390	3,512
State Military Readiness.....	11,886	12,306	12,950	13,355	13,816	14,293	14,787

Protection of Persons and Property (continued)

(Dollar Amounts in Thousands)

	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
Protection From Natural Hazards & Disasters.....	\$ 113,869	\$ 126,866	\$ 131,961	\$ 142,016	\$ 146,659	\$ 151,669	\$ 156,849
Environmental Management And Protection.....	95,295	106,724	113,190	120,728	124,660	128,937	133,316
Radiation Protection.....	1,818	2,236	2,401	2,301	2,373	2,443	2,557
Forest Resources Management.....	16,756	17,906	16,370	18,987	19,626	20,289	20,976
Consumer Protection.....	\$ 65,406	\$ 69,261	\$ 69,772	\$ 71,366	\$ 75,183	\$ 77,705	\$ 81,815
Consumer Protection.....	3,926	3,706	3,656	3,721	4,123	3,963	4,141
Financial Institution Regulation.....	8,592	8,642	8,798	9,114	9,442	9,782	10,134
Securities Industry Regulation.....	2,941	3,258	3,169	3,283	3,401	3,523	3,650
Insurance Industry Regulation.....	10,710	11,274	11,414	11,825	12,251	12,692	13,149
Horse Racing Regulation.....	7,508	7,680	6,659	8,410	10,096	10,988	13,067
Milk Industry Regulation.....	1,724	1,745	1,705	1,756	1,808	1,863	1,919
Medical Malpractice Arbitration and Health Facilities.....	662	711	716	742	769	797	825
Protection & Development Of Agricultural Industries.....	29,343	32,245	33,655	32,515	33,293	34,097	34,930
Community And Occupational Safety and Stability.....	\$ 13,292	\$ 14,984	\$ 14,220	\$ 14,732	\$ 15,262	\$ 15,811	\$ 16,381
Community And Occupational Safety And Stability.....	12,405	14,073	13,306	13,785	14,281	14,795	15,328
Fire Prevention And Safety.....	887	911	914	947	981	1,016	1,053
Prevention And Elimination Of Discriminatory Practices.....	\$ 6,448	\$ 7,290	\$ 7,570	\$ 7,801	\$ 8,082	\$ 8,373	\$ 8,674
Prevention And Elimination Of Discriminatory Practices.....	6,448	7,290	7,570	7,801	8,082	8,373	8,674
Debt Service.....	\$ 51,854	\$ 55,343	\$ 56,997	\$ 60,294	\$ 64,891	\$ 67,027	\$ 69,189
Debt Service.....	51,854	55,343	56,997	60,294	64,891	67,027	69,189
PROGRAM TOTAL.....	\$ 1,069,867	\$ 1,247,793	\$ 1,287,428	\$ 1,349,379	\$ 1,409,479	\$ 1,470,992	\$ 1,534,791

Intellectual Development and Education

The goal of this program is to provide a system of learning experiences and opportunities which will permit each individual to achieve his maximum potential intellectual development.

Services are provided through this program in the areas of pre-school, elementary and secondary, vocational, higher and continuing adult education.

This Commonwealth program is financed primarily through the Department of Education. Other departments providing support are Revenue, the Higher Education Assistance Agency and the Tax Equalization Board.

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
Educational Support Services..... \$	18,022	\$ 20,894	\$ 19,377	\$ 20,075	\$ 20,797	\$ 21,546	\$ 22,322
Education Support Services.....	18,022	20,894	19,377	20,075	20,797	21,546	22,322
Basic Education..... \$	4,204,644	\$ 4,566,553	\$ 4,652,634	\$ 4,814,145	\$ 4,908,213	\$ 5,015,363	\$ 5,131,662
Basic Education.....	4,145,262	4,505,112	4,588,639	4,747,595	4,841,663	4,948,813	5,065,112
Information Technology Education.....	6,519	6,780	6,780	6,780	6,780	6,780	6,780
Public Utility Realty Payments.....	52,863	54,661	57,215	59,770	59,770	59,770	59,770
Higher Education..... \$	1,127,473	\$ 1,223,158	\$ 1,288,392	\$ 1,288,392	\$ 1,288,392	\$ 1,288,392	\$ 1,288,377
Higher Education.....	979,170	1,059,455	1,108,327	1,108,327	1,108,327	1,108,327	1,108,312
Financial Assistance To Students.....	124,260	137,256	150,973	150,973	150,973	150,973	150,973
Financial Assistance To Institutions.....	24,043	26,447	29,092	29,092	29,092	29,092	29,092
Debt Service..... \$	119,999	\$ 142,304	\$ 144,952	\$ 155,800	\$ 165,936	\$ 170,755	\$ 175,494
Debt Service.....	119,999	142,304	144,952	155,800	165,936	170,755	175,494
PROGRAM TOTAL..... \$	5,470,138	\$ 5,952,909	\$ 6,105,355	\$ 6,278,412	\$ 6,383,338	\$ 6,496,056	\$ 6,617,855

Economic Development

The goal of this program is to provide a system in which the employment opportunities of individuals, the economic growth and development of communities and the overall economic development of the Commonwealth will be maximized, including optimum use of natural resources to support economic growth.

This program is concerned with the Commonwealth's efforts in industrial development, employability development, community improvement, resource development, labor-management relations and job training.

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

Contribution by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
Economic Development Support Services.. \$	33,870	\$ 36,003	\$ 33,113	\$ 33,410	\$ 33,718	\$ 34,037	\$ 34,368
Management And Policy.....	33,870	36,003	33,113	33,410	33,718	34,037	34,368
 Commonwealth Economic Development..... \$	 175,601	 \$ 161,141	 \$ 112,381	 \$ 234,259	 \$ 228,728	 \$ 230,748	 \$ 224,745
Investment In Private Capital.....	29,739	31,550	19,100	33,100	33,100	33,100	33,100
Investment In Public Capital.....	76,537	73,000	35,550	149,050	147,550	148,050	144,550
Investment In Technology Transfer....	44,250	31,400	39,200	33,400	32,400	33,900	31,400
Energy Management And Conservation...	10,075	13,691	7,531	7,709	4,678	4,698	4,695
Environmental Infrastructure.....	15,000	11,500	11,000	11,000	11,000	11,000	11,000
 Economic Development of the							
Disadvantaged and Handicapped..... \$	50,202	\$ 58,726	\$ 53,853	\$ 54,046	\$ 54,215	\$ 54,391	\$ 54,573
Job Training.....	22,498	26,712	22,649	22,842	23,011	23,187	23,369
Job Training Development.....	8,275	12,625	11,725	11,725	11,725	11,725	11,725
Vocational Rehabilitation.....	19,429	19,389	19,479	19,479	19,479	19,479	19,479
 Community Development..... \$	 154,291	 \$ 147,319	 \$ 110,288	 \$ 112,503	 \$ 109,133	 \$ 105,777	 \$ 106,184
Community Development And							
Conservation.....	104,320	97,747	61,366	61,732	62,112	62,506	62,913
Housing Assistance.....	11,700	10,000	7,500	7,500	3,750	0	0
Public Utility Realty Payments.....	38,271	39,572	41,422	43,271	43,271	43,271	43,271
 Natural Resource Development And							
Management..... \$	27,821	\$ 30,514	\$ 28,885	\$ 29,687	\$ 30,518	\$ 31,379	\$ 32,271
Water And Mineral Resources							
Management.....	27,821	30,514	28,885	29,687	30,518	31,379	32,271
 Local Government Assistance..... \$	 5,234	 \$ 22,931	 \$ 18,356	 \$ 18,356	 \$ 18,356	 \$ 18,356	 \$ 18,356
Municipal Administrative Support							
Capability.....	1,700	5,450	950	950	950	950	950
Municipal Pension Systems.....	3,534	17,481	17,406	17,406	17,406	17,406	17,406
 Debt Service..... \$	 77,087	 \$ 96,050	 \$ 110,196	 \$ 141,474	 \$ 159,239	 \$ 168,313	 \$ 177,721
Debt Service.....	77,087	96,050	110,196	141,474	159,239	168,313	177,721
 PROGRAM TOTAL..... \$	 524,106	 \$ 552,684	 \$ 467,072	 \$ 623,735	 \$ 633,907	 \$ 643,001	 \$ 648,218

Health and Human Services

The goals of this program are to provide a healthful environment; to ensure that all citizens of the Commonwealth have access to a comprehensive quality medical care system; to provide for income maintenance through cash, military and crime victims assistance; and to provide a system of services for reinforcing the capacity of individuals and families for effective adjustment to society and for minimizing socially aberrant behavior.

This program deals with the following substantive areas: research, prevention and treatment for physical, mental health and mental retardation problems; maternal and child health care; financial assistance for older Pennsylvanians, medically needy and families with dependent children; and other programs aimed at addressing the various problems individuals encounter in a complex society.

The scope of these activities are primarily the responsibility of the Departments of Aging, Health and Public Welfare with contributions by the Executive Offices and the Departments of Agriculture, Labor and Industry, Military Affairs, Revenue and Transportation.

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
Human Services Support..... \$	53,459	61,699	61,053	63,251	65,528	67,887	70,330
Human Services Support.....	53,459	61,699	61,053	63,251	65,528	67,887	70,330
Social Development Of Individuals..... \$	269,573	300,393	317,018	328,443	337,847	347,620	357,776
Human Services.....	269,573	300,393	317,018	328,443	337,847	347,620	357,776
Support Of Older Pennsylvanians..... \$	557,876	596,323	649,025	686,793	727,007	768,646	814,583
Community Services For Older Pennsylvanians.....	107,342	119,856	137,975	150,591	152,680	152,807	152,939
Older Pennsylvanians Transit.....	124,031	127,818	133,500	136,452	140,827	144,639	148,594
Homeowners And Renters Assistance....	161,503	160,649	155,550	152,750	150,500	148,200	146,050
Pharmaceutical Assistance.....	165,000	188,000	222,000	247,000	283,000	323,000	367,000
Income Maintenance..... \$	846,384	878,183	904,362	861,460	850,852	854,638	862,797
Income Maintenance.....	834,693	866,918	893,851	851,477	841,396	845,708	854,392
Workers Compensation And Assistance..	7,754	7,354	6,509	5,959	5,409	4,859	4,309
Crime Victims' Assistance.....	562	588	622	644	667	691	716
Military Compensation And Assistance..	3,375	3,323	3,380	3,380	3,380	3,380	3,380
Physical Health Treatment..... \$	1,453,189	1,538,765	1,620,568	1,698,938	1,782,124	1,866,565	1,962,177
Medical Assistance.....	1,276,819	1,333,744	1,428,257	1,499,667	1,576,918	1,658,751	1,751,661
Health Treatment Services.....	14,911	18,499	16,441	16,441	16,441	16,441	16,441
Health Support Services.....	16,879	18,291	18,525	19,420	20,119	20,844	21,594
Health Research.....	8,902	9,361	9,829	9,740	10,003	10,276	10,559
Emergency Food Assistance.....	8,165	9,750	10,254	10,258	10,262	10,266	10,270
Prevention and Treatment of Drug and Alcohol Abuse.....	32,292	46,677	32,127	32,127	32,127	32,127	32,127
Preventive Health.....	77,835	84,196	86,036	89,664	90,315	90,988	91,685
Veterans Homes.....	17,386	18,247	19,099	21,621	25,939	26,872	27,840
Mental Health..... \$	493,278	525,481	570,129	594,773	618,938	642,118	666,169
Mental Health.....	493,278	525,481	570,129	594,773	618,938	642,118	666,169

Health and Human Services (continued)

(Dollar Amounts in Thousands)

	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
Mental Retardation.....	\$ 432,157	\$ 470,928	\$ 513,596	\$ 535,005	\$ 555,760	\$ 577,326	\$ 599,736
Mental Retardation.....	432,157	470,928	513,596	535,005	555,760	577,326	599,736
Debt Service.....	\$ 30,997	\$ 39,934	\$ 39,454	\$ 39,633	\$ 41,154	\$ 41,758	\$ 42,404
Debt Service.....	30,997	39,934	39,454	39,633	41,154	41,758	42,404
PROGRAM TOTAL.....	\$ 4,136,913	\$ 4,411,706	\$ 4,675,205	\$ 4,808,296	\$ 4,979,210	\$ 5,166,558	\$ 5,375,972

Transportation and Communication

The purpose of this program is to provide a system for the fast, efficient and safe movement of individuals, cargo and information within the Commonwealth which is interfaced with a national-international system of transportation and communication.

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

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
	ACTUAL	AVAILABLE	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED
Transportation Systems And Services....	\$ 1,310,173	\$ 1,320,538	\$ 1,323,267	\$ 1,268,974	\$ 1,261,366	\$ 1,257,923	\$ 1,259,517
State Highway and Bridge Construction and Reconstruction.....	205,730	219,719	187,500	154,000	145,000	140,000	140,000
Local Highway and Bridge Assistance..	163,191	170,267	164,841	164,844	165,248	165,782	166,316
Urban Mass Transportation.....	213,682	229,366	239,687	239,687	239,687	239,687	239,687
Rural and Intercity Rail and Bus Transportation.....	8,481	8,800	8,994	8,994	8,994	8,994	8,994
Air Transportation.....	400	400	200	200	200	200	200
State Highway and Bridge Maintenance.	692,946	665,130	694,769	673,056	673,094	673,133	673,174
Transportation Support Services.....	25,743	26,856	27,276	28,193	29,143	30,127	31,146
Debt Service.....	\$ 208,879	\$ 215,339	\$ 222,567	\$ 226,945	\$ 230,286	\$ 230,622	\$ 234,893
Debt Service.....	208,879	215,339	222,567	226,945	230,286	230,622	234,893
PROGRAM TOTAL.....	\$ 1,519,052	\$ 1,535,877	\$ 1,545,834	\$ 1,495,919	\$ 1,491,652	\$ 1,488,545	\$ 1,494,410

Recreation and Cultural Enrichment

The goal of this program is to make available sufficient opportunities for individual and group recreation and cultural growth.

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

In addition, the Fish Commission, Game Commission, Public Television Network and Council on the Arts contribute to this Commonwealth category.

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93* ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
Recreation..... \$	90,467 \$	101,605 \$	102,670 \$	106,099 \$	109,658 \$	113,349 \$	116,857
Recreation Areas And Facilities							
Management.....	32,767	37,137	38,648	40,038	41,478	42,969	44,515
Recreational Fishing And Boating.....	20,252	22,527	23,931	24,527	25,151	25,802	26,310
Wildlife Management.....	37,448	41,941	40,091	41,534	43,029	44,578	46,032
Cultural Enrichment..... \$	69,517 \$	74,440 \$	73,371 \$	74,059 \$	74,622 \$	75,361 \$	76,127
State Historical Preservation.....	12,304	15,329	13,544	13,993	14,308	14,790	15,289
Local Museum Assistance.....	4,693	3,065	2,765	2,765	2,765	2,765	2,765
Development Of Artists And Audiences.	12,710	12,810	12,814	12,843	12,873	12,904	12,937
State Library Services.....	29,662	32,612	33,325	33,432	33,543	33,658	33,777
Public Television Services.....	10,148	10,624	10,923	11,026	11,133	11,244	11,359
Debt Service..... \$	29,141 \$	30,976 \$	31,635 \$	35,770 \$	36,245 \$	35,881 \$	35,952
Debt Service.....	29,141	30,976	31,635	35,770	36,245	35,881	35,952
PROGRAM TOTAL..... \$	189,125 \$	207,021 \$	207,676 \$	215,928 \$	220,525 \$	224,591 \$	228,936

1990-91

SUMMARY
BY FUND



Commonwealth of Pennsylvania

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, the Personal Income Tax and nontax revenues.

GENERAL FUND

Financial Statement

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Beginning Balance	\$ 94,658	\$ 385,079	\$ 1,446
Revenue:			
Official Estimate	\$ 11,095,500	\$ 11,961,100 ^a	\$ 12,428,400
Adjustment to Official Estimate	161,151	-85,200	.....
Reserve for Hazardous Sites Cleanup Fund Transfer	-9,874 ^b	9,874	.....
Less Refunds Reserve	-202,500	-431,000	-257,000
Accrued Revenue Unrealized	499,197	524,509	560,989
Less Revenues Accrued Previously	-480,847	-499,197	-524,509
New Jobs Creation Tax Credit Reserve	9,900	.....	.....
Total Revenue	\$ 11,072,527	\$ 11,480,086	\$ 12,207,880
Prior Year Lapses	187,888	62,000	52,500 ^c
Funds Available	\$ 11,355,073	\$ 11,927,165	\$ 12,261,826
Expenditures:			
Appropriations	\$ 11,012,808	\$ 11,924,033	\$ 12,259,901
Supplemental Appropriations	26,224	61,686	.....
Less Current Year Lapses	-69,038	-60,000	.....
Estimated Expenditures	\$-10,969,994	\$-11,925,719	\$-12,259,901
Reserves:			
Tax Stabilization Reserve .....	.....^d	.....^d	.....^d
Sunny Day Fund .....	.....^d	.....^d	.....^d
Total Reserves .....	.....	.....	.....
Ending Balance	\$ 385,079	\$ 1,446	\$ 1,925

^aThe Official Revenue Estimate of July 1, 1989 has been reduced by \$471,400,000 for tax credits taken against the Bank Shares Tax in lieu of tax refunds.

^bA portion of the transfer to Hazardous Sites Cleanup Fund for 1988-89 was completed in July 1989.

^cProposed lapse of unspent and available balances remaining in prior year appropriations to the Legislature.

^dBoth Sunny Day Fund and Tax Stabilization Reserve Fund received a \$25 million appropriation from the State Workmen's Insurance Fund in fiscal year 1988-89 and a \$5 million appropriation in 1989-90. The 1990-91 budget recommends additional appropriations from the State Workmen's Insurance Fund to the Sunny Day Fund (\$10 million) and to the Tax Stabilization Reserve Fund (\$25 million).

GENERAL FUND

NOTES ON FINANCIAL STATEMENT

(Dollar Amounts in Thousands)

	1989-90 Estimated
SUPPLEMENTAL APPROPRIATIONS	
Treasury	
Interest on Tax Anticipation Notes (EA)	<u>\$ 8,000</u>
Corrections	
State Correctional Institutions	<u>\$ 29,150</u>
Emergency Management Agency	
Local Government Costs	<u>\$ 290</u>
Environmental Resources	
Storm Water Management	<u>\$ 327</u>
Higher Education Assistance Agency	
Student Loan Forgiveness	<u>\$ 327</u>
Public Welfare	
State General Hospitals	\$ 6,200
Medical Assistance — Inpatient	11,000
Department Total	<u>\$ 17,200</u>
State Police	
General Government Operations	<u>\$ 4,893</u>
Judiciary	
Courts of Common Pleas	\$ 689
Community Courts — District Justices	810
Department Total	<u>\$ 1,499</u>
TOTAL	<u>\$ 61,686</u>

NOTES ON FINANCIAL STATEMENT

(Dollar Amounts in Thousands)

SUNNY DAY RESERVE

It is proposed that \$10 million be appropriated from the State Workmen's Insurance Fund to the Sunny Day Fund to alleviate unemployment by attracting large industrial, manufacturing or research and development plants into the Commonwealth. Specific spending plans will be proposed as opportunities are identified. With this additional amount the Sunny Day Reserve will be over \$35 million at the end of 1990-91.

TAX STABILIZATION RESERVE

It is proposed that \$25 million be appropriated from the State Workmen's Insurance Fund to the Tax Stabilization Reserve to provide a cushion to the State budget in times of economic downturns when revenues are depressed and social needs are the greatest. With this additional amount the Tax Stabilization Reserve will be nearly \$160 million at the end of 1990-91.

GENERAL FUND

STATE FUNDS BY DEPARTMENT

The following is a summary, by department of 1988-89 actual expenditures, of 1989-90 amounts available and of 1990-91 amounts budgeted from the General Fund as presented in the budget.

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
Governor's Office	\$ 5,686	\$ 6,201	\$ 6,610
Executive Offices	62,558	77,124	70,111
Lieutenant Governor's Office	774	863	906
Attorney General's Office	29,920	44,487	41,581
Auditor General's Office	33,116	51,915	54,318
Treasury Department	396,903	470,567	499,838
Department of Aging	2,778	3,800	9,000
Department of Agriculture	34,389	38,702	38,694
Civil Service Commission	1	1	1
Department of Community Affairs	77,089	83,447	34,116
Department of Corrections	269,169	345,554	369,211
Crime Commission	2,501	2,683	2,559
Economic Development Partnership	131,743	138,103	33,563
Department of Education	5,191,640	5,641,353	5,765,931
Emergency Management Agency	3,343	4,728	3,962
Department of Environmental Resources	184,664	207,556	212,743
Fish Commission	7	9	9
Department of General Services	72,674	73,656	70,189
Department of Health	150,819	177,024	162,958
Higher Education Assistance Agency	154,822	170,483	186,845
Historical and Museum Commission	16,997	18,394	16,309
Housing Finance Agency	11,700	10,000	7,500
Infrastructure Investment Authority	15,000	11,500	11,000
Insurance Department	10,710	11,274	11,414
Department of Labor and Industry	47,863	47,441	45,019
Department of Military Affairs	32,647	33,876	35,429
Milk Marketing Board	950	931	600
Board of Probation and Parole	37,915	42,735	45,059
Public Television Network	10,148	10,624	10,923
Department of Public Welfare	3,216,536	3,433,163	3,660,979
Department of Revenue	170,112	176,408	182,157
Securities Commission	2,941	3,258	3,169
Department of State	3,926	3,706	3,656
State Employees' Retirement System	705	679	672
State Police	84,612	107,816	103,012
Tax Equalization Board	1,064	1,132	1,189
Department of Transportation	226,424	242,785	253,207
Legislature	132,363	142,292	152,978
Judiciary	142,785	149,449	152,484
TOTAL	\$10,969,994	\$ 11,985,719	\$ 12,259,901

GENERAL FUND

FEDERAL FUNDS BY DEPARTMENT

The following is a summary of Federal Funds, by department, of 1988-89 expenditures, the 1989-90 amounts available and the 1990-91 amounts budgeted as presented in the General Fund budget. The General Assembly specifically appropriates Federal Funds by Federal source.

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
Executive Offices	\$ 8,732	\$ 11,254	\$ 20,843
Attorney General's Office	3,543	4,020	4,306
Department of Agriculture	2,722	3,606	3,533
Department of Community Affairs	96,350	106,664	112,247
Department of Corrections	972	1,239	3,267
Crime Commission	971	.....	.....
Economic Development Partnership	1,531	5,152	1,850
Department of Education	56,402	75,642	77,903
Emergency Management Agency	2,136	2,500	2,800
Department of Environmental Resources	88,851	130,141	112,785
Department of General Services	50	20	.....
Department of Health	138,206	175,290	216,208
Historical and Museum Commission	645	872	1,075
Infrastructure Investment Authority .....	.....	22,800	20,000
Department of Labor and Industry	205,238	208,050	212,829
Department of Military Affairs	4,195	4,451	4,903
Board of Probation and Parole	708	715	1,860
Public Utility Commission	741	800	690
Department of Public Welfare	2,734,723	2,841,037	2,934,897
State Police	3,309	4,563	6,560
Department of Transportation	10,117	15,134	13,156
TOTAL	\$ 3,360,142	\$ 3,613,950	\$ 3,751,712

GENERAL FUND

AUGMENTATIONS BY DEPARTMENT

The following is a summary of augmentations, by department, of 1988-89 expenditures, the 1989-90 amounts available and the 1990-91 amounts budgeted as presented in the General Fund budget.

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
Governor's Office	\$ 724	\$ 788	\$ 828
Executive Offices	43,619	48,865	49,728
Attorney General's Office	3,514 ^a	4,230 ^a	4,283 ^a
Auditor General's Office	5,982	5,805	6,542
Treasury Department	1,472	2,337	1,755
Department of Agriculture	1,464	1,777	1,785
Civil Service Commission	8,514	9,250	10,161
Department of Community Affairs	4,300	5,777	4,424
Department of Corrections	744	720	740
Crime Commission	2	.	.
Economic Development Partnership	1,622 ^a	3,409 ^a	2,972 ^a
Department of Education	6,998	3,147	2,340
Emergency Management Agency	97	102	102
Department of Environmental Resources	19,594	22,810	26,923
Department of General Services	3,031	3,398	3,184
Department of Health	10,634	12,728	12,855
Historical and Museum Commission	490	495	500
Insurance Department	1,195	1,784	1,812
Labor and Industry	13,742	14,240	21,279
Department of Military Affairs	4,868	4,952	5,530
Probation and Parole Board	14	18	.
Public Television Network	124	161	.
Public Utility Commission	27,638 ^a	29,952 ^a	31,276 ^a
Department of Public Welfare	141,808	147,371	140,169
Department of Revenue	10,298	11,257	12,157
Department of State	14,560 ^a	15,088 ^a	14,529 ^a
State Police	15,881	16,313	17,045
Department of Transportation	276	497	487
Legislature	2	7	.
Judiciary	4,458 ^a	6,016 ^a	6,742 ^a
TOTAL	\$ 347,665	\$ 373,294	\$ 380,148

^aIncludes funds appropriated from restricted revenues.

General Fund

Summary by Department and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GOVERNOR'S OFFICE			
General Government			
Governor's Office	\$ 5,686	\$ 6,201	\$ 6,610
DEPARTMENT TOTAL	<u>\$ 5,686</u>	<u>\$ 6,201</u>	<u>\$ 6,610</u>
EXECUTIVE OFFICES			
General Government			
Governor's Action Center	\$ 587	\$ 325	\$ 343
Office of Administration	3,797	4,871	4,871
Inspector General	352	1,873	1,873
Office of the Budget	21,821	23,783	25,449
Audit Payments to HHS		5,051	
ICS Development	3,675	3,694	3,915
Milrite Council	227	240	250
Human Relations Commission	6,212	7,043	7,206
Council on the Arts	752	810	814
Commission for Women	236	247	324
Pay Equity Study			40
Energy Office	1,475	1,691	1,881
Juvenile Court Judges Commission	482	517	544
Commission on Crime and Delinquency	2,002	2,073	2,146
Office of General Counsel	1,384	1,642	1,697
Crime Victims Compensation Board	562	588	622
Health Facilities Hearing Board	159	183	184
Health Care Arbitration Panels	503	528	532
Public Employee Retirement Study Commission	450	500	504
Distinguished Daughters	4	5	6
Drug Policy Council	91	96	96
Subtotal	<u>\$ 44,771</u>	<u>\$ 55,760</u>	<u>\$ 53,297</u>
Grants and Subsidies			
Grants to the Arts	\$ 11,958	\$ 12,000	\$ 12,000
Energy Development Authority	1,500	1,500	750
Eagleville Hospital	300	300	
Improvement of Juvenile Probation Services	3,239	3,239	3,239
PENNFREE—Juvenile Drug and Alcohol Probation Units		3,500	
Labor Management Committee	790	825	825
Subtotal	<u>\$ 17,787</u>	<u>\$ 21,364</u>	<u>\$ 16,814</u>
DEPARTMENT TOTAL	<u>\$ 62,558</u>	<u>\$ 77,124</u>	<u>\$ 70,111</u>
LIEUTENANT GOVERNOR'S OFFICE			
General Government			
Lieutenant Governor's Office	\$ 564	\$ 643	\$ 672
Portrait—Former Lieutenant Governor		3	
Board of Pardons	210	217	234
DEPARTMENT TOTAL	<u>\$ 774</u>	<u>\$ 863</u>	<u>\$ 906</u>

General Fund

Summary by Department and Appropriation

(continued)

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
OFFICE OF ATTORNEY GENERAL			
General Government			
General Government Operations	\$ 23,329	\$ 25,312	\$ 27,092
Drug Law Enforcement	5,661	6,417	12,866
PENNFREE—Drug Law Enforcement .....	.....	5,499	.....
Hazardous Waste Prosecutions	820	1,448	1,513
Subtotal	<u>\$ 29,810</u>	<u>\$ 38,676</u>	<u>\$ 41,471</u>
Grants and Subsidies			
County Trial Reimbursement	\$ 110	\$ 110	\$ 110
PENNFREE—Local Drug Task Forces .....	.....	5,701	.....
Subtotal	<u>\$ 110</u>	<u>\$ 5,811</u>	<u>\$ 110</u>
DEPARTMENT TOTAL	<u>\$ 29,920</u>	<u>\$ 44,487</u>	<u>\$ 41,581</u>
AUDITOR GENERAL			
General Government			
Auditor General's Office	\$ 28,394	\$ 33,263	\$ 35,600
Transition Expenses—Attorney General	33	.....	.....
Transition Expenses—State Treasurer	73	.....	.....
Board of Claims	1,082	1,171	1,312
Subtotal	<u>\$ 29,582</u>	<u>\$ 34,434</u>	<u>\$ 36,912</u>
Grants and Subsidies			
Municipal Pension System State Aid	\$ 3,534	\$ 17,481	\$ 17,406
DEPARTMENT TOTAL	<u>\$ 33,116</u>	<u>\$ 51,915</u>	<u>\$ 54,318</u>
TREASURY			
General Government			
State Treasurer's Office	\$ 13,581	\$ 14,735	\$ 15,672
Computer Modernization .....	.....	.....	1,400
Transition Expenses—Auditor General	34	.....	.....
Board of Finance and Revenue	913	1,029	1,298
Publishing Monthly Statements	38	40	45
Council of State Governments	123	128	135
Great Lakes Commission	38	60	60
Replacement Checks	92	300	300
National Conference of State Legislatures	136	142	150
Education Commission of the States	67	71	74
Advisory Commission on Intergovernmental Relations	9	9	9
National Governors Association	114	121	129
Coalition of Northeast Governors	136	85	85
Northeast-Midwest Institute	52	63	58
Governmental Accounting Standards Board	40	40	40
State and Local Legal Center	8	8	8
Subtotal	<u>\$ 15,381</u>	<u>\$ 16,831</u>	<u>\$ 19,463</u>
Grants and Subsidies			
Law Enforcement Officers Death Benefits	\$ 300	\$ 350	\$ 350

General Fund

Summary by Department and Appropriation

(continued)

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
Treasury (continued)			
Debt Service Requirements			
Interest Obligations — Penn State University		\$ 16	\$ 16
Loan and Transfer Agents	\$ 190	225	225
Tax Note Expenses	125	170	170
Commercial Paper Costs	360	400	400
Interest on Tax Anticipation Notes	24,853	36,000	38,000
General Obligation Debt Service	355,694	416,575	441,214
Subtotal	<u>\$ 381,222</u>	<u>\$ 453,386</u>	<u>\$ 480,025</u>
DEPARTMENT TOTAL	<u>\$ 396,903</u>	<u>\$ 470,567</u>	<u>\$ 499,838</u>
AGING			
General Government			
Transitional Care	\$ 1,280	\$ 1,500	\$ 1,500
Family Caregiver	1,498	2,300	7,500
DEPARTMENT TOTAL	<u>\$ 2,778</u>	<u>\$ 3,800</u>	<u>\$ 9,000</u>
AGRICULTURE			
General Government			
General Government Operations	\$ 16,785	\$ 17,939	\$ 18,373
Agricultural Conservation Easement Administration	67	98	124
Agricultural Research	2,499	3,000	2,500
Agricultural Promotion	360	590	500
Farmers' Market Food Coupons			104
Subtotal	<u>\$ 19,711</u>	<u>\$ 21,627</u>	<u>\$ 21,601</u>
Grants and Subsidies			
Brucellosis Vaccination	\$ 150	\$ 225	\$ 225
Rabies Research	273	273	273
Animal Health Commission	879	955	955
Poultry Surveillance	155	171	171
Animal Indemnities	232	399	250
Transfer to State Farm Products Show Fund	1,000	1,000	1,000
Livestock Show	140	152	152
Open Dairy Show	83	90	90
Junior Dairy Show	33	36	36
4-H Club Shows	38	41	41
Payments to Pennsylvania Fairs	3,400	3,750	3,750
Emergency Food Assistance	8,000	9,500	10,000
TEFAP—Administration	165	250	150
Mushroom Promotion	100	100	
FFA Foundation	30	33	
Emergency Apple Marketing		100	
Subtotal	<u>\$ 14,678</u>	<u>\$ 17,075</u>	<u>\$ 17,093</u>
DEPARTMENT TOTAL	<u>\$ 34,389</u>	<u>\$ 38,702</u>	<u>\$ 38,694</u>

General Fund

Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
CIVIL SERVICE COMMISSION			
General Government			
General Government Operations	\$ 1	\$ 1	\$ 1
DEPARTMENT TOTAL	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
 COMMUNITY AFFAIRS			
General Government			
General Government Operations	\$ 8,586	\$ 28,776	\$ 9,940
Hispanic Council	91	200	255
Subtotal	<u>\$ 8,677</u>	<u>\$ 28,976</u>	<u>\$ 10,195</u>
 Grants and Subsidies			
Circuit Riders .....	.....	\$ 250	\$ 250
Flood Plain Management	\$ 75	60	60
Community Conservation and Youth Employment	2,736	2,736	2,736
Housing and Redevelopment Assistance	45,000	37,000	20,000
Enterprise Development	7,250	7,250	.....
Regional Councils	200	200	200
Planning Assistance	175	175	175
We The People 200 .....	.....	500	.....
Community and Economic Development	10,818	.....	.....
Community Public Safety Projects	2,108	.....	.....
Heritage Parks .....	.....	550	.....
Distressed Communities Assistance .....	.....	3,750	500
Local Drug Enforcement and Control	50	.....	.....
Neighborhood Housing Services .....	.....	250	.....
Local Government Loan .....	.....	1,250	.....
William Telek Memorial Library .....	.....	500	.....
Subtotal	<u>\$ 68,412</u>	<u>\$ 54,471</u>	<u>\$ 23,921</u>
DEPARTMENT TOTAL	<u>\$ 77,089</u>	<u>\$ 83,447</u>	<u>\$ 34,116</u>
 CORRECTIONS			
Institutional			
State Correctional Institutions	\$ 269,169	\$ 333,342	\$ 369,211
PENNFREE—Drug and Alcohol Treatment .....	.....	212	.....
PENNFREE—Farview Conversion .....	.....	12,000	.....
DEPARTMENT TOTAL	<u>\$ 269,169</u>	<u>\$ 345,554</u>	<u>\$ 369,211</u>
 CRIME COMMISSION			
General Government			
General Government Operations	\$ 2,501	\$ 2,536	\$ 2,559
Decade Report on Organized Crime .....	.....	147	.....
DEPARTMENT TOTAL	<u>\$ 2,501</u>	<u>\$ 2,683</u>	<u>\$ 2,559</u>
 ECONOMIC DEVELOPMENT PARTNERSHIP			
General Government			
General Government Operations	\$ 7,884	\$ 9,703	\$ 8,213
Marketing	9,000	10,500	10,500
Subtotal	<u>\$ 16,884</u>	<u>\$ 20,203</u>	<u>\$ 18,713</u>

General Fund

Summary by Department and Appropriation

(continued)

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
Economic Development Partnership (continued)			
Grants and Subsidies			
Industrial Development Assistance	\$ 500	\$ 500	\$ 500
Pennsylvania Industrial Development Authority	12,500	12,500	.....
Site Development	880	1,000	.....
Local Development District Grants	850	850	850
Appalachian Regional Commission	347	350	350
Minority Business Development Authority	2,000	2,000	2,000
Community Facilities	6,494	7,500	.....
Minority Business Technical Assistance	243	250	250
Small Business Development Centers .....	.....	1,100	1,100
International City Project	100	100	.....
Transfer to Pennsylvania Economic Revitalization Fund	41,050	34,600	8,500
Ben Franklin Partnership	31,500	25,400	.....
Tourist Promotion Assistance	6,500	7,200	.....
PENNPORTS	6,500	12,050	.....
Super Computer Center	1,750	.....	.....
J & L Site Development	1,000	1,000	.....
Economic Development Financing Authority	250	250	250
Federal Procurement	235	250	250
Community Economic Development Projects	1,410	.....	.....
Horticultural Society	150	200	.....
Hardwoods Research and Promotion	500	500	500
Music Theater Festival	100	100	.....
Industrial Communities Site Development and Action Program .....	.....	10,000	.....
Pittsburgh Center for the Arts .....	.....	100	.....
North Washington Economic Development .....	.....	100	.....
MAGLEV Study .....	.....	.....	300
Subtotal	<u>\$ 114,859</u>	<u>\$ 117,900</u>	<u>\$ 14,850</u>
DEPARTMENT TOTAL	<u>\$ 131,743</u>	<u>\$ 138,103</u>	<u>\$ 33,563</u>
 EDUCATION			
General Government			
General Government Operations	\$ 16,763	\$ 19,762	\$ 18,188
Vocational Student Organizations	195	.....	.....
State Library	2,773	2,928	2,980
Subtotal	<u>\$ 19,731</u>	<u>\$ 22,690</u>	<u>\$ 21,168</u>
 Institutional			
Youth Development Centers Education	\$ 4,540	\$ 4,852	\$ 5,234
Correctional Institutions Education	6,296	6,887	7,436
Scranton State School for the Deaf	3,664	3,981	4,181
Scotland School for Veterans' Children	7,595	8,731	8,659
Thaddeus Stevens State School of Technology	3,874	4,333	4,449
Subtotal	<u>\$ 25,969</u>	<u>\$ 28,784</u>	<u>\$ 29,959</u>

General Fund

Summary by Department and Appropriation

(continued)

	(Dollar Amounts in Thousands)		
Education (continued)	1988-89 Actual	1989-90 Available	1990-91 Budget
Grants and Subsidies			
Support of Public Schools:			
Equalized Subsidy for Basic Education	\$ 2,507,279	\$ 2,661,268	\$ 2,745,327
PENNFREE—Community and School Based Drug Prevention .....	.....	6,000	.....
School Performance Incentives	5,000	5,000	5,300
Agenda for Excellence	26,000	17,251	.....
For the Improvement of Teaching	2,000	1,500	2,300
Adult Literacy	6,957	7,000	7,000
Vocational Education	37,221	35,785	35,722
Authority Rentals and Sinking Fund Requirements	134,000	142,800	142,800
Pupil Transportation	208,650	212,900	223,545
Nonpublic Pupil Transportation	12,725	12,950	13,200
Special Education	326,000	348,340	380,000
Special Education Supplemental .....	.....	99,000	.....
Instructional Support Teams .....	.....	.....	5,000
Early Intervention—Handicapped Children	8,258	14,800	24,338
Homebound Instruction	495	475	475
Tuition for Orphans and Children Placed in Private Homes ..	14,600	16,000	19,500
Payments in Lieu of Taxes	80	80	80
Education of Migrant Laborers' Children	194	200	210
Education of the Disadvantaged	1,000	1,000	1,000
Special Education—Approved Private Schools	58,500	56,100	58,344
Private Residential Rehabilitation Institutions	500	500	500
Higher Education of Blind or Deaf Students	50	50	50
Intermediate Units	13,400	13,500	14,175
School Food Services	10,844	11,738	11,920
School Employees' Social Security	187,000	200,823	221,907
School Employees' Retirement Fund Transfer	481,968	541,266	570,858
School Annuity Supplement	8,669	.....	.....
School District Payments—Racing	3,500	3,500	3,500
Education of Indigent Children	100	100	105
Subtotal—Support of Public Schools	\$ 4,054,990	\$ 4,409,926	\$ 4,487,156
Other Grants and Subsidies:			
Customized Job Training	\$ 11,710	\$ 15,500	\$ 11,500
JTPA—Matching Funds	5,600	5,400	5,400
Services to Nonpublic Schools	46,059	48,859	50,422
Textbooks for Nonpublic Schools	8,869	9,408	9,709
Student Supplies for Nonpublic Schools	5,228	5,545	5,722
Teen Pregnancy and Parenthood	828	928	928
Comprehensive Reading	278	300	300
Dropout Prevention	750	1,000	1,250
Improvement of Library Services	21,500	22,145	22,809
Library Services for Blind and Handicapped	1,789	1,939	2,036
Library Access	3,000	5,000	5,000
School Library Catalog	500	500	500
College of Physicians	100	100	.....
Educational Radio and Television Grants	175	175	175
Conservatory Leadership School	30	30	30
Ethnic Heritage	200	200	200

General Fund

Summary by Department and Appropriation

(continued)

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
Education (continued)			
Other Grants and Subsidies: (continued)			
Governor's Schools for Excellence	\$ 955	\$ 936	\$ 1,049
Educational and Institutional Assistance Projects	1,904	.....	.....
Subtotal—Other Grants and Subsidies	<u>\$ 109,475</u>	<u>\$ 117,965</u>	<u>\$ 117,030</u>
 Higher Education—Other Grants and Subsidies:			
Community Colleges	\$ 103,103	\$ 110,268	\$ 124,071
Higher Education for the Disadvantaged	6,397	7,175	7,534
Rural Initiatives	1,245	375	254
Higher Education Equipment	14,100	6,602	.....
Annenberg Center .....	.....	150	.....
Tuition Challenge .....	.....	12,873	28,099
Subtotal—Higher Education—Other Grants and Subsidies ..	<u>\$ 124,845</u>	<u>\$ 137,443</u>	<u>\$ 159,958</u>
 State System of Higher Education:			
State System of Higher Education	\$ 311,594	\$ 333,406	\$ 348,409
Recruitment of the Disadvantaged	200	250	300
Cheyney Enhancement	1,750	935	.....
Deferred Maintenance	3,800	3,800	3,800
McKeever Center	250	250	.....
Teaching Academy	500	500	500
Library Enhancement	1,500	750	.....
Affirmative Action .....	.....	300	1,115
Subtotal—State System of Higher Education	<u>\$ 319,594</u>	<u>\$ 340,191</u>	<u>\$ 354,124</u>
 State-Related Universities			
THE PENNSYLVANIA STATE UNIVERSITY:			
Educational and General	\$ 150,615	\$ 161,158	\$ 168,410
Research	13,164	14,085	14,719
Medical Programs	4,188	4,481	4,615
Agricultural Research	15,668	18,765	17,268
Agricultural Extension Services	17,901	19,154	19,729
Recruitment of the Disadvantaged	200	250	300
Elizabethtown Hospital	4,411	4,720	4,862
Biotechnology	1,500	750	.....
Psychiatric Education	1,375	1,500	1,375
Pennsylvania College of Technology	7,238	8,887	9,287
Pennsylvania College of Technology—Debt Service	3,009	3,009	2,902
Subtotal—Pennsylvania State University	<u>\$ 219,269</u>	<u>\$ 236,759</u>	<u>\$ 243,467</u>

General Fund

Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1988-89	1989-90	1990-91
	Actual	Available	Budget
Education (continued)			
Grants and Subsidies: (continued)			
State-Related Universities (continued)			
UNIVERSITY OF PITTSBURGH:			
Educational and General	\$ 103,216	\$ 110,441	\$ 115,411
Medical Programs	5,907	6,320	6,510
Dental Clinics	997	1,067	1,067
Titusville Campus	793	849	887
Recruitment of the Disadvantaged	200	250	300
Applied Research Center	1,500	750	.....
Western Psychiatric Institute .....	.....	7,629	7,972
Western Teen Suicide Center .....	.....	515	515
Bradford Campus .....	.....	1,170	805
Subtotal—University of Pittsburgh	\$ 112,613	\$ 128,991	\$ 133,467
TEMPLE UNIVERSITY:			
Educational and General	\$ 113,084	\$ 121,000	\$ 126,445
Medical Programs	7,863	8,413	8,665
Dental Clinics	997	1,067	1,067
Technology Programs	1,500	750	.....
Recruitment of the Disadvantaged	200	250	300
Maxillofacial Prosthodontics .....	.....	100	100
Subtotal—Temple University	\$ 123,644	\$ 131,580	\$ 136,577
LINCOLN UNIVERSITY:			
Educational and General	\$ 8,314	\$ 8,896	\$ 9,296
Recruitment of the Disadvantaged	200	250	300
International Affairs	300	300	300
Subtotal—Lincoln University	\$ 8,814	\$ 9,446	\$ 9,896
Non-State Related Universities and Colleges:			
Delaware Valley College of Science and Agriculture	\$ 438	\$ 424	\$ 424
James Mitchner Arts Center .....	.....	200	200
Drexel University	5,466	5,849	5,466
Hahnemann Medical College: Medical Programs	\$ 4,869	\$ 5,210	\$ 4,869
Hahnemann Medical College: Allied Health Programs	702	851	702
Subtotal — Hahnemann Medical College	\$ 5,571	\$ 6,061	\$ 5,571
Thomas Jefferson University: Medical Programs	\$ 5,797	\$ 6,303	\$ 5,797
Thomas Jefferson University: Operations and Maintenance	4,128	4,417	4,128
Subtotal — Thomas Jefferson University	\$ 9,925	\$ 10,720	\$ 9,925
Medical College of Pennsylvania: Medical Programs	\$ 2,881	\$ 3,233	\$ 2,881
Medical College of Pennsylvania: Allied Health Programs	915	979	915
Subtotal — Medical College of Pennsylvania	\$ 3,796	\$ 4,212	\$ 3,796
University of Pennsylvania:			
Instruction	\$ 15,545	\$ 16,633	\$ 15,545
Dental Clinics	997	1,067	997
Medical Programs	4,295	4,596	4,295
School of Veterinary Medicine	7,481	8,005	8,005
New Bolton	3,509	3,755	3,755
Food And Animal Clinics	1,890	2,022	2,022
Center for Animal Health and Productivity	1,153	1,234	1,234
Dairy Cattle Teaching and Research Facility	322	.....	.....
Biohazard Incinerator	400	.....	.....
Subtotal—University of Pennsylvania	\$ 35,592	\$ 37,312	\$ 35,853

General Fund

Summary by Department and Appropriation

(continued)

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
Education (continued)			
Grants and Subsidies: (continued)			
<i>Non-State Related Universities and Colleges: (continued)</i>			
Pennsylvania College of Podiatric Medicine	\$ 1,191	\$ 1,269	\$ 1,191
Pennsylvania College of Optometry	1,553	1,662	1,553
Philadelphia University of the Arts	1,047	1,120	1,047
Philadelphia College of Textiles and Science	522	559	522
Philadelphia College of Osteopathic Medicine	5,240	5,607	5,240
Subtotal—Non-State Related Universities and Colleges	<u>\$ 70,341</u>	<u>\$ 74,995</u>	<u>\$ 70,788</u>
<i>Non-State Related Institutions:</i>			
Berean: Maintenance	\$ 927	\$ 1,092	\$ 927
Berean: Rental Payments	95	102	102
Subtotal — Berean	<u>\$ 1,022</u>	<u>\$ 1,194</u>	<u>\$ 1,029</u>
Downington: Maintenance	\$ 906	\$ 969	\$ 906
Downingtown: Rental Payments	81	81	81
Downingtown: Special Projects	54	54	54
Subtotal — Downingtown	<u>\$ 1,041</u>	<u>\$ 1,104</u>	<u>\$ 1,041</u>
Johnson Technical Institute	\$ 195	\$ 209	\$ 195
Williamson Free School of Mechanical Trades	97	76	76
Subtotal—Non-State Related Institutions	<u>\$ 2,355</u>	<u>\$ 2,583</u>	<u>\$ 2,341</u>
Subtotal—Grants and Subsidies	<u>\$ 5,145,940</u>	<u>\$ 5,589,879</u>	<u>\$ 5,714,804</u>
DEPARTMENT TOTAL	<u>\$ 5,191,640</u>	<u>\$ 5,641,353</u>	<u>\$ 5,765,931</u>
 EMERGENCY MANAGEMENT AGENCY			
General Government			
General Government Operations	\$ 2,456	\$ 3,527	\$ 3,048
Office of Fire Safety	887	911	914
Subtotal	<u>\$ 3,343</u>	<u>\$ 4,438</u>	<u>\$ 3,962</u>
 Grants and Subsidies			
Local Government Costs .....	.....	\$ 290	.....
DEPARTMENT TOTAL	<u>\$ 3,343</u>	<u>\$ 4,728</u>	<u>\$ 3,962</u>
 ENVIRONMENTAL RESOURCES			
General Government			
General Government Operations	\$ 7,454	\$ 9,041	\$ 9,006
Environmental Hearing Board	767	1,171	1,243
EDP Support	1,986	2,827	3,000
Water Quality Testing Laboratories	319	380	365
Office of Resources Management	16,731	18,325	19,251
Chesapeake Bay Agricultural Source Abatement	2,622	2,909	3,035
Deep Mine Safety	3,560	3,871	3,912
Office of Environmental Protection	47,309	57,487	61,821
Seasonal Farm Worker Camp Inspections	226	296	296
Radon Testing	1,080	1,300	1,251
School District Asbestos Removal Plan	144	.....	.....

General Fund

Summary by Department and Appropriation

(continued)

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
Environmental Resources (continued)			
General Government (continued)			
State Forestry Operations	\$ 12,445	\$ 13,286	\$ 11,609
Gypsy Moth and Other Insect Control	3,114	3,395	3,536
Black Fly Control and Research	2,442	2,495	1,812
State Parks	32,732	37,097	38,607
Subtotal	<u>\$ 132,931</u>	<u>\$ 153,880</u>	<u>\$ 158,744</u>
Grants and Subsidies			
Low Level Radioactive Waste Control	\$ 736	\$ 736	\$ 950
Hazardous Waste Control	15,926	15,926	15,926
Flood Control Projects	1,104	1,325	1,000
Flood Plain Renovations	1,000	1,000	.....
Environmental Protection Projects	779	.....	.....
Storm Water Management	550	977	650
Sewage Facilities Planning Grants	499	500	1,000
Sewage Facilities Enforcement Grants	1,707	1,600	1,450
Sewage Treatment Plant Operation Grants	21,135	22,500	25,300
Solid Waste Disposal Planning Grants	678	.....	.....
Delaware River Master	53	63	66
Ohio River Basin Commission	5	8	8
Susquehanna River Basin Commission	262	276	290
Interstate Commission on the Potomac River	26	26	30
Delaware River Basin Commission	807	880	880
Ohio River Valley Water Sanitation Commission	97	109	114
Chesapeake Bay Commission	150	175	175
Great Lakes Protection Fund .....	.....	500	500
Small Watershed Projects	32	.....	.....
Local Soil and Water District Assistance	1,500	1,500	1,500
Interstate Mining Commission	10	10	10
Abandoned Surface Mine Reclamation	2,000	2,000	2,000
Anthracite Emergency Bond Fund	50	50	.....
Annual Fixed Charges—Flood Lands	23	23	23
Annual Fixed Charges—Project 70	12	17	18
Annual Fixed Charges—Forest Lands	1,197	1,225	1,225
Vector Control	493	500	500
Appalachian States Waste Compact	2	200	200
Marianna Borough Cleanup	200	200	.....
Wernersville State Hospital Utilities	700	.....	184
Center for Hazardous Materials Research .....	.....	500	.....
Schuylkill River Dredging .....	.....	850	.....
Subtotal	<u>\$ 51,733</u>	<u>\$ 53,676</u>	<u>\$ 53,999</u>
DEPARTMENT TOTAL	<u>\$ 184,664</u>	<u>\$ 207,556</u>	<u>\$ 212,743</u>
FISH COMMISSION			
Grants and Subsidies			
Atlantic States Marine Fisheries Commission	\$ 7	\$ 9	\$ 9
DEPARTMENT TOTAL	<u>\$ 7</u>	<u>\$ 9</u>	<u>\$ 9</u>

General Fund

Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL SERVICES			
General Government			
General Government Operations	\$ 43,971	\$ 45,925	\$ 40,822
Legal Services—Capitol East Wing	300	.....	.....
Capitol Police	4,211	4,438	4,395
Utility Costs	9,300	9,140	10,140
Harristown Rental Charges	7,300	6,489	6,485
Harristown Utility and Municipal Charges	6,064	6,064	6,064
Printing and Distribution of the Pennsylvania Manual	178	.....	178
Asbestos Response	800	800	800
Subtotal	<u>\$ 72,124</u>	<u>\$ 72,856</u>	<u>\$ 68,884</u>
Grants and Subsidies			
Excess Insurance Coverage .....	.....	.....	\$ 505
Capitol Fire Protection	\$ 550	\$ 550	550
Federal Surplus Pilot Project—Luzerne County .....	.....	250	250
Subtotal	<u>\$ 550</u>	<u>\$ 800</u>	<u>\$ 1,305</u>
DEPARTMENT TOTAL	<u>\$ 72,674</u>	<u>\$ 73,656</u>	<u>\$ 70,189</u>
HEALTH			
General Government			
General Government Operations	\$ 10,370	\$ 11,150	\$ 11,176
TMI-Health Studies	282	290	318
Quality Assurance	3,605	4,116	4,122
Vital Statistics	4,568	4,866	5,230
State Laboratory	2,904	3,025	3,227
State Health Care Centers	12,970	13,882	14,549
Vietnam Veterans Health Initiative Commission	161	219	237
Diabetes Task Force	360	413	436
AIDS Programs	1,684	2,750	2,883
PENNFREE — AIDS Outreach .....	.....	1,000	.....
PENNFREE — AIDS Programs .....	.....	1,500	.....
Cancer Registry	853	986	1,038
Arthritis Task Force	124	178	161
Health Promotion .....	.....	.....	.....
Subtotal	<u>\$ 37,881</u>	<u>\$ 44,375</u>	<u>\$ 43,377</u>

General Fund

Summary by Department and Appropriation

(continued)

	(Dollar Amounts in Thousands)		
Health (continued)	1988-89 Actual	1989-90 Available	1990-91 Budget
Grants and Subsidies			
School Health Examinations	\$ 18,186	\$ 17,525	\$ 17,500
Local Health Departments	18,411	18,400	21,750
Local Health—Environmental	6,551	6,577	6,617
WIC—State Supplement	13,000	15,000	15,000
Maternal and Child Health	1,687	1,733	1,786
Cancer Control and Prevention	3,805	4,000	4,000
Pittsburgh Cancer Institute	500	500	500
University of Pennsylvania Cancer Center	500	250	250
Assistance to Drug and Alcohol Programs	32,067	32,127	32,127
PENNFREE — Residential Drug Treatment Programs .....	.....	3,300	.....
PENNFREE — Assistance to Drug and Alcohol Programs .....	.....	6,000	.....
PENNFREE — Student Assistance Program .....	.....	4,500	.....
PENNFREE — Drug and Alcohol Facilities Improvements .....	.....	750	.....
Renal Dialysis	5,786	6,520	6,520
Pennsylvania AWARE	225	.....	.....
Emergency Health Services	1,500	1,500	1,500
Spina Bifida	951	1,055	1,055
Home Ventilators	650	700	735
Coal Workers Pneumoconiosis Services	321	550	600
Centerville Clinic .....	.....	75	.....
Adult Cystic Fibrosis	191	217	224
VD Screening and Treatment	380	741	827
Cooley's Anemia	205	205	205
Screening and Treatment—TB	500	540	576
Hemophilia	1,307	2,300	2,300
Sickle Cell Anemia	788	1,062	812
Sickle Cell Camps	35	36	36
Lupus Disease Research	80	85	85
Health Care Services NW	195	195	195
Keystone State Games	200	200	200
Poison Control Center SE	200	.....	.....
Poison Control Center SW	375	.....	.....
Regional Poison Control Centers .....	.....	1,575	.....
Tourette Syndrome	100	100	.....
Worksite Wellness	125	.....	.....
HIB Vaccine	280	290	290
American Trauma Society	150	150	.....
Fox Chase Institute for Cancer Research	725	800	800
Wistar Institute—Research	239	246	246
Wistar Institute—AIDS	103	106	106
Cardiovascular Studies—University of Pennsylvania	133	137	137
Cardiovascular Studies—St. Francis Hospital	133	137	137
Central Pennsylvania Oncology Group	141	148	148
Burn Foundation of Greater Delaware Valley	368	379	379
Cerebral Palsy—St. Christopher's Hospital—Operations and Maintenance	796	820	820
Home for Crippled Children, Pittsburgh	775	798	798
Cerebral Palsy—St. Christopher's Hospital—Handicapped Children	106	146	146
Cleft Palate Clinic—Lancaster	56	58	58
Cleft Palate Clinic—Pittsburgh	56	58	58
Tay Sachs Disease—Jefferson Medical College	56	58	58
Subtotal	<u>\$ 112,938</u>	<u>\$ 132,649</u>	<u>\$ 119,581</u>
DEPARTMENT TOTAL	<u>\$ 150,819</u>	<u>\$ 177,024</u>	<u>\$ 162,958</u>

General Fund

Summary by Department and Appropriation

(continued)

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
HIGHER EDUCATION ASSISTANCE AGENCY			
Grants and Subsidies			
Grants to Full Time Students	\$ 116,160	\$ 127,780	\$ 140,558
College Work Study	6,350	6,350	6,350
Institutional Assistance Grants	24,043	26,447	29,092
Equal Opportunity Professional Education	750	750	750
Loan Forgiveness	1,000	2,376	3,315
Computer Training	2,769	2,880	2,880
Computer Purchases	3,750	3,900	3,900
DEPARTMENT TOTAL	<u>\$ 154,822</u>	<u>\$ 170,483</u>	<u>\$ 186,845</u>
 HISTORICAL AND MUSEUM COMMISSION			
General Government			
General Government Operations	\$ 11,379	\$ 13,429	\$ 12,469
Maintenance Program	825	1,500	825
Columbus Day Celebration .....	.....	300	150
Subtotal	<u>\$ 12,204</u>	<u>\$ 15,229</u>	<u>\$ 13,444</u>
 Grants and Subsidies			
Governor Printz Park—Morton Homestead	\$ 500	.....	.....
Museum Assistance	770	\$ 725	\$ 725
Museum Assistance Projects	1,186	.....	.....
Humanities Council	100	100	100
University of Pennsylvania Museum	185	190	190
Carnegie Museum	185	190	190
Franklin Institute	558	625	575
Academy of Natural Sciences	341	351	351
Buhl Science Center	185	190	190
Museum of Philadelphia Civic Center	185	190	190
Afro-American Historical and Cultural Museum	164	169	169
Everhart Museum	34	35	35
Mercer Museum .....	.....	.....	150
Morris Arboretum	400	400	.....
Subtotal	<u>\$ 4,793</u>	<u>\$ 3,165</u>	<u>\$ 2,865</u>
DEPARTMENT TOTAL	<u>\$ 16,997</u>	<u>\$ 18,394</u>	<u>\$ 16,309</u>
 HOUSING FINANCE AGENCY			
Grants and Subsidies			
Homeowners Emergency Mortgage Assistance	\$ 11,700	\$ 10,000	\$ 7,500
DEPARTMENT TOTAL	<u>\$ 11,700</u>	<u>\$ 10,000</u>	<u>\$ 7,500</u>

General Fund

Summary by Department and Appropriation

(continued)

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
INFRASTRUCTURE INVESTMENT AUTHORITY			
(PENNVEST)			
Grants and Subsidies			
PENNVEST	\$ 15,000	\$ 11,500	\$ 11,000
DEPARTMENT TOTAL	<u>\$ 15,000</u>	<u>\$ 11,500</u>	<u>\$ 11,000</u>
INSURANCE			
General Government			
General Government Operations	\$ 10,710	\$ 11,274	\$ 11,414
DEPARTMENT TOTAL	<u>\$ 10,710</u>	<u>\$ 11,274</u>	<u>\$ 11,414</u>
LABOR AND INDUSTRY			
General Government			
General Government Operations	\$ 5,900	\$ 6,472	\$ 5,937
Occupational and Industrial Safety	5,227	6,336	6,052
Right to Know	1,170	1,265	1,317
Job Creation Tax Credit Administration	108	.	.
PENNSERVE	500	500	500
Literacy Corps Pilot Project .....	.	500	500
Subtotal	<u>\$ 12,905</u>	<u>\$ 15,073</u>	<u>\$ 14,306</u>
Grants and Subsidies			
Occupational Disease Payments	\$ 6,960	\$ 6,358	\$ 5,814
Occupational Disease Study .....	.	250	.
Transfer to Vocational Rehabilitation Fund	17,800	17,460	17,460
Supported Employment	829	899	899
Harmarville Rehabilitation Center	200	200	200
Centers for Independent Living	600	830	920
Workmen's Compensation Payments	794	746	695
Dislocated Workers	2,500	1,250	1,250
Job Centers	2,125	3,375	3,475
JTPA—Matching Funds	3,150	1,000	.
Subtotal	<u>\$ 34,958</u>	<u>\$ 32,368</u>	<u>\$ 30,713</u>
DEPARTMENT TOTAL	<u>\$ 47,863</u>	<u>\$ 47,441</u>	<u>\$ 45,019</u>
MILITARY AFFAIRS			
General Government			
General Government Operations	\$ 11,333	\$ 11,803	\$ 12,352
American Battle Monuments	3	3	4
Armory Maintenance and Repair	500	500	500
Veterans Memorial Commission	50	.	40
Drug Interdiction .....	.	.	54
Subtotal	<u>\$ 11,886</u>	<u>\$ 12,306</u>	<u>\$ 12,950</u>

General Fund

Summary by Department and Appropriation

(continued)

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
Military Affairs (continued)			
Institutional			
Erie Soldiers and Sailors Home	\$ 3,491	\$ 4,192	\$ 4,304
Holidaysburg Veterans Home	8,877	9,480	9,790
Southeastern Veterans Home	5,018	4,575	5,005
Subtotal	<u>\$ 17,386</u>	<u>\$ 18,247</u>	<u>\$ 19,099</u>
Grants and Subsidies			
Education of Veterans Children	\$ 58	\$ 75	\$ 65
Education—National Guard	515	402	474
Veterans Assistance	2,283	2,287	2,287
Blind Veterans Pension	153	159	159
Paralyzed Veterans Pension	350	380	380
National Guard Pension	16	20	15
Subtotal	<u>\$ 3,375</u>	<u>\$ 3,323</u>	<u>\$ 3,380</u>
DEPARTMENT TOTAL	<u>\$ 32,647</u>	<u>\$ 33,876</u>	<u>\$ 35,429</u>
MILK MARKETING BOARD			
Grants and Subsidies			
Transfer to Milk Marketing Board	\$ 950	\$ 931	\$ 600
DEPARTMENT TOTAL	<u>\$ 950</u>	<u>\$ 931</u>	<u>\$ 600</u>
BOARD OF PROBATION AND PAROLE			
General Government			
General Government Operations	\$ 23,718	\$ 25,585	\$ 27,685
PENNFREE — Intensive Drug Parole Units .....	.....	944	.....
PENNFREE — Drug Offenders Work Program .....	.....	120	.....
Subtotal	<u>\$ 23,718</u>	<u>\$ 26,649</u>	<u>\$ 27,685</u>
Grants and Subsidies			
Improvement of Adult Probation Services	\$ 14,197	\$ 15,217	\$ 17,374
PENNFREE — Improvement of Adult Probation Services .....	.....	869	.....
Subtotal	<u>\$ 14,197</u>	<u>\$ 16,086</u>	<u>\$ 17,374</u>
DEPARTMENT TOTAL	<u>\$ 37,915</u>	<u>\$ 42,735</u>	<u>\$ 45,059</u>
PUBLIC TELEVISION NETWORK			
General Government			
General Government Operations	\$ 2,758	\$ 2,785	\$ 2,866
Grants and Subsidies			
Public Television Station Grants	\$ 7,390	\$ 7,839	\$ 8,057
DEPARTMENT TOTAL	<u>\$ 10,148</u>	<u>\$ 10,624</u>	<u>\$ 10,923</u>

General Fund

Summary by Department and Appropriation

(continued)

	(Dollar Amounts in Thousands)		
	1988-89	1989-90	1990-91
	Actual	Available	Budget
PUBLIC WELFARE			
General Government			
General Government Operations	\$ 19,247	\$ 25,286	\$ 26,315
Information Systems	26,915	29,039	27,666
County Assistance Offices	170,119	183,929	191,283
County Administration—Statewide	26,885	27,842	30,870
Program Accountability	7,297	7,374	7,072
New Directions	15,831	18,078	20,074
Visually Handicapped	5,586	6,137	6,415
Subtotal	<u>\$ 271,880</u>	<u>\$ 297,685</u>	<u>\$ 309,695</u>
Institutional			
Youth Development Institutions	\$ 32,164	\$ 34,231	\$ 41,579
State General Hospitals	18,044	21,545	15,506
State Mental Hospitals	329,068	354,594	367,357
Closing of Philadelphia State Hospital .....	.....	.....	39,049
State Centers for the Mentally Retarded	95,063	102,070	111,086
Subtotal	<u>\$ 474,339</u>	<u>\$ 512,440</u>	<u>\$ 574,577</u>
Grants and Subsidies			
Cash Grants	\$ 528,400	\$ 537,907	\$ 545,924
Medical Assistance—Transportation	14,062	14,046	14,046
Medical Assistance—Outpatient	316,273	346,337	368,899
Women's Services Program Providing Alternatives to Abortion .....	.....	.....	2,000
PENNFREE — Medical Assistance Drug and Alcohol Treatment .....	.....	14,000	.....
AIDS-Special Pharmaceutical Services .....	.....	2,752	2,369
Medical Assistance — Inpatient	462,000	454,922	471,003
Medical Assistance — Capitation	119,172	114,145	135,581
Long-Term Care Facilities	218,340	256,595	319,047
Pre Admission Assessment	1,928	3,402	3,806
Supplemental Grants-Aged, Blind and Disabled	76,015	79,162	78,775
LTC — Disproportionate Share	1,000	.....	.....
Community Mental Health Services	148,681	157,193	163,723
PENNFREE—Student Assistance .....	.....	6,000	.....
Teen Suicide Center	500	.....	.....
Eastern Pennsylvania Psychiatric Institute	7,622	7,694	.....
Community Based Services for the Mentally Retarded	85,295	92,539	104,451
Elwyn Institute	206	200	.....
Community Residential Services for the Mentally Retarded ..	166,172	177,718	182,071
Pennhurst Dispersal	2,500	2,600	.....
Philadelphia Association for Retarded Citizens	150	220	150
Intermediate Care Facilities for the Mentally Retarded	57,259	66,367	78,602
Philadelphia MR Court Settlement	4,938	.....	.....
MH/MR Residential Wage and Housing Ruling	3,000	3,000	3,000

General Fund

Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
Public Welfare (continued)			
Grants and Subsidies (continued)			
Early Intervention	\$ 17,574	\$ 18,651	\$ 20,110
Beacon Lodge Camp—Blind Services	77	77	77
Overbrook School	155	175	.....
County Child Welfare	155,712	160,323	180,638
PENNFREE — Children and Youth Programs .....	.....	5,000	.....
PENNFREE — Family Preservation .....	.....	1,900	.....
Child Abuse Prevention .....	.....	6,100	.....
Day Care Services	31,785	36,747	37,647
Arsenal Family and Children's Center	139	168	168
Western Psychiatric Institute and Clinic	7,407	.....	.....
Domestic Violence	4,112	4,279	5,565
PENNFREE — Domestic Violence .....	.....	449	.....
Rape Crisis	1,523	2,087	2,713
Breast Cancer Screening	402	706	706
Legal Services	2,000	2,000	2,000
Direct Care Workers Salary Increase .....	.....	7,563	14,126
Human Services Development Fund	14,500	17,906	17,906
Homeless Assistance	12,800	13,765	14,240
PENNFREE — Transitional Housing .....	.....	2,000	.....
Services to Developmentally Disabled .....	.....	300	1,200
Attendant Care	4,774	6,043	6,164
Health and Human Services Projects	3,844	.....	.....
Subtotal	<u>\$ 2,470,317</u>	<u>\$ 2,623,038</u>	<u>\$ 2,776,707</u>
DEPARTMENT TOTAL	<u>\$ 3,216,536</u>	<u>\$ 3,433,163</u>	<u>\$ 3,660,979</u>
 REVENUE			
General Government			
General Government Operations	\$ 73,350	\$ 76,621	\$ 77,966
Commissions-Inheritance and Realty Transfer Tax Collections	4,300	4,226	4,226
Computer Rentals	1,328	1,328	1,328
Subtotal	<u>\$ 78,978</u>	<u>\$ 82,175</u>	<u>\$ 83,520</u>
 Grants and Subsidies			
Distribution of Public Utility Realty Tax	\$ 91,134	\$ 94,233	\$ 98,637
DEPARTMENT TOTAL	<u>\$ 170,112</u>	<u>\$ 176,408</u>	<u>\$ 182,157</u>
 SECURITIES COMMISSION			
General Government			
General Government Operations	\$ 2,941	\$ 3,258	\$ 3,169
DEPARTMENT TOTAL	<u>\$ 2,941</u>	<u>\$ 3,258</u>	<u>\$ 3,169</u>

General Fund

Summary by Department and Appropriation

(continued)

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
STATE			
General Government			
General Government Operations	\$ 3,210	\$ 3,288	\$ 3,188
Publishing Constitutional Amendments	60	60	60
Electoral College	8	.....	.....
Subtotal	<u>\$ 3,278</u>	<u>\$ 3,348</u>	<u>\$ 3,248</u>
Grants and Subsidies			
Voting of Citizens in Military Service	\$ 19	\$ 8	\$ 8
Voter Registration by Mail	629	350	400
Subtotal	<u>\$ 648</u>	<u>\$ 358</u>	<u>\$ 408</u>
DEPARTMENT TOTAL	<u>\$ 3,926</u>	<u>\$ 3,706</u>	<u>\$ 3,656</u>
 STATE EMPLOYES' RETIREMENT SYSTEM			
Grants and Subsidies			
National Guard—Employer Contribution	\$ 705	\$ 679	\$ 672
DEPARTMENT TOTAL	<u>\$ 705</u>	<u>\$ 679</u>	<u>\$ 672</u>
 STATE POLICE			
General Government			
General Government Operations	\$ 80,353	\$ 93,276	\$ 95,740
Patrol Vehicles	1,940	1,790	1,980
Municipal Police Training	2,319	2,874	3,805
Automated Fingerprint Identification System .....	.....	860	1,487
PENNFREE—Mobile Narcotic Teams .....	.....	2,016	.....
PENNFREE—Drug Law Enforcement .....	.....	5,000	.....
Subtotal	<u>\$ 84,612</u>	<u>\$ 105,816</u>	<u>\$ 103,012</u>
Grants and Subsidies			
PENNFREE—Local Drug Law Enforcement .....	.....	\$ 2,000	.....
DEPARTMENT TOTAL	<u>\$ 84,612</u>	<u>\$ 107,816</u>	<u>\$ 103,012</u>
 TAX EQUALIZATION BOARD			
General Government			
General Government Operations	\$ 1,064	\$ 1,132	\$ 1,189
DEPARTMENT TOTAL	<u>\$ 1,064</u>	<u>\$ 1,132</u>	<u>\$ 1,189</u>

General Fund

Summary by Department and Appropriation

(continued)

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
TRANSPORTATION			
General Government			
Mass Transportation Operations	\$ 936	\$ 1,020	\$ 1,019
Goods Movement Operations	399	487	535
Rail Freight Advisory Committee .....	.....	.....	10
Vehicle Sales Tax Collections	1,612	1,676	1,743
Welcome Centers	914	986	1,019
Covered Bridge Study .....	.....	50	.....
High Speed Rail Commission — Outstanding Claims	150	.....	.....
Subtotal	<u>\$ 4,011</u>	<u>\$ 4,219</u>	<u>\$ 4,326</u>
Grants and Subsidies			
Mass Transportation Assistance	\$ 213,682	\$ 229,366	\$ 239,687
Rural and Intercity Rail and Bus Transportation	3,882	4,300	4,494
Rail Freight Assistance	4,449	4,500	4,500
Civil Air Patrol	400	400	200
Subtotal	<u>\$ 222,413</u>	<u>\$ 238,566</u>	<u>\$ 248,881</u>
DEPARTMENT TOTAL	<u>\$ 226,424</u>	<u>\$ 242,785</u>	<u>\$ 253,207</u>
LEGISLATURE			
General Government			
SENATE:			
Fifty Senators	\$ 3,300	\$ 3,300	\$ 3,550
Employees of Senate President	147	153	161
Employees of Chief Clerk	2,900	3,200	3,300
Salaried Officers and Employees	4,349	4,450	4,673
Chief Clerk and Legislative Journal	235	1,385	1,440
President	5	5	5
President Pro Tempore	20	20	20
Floor Leader (D)	6	7	7
Floor Leader (R)	6	7	7
Whip (D)	4	6	6
Whip (R)	4	6	6
Chairman of the Caucus (D)	3	3	3
Chairman of the Caucus (R)	3	3	3
Secretary of the Caucus (D)	3	3	3
Secretary of the Caucus (R)	3	3	3
Chairman of the Appropriations Committee (D)	6	6	6
Chairman of the Appropriations Committee (R)	6	6	6
Chairman of the Policy Committee (D)	2	2	2
Chairman of the Policy Committee (R)	2	2	2
Caucus Administrator (D)	2	2	2
Caucus Administrator (R)	2	2	2
Incidental Expenses	1,100	1,300	1,500
Committee on Appropriations (D)	1,100	1,300	1,500
Committee on Appropriations (R)	1,100	1,300	1,500
Expenses—Senate	1,250	1,100	750
Legislative Printing and Expenses	6,200	6,875	7,200

General Fund

Summary by Department and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
Legislature (continued)			
General Government (continued)			
Senate (continued)			
Special Leadership Account (D)	\$ 4,400	\$ 4,990	\$ 5,240
Special Leadership Account (R)	4,400	4,990	5,240
Legislative Management Committee (D)	3,500	3,600	3,780
Legislative Management Committee (R)	3,500	3,600	3,780
Subtotal—Senate	<u>\$ 37,558</u>	<u>\$ 41,626</u>	<u>\$ 43,697</u>
 HOUSE OF REPRESENTATIVES:			
Members' Salaries, Speaker's Extra Compensation	\$ 13,138	\$ 13,627	\$ 13,627
House Employees (D)	6,315	6,122	6,551
House Employees (R)	5,565	6,122	6,551
Speaker's Office	581	640	685
Bi-Partisan Committee, Chief Clerk, Comptroller	6,516	7,168	7,670
Representatives, Officers and Employees	554	554	554
Chief Clerk and Legislative Journal	525	525	600
Speaker	20	20	20
Chief Clerk	390	390	390
Floor Leader (D)	6	6	6
Floor Leader (R)	6	6	6
Whip (D)	4	4	4
Whip (R)	4	4	4
Chairman—Caucus (D)	3	3	3
Chairman—Caucus (R)	3	3	3
Secretary—Caucus (D)	3	3	3
Secretary—Caucus (R)	3	3	3
Chairman—Appropriations Committee (D)	6	6	6
Chairman—Appropriations Committee (R)	6	6	6
Chairman—Policy Committee (D)	2	2	2
Chairman—Policy Committee (R)	2	2	2
Caucus Administrator (D)	2	2	2
Caucus Administrator (R)	2	2	2
Administrator for Staff (D)	20	20	20
Administrator for Staff (R)	20	20	20
Legislative Office for Research Liaison	390	406	434
School for New Members	15	15	15
Incidental Expenses	6,300	6,300	6,300
Committee on Appropriations (D)	1,102	1,210	1,295
Committee on Appropriations (R)	1,102	1,210	1,295
Expenses—Representatives	2,030	2,030	2,030
Legislative Printing and Expenses	11,000	11,000	11,500
National Legislative Conference—Expenses	300	300	300
Special Leadership Account (D)	3,388	4,504	4,820
Special Leadership Account (R)	4,138	4,504	4,820
Legislative Management Committee (D)	7,064	7,771	8,315
Legislative Management Committee (R)	7,064	7,771	8,315
Commonwealth Emergency Medical System	35	35	35
Members' Home Office Expenses	2,030	2,030	2,500
Subtotal—House of Representatives	<u>\$ 79,654</u>	<u>\$ 84,331</u>	<u>\$ 88,714</u>

General Fund

Summary by Department and Appropriation

(continued)

	(Dollar Amounts in Thousands)		
Legislature (continued)	1988-89 Actual	1989-90 Available	1990-91 Budget
LEGISLATIVE REFERENCE BUREAU:			
Salaries and Expenses	\$ 3,460	\$ 3,555	\$ 3,943
Contingent Expenses	15	15	15
Printing of Pennsylvania Bulletin and Pennsylvania Code	455	389	455
Subtotal—Legislative Reference Bureau	<u>\$ 3,930</u>	<u>\$ 3,959</u>	<u>\$ 4,413</u>
LEGISLATIVE BUDGET AND FINANCE COMMITTEE			
Legislative Budget and Finance Committee	\$ 1,418	\$ 1,857	\$ 2,080
Subtotal — Legislative Budget and Finance Committee	<u>\$ 1,418</u>	<u>\$ 1,857</u>	<u>\$ 2,080</u>
LEGISLATIVE DATA PROCESSING:			
Legislative Data Processing Center	\$ 3,002	\$ 3,038	\$ 3,138
Subtotal—Legislative Data Processing	<u>\$ 3,002</u>	<u>\$ 3,038</u>	<u>\$ 3,138</u>
LEGISLATIVE MISCELLANEOUS AND COMMISSIONS:			
Joint State Government Commission	\$ 903	\$ 1,372	\$ 1,650
Local Government Commission	388	407	524
Local Government Codes	49	48	50
Joint Legislative Air and Water Pollution Control Commission	225	227	234
House Flag Purchase	20	20	20
Senate Flag Purchase	20	20	20
Legislative Audit Advisory Commission	20	20	20
Independent Regulatory Review Commission	799	890	1,016
Capitol Preservation Committee	215	215	215
Capitol Restoration	100	100	100
Colonial History	60	80	80
Commission on Sentencing	305	328	500
Health Care Cost Containment Council	1,534	2,176	4,743
County Court Study	1,000	.....	.....
Center for Rural Pennsylvania	400	784	800
Ethics Commission	733	794	964
Indexing	30	.....	.....
Subtotal—Legislative Miscellaneous and Commissions	<u>\$ 6,801</u>	<u>\$ 7,481</u>	<u>\$ 10,936</u>
DEPARTMENT TOTAL	<u>\$ 132,363</u>	<u>\$ 142,292</u>	<u>\$ 152,978</u>
JUDICIARY			
General Government			
SUPREME COURT:			
Supreme Court	\$ 4,753	\$ 4,947	\$ 5,285
Home Office Expenses	1,283	1,415	1,544
Justice Expenses	130	130	130
Civil Procedural Rules Committee	227	237	252
Criminal Procedural Rules Committee	226	237	259
State Board of Law Examiners	81	78	81
Judicial Inquiry and Review Board	621	690	693
Domestic Relations Committee .....	.....	.....	196
Court Administrator	3,164	3,375	3,563
Subtotal—Supreme Court	<u>\$ 10,485</u>	<u>\$ 11,109</u>	<u>\$ 12,003</u>

General Fund

Summary by Department and Appropriation

(continued)

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
Judiciary (continued)			
SUPERIOR COURT:			
Superior Court	\$ 9,479	\$ 10,256	\$ 10,672
Home Office Expenses	2,828	3,081	3,205
Justice Expenses	184	184	184
Subtotal—Superior Court	<u>\$ 12,491</u>	<u>\$ 13,521</u>	<u>\$ 14,061</u>
COMMONWEALTH COURT:			
Commonwealth Court	\$ 5,398	\$ 5,926	\$ 6,516
Home Office Expenses	1,601	1,842	2,394
Justice Expenses	112	112	112
Subtotal—Commonwealth Court	<u>\$ 7,111</u>	<u>\$ 7,880</u>	<u>\$ 9,022</u>
COURTS OF COMMON PLEAS:			
Courts of Common Pleas	\$ 33,477	\$ 34,631	\$ 35,516
Senior Judges	2,292	2,431	2,455
Judicial Education	372	389	413
Subtotal—Courts of Common Pleas	<u>\$ 36,141</u>	<u>\$ 37,451</u>	<u>\$ 38,384</u>
COMMUNITY COURTS:			
District Justices	\$ 27,393	\$ 28,032	\$ 29,025
District Justice Education	342	393	411
Subtotal—District Justices	<u>\$ 27,735</u>	<u>\$ 28,425</u>	<u>\$ 29,436</u>
PHILADELPHIA COURTS:			
Philadelphia Traffic Court	\$ 334	\$ 383	\$ 388
Philadelphia Municipal Court	2,668	2,790	2,810
Law Clerks	40	40	40
Subtotal—Philadelphia Court	<u>\$ 3,042</u>	<u>\$ 3,213</u>	<u>\$ 3,238</u>
Subtotal—General Government	<u>\$ 97,005</u>	<u>\$ 101,599</u>	<u>\$ 106,144</u>
Grants and Subsidies			
REIMBURSEMENT OF COUNTY COSTS:			
County Courts	\$ 27,181	\$ 27,671	\$ 27,741
District Justices	17,130	18,710	17,130
Jurors	1,469	1,469	1,469
Subtotal	<u>\$ 45,780</u>	<u>\$ 47,850</u>	<u>\$ 46,340</u>
DEPARTMENT TOTAL	<u>\$ 142,785</u>	<u>\$ 149,449</u>	<u>\$ 152,484</u>
GENERAL FUND TOTAL	<u>\$ 10,969,994</u>	<u>\$ 11,985,719</u>	<u>\$ 12,259,901</u>

General Fund Revenue Summary

Five Year Revenue Projections

(Dollar Amounts in Thousands)

	1988-89 Actual	1989-90 Estimated	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
TAX REVENUE							
Corporation Taxes							
Corporate Net Income	\$ 1,158,777	\$ 1,195,900	\$ 1,228,700	\$ 1,314,700	\$ 1,393,600	\$ 1,491,200	\$ 1,640,300
Capital Stock and Franchise	530,419	549,400	580,600	631,200	664,700	711,200	761,000
Selective Business:							
Gross Receipts Tax	541,116	557,400	606,000	636,300	668,100	707,500	742,900
Public Utility Realty	138,409	152,400	162,800	167,700	172,700	177,900	183,200
Insurance Premiums	187,073	190,100	194,500	202,900	210,400	218,200	226,300
Financial Institutions	133,740	325,300	135,400	132,400	147,000	159,300	170,900
Other	9,155	9,000	10,000	10,000	10,000	10,000	10,000
Total—Corporation Taxes	\$ 2,698,689	\$ 2,979,500	\$ 2,918,000	\$ 3,095,200	\$ 3,266,500	\$ 3,475,300	\$ 3,734,600
Consumption Taxes							
Sales and Use	\$ 4,085,875	\$ 4,216,000	\$ 4,443,500	\$ 4,726,800	\$ 5,027,400	\$ 5,351,700	\$ 5,703,100
Cigarette	223,903	218,000	214,000	208,700	203,500	198,400	193,400
Malt Beverage	27,704	27,800	27,200	27,200	27,200	27,200	27,200
Liquor	109,617	110,800	111,300	111,300	111,300	111,300	111,300
Total—Consumption Taxes	\$ 4,447,099	\$ 4,572,600	\$ 4,796,000	\$ 5,074,000	\$ 5,369,400	\$ 5,688,600	\$ 6,035,000
Other Taxes							
Personal Income Tax	\$ 3,146,956	\$ 3,348,800	\$ 3,569,300	\$ 3,820,500	\$ 4,072,400	\$ 4,304,700	\$ 4,574,200
Realty Transfer	217,184	204,000	218,900	227,700	239,100	251,100	263,700
Inheritance	446,708	467,000	538,600	564,800	571,400	588,500	606,200
Minor and Repealed	963	1,000	1,000	1,000	1,000	1,000	1,000
Total—Other Taxes	\$ 3,811,811	\$ 4,020,800	\$ 4,327,800	\$ 4,614,000	\$ 4,883,900	\$ 5,145,300	\$ 5,445,100
TOTAL TAX REVENUE	\$ 10,957,599	\$ 11,572,900	\$ 12,041,800	\$ 12,783,200	\$ 13,519,800	\$ 14,309,200	\$ 15,214,700
NONTAX REVENUE							
Liquor Store Profits	\$ 16,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000
Licenses, Fees and Miscellaneous:							
Licenses and Fees	39,429	43,300	58,700	56,400	56,400	56,400	56,400
Miscellaneous	224,420	219,000	286,100	152,300	153,800	154,300	156,300
Fines, Penalties and Interest:							
On Taxes	18,372	17,900	19,000	19,000	19,000	19,000	19,000
Other	831	800	800	800	800	800	800
TOTAL NONTAX REVENUES	\$ 299,052	\$ 303,000	\$ 386,600	\$ 250,500	\$ 252,000	\$ 252,500	\$ 254,500
GENERAL FUND TOTAL	\$ 11,256,651	\$ 11,875,900	\$ 12,428,400	\$ 13,033,700	\$ 13,771,800	\$ 14,561,700	\$ 15,469,200

General Fund Revenues

Adjustments To Revenue Estimate

On July 1, 1989, the Official Estimate for the 1989-90 fiscal year was certified to be \$12,432,500,000. To enable a more accurate comparison of revenue estimates, the official estimate below has been adjusted to reflect the widespread use of tax credits to pay Bank Shares Tax liabilities in lieu of tax refunds. A comparable reduction was also made to estimated tax refunds.

The adjustments detailed below take into account actual revenue collections through the first six months of the fiscal year and projected collections for the last half of the fiscal year based on current expectations for the economy and revenue trends.

	(Dollar Amounts in Thousands)		
	1989-90 Official Estimate ^a	Adjustments	1989-90 Revised Estimate
TAX REVENUE			
Corporation Taxes			
Corporate Net Income	\$ 1,194,200	\$ 1,700	\$ 1,195,900
Capital Stock and Franchise	527,500	21,900	549,400
Selective Business:			
Utilities Gross Receipts	560,700	-3,300	557,400
Public Utility Realty	140,600	11,800	152,400
Insurance Premiums	187,600	2,500	190,100
Financial Institutions	322,700	2,600	325,300
Other	9,000	.	9,000
Total—Corporation Taxes	\$ 2,942,300	\$ 37,200	\$ 2,979,500
Consumption Taxes			
Sales and Use	\$ 4,300,000	\$ -84,000	\$ 4,216,000
Cigarette	220,000	-2,000	218,000
Malt Beverage	28,100	-300	27,800
Liquor	110,800	.	110,800
Total—Consumption Taxes	\$ 4,658,900	\$ -86,300	\$ 4,572,600
Other Taxes			
Personal Income Tax	\$ 3,348,800	.	\$ 3,348,800
Realty Transfer	225,000	-21,000	204,000
Inheritance	489,000	-22,000	467,000
Minor and Repealed	1,000	.	1,000
Total—Other Taxes	\$ 4,063,800	\$ -43,000	\$ 4,020,800
TOTAL TAX REVENUE	\$ 11,665,000	\$ -92,100	\$ 11,572,900
NONTAX REVENUE			
Liquor Store Profits	\$ 16,000	\$ 6,000	\$ 22,000
Licenses, Fees and Miscellaneous:			
Licenses and Fees	46,500	-3,200	43,300
Miscellaneous	214,960	4,040	219,000
Fines, Penalties and Interest:			
On Taxes	17,940	-40	17,900
Other	700	100	800
TOTAL NONTAX REVENUES	\$ 296,100	\$ 6,900	\$ 303,000
GENERAL FUND TOTAL	\$ 11,961,100	\$ -85,200	\$ 11,875,900

^aThe Official Revenue Estimate of July 1, 1989 has been reduced by \$471,400,000 for tax credits taken against the Bank Shares Tax in lieu of tax refunds.

General Fund Revenue Sources

Corporate Net Income Tax

(Dollar Amounts in Thousands)

Actual		Estimated
1983-84	\$ 854,982	1989-90 \$1,195,900
1984-85	933,390	1990-91 1,228,700
1985-86	953,241	1991-92 1,314,700
1986-87	1,009,337	1992-93 1,393,600
1987-88	1,039,775	1993-94 1,491,200
1988-89	1,158,777	1994-95 1,640,300

Tax Base: This tax is paid by all domestic and foreign business corporations for the privilege of doing business in, carrying on activities in, or employing or owning capital or property in Pennsylvania and is levied on Federal taxable income with Pennsylvania modifications. When the entire business of any corporation is not transacted within Pennsylvania, taxable income is determined by a three factor apportionment formula.

Exclusions and Deductions: The following organizations are exempt from this tax: Building and loan associations, banks, savings institutions, trust companies, insurance and surety companies, and Pennsylvania S corporations. Deductions allowed from Federal taxable income for computing Pennsylvania taxable income include corporate dividends received, interest on U.S. government securities and Pennsylvania net losses carried forward from prior years.

Credits: Credits against the tax include the neighborhood assistance credit, the employment incentive payment credit, and the mortgage assistance credit.

Recent Tax Rates: January 1, 1987 to current: 8.5 percent.
January 1, 1985 to December 31, 1986: 9.5 percent.
January 1, 1977 to December 31, 1984: 10.5 percent.

Payment: Under the estimated tax system, which commenced in taxable year 1986, a corporation estimates what it will owe for the taxable year and makes payments on the fifteenth day of the fourth, sixth, ninth and twelfth months of the taxable year. The final balance of tax due, if any, must be paid with the annual return due 105 days after the end of the tax year.

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

General Fund Revenue Sources

Capital Stock and Franchise Taxes

(Dollar Amounts in Thousands)

Actual		Estimated	
1983-84	\$ 388,838	1989-90	\$ 549,400
1984-85	425,858	1990-91	580,600
1985-86	465,276	1991-92	631,200
1986-87	469,981	1992-93	664,700
1987-88	491,654	1993-94	711,200
1988-89	530,419	1994-95	761,000

Tax Base: The taxes are levied on the capital stock value of domestic and foreign corporations doing business or having property or capital employed in the State on that portion of the capital stock value apportionable to Pennsylvania under a statutory apportionment formula.

Exclusions and Deductions: The capital stock value of the following organizations are exempt from this tax: Non-profit corporations, agricultural co-ops without capital stock and not conducted for profit, banks and savings institutions, title insurance or trust companies, building and loan associations, insurance companies, family farm corporations, limited partnerships formed under the Uniform Limited Partnership Act, Massachusetts or business trusts, law trusts or real estate investment trusts, agricultural credit associations, and credit unions. Assets used in manufacturing, processing, research and development, and pollution control by all corporations are also exempt. The corporation's first \$100,000 of capital stock value is exempt for tax years beginning in 1988.

Recent Tax Rates: January 1, 1988 to current: 9.5 mills (includes 0.5 mill for Hazardous Sites Cleanup Fund)
 January 1, 1987 to December 31, 1987: 9 mills
 Prior to January 1, 1987: 10 mills
 A minimum tax of \$75 is required for both taxes.

Payment: Estimated tax payments must be filed within 105 days of the beginning of the current tax year. These payments must equal 100 percent of the second previous year's liability or 90 percent of an estimate of the current year liability. An optional four payment installment system for the estimated prepayment is available which provides for payments in the fourth, sixth, ninth and twelfth months of the tax year. The final balance of tax due, if any, must be paid with the annual return due 105 days after the end of the tax year. Beginning in 1988 a corporation may elect to pay the estimated tax due in quarterly installments computed either by applying the current tax rate to the second prior year tax base or on a basis estimated by the corporation for the current year. A phase-in of the quarterly installments will occur during the period 1988 to 1991. The payment system for these taxes now parallels the Corporate Net Income Tax system. The first \$100,000 of a corporation's capital stock value is exempt effective for 1988. A 0.5 mill portion of the tax rate, not included in the estimates above, provides revenue to the Hazardous Sites Cleanup Fund.

Installments

Year In Which Tax Year Begins	First (4th month)	Second (6th month)	Third (9th Month)	Fourth (12th month)
1988	44%	44%	6%	6%
1989	34%	34%	16%	16%
1990	29%	29%	21%	21%
1991 and thereafter	25%	25%	25%	25%

Reference: Purdon's Title 72 P.S. §7601—§7606.

General Fund Revenue Sources

Gross Receipts Tax (Utilities and Motor Carriers)

(Dollar Amounts in Thousands)

Actual		Estimated	
1983-84	\$ 511,126	1989-90	\$ 557,400
1984-85	550,470	1990-91	606,000
1985-86	518,300	1991-92	636,300
1986-87	543,624	1992-93	668,100
1987-88	486,312	1993-94	707,500
1988-89	541,116	1994-95	742,900

Tax Base: This tax is levied on the gross receipts from business transacted wholly within Pennsylvania by specified utilities owned, operated or leased by corporations, associations or individuals.

Exclusion and Deductions: Gross receipts of municipally owned or operated public utilities from the furnishing of a public utility service within the limits of the municipality are exempt from the tax.

Credits: Act No. 1980-24, as amended, provides a tax credit for expenditures by railroads for maintenance and improvement of rights-of-way for tax years through 1992. Motor transportation companies receive a credit for the amount of registration fees paid.

Recent Tax Rates: For all utilities except motor transportation companies:
 January 1, 1988 to current: 44 mills
 Prior to January 1, 1988: 45 mills.
 Motor transportation companies are taxed at the rate of 8 mills.

Payments: Motor transportation companies must file and remit taxes on or before April 15 for the previous calendar year. For all other utilities, a tentative return for a current tax year must be filed within 105 days of the beginning of the tax year. A payment of 90 percent of the estimated tax liability is to be paid with the tentative return. The final balance of tax due, if any, must be paid with the annual return, which is due and payable by April 15 following the close of the tax year.

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

General Fund Revenue Sources

Public Utility Realty Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1983-84	\$ 173,725	1989-90	\$ 152,400
1984-85	130,285	1990-91	162,800
1985-86	132,781	1991-92	167,700
1986-87	129,349	1992-93	172,700
1987-88	130,463	1993-94	177,900
1988-89	138,409	1994-95	183,200

Tax Base: This tax is levied on the State taxable value of the property owned by utilities furnishing utility service and regulated by the Pennsylvania Public Utility Commission or similar regulatory body. The State taxable value is defined as the cost of utility realty, less reserves for depreciation or depletion as shown by the books of account of the utility.

Exclusions and Deductions: Excluded from utility realty for purposes of this tax are the following: (1) easements, (2) railroad rights-of-way, (3) unattached machinery, equipment, and similar items, and (4) realty subject to local real estate taxation under any law in effect on April 23, 1968. Utilities furnishing public utility sewage services and any municipality or municipal authority furnishing any public utility service are exempt from the tax. Hydroelectric facilities are exempt for a period of ten years if placed into service after July 1, 1983.

Recent Tax Rates: 30 mills on each dollar of State taxable value.

Payment: Payment of the tax and a report showing the amount and method of computing State taxable value as at the end of the preceeding calendar year is required on April 15 of each year. On or before April 15, every public utility reports tentative tax liability for the current tax year equal to 90 percent of the tax liability of the immediate prior year, and pays 25 percent of such amount on April 15, June 15, September 15 and December 15 of each year. The balance, if any, is paid on the April 15th following the tax year.

Reference: Purdon's Title 72 P.S. §8101-A—§8108-A.

General Fund Revenue Sources

Insurance Premiums Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1983-84	\$ 110,550	1989-90	\$ 190,100
1984-85	118,666	1990-91	194,500
1985-86	152,525	1991-92	202,900
1986-87	180,070	1992-93	210,400
1987-88	200,347	1993-94	218,200
1988-89	187,073	1994-95	226,300

Tax Base: This tax is levied on the gross premiums on all business transacted within the Commonwealth during each calendar year by domestic and foreign insurance companies.

Exclusions and Deductions: Companies that are purely mutual beneficial associations and non-profit hospital and medical associations are exempt.

Recent-Tax Rates: The rate is 2 percent of the gross premiums. The rate may be higher on taxable companies incorporated in other states where that state imposes a higher tax burden upon Pennsylvania companies doing insurance business in that state. Marine insurance companies pay a 5 percent tax on underwriting profits attributable to Pennsylvania in lieu of the gross premiums tax.

Payment: Companies are required to transmit tentative reports annually together with a tentative payment 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. Alternatively, the taxpayer may elect to estimate the tentative tax payment at an amount not less than 90 percent of the tax as finally reported. The reports and payments must be submitted by April 15 of each year while the remaining amount due must be paid by April 15 of the following year. Marine insurance companies must file and remit the tax by June 1.

Recent Changes: Act 1989-4 exempts from taxation any premiums written after June 1, 1989 by automobile insurance companies for optional extraordinary medical benefit coverage from \$100,000 to \$1,100,000.

Reference: Purdon's Title 72 P.S. §7901—§7906.

General Fund Revenue Sources

Financial Institutions Taxes

(Dollar Amounts in Thousands)

Actual	Estimated
1983-84\$ 72,848	1989-90\$ 325,300
1984-85 76,121	1990-91 135,400
1985-86 102,041	1991-92 132,400
1986-87 119,003	1992-93 147,000
1987-88 106,604	1993-94 159,300
1988-89 133,740	1994-95 170,900

Tax Base: This category includes taxes levied on the taxable amount of the capital stock of banks, trust and title insurance companies, and the net earnings or income of mutual thrift institutions.

Exclusions and Deductions: The taxable amount of the capital stock is based upon a six year average, adjusted to exclude the value of United States obligations in the same proportion that the book value of those obligations bears to total assets. Mutual thrift institutions are permitted to carry forward net operating losses up to a maximum of three years and deduct them from taxable income in future years. Beginning in tax year 1987, the interest expense deduction is limited to expense associated with taxable interest.

Credits: Credits against the taxes include the neighborhood assistance credit, the employment incentive payment credit, and the mortgage emergency assistance credit. For tax years beginning in 1987 through 1992, a credit is allowed against the Mutual Thrift Institutions Tax for taxes paid to other states. Beginning in 1989, a new banks tax credit (awarded to banks, bank and trust, and trust companies chartered since January 1, 1979) may be taken against tax liability.

Recent Tax Rates: The tax rate for the Bank Shares Tax and Title Insurance and Trust Companies Shares Tax is 10.77 percent for calendar year 1989 and 1.25 percent for calendar year 1990 and thereafter on the taxable amount of each share of capital stock. Before January 1, 1989, the rate for both taxes was 1.075 percent on the value of capital stock shares. The rate change for 1989 was imposed retroactively on July 1, 1989. The Mutual Thrift Institutions Tax rate is 20 percent for tax years 1987 through 1990, 12.5 percent for tax year 1991 and 11.5 percent thereafter.

Payment: An 80 percent payment of the shares taxes is due by April 15 of the current year. An amended report and 80 percent payment for 1989 tax year was due October 30, 1989. The balance is due by April 15 of the following year. Payment of the Mutual Thrift Institution Tax requires a 90 percent tentative payment of the tax with the remainder due when the tax return is filed in the following year. The tentative payment system is to be replaced with a system of equal quarterly estimated payments for tax years beginning in 1992.

Recent Changes: The Mutual Thrift Institutions Tax was amended by Act 1988-106 and Act 1989-21 to recover revenue losses resulting from the July 1987 Pennsylvania Supreme Court decision in *First Federal Savings & Loan Association of Philadelphia v. Commonwealth* which determined that income earned from Pennsylvania state and local obligations, as well as United States obligations, is exempt from tax and must be excluded from the base in the computation of tax liability. Specifically, the base was changed to disallow a deduction for that part of interest expense which is associated with tax-exempt income, and the tax rate was increased to compensate for the smaller tax base and to cover the cost of First Federal refunds.

Legislation enacted in 1989 substantially amended the bank shares and title insurance and trust companies shares taxes. The tax base is now the "taxable amount" of the shares of stock. The "taxable amount" is a six-year average of the value of the shares. The tax rate is set at 10.77 percent for calendar year 1989 and at 1.25 percent for subsequent years. New banks tax credits will be awarded in 1989 through 1991 to "banks" chartered since January 1, 1979.

References: Purdon's Title 72 P.S. §7701—§7702. Bank Shares Act
 Purdon's Title 72 P.S. §8501—§8505. Mutual Thrift Institution Act
 Purdon's Title 72 P.S. §7801—§7806. Title Insurance and Trust Companies Share Act

General Fund Revenue Sources

Other Selective Business Taxes

(Dollar Amounts in Thousands)

Actual		Estimated	
1983-84	\$ 8,548	1989-90	\$ 9,000
1984-85	8,752	1990-91	10,000
1985-86	10,247	1991-92	10,000
1986-87	8,548	1992-93	10,000
1987-88	10,713	1993-94	10,000
1988-89	9,155	1994-95	10,000

Tax Base: Other selective business taxes include: 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; and Gross Receipts—Private Banks, Act of May 16, 1961, P.L. 708 as amended.

Recent Tax Rates: Loans Tax—Domestic and Foreign, Act of June 22, 1935, P.L. 414, rate is 4 mills on the dollar. The rate for the Agricultural Cooperative Associations Corporate Net Income Tax is 4 percent. The tax rate for the Gross Receipts—Private Banks Tax is 1 percent of gross receipts for a calendar year.

References: Purdon's Title 72 P.S. §3250—§3250-14—Loans Tax—Domestic and Foreign.
Purdon's Title 72 P.S. §3420-21—§3420-28—Agricultural Cooperative Associations.
Purdon's Title 72 P.S. §2221—§2223—Gross Receipts—Private Banks.

General Fund Revenue Sources

Sales and Use Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1983-84	\$2,720,628	1989-90	\$4,216,000
1984-85	3,019,349	1990-91	4,443,500
1985-86	3,241,419	1991-92	4,726,800
1986-87	3,568,903	1992-93	5,027,400
1987-88	3,846,585	1993-94	5,351,700
1988-89	4,085,875	1994-95	5,703,100

Tax Base: The tax is levied on the sale at retail, including rental, of tangible personal property and certain services, or upon the use within Pennsylvania of tangible personal property or taxable services purchased at retail if the tax was not paid at time of purchase. A tax on the occupancy of hotel rooms is imposed as part of the sales and use tax law.

Exclusions and Deductions: A number of specific items are excluded from the sales and use tax. Among the most important items excluded are: most wearing apparel, except such items as accessories, formal wear, clothing worn strictly for sports activities, etc., take-out food, prescription or non-prescription medicines and drugs, prescription eyeglasses, medical supplies, motor fuels, residential use of steam, gas, fuel oil, electricity, and purchases made with Food Stamps which are not otherwise exempt from Sales and Use Tax. Also excluded from the tax are items sold to the United States, to the Commonwealth or its political subdivisions. Sales to charitable organizations, non-profit educational institutions, volunteer firemen's organizations and religious organizations are excluded to the extent the items are used in furtherance of the purpose of the organization. Items directly used in manufacturing, processing, farming, dairying or utility service are exempt. Materials used in the construction of foundations for tax exempt machinery and equipment are also exempt from tax.

Credit: A credit against the tax on an item or service taxable in the Commonwealth for use inside the Commonwealth shall be given if the sales tax is paid to another state and that state grants similar tax relief to Pennsylvania.

Rate: A bracket system based on 6 percent of retail price for Sales and Use Tax and 6 percent of rent for Hotel Occupancy Tax.

Payment: Every person maintaining a place of business in Pennsylvania who sells or leases taxable tangible personal property or services must apply for a sales tax license and collect and remit the tax. Vendors who collect \$600 or more in the third calendar quarter of the first year of operation are required to remit collections monthly by the 20th day of the following month. Vendors collecting less than \$600 for the same calendar quarter report quarterly and transmit collections within 20 days of the end of the collection quarter with the exception that vendors collecting less than \$75 annually are required to remit on a semi-annual basis by February 20 and August 20. The tax on motor vehicles is collected when application for a certification of title is made.

Reference: Purdon's Title 72 P.S. §7201 et seq.

General Fund Revenue Sources

Cigarette Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1983-84	\$ 242,717	1989-90	\$ 218,000
1984-85	239,201	1990-91	214,000
1985-86	233,526	1991-92	208,700
1986-87	229,926	1992-93	203,500
1987-88	228,881	1993-94	198,400
1988-89	223,903	1994-95	193,400

Tax Base: The tax is imposed and assessed on the sale or possession of cigarettes within Pennsylvania. Only one sale of the cigarette is taxable.

Exclusions and Deductions: No tax is levied on the possession or sale of cigarettes which this Commonwealth is prohibited from taxing under the Constitution or statutes of the United States.

Recent Tax Rates: The rate is 9/10 of a cent per cigarette.

Payment: The tax is collected by sale of stamps to dealers who affix these to each package.

Reference: Purdon's Title 72 P.S. §8201—§8297.

General Fund Revenue Sources

Malt Beverage Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1983-84	\$ 27,023	1989-90	\$ 27,800
1984-85	27,061	1990-91	27,200
1985-86	27,083	1991-92	27,200
1986-87	26,774	1992-93	27,200
1987-88	27,598	1993-94	27,200
1988-89	27,704	1994-95	27,200

Tax Base: The tax is levied on the manufacture, sale, and use of malt or brewed beverage within the Commonwealth by manufacturers, distributors and importers.

Credits: Act No. 1989-110 provides a tax credit for certain small domestic manufacturers of malt or brewed beverages. The credit is for "qualifying capital expenditures" made after December 31, 1988 and may not exceed the amount of \$200,000 within each calendar year. The act is effective for the period January 1, 1989 to December 31, 1994.

Recent Tax Rates: The tax rate is two-third cent (2/3c) per half pint of 8 fluid ounces or fraction thereof, and in larger quantities at the rate of one cent (1c) per pint of 16 fluid ounces or fraction thereof.

Payment: Manufacturers, distributors and importers are required to file a verified report with and pay taxes owed to the Department of Revenue by the 15th of every month.

Reference: Purdon's Title 47 P.S. §103—§120.3.

Liquor Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1983-84	\$ 105,311	1989-90	\$ 110,800
1984-85	103,079	1990-91	111,300
1985-86	107,964	1991-92	111,300
1986-87	110,890	1992-93	111,300
1987-88	110,732	1993-94	111,300
1988-89	109,617	1994-95	111,300

Tax Base: All liquor sold by the Pennsylvania Liquor Control Board.

Recent Tax Rates: The rate is 18 percent of the net retail purchase price.

Payment: Tax is collected by the Liquor Control Board and is paid monthly to the Department of Revenue.

Reference: Purdon's Title 47 P.S. §794—§796.

General Fund Revenue Sources

Personal Income Tax

(Dollar Amounts in Thousands)

Actual	Estimated
1983-84 \$ 2,581,584	1989-90 \$ 3,348,800
1984-85 2,637,557	1990-91 3,569,300
1985-86 2,710,603	1991-92 3,820,500
1986-87 2,817,526	1992-93 4,072,400
1987-88 2,879,970	1993-94 4,304,700
1988-89 3,146,956	1994-95 4,574,200

Tax Base: The tax is paid by all residents, resident trust and estates on eight separate classes of income: (1) compensation, (2) net profits, (3) interest, (4) dividends, (5) income from the disposition of property, (6) rents and royalties, (7) gambling and lottery winnings, and (8) income from estates and trusts. The tax is also paid by non-resident individuals, estates and trusts on the following income from sources within the Commonwealth: compensation for personal services performed in Pennsylvania unless the taxpayer is a resident of a state with which there is a reciprocal agreement; net profits from activity conducted in Pennsylvania; and income from the rental, ownership or disposition of any real or personal property. A loss in one class of income may not be offset against income in another class, nor may gains or losses be carried back or forward from year to year.

Exclusions and Deductions: Income not falling into one of the enumerated classes is not taxable. A full or partial exemption from the tax or a refund of taxes paid is provided for taxpayers who are eligible under standards of poverty defined in Act No. 1974-32, and amended by Act No. 1987-58 and by Act No. 1988-106.

Credits: Credit against the tax is allowed for gross or net income taxes paid to other states by Pennsylvania residents.

For calendar and fiscal year filers whose year begins in the following periods:

Recent Tax Rates:	1987 to present	2.10%
	1986	2.16%
	1985	2.35%
	1984	2.40%
	1983	2.45%

Payment: Withholding of the tax is required by employers from all persons liable for the tax with the size of collections determining the frequency for remittance to the Commonwealth by employers. For those individuals with taxable incomes over \$2,500, other than wages subject to withholding, a declaration and payment of the estimated tax is required. Estimated payments are made up to four times yearly, depending on when the taxpayer determines that his income on which no tax has been withheld can reasonably be expected to exceed \$2,500. Final reports and payments are due April 15 of the following year for calendar year taxpayers. There are special declaration and estimated tax provisions for farm income. Final returns and remittance of any tax due for a tax year are to be filed on or before the date when the taxpayer's Federal income tax return is due. Application for refund must be filed within three years from the time the return is required to be filed.

Recent Changes: Act No. 1988-106 increased the poverty income excluded from tax from \$4,500 to \$6,300 for individuals.

Reference: Purdon's Title 72 P.S. §7301 et seq.

General Fund Revenue Sources

Realty Transfer Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1983-84	\$ 106,993	1989-90	\$ 204,000
1984-85	121,220	1990-91	218,900
1985-86	146,968	1991-92	227,700
1986-87	200,479	1992-93	239,100
1987-88	212,027	1993-94	251,100
1988-89	217,184	1994-95	263,700

Tax Base: The tax generally is levied on the value of property transferred through the medium of a deed, instrument or other writing. Other taxable transfers are long-term leases greater than thirty years, transfers from industrial development authorities which will not be used primarily for industrial purposes, and transfers through the acquisition of companies in which the acquired company is in the business of holding or selling real estate.

Exclusions and Deductions: The major types of transfers excluded from the tax base are those between family members, those performed by will or intestacy and those to industrial development authorities.

Recent Tax Rates: Rate of 1 percent of the value of the property transferred.

Payments: The tax is paid through the purchase of stamps which are affixed to the legal document presented for recording. The tax is collected by the county recorder of deeds and transmitted periodically to the Commonwealth.

Recent Changes: Act No. 1989-21 exempts a transfer from a conservancy, as defined by IRC Section 501 (c)(3), to a governmental entity effective July 1, 1989.

References: Purdon's Title 72 P.S. §8101-C — §8111-C.

Inheritance Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1983-84	\$ 282,217	1989-90	\$ 467,000
1984-85	277,568	1990-91	538,600
1985-86	322,740	1991-92	564,800
1986-87	371,840	1992-93	571,400
1987-88	401,404	1993-94	588,500
1988-89	446,708	1994-95	606,200

Tax Base: The Inheritance Tax is imposed on the value of property transferred to beneficiaries of a deceased person and on certain transfers made during the decedent's lifetime. The value of the transfer is established on the date of the decedent's death. The Estate Tax is based on the amount of the Federal estate tax credit for state death taxes on estates situated in Pennsylvania.

Exclusions and Deductions: Transfers to the U.S. Government, the Commonwealth and charitable organizations are exempt from this tax. Lineal beneficiaries residing in the decedent's household may qualify for a \$2,000 family exemption. Certain costs and expenses of administration and certain debts of the decedent are deductible from the taxable estate for inheritance tax purposes.

Recent Tax Rates: Generally, lineal beneficiaries are taxed at the rate of 6 percent and collateral beneficiaries are taxed at 15 percent. The Estate Tax is equal to the amount of Federal estate tax credit for state death taxes, less the inheritance tax paid.

Payment: The tax is due and payable upon the death of the decedent, but does not become delinquent until nine months after the date of death. The Register of Wills of the County in which the resident decedent died or non-resident owned property is the collection agent for the Commonwealth.

Reference: Purdon's Title 72 Pa. C.S.A. §1701-§1796.

General Fund Revenue Sources

Minor and Repealed Taxes

(Dollar Amounts in Thousands)

Actual		Estimated	
1983-84	\$ 724	1989-90	\$ 1,000
1984-85	743	1990-91	1,000
1985-86	832	1991-92	1,000
1986-87	1,199	1992-93	1,000
1987-88	990	1993-94	1,000
1988-89	963	1994-95	1,000

Minor Taxes Include: Tax on Legal Documents, Act of April 6, 1830, P.L. 272 (Purdon's Title 72 P.S. §3171) and the Spiritous and Vinous Liquors Tax, Acts of December 5, 1933, P.L. 38 (special session) and December 22, 1933, P.L. 91 (special session) (Purdon's Title 47 P.S. §745).

Repealed and Expired Taxes 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, Act of June 22, 1935, P.L. 414—Expired 1943, Building and Loan Association Stock Tax, Act of June 22, 1897, P.L. 178, Repealed by Act of March 15, 1937, P.L. 62, Mercantile License Tax System, Act of May 2, 1899, P.L. 184, Repealed by Act of May 7, 1943, P.L. 237 (effective January 1, 1944) and others.

Liquor Store Profits

(Dollar Amounts in Thousands)

Actual		Estimated	
1983-84	\$ 35,000	1989-90	\$ 22,000
1984-85	35,000	1990-91	22,000
1985-86	33,000	1991-92	22,000
1986-87	32,000	1992-93	22,000
1987-88	26,000	1993-94	22,000
1988-89	16,000	1994-95	22,000

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 as provided by Act No. 412-1/2 of July 18, 1935, P.L. 1316. (Purdon's Title 47 P.S. §744-9076)

General Fund Revenue Sources

Licenses, Fees, and Miscellaneous Revenue

(Dollar Amounts in Thousands)

Actual		Estimated	
1983-84	\$ 130,695	1989-90	\$ 262,300
1984-85	144,673	1990-91	344,800
1985-86	138,923	1991-92	208,700
1986-87	134,661	1992-93	210,200
1987-88	145,226	1993-94	210,700
1988-89	263,849	1994-95	212,700

Licenses and fees include collections by Commonwealth 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. Many licenses and fees are required by laws designed to protect the public from indiscriminate and unsafe practices.

Miscellaneous revenues includes all other income to be used for general appropriation purposes in the General Fund, except monies which are given to the Commonwealth by individuals, or are provided by law to be used only for a specific purpose. The largest source is earnings on securities and deposits. Other major sources are transfers from special funds, escheats and district justice costs.

Beginning July 1, 1987, the total of all fines, fees and costs collected by any division of the unified judicial system which are in excess of the amount collected from such sources in the fiscal year 1986-87 are to be deposited in the Judicial Computer System Augmentation Account in accordance with Act 1987-64. Any fines, fees or costs which are allocated to counties and municipalities are not affected by this act.

Fines, Penalties and Interest

(Dollar Amounts in Thousands)

Actual		Estimated	
1983-84	\$ 17,964	1989-90	\$ 18,700
1984-85	17,513	1990-91	19,800
1985-86	18,752	1991-92	19,800
1986-87	15,505	1992-93	19,800
1987-88	13,957	1993-94	19,800
1988-89	19,203	1994-95	19,800

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.

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 or Federal funds.

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
TAX REVENUE			
Corporate Net Income Tax	\$ 1,158,777	\$ 1,195,900	\$ 1,228,700
Capital Stock and Franchise Taxes			
Capital Stock Taxes—Domestic	\$ 290,137	\$ 300,500	\$ 317,600
Franchise Taxes—Foreign	240,282	248,900	263,000
Subtotal	\$ 530,419	\$ 549,400	\$ 580,600
Gross Receipts Tax			
Telephone and Telegraph	\$ 103,469	\$ 102,300	\$ 112,100
Electric, Hydroelectric and Water Power	362,205	378,800	412,300
Motor Transportation	2,315	2,300	2,400
Transportation	1,933	2,000	2,100
Gas	71,194	72,000	77,100
Subtotal	\$ 541,116	\$ 557,400	\$ 606,000
Public Utility Realty Tax	\$ 138,409	\$ 152,400	\$ 162,800
Insurance Premiums Tax			
Domestic Casualty	\$ 34,563	\$ 35,010	\$ 35,370
Domestic Marine	43	50	50
Domestic Fire	27,813	28,170	28,460
Domestic Life and Previously Exempted Lines	9,960	10,100	10,430
Unauthorized Insurance	1,893	1,960	2,000
Foreign Life	90,370	91,600	94,580
Foreign Excess Casualty	8,466	8,770	8,920
Foreign Marine	47	50	50
Foreign Excess Fire	5,104	5,290	5,370
Excess Insurance Brokers	7,609	7,880	8,010
Title Insurance	1,205	1,220	1,260
Subtotal	\$ 187,073	\$ 190,100	\$ 194,500
Financial Institutions Taxes			
Trust Companies	\$ 20,291	\$ 62,660	\$ 22,410
State Banks	20,278	62,620	22,400
National Banks	48,165	148,720	53,190
State Mutual Thrift Institutions	34,518	39,340	28,680
Federal Mutual Thrift Institutions	10,488	11,960	8,720
Subtotal	\$ 133,740	\$ 325,300	\$ 135,400

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Other Selective Business Taxes			
Corporate Loans—Domestic	\$ 7,678	\$ 7,515	\$ 8,350
Corporate Loans—Foreign	928	910	1,010
Tax on Electric Cooperative Corporations	16	15	15
Corporate Net Income Tax on Agricultural Cooperative Associations	35	35	40
Corporation Income	192	185	210
Gross Receipts—Private Bankers	344	340	375
Department of Justice Collections	-4		
Corporation Taxes — Clearing Accounts Undistributed	-34		
Subtotal	<u>\$ 9,155</u>	<u>\$ 9,000</u>	<u>\$ 10,000</u>
Sales and Use Tax			
Non-Motor Vehicle	\$ 3,427,205	\$ 3,569,000	\$ 3,752,000
Motor Vehicle	658,670	647,000	691,500
Subtotal	<u>\$ 4,085,875</u>	<u>\$ 4,216,000</u>	<u>\$ 4,443,500</u>
Cigarette Tax	<u>\$ 223,903</u>	<u>\$ 218,000</u>	<u>\$ 214,000</u>
Malt Beverage Tax	<u>\$ 27,704</u>	<u>\$ 27,800</u>	<u>\$ 27,200</u>
Liquor Tax	<u>\$ 109,617</u>	<u>\$ 110,800</u>	<u>\$ 111,300</u>
Personal Income Tax			
Withholding	\$ 2,338,497	\$ 2,484,000	\$ 2,642,800
Non-Withholding	808,459	864,800	926,500
Subtotal	<u>\$ 3,146,956</u>	<u>\$ 3,348,800</u>	<u>\$ 3,569,300</u>
Realty Transfer Tax	<u>\$ 217,184</u>	<u>\$ 204,000</u>	<u>\$ 218,900</u>
Inheritance Tax			
Resident Transfer Inheritance and Estate Tax	\$ 444,389	\$ 464,600	\$ 532,900
Nonresident Transfer Inheritance and Estate Tax	2,319	2,400	5,700
Subtotal	<u>\$ 446,708</u>	<u>\$ 467,000</u>	<u>\$ 538,600</u>
Minor and Repealed Taxes			
Tax on Writs, Wills and Deeds	\$ 925	\$ 960	\$ 960
Distilled Spirits	1	1	1
Rectified Spirits .....	.	.	.
Wines	37	39	39
Subtotal	<u>\$ 963</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>
TOTAL TAX REVENUE	<u>\$ 10,957,599</u>	<u>\$ 11,572,900</u>	<u>\$ 12,041,800</u>
NONTAX REVENUES			
Liquor Store Profits	<u>\$ 16,000</u>	<u>\$ 22,000</u>	<u>\$ 22,000</u>

* Less than \$500.

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Licenses, Fees and Miscellaneous			
Governor's Office			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	\$ 3	. . . .	. . . .
Subtotal	\$ 3	\$	\$
Executive Office			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 73	\$ 588	\$
Crime Victim's Award Restitution	54	17	60
Refunds of Expenditures Not Credited to Appropriations	37	10,400	54,000
Subtotal	\$ 164	\$ 11,005	\$ 54,060
Lieutenant Governor's Office			
LICENSES AND FEES			
Board of Pardon Fees	\$ 2	\$ 2	\$ 2
Board of Pardon Filing Fees	5	6	5
Subtotal	\$ 7	\$ 8	\$ 7
Auditor General			
LICENSES AND FEES			
Filing Fees	\$ 11	\$ 15	\$ 15
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations . . . .	. . . .	1	1
Subtotal	\$ 11	\$ 16	\$ 16
Attorney General			
MISCELLANEOUS REVENUE			
Assessed Civil Penalties Payments	\$ 212	\$ 187	\$ 190
Miscellaneous	4	7	7
Refunds of Expenditures Not Credited to Appropriations	1	. . . .	. . . .
Subtotal	\$ 217	\$ 194	\$ 197
Treasury Department			
MISCELLANEOUS REVENUE			
Interest on Securities	\$ 65,488	\$ 66,540	\$ 69,389
Interest on Deposits	705	715	765
Allocation of Treasury Cost	2,358	2,390	2,390
Premium and Discount on Tax Notes Sold	8	10	10
Interest on Securities—Liquor License Fund	171	170	170
Redeposit of Checks	342	350	350
Refund of Expenditures Not Credited to Appropriations . . . .	*	. . . .	. . . .
Miscellaneous	30	30	30
Depository Adjustments	-5	-5	-5
Subtotal	\$ 69,097	\$ 70,200	\$ 73,099

* Less than \$500.

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Department of Agriculture			
LICENSES AND FEES			
Carbonated Beverage License	\$ 20	\$ 17	\$ 18
Egg Certification Fees	24	28	27
Cold Storage Warehouse Licenses	4	4	3
Egg Opening Licenses	3	3	*
Seed Testing and Certification Fees	63	71	81
Bakery Licenses	51	55	55
Ice Cream Licenses	52	54	54
Domestic Animal Dealers Licenses	6	6	6
Abattoir Licenses	16	19	15
Rendering Plant Licenses	1	1	1
Horse Slaughtering Licenses	*	*	*
Approved Inspector's Certificate and Registration Fees	8	6	6
Garbage Feeders Licenses	*	*	*
Poultry Technician Licenses	1	1	1
Miscellaneous Licenses and Fees	20	20	20
Farm Product Inspection Fees	10	10	11
Veterinarian Diagnostic Lab Fees	162	170	180
Public Weighmaster's Liquid Fuels Licenses	62	62	81
Public Weighmaster's Solid Fuels Licenses	26	27	35
Livestock Branding Fees	*	*	*
MISCELLANEOUS REVENUE			
Miscellaneous	*	*	*
Refund of Expenditures Not Credited to Appropriations	13	9	9
Subtotal	<u>\$ 542</u>	<u>\$ 563</u>	<u>\$ 603</u>
Department of Commerce			
MISCELLANEOUS REVENUE			
Nursing Home Loans — Repayments	\$ 6,726	\$ 4,200	\$ 4,200
Refund of Expenditures Not Credited to Appropriations	11	50	50
Miscellaneous	3	*	*
Subtotal	<u>\$ 6,740</u>	<u>\$ 4,250</u>	<u>\$ 4,250</u>
Department of Community Affairs			
LICENSES AND FEES			
Municipal Indebtedness Fees	\$ 102	\$ 107	\$ 111
MISCELLANEOUS REVENUE			
Miscellaneous	62	393	67
Refunds of Expenditures Not Credited to Appropriations	190	104	205
Subtotal	<u>\$ 354</u>	<u>\$ 604</u>	<u>\$ 383</u>

* Less than \$500.

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Department of Corrections			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	\$ 41	40	40
Subtotal	<u>\$ 41</u>	<u>\$ 40</u>	<u>\$ 40</u>
Crime Commission			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	\$ 7	\$	\$
Department of Education			
LICENSES AND FEES			
Secondary Education Evaluation Fees	\$ 85	\$ 80	\$ 80
Private Academic School License Fees	61	64	65
Private Driver Training School Fees	23	23	23
Teachers Certification Fees	347	345	350
Teachers Certification Fees — Private Academy	13	12	12
PDE — Fees Transcripts/Closed Private Schools .....	*	. . . .	. . . .
Private Licensed School Fees .....	. . . .	378	384
MISCELLANEOUS REVENUE			
Miscellaneous	1	. . . .	. . . .
Refunds of Expenditures Not Credited to Appropriations	150	53	53
Subtotal	<u>\$ 680</u>	<u>\$ 955</u>	<u>\$ 967</u>
Emergency Management Agency			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 1	\$ 2	\$ 2
Department of Environmental Resources			
LICENSES AND FEES			
Bathing Place Licenses	\$ 1	\$ 1	\$ 1
Sewage and Industrial Waste Permit Fees	442	350	350
Restaurant Licenses	565	525	525
Miscellaneous Licenses and Fees	175	175	180
Registration Fees for Organized Camps	4	5	5
Explosive Storage Permit Fees	111	111	111
Blasters' Examination and Licensing Fees	50	50	5
Examination and Certificate Fees	7	15	15
Bituminous Miners' Examination and Certificate Fees	*	*	*
Bituminous Shot Firers' and Machine Runners' Examination and Certificates	3	3	3
Anthracite Miners' Examination and Certificate Fees	*	*	*
Water Power and Supply Permit Fees	91	95	100
Dams and Encroachment Fees	123	125	130
Water Bacteriological Examinations	44	60	60
Sewage Enforcement Examination Fees	5	3	3
Sewage Enforcement-Certificate Copy Fees	8	5	5
Hazardous Waste Treatment Storage or Disposal Fees	19	19	19
Hazardous Waste Transporter Licenses Application Fees	34	34	34
Municipal Waste Permit APP Fees	592	600	600
Municipal Waste Annual Permit ASM Fees	69	169	169
Infectious and Chemical Waste Transport Fees	25	25	25
Natural Gas Well Classification .....	. . . .	150	150

* Less Than \$500.

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Department of Environmental Resources (continued)			
MISCELLANEOUS REVENUE			
Stumpage	\$ 49	\$ 1	\$ 1
Minerals Sales	399	400	450
Camp Leases	418	425	430
Water Leases	31	35	40
Rights-of-Way	226	230	240
Recovered Damages	*	3	3
Housing Rents	13	15	17
Ground Rents	31	35	40
Royalties for Recovery of Materials-Schuylkill River	63	80	80
Miscellaneous	1,958	75	75
Surface Subsidence Assistance Loans—Principal Amounts ..	19	19	19
Interest Payments — Mine Subsidence	4	4	4
Refunds of Expenditures Not Credited to Appropriations	29	50	50
Payment to Occupy Submerged Lands	37	40	45
Payments of Loans — Water Facilities Loans	1,096	.....	.....
Penalty Charges — Delinquent	7	.....	.....
Sewage Treatment and Waterworks Application Fee	2	21	21
Sales Tax Escrow Account	4	2	5
Interest on Loan Payments	5,056	.....	.....
Subtotal	<u>\$ 11,810</u>	<u>\$ 3,955</u>	<u>\$ 4,010</u>
Department of General Services			
MISCELLANEOUS REVENUE			
Sale of State Property	\$ 859	\$ 750	\$ 750
Sale of Publications	79	75	75
Sale of Unserviceable Property	188	235	235
Rental of State Property	69	75	75
Recovery on Insurance and Surety Bonds	*	1	1
Mileage of State Automobiles	450	500	500
Contract Forfeitures and Damages	*	5	5
Allocation of Property Costs	5,582	5,000	5,000
Real Estate Services	157	105	105
Miscellaneous	606	1,000	1,000
Refunds of Expenditures Not Credited to Appropriations	*	10	10
Subtotal	<u>\$ 7,990</u>	<u>\$ 7,756</u>	<u>\$ 7,756</u>
Department of Health			
LICENSES AND FEES			
Vital Statistics Fees	\$ 2,290	\$ 2,290	\$ 2,290
Registration Fees-Drugs Devices and Cosmetics Act	350	350	350
Profit Making Hospital Licenses	73	73	73
Nursing Home Licenses	288	288	288
Life Safety Code Disposition Fees	110	110	110
Birth Center Licensure Fees	15	16	16
MISCELLANEOUS REVENUE			
Miscellaneous	113	113	113
Refunds of Expenditures Not Credited to Appropriations	8	8	8
Subtotal	<u>\$ 3,247</u>	<u>\$ 3,248</u>	<u>\$ 3,248</u>

* Less than \$500

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Historical and Museum Commission			
MISCELLANEOUS REVENUE			
Miscellaneous	*	*	*
Refunds of Expenditures Not Credited to Appropriations	\$ 5	\$ 5	\$ 2
Subtotal	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 2</u>
Insurance Department			
LICENSES AND FEES			
Agents' Licenses	\$ 7,540	\$ 8,931	\$ 9,678
Brokers' Licenses	608	243	550
Examination Fees and Expenses	1,064	1,070	1,070
Valuation of Policies Fees	1,913	1,900	1,900
Miscellaneous Fees	6	6	6
Miscellaneous Licenses	33	76	76
Physical Damage Appraiser Licenses	58	65	65
Division of Companies Certification — Certificates and			
Filing Fees	716	718	718
Agents' and Brokers' Certification Fees	215	202	202
Market Conduct Examination		200	200
MISCELLANEOUS REVENUE			
Miscellaneous	88	90	90
Subtotal	<u>\$ 12,241</u>	<u>\$ 13,501</u>	<u>\$ 14,555</u>
Labor and Industry			
LICENSES AND FEES			
Bedding and Upholstery Fees	\$ 308	\$ 452	\$ 536
Boiler Inspection Fees	646	925	925
Elevator Inspection Fees	569	1,235	1,467
Employment Agents' Licenses	37	88	114
Projectionists' Examination and License Fees	5	8	8
Approval of Elevator Plan Fees	113	182	284
Industrial Homework Permit Fees	*	*	*
Employment Agents' Registration Fees	7	11	11
Liquified Petroleum Gas Registration Fees	116	191	221
Stuffed Toys Manufacturers' Registration Fees	30	30	30
Approval of Building Plan Fees	3,253	3,700	5,146
MISCELLANEOUS REVENUE			
Miscellaneous	16	10	10
Refunds of Expenditures Not Credited to Appropriations	72	21	21
Indirect Costs Reimbursements	60		
Right-to-Know Fees, Materials & Publications	2	24	24
CETA Audit Settlement — PA State Council OIC/A	13	5	5
Subtotal	<u>\$ 5,247</u>	<u>\$ 6,882</u>	<u>\$ 8,802</u>
Department of Military Affairs			
MISCELLANEOUS REVENUE			
Miscellaneous	*		
Refunds of Expenditures Not Credited to Appropriations	\$ 6	\$ 10	\$ 10
Subtotal	<u>\$ 6</u>	<u>\$ 10</u>	<u>\$ 10</u>

* Less than \$500.

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Board of Probation and Parole			
MISCELLANEOUS REVENUE			
Miscellaneous .....	*	.....	.....
Refunds of Expenditures Not Credited to Appropriations	\$ 17	\$ 5	\$ 3
Subtotal	<u>\$ 17</u>	<u>\$ 5</u>	<u>\$ 3</u>
Public Utility Commission			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	*	\$ 1	\$ 1
Department of Public Welfare			
LICENSES AND FEES			
Private Mental Hospital Licenses	\$ 17	\$ 20	\$ 18
MISCELLANEOUS REVENUE			
Miscellaneous	3	3	4
Refunds of Expenditures Not Credited to Appropriations	7	7	8
Subtotal	<u>\$ 27</u>	<u>\$ 30</u>	<u>\$ 30</u>
Department of Revenue			
LICENSES AND FEES			
Cigarette Permit Fees	\$ 584	\$ 600	\$ 605
Certificate and Copy Fees	38	40	40
Domestic Violence and Rape Crisis Program Fees	1,762	1,803	1,828
Secretary's Writ Collections	1	1	1
MISCELLANEOUS REVENUE			
Abandoned Property — Financial Institutions Deposits	8,671	7,815	7,815
Abandoned Property — Other Holder Deposits	14,425	13,000	13,000
Abandoned Property — Claim Payments	-3,534	-3,185	-3,185
Abandoned Property — Administration Cost			
Reimbursements	-1,254	-1,130	-1,130
Miscellaneous	8	8	8
District Justice Cost	7,642	7,787	7,693
Distribution Due Absentee	253	258	255
Olympics — Check off and Donations .....	*	.....	.....
Subtotal	<u>\$ 28,596</u>	<u>\$ 26,997</u>	<u>\$ 26,930</u>

* Less than \$500.

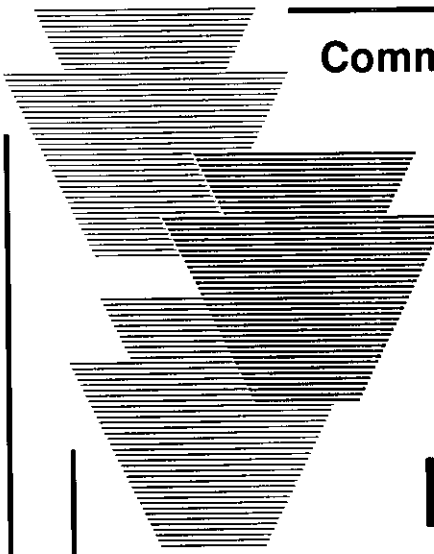
General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Pennsylvania Securities Commission			
LICENSES AND FEES			
Section 205 — Security Registration and Amendment Fees . . .	\$ 313	\$ 325	\$ 345
Section 206 — Security Registration and Amendment Fees . . .	78	74	74
Mutual Funds and Investment Company Section			
203I-205-206	3,345	3,400	3,500
Brokers/Dealers' Registration Fees — Initial	48	51	53
Brokers/Dealers' Registration Fees — Renewal	213	217	221
Brokers/Dealers' Registration Fees — Pa. Office — Initial . . .	19	22	27
Brokers/Dealers' Registration Fees — Pa. Office — Renewal . . .	52	57	63
SCT 205 — Amendment Fees	19	18	18
Securities Agents' Filing Fees — Initial	624	655	688
Securities Agents' Filing Fees — Renewal	1,526	1,572	1,620
Securities Agents' Filing Fees — Transfer	112	123	135
SCT 206 — Amendment Fees	1	2	2
Security Agents' Filing Fees — Mass Transfer	24	25	27
Investment Advisors' Filing Fees — Initial	11	12	14
Investment Advisors' Filing Fees — Renewal	43	47	51
Section 202G Security Exemption Fees	2	2	2
Section 203I and 203(O)II Security Exemption Fees	11	12	12
Section 203(D) Security Exemption Fees	320	325	340
Section 203(N) Security Exemption Fees	4	4	4
Section 203(P) Security Exemption Fees	2	2	2
Takeover Disclosure Filing Fees Section IV Registration	5	8	8
Costs — Examination, Auditing, Investigation, Prosecution —			
Except Takeover Costs	23	25	25
Miscellaneous Takeover Disclosure Filing Fees	2	2	2
MISCELLANEOUS REVENUE			
Miscellaneous	1	1	-
Subtotal	<u>\$ 6,798</u>	<u>\$ 6,981</u>	<u>\$ 7,233</u>
Department of State			
LICENSES AND FEES			
Commissions and Filing — Corporation Bureau	\$ 5,628	\$ 5,700	\$ 5,800
Recorder of Deeds Fees	38	45	35
Notary Public Commission Fees	496	445	500
Commissions and Filing Fees — Bureau of Elections	159	200	175
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	6	1	1
Subtotal	<u>\$ 6,327</u>	<u>\$ 6,391</u>	<u>\$ 6,511</u>
State Police			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 178	\$ 178	\$ 178
Reimbursement for Lost Property	2	2	2
Refunds of Expenditures Not Credited to Appropriations	20	20	20
Act 64 — Contra Revenue	1	.	.
Subtotal	<u>\$ 201</u>	<u>\$ 200</u>	<u>\$ 200</u>

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Department of Transportation			
MISCELLANEOUS REVENUE			
VW Rail Spur Lease Recovery	\$ 28	\$ 30	\$ 30
Refunds of Expenditures Not Credited to Appropriations	294	152	152
Subtotal	<u>\$ 322</u>	<u>\$ 182</u>	<u>\$ 182</u>
Commonwealth Court			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	\$ 3	\$ 5	.....
Other			
MISCELLANEOUS REVENUE			
Conscience Money	\$ 2	\$ 2	\$ 2
Transfer from State Racing Fund	1,940	1,612	401
Transfer from State Insurance Fund	206	.....	1,000
Transfer from State Workmen's Insurance Fund	60,000	85,000	.....
Transfer from Unemployment Compensation Fund	41,000	11,700	.....
Payments in Lieu of Taxes — SWIF — Prior Years .....	.....	.....	90,000
Payments in Lieu of Taxes — SWIF — Current Year .....	.....	.....	28,300
Subtotal	<u>\$ 103,148</u>	<u>\$ 98,314</u>	<u>\$ 119,703</u>
Miscellaneous Fee Increases .....	.....	.....	<u>\$ 12,000</u>
TOTAL LICENSES, FEES AND MISCELLANEOUS	<u>\$ 263,849</u>	<u>\$ 262,300</u>	<u>\$ 344,800</u>
Fines, Penalties and Interest on Taxes			
Penalties on Excise Taxes — Corporations	\$ 513	\$ 500	\$ 500
Interest on Excise Taxes — Corporation (Department of Revenue)	7,447	7,250	7,700
Corporation Net Income Tax	10,238	9,980	10,630
Realty Transfer Tax	174	170	170
Other Fines and Penalties			
Department of Agriculture			
General Food Fines	\$ 16	\$ 16	\$ 16
Egg Fines	*	*	*
Marketing Law Fines	1	*	1
Miscellaneous	2	2	.....
Horse Racing Fines and Penalties	35	40	36
Harness Racing Fines and Penalties	30	30	30
Amusement Rides and Attractions — Fines .....	.....	1	2
Department of Environmental Resources			
Blasters' Fines	2	2	2
Miscellaneous Fines	36	40	40
Ethics Commission			
Violations Act 170-1978 .....	*	.....	.....
Department of General Services			
Traffic Violations	39	28	27
Department of Health			
Non-Compliance Fines and Penalties	150	150	150
Department of Insurance			
Miscellaneous Fines	359	300	300
Department of Labor and Industry			
Miscellaneous Fines	6	7	7
Minor Labor Law Fines	7	36	36
Public Utility Commission			
Violation of Order Fines	143	145	150
Department of Revenue			
Malt Liquor Fines and Penalties	3	3	3
Miscellaneous Fines	1	*	*
Spiritous and Vinous Liquor Fines and Penalties	*	*	*
Motor Law Fines Prior to July 1, 1976	1	*	*
TOTAL FINES, PENALTIES AND INTEREST	<u>\$ 19,203</u>	<u>\$ 18,700</u>	<u>\$ 19,800</u>
TOTAL NONTAX REVENUE	<u>\$ 299,052</u>	<u>\$ 303,000</u>	<u>\$ 386,600</u>
TOTAL GENERAL FUND REVENUES	<u>\$ 11,256,651</u>	<u>\$ 11,875,900</u>	<u>\$ 12,428,400</u>

* Less Than \$500



Commonwealth of Pennsylvania

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 highway projects and other miscellaneous highway revenues.

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

Motor License Fund

Financial Statement*

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Available	1990-91 Estimated
Beginning Balance	\$ 104,147	\$ 74,643	\$ 47,349
Revenue:			
Official Estimate	\$ 1,457,854	\$ 1,481,005	\$ 1,524,264
Adjustment to Official Estimate .....	.....	8,119	.....
Reserve for Transfer to Bridge Account	2,500	.....	.....
Accrued Revenues Unrealized	147,613	147,613	147,979
Less Revenues Accrued Previously	-144,239	-147,613	-147,613
Total Revenue	1,463,728	1,489,124	1,524,630
Prior Year Lapses	26,748	8,000	.....
Funds Available	<u>\$ 1,594,623</u>	<u>\$ 1,571,767</u>	<u>\$ 1,571,979</u>
Expenditures:			
Appropriated	\$ 1,519,980	\$ 1,554,218	\$ 1,566,578
Less Current Year Lapses .....	.....	-29,800	.....
Estimated Expenditures	<u>-1,519,980</u>	<u>-1,524,418</u>	<u>-1,566,578</u>
Ending Balance	<u>\$ 74,643</u>	<u>\$ 47,349</u>	<u>\$ 5,401</u>

*Excludes restricted revenue

Motor License Fund

Summary by Department

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
Executive Offices			
General Government			
Office of the Budget	\$ 4,110	\$ 4,510	\$ 4,665
TOTAL STATE FUNDS	<u>\$ 4,110</u>	<u>\$ 4,510</u>	<u>\$ 4,665</u>
Augmentations	\$ 725	\$ 730	\$ 782
DEPARTMENT TOTAL	<u>\$ 4,835</u>	<u>\$ 5,240</u>	<u>\$ 5,447</u>
Treasury Department			
General Government			
Replacement Checks	\$ 40	\$ 180	\$ 180
Refunding Liquid Fuel Tax — Agriculture	2,700	4,000	4,000
Administration of Refunding Liquid Fuel Tax	227	297	258
Refunding Liquid Fuel Tax — State Share	200	350	350
Refunding Emergency Liquid Fuel Tax	1	1	1
Refunding Liquid Fuel Tax — Political Subdivision Use	1,550	2,100	2,100
Refunding Liquid Fuel Tax — Volunteer Fire Companies, Ambulance Services and Rescue Squads	110	175	175
Refunding Marine Liquid Fuel Tax — Boat Fund	1,500	1,500	1,500
Subtotal	<u>\$ 6,327</u>	<u>\$ 8,603</u>	<u>\$ 8,564</u>
Debt Service Requirements			
Capital Debt — Transportation Projects	\$ 165,050	\$ 165,066	\$ 166,434
General Obligation Debt Service	642	1,508	2,089
Advance Construction Interstate—Interest Payments	12,185	14,769	14,520
Loan and Transfer Agent	119	135	135
Subtotal	<u>\$ 177,996</u>	<u>\$ 181,478</u>	<u>\$ 183,178</u>
TOTAL STATE FUNDS	<u>\$ 184,323</u>	<u>\$ 190,081</u>	<u>\$ 191,742</u>
Restricted Revenue	\$ 56,503	\$ 94,929	\$ 91,182
DEPARTMENT TOTAL	<u>\$ 240,826</u>	<u>\$ 285,010</u>	<u>\$ 282,924</u>
Department of Education			
Grants and Subsidies			
Safe Driving Course	\$ 1,910	\$ 2,300	\$ 2,197
Commercial Driver Licensing Test Preparation .....	.....	.....	3,000
DEPARTMENT TOTAL	<u>\$ 1,910</u>	<u>\$ 2,300</u>	<u>\$ 5,197</u>

Motor License Fund

Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
Department of General Services			
General Government			
Asbestos Control	500	\$ 500	.....
Grants and Subsidies			
Tort Claims — Payments	\$ 14,159	\$ 26,500	\$ 26,500
DEPARTMENT TOTAL	\$ 14,659	\$ 27,000	\$ 26,500
 Department of Revenue			
General Government			
Collection — Liquid Fuels Tax	\$ 6,830	\$ 7,165	\$ 7,713
Refunding Liquid Fuels Taxes	2,875	2,875	2,875
DEPARTMENT TOTAL	\$ 9,705	\$ 10,040	\$ 10,588
 Pennsylvania State Police			
General Government			
General Government Operations	\$ 164,292	\$ 179,444	\$ 189,603
Commercial Driver Safety and Licensing .....	.....	1,307	1,736
Municipal Police Training	2,320	2,875	3,805
Patrol Vehicles	4,759	3,635	4,020
DEPARTMENT TOTAL	\$ 171,371	\$ 187,261	\$ 199,164
 Department of Transportation			
General Government			
General Government Operations	\$ 22,535	\$ 23,349	\$ 23,912
Refunding Collected Monies	1,873	2,000	1,800
Highway and Safety Improvement	181,584	190,000	165,000
High Accident Corridor Corrections .....	.....	10,000	10,000
Timber Bridges .....	.....	500	.....
Demonstration Timber Bridge Program .....	.....	300	.....
Highway Maintenance	605,887	588,749	628,287
Highway Maintenance—Supplemental	8,842	14,879	7,013
Traffic and Directional Signs	15,000	.....	.....
Salt Storage Buildings	1,500	1,500	750
Roadside Rest Areas	2,000	2,000	1,000
Reinvestment — Facilities	3,000	2,000	2,000
Local Bridge Inspection	523	300	645
Secondary Roads — Maintenance and Resurfacing	55,803	55,016	54,700
Safety Administration and Licensing	48,358	50,666	50,959
Commercial Driver Safety and Licensing .....	.....	2,522	3,439
Motor Vehicle Insurance Compliance	183	409	2,521
Subtotal	\$ 947,088	\$ 944,190	\$ 952,026
 Debt Service Requirements			
State Highway and Bridge Authority Rentals	\$ 24,146	\$ 18,869	\$ 12,500

Motor License Fund

Summary by Department (Continued)

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
Department of Transportation (continued)			
Grants and Subsidies			
Local Road Maintenance and Construction Payments	\$ 156,798	\$ 163,949	\$ 158,253
Supplemental Local Road Maintenance and Construction Payments	5,000	5,000	5,000
Philadelphia Payment — Franchise Tax	870	1,018	943
Subtotal	<u>\$ 162,668</u>	<u>\$ 169,967</u>	<u>\$ 164,196</u>
TOTAL STATE FUNDS	<u>\$ 1,133,902</u>	<u>\$ 1,133,026</u>	<u>\$ 1,128,722</u>
Federal Funds	\$ 794,799	\$ 893,501	\$ 745,769
Augmentations	22,698	29,318	29,244
Restricted Revenue	53,503	109,594	100,293
DEPARTMENT TOTAL	<u>\$ 2,004,902</u>	<u>\$ 2,165,439</u>	<u>\$ 2,004,028</u>
Fund Summary			
State Funds — Transportation	\$ 1,133,902	\$ 1,133,026	\$ 1,128,722
State Funds — Other Departments	386,078	421,192	437,856
TOTAL STATE FUNDS	<u>\$ 1,519,980</u>	<u>\$ 1,554,218</u>	<u>\$ 1,566,578</u>
Motor License Fund Total — All Funds			
State Funds	\$ 1,519,980	\$ 1,554,218	\$ 1,566,578
Federal Funds	794,799	893,501	745,769
Augmentations	23,423	30,048	30,026
Restricted Revenue	110,006	204,523	191,475
FUND TOTAL	<u>\$ 2,448,208</u>	<u>\$ 2,682,290</u>	<u>\$ 2,533,848</u>

Motor License Fund

REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Estimated	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
Liquid Fuels Taxes	\$ 923,416	\$ 923,416	\$ 923,416	\$ 925,726	\$ 928,778	\$ 931,841	\$ 934,168
Motor Licenses and Fees	455,782	469,300	482,362	488,600	499,100	507,400	517,400
Other Motor License Fund Revenues	78,656	96,408	118,486	99,019	89,237	78,772	78,722
TOTAL MOTOR LICENSE FUND REVENUES	<u>\$ 1,457,854</u>	<u>\$ 1,489,124</u>	<u>\$ 1,524,264</u>	<u>\$ 1,513,345</u>	<u>\$ 1,517,115</u>	<u>\$ 1,518,013</u>	<u>\$ 1,530,290</u>
Aviation Restricted Revenues	\$ 15,937	\$ 15,081	\$ 16,175	\$ 16,821	\$ 17,507	\$ 18,226	\$ 18,977
Highway Bridge Improvement Restricted Revenues	\$ 63,862	\$ 70,907	\$ 71,900	\$ 72,032	\$ 72,207	\$ 72,383	\$ 72,516
State Highway Transfer Restricted Revenues	\$ 14,855	\$ 14,855	\$ 14,855	\$ 14,893	\$ 14,942	\$ 14,991	\$ 15,028

Adjustments to 1989-90 Revenue Estimate

On July 1, 1989, an official estimate for the 1989-90 fiscal year of \$1,481,005,000 was certified. The revised estimate detailed below reflects actual revenue collections through the first six months of the fiscal year and expected collections for the balance of the fiscal year.

	(Dollar Amounts in Thousands)		
	1989-90 Official Estimate	Adjustments	1989-90 Revised Estimate
Liquid Fuels Taxes	\$ 930,305	\$ -6,889	\$ 923,416
Motor Licenses and Fees	461,700	7,600	469,300
Other Motor License Fund Revenues	89,000	7,408	96,408
TOTAL	<u>\$ 1,481,005</u>	<u>\$ 8,119</u>	<u>\$ 1,489,124</u>

Motor License Fund

Revenue Sources

Liquid Fuels Taxes			
Actual	(Dollar Amounts in Thousands)		Estimated
1983-84	\$ 801,732	1989-90	\$ 923,416
1984-85	860,536	1990-91	923,416
1985-86	873,782	1991-92	925,726
1986-87	893,645	1992-93	928,778
1987-88	923,396	1993-94	931,841
1988-89	923,416	1994-95	934,168

Tax Base and Rates:

Liquid Fuels. The liquid fuels tax is based on the number of gallons of liquid fuel (primarily gasoline) used, sold or delivered within the Commonwealth by distributors. 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. The present tax rate is twelve cents per gallon, having been increased from the previous eleven cents per gallon rate on August 8, 1983.

Fuel Use. The fuel use tax is based on the number of gallons of fuel used in the Commonwealth by dealers. It applies to diesel fuel and any fuel not 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. The current tax rate of twelve cents per gallon became effective on August 8, 1983, increasing one cent from the previous rate.

Motor Carriers Road Tax. The Motor Carriers Road Tax is levied on motor carriers operating vehicles with a gross weight or registered gross weight in excess of 17,000 pounds. The tax is comprised of: a twelve cent per gallon tax; an oil company franchise tax element based upon six percent of the average wholesale price; and a six cent per gallon surtax levied by Act 56 of 1987, effective July 1, 1987, which is periodically transferred to the restricted Highway Bridge Improvement account within the Motor License Fund. Credit is given for liquid fuels, fuel use and oil company franchise taxes paid at the pump or directly remitted.

In addition, identification markers are required to be issued annually for each vehicle upon a payment of \$5 per vehicle.

Interstate Bus Compact Fuels Tax. The Compact on Taxation of Motor Fuels Consumed by Interstate Buses imposes a tax 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 Pennsylvania tax rate is twelve cents per gallon. Prior to August 8, 1983, the tax rate was eleven cents per gallon.

Oil Company Franchise Tax. This tax is an excise tax on oil companies for the privilege of exercising their corporate franchise, doing business, employing capital, owning or leasing property, maintaining an office or having employees in the Commonwealth. The current tax rate of 6.0 percent of the average wholesale price of motor fuels used for motor vehicles in the Commonwealth became effective August 8, 1983. Previously, the tax rate was 3.5 percent of the wholesale price. Funding for the local highway turnback program consisted of two mills of the Oil Company Franchise Tax in 1983-84 and three mills for 1984-85 and thereafter and is not included in the above estimates.

Exclusions and Deductions and Reimbursements:

Liquid Fuels, Fuel Use and Oil Company Franchise Taxes: Fuels used, sold or delivered to the U.S. Government, the Commonwealth and any of its political subdivisions, public authorities, nonprofit schools, volunteer fire companies, ambulance services, rescue squads, fuels sold and delivered under the Commerce Clause of the Constitution of the United States, liquid fuel delivered in-state by one distributor to another when receiver is taxable or when tax has already been paid (applicable to liquid fuels tax only), fuel (not over 50 gallons) brought into the Commonwealth in vehicle's fuel supply tanks (applicable to fuel use tax only) and fuels used for certain agricultural purposes are not taxable.

Motor Carrier Road Tax. Credit is given for tax paid on motor fuels purchased in Pennsylvania but consumed elsewhere.

Motor License Fund

Revenue Sources (continued)

Motor Licenses and Fees

Actual	(Dollar Amounts in Thousands)	Estimated	
1983-84	\$ 386,989	1989-90	\$ 469,300
1984-85	402,545	1990-91	482,362
1985-86	421,347	1991-92	488,600
1986-87	428,618	1992-93	499,100
1987-88	444,798	1993-94	507,400
1988-89	455,782	1994-95	517,400

The Commonwealth receives revenue from the collection of fees levied for the registration and titling of motor vehicles and for the issuance of learner's permits, operator's licenses, certificates of title and transfers of registration.

Other Motor License Fund Revenues

Actual	(Dollar Amounts in Thousands)	Estimated	
1983-84	\$ 54,155	1989-90	\$ 96,408
1984-85	75,643	1990-91	118,486
1985-86	73,124	1991-92	99,019
1986-87	66,065	1992-93	89,237
1987-88	83,231	1993-94	78,772
1988-89	78,656	1994-95	78,722

Other Motor License Fund revenues include the following sources:

Fines — Aeronautics fines collected under the Fuel Use Tax Act and certain vehicle code fines.

Miscellaneous Revenue — Interest on Motor License Fund deposits, investments and securities; the sale of unserviceable properties, maps, plans and inspection stickers; and the rental of State properties.

Gross Receipts Tax — 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.

This category also includes \$15.8 million in 1987-88 of anticipated Federal reimbursement of advance construction interstate (ACI) payments financed initially with State funds, and advance construction interstate interest reimbursements and interest earnings.

Beginning in July 1987, the total of all fines, fees and costs collected by any division of the Unified Judicial System which is in excess of the amount collected from such sources in fiscal year 1986-87 is to be deposited in the Judicial Computer System Augmentation Account in accordance with Act 1987-64. Any fines, fees or costs which are allocated by law to counties and municipalities are not affected by this act.

Motor License Fund

Revenue Detail

The following is a detailed list of all revenues available for Motor License Fund appropriations. Restricted receipts and revenues for the aviation, highway bridge improvement and State highway turnback programs are not included in these amounts.

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
LIQUID FUELS TAXES			
Liquid Fuels Tax			
Liquid Fuels Tax	\$ 520,526	\$ 520,526	\$ 520,526
Liquid Fuels Tax Penalties	77	77	77
Liquid Fuels Tax Interest	99	99	99
Subtotal	<u>\$ 520,702</u>	<u>\$ 520,702</u>	<u>\$ 520,702</u>
Fuel Use Tax			
Fuel Use Tax	\$ 107,938	\$ 107,938	\$ 107,938
Fuel Use Tax Penalties	289	289	289
Fuel Use Tax Interest	123	123	123
Subtotal	<u>\$ 108,350</u>	<u>\$ 108,350</u>	<u>\$ 108,350</u>
Motor Carriers Road Tax			
Motor Carriers Road—Fuels Tax	\$ 7,333	\$ 7,333	\$ 7,333
Motor Carriers Road Tax — Registration Fees and Special Permit Fees	4,062	4,062	4,062
Subtotal	<u>\$ 11,395</u>	<u>\$ 11,395</u>	<u>\$ 11,395</u>
Interstate Bus Compact Fuels Tax			
Interstate Bus Compact Fuels Tax	\$ 709	\$ 709	\$ 709
Interstate Bus Compact Fuels Tax Penalties	3	3	3
Interstate Bus Compact Fuels Tax Interest	5	5	5
Subtotal	<u>\$ 717</u>	<u>\$ 717</u>	<u>\$ 717</u>
Oil Company Franchise Tax			
Oil Company Franchise Tax	\$ 282,252	\$ 282,252	\$ 282,252
Subtotal	<u>\$ 282,252</u>	<u>\$ 282,252</u>	<u>\$ 282,252</u>
TOTAL LIQUID FUELS TAXES	<u>\$ 923,416</u>	<u>\$ 923,416</u>	<u>\$ 923,416</u>
MOTOR LICENSES AND FEES			
Operators' Licenses	\$ 45,024	\$ 45,000	\$ 47,661
Special Hauling Permit Fees	8,307	8,300	8,300
Vehicle Registration and Titling	368,778	379,900	388,901
Other Fees Collected by Bureau of Motor Vehicles	15,760	16,000	16,500
Registration Fees Received From Other States/IRP	17,913	20,100	21,000
TOTAL MOTOR LICENSES AND FEES	<u>\$ 455,782</u>	<u>\$ 469,300</u>	<u>\$ 482,362</u>

Motor License Fund

Revenue Detail (continued)

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
OTHER MOTOR LICENSE FUND REVENUES			
Gross Receipts Tax			
Gross Receipts Tax	\$ 502	\$ 500	\$ 500
Subtotal	<u>\$ 502</u>	<u>\$ 500</u>	<u>\$ 500</u>
Fines and Penalties			
Department of Transportation			
Vehicle Code Fines	\$ 2,473	\$ 2,510	\$ 2,568
Department of Revenue			
Vehicle Codes Fines	26,548	26,990	27,560
Subtotal	<u>\$ 29,021</u>	<u>\$ 29,500</u>	<u>\$ 30,128</u>
Miscellaneous Revenues			
Executive Offices			
Refunds of Expenditures Not Credited to Appropriations or Allocations .....	.....	\$ 2,500	\$ 20,203
Subtotal .....	.....	<u>\$ 2,500</u>	<u>\$ 20,203</u>
Treasury Department			
Interest on Securities	\$ 22,674	\$ 30,825	\$ 27,425
Interest on Securities — Liquid Fuels Tax Fund	789	1,065	1,065
Interest on Deposits — Cash Advancement Accounts ..	83	110	110
Interest on Deposits — Liquid Fuels Tax Fund	-80 ^a	.....	.....
Redeposit of Checks	142	.....	.....
Subtotal	<u>\$ 23,608</u>	<u>\$ 32,000</u>	<u>\$ 28,600</u>
Department of General Services			
Sale of Unserviceable Property	502	500	500
Rental of State Property	1	.....	.....
Subtotal	<u>\$ 503</u>	<u>\$ 500</u>	<u>\$ 500</u>
Department of Transportation			
Highway Encroachment Permits	1,132	1,300	1,300
Highway Bridges Income	106	125	125
Sale of Maps and Plans	214	200	200
Sale of Gas, Oil and Anti-Freeze	460	400	400
Recovered Damages	2	2	2
Contract Deposit Forfeitures	*	1	1
Sale of Inspection Stickers	18,558	18,379	18,424
Miscellaneous Revenues	2,954	1,639	11,617
Refunds of Expenditures Not Credited to Appropriations or Allocations	1,080	400	400
Fees for Reclaiming Abandoned Vehicles	19	16	16
Sale of Abandoned Vehicles	2	2	2
Sale of Bid Proposals and Contract Specifications	495	300	300
Advance Construction Interstate Interest Reimbursement .....	.....	8,644	5,768
Subtotal	<u>\$ 25,022</u>	<u>\$ 31,408</u>	<u>\$ 38,555</u>
TOTAL OTHER MOTOR LICENSE FUND REVENUES ...	<u>\$ 78,656</u>	<u>\$ 96,408</u>	<u>\$ 118,486</u>
TOTAL MOTOR LICENSE FUND REVENUES	<u>\$ 1,457,854</u>	<u>\$ 1,489,124</u>	<u>\$ 1,524,264</u>

* Less than \$500

^aReversal of incorrect deposit made in 1987-88.

Motor License Fund

Restricted Revenues Not Included in Department Total

Aviation Revenues			
Actual	(Dollar Amounts in Thousands)	Estimated	
1983-84	\$ 7,609	1989-90	\$ 15,081
1984-85	8,334	1990-91	16,175
1985-86	11,155	1991-92	16,821
1986-87	10,697	1992-93	17,507
1987-88	13,235	1993-94	18,226
1988-89	15,937	1994-95	18,977

Aviation revenue includes taxes levied on aviation gasoline and jet fuel, and income earned at State-owned airports. Both tax rates are annually adjusted based on the change in the jet fuel price index. In accordance with Act 1984-164 the aviation gasoline rate is not to exceed 6.0 cents per gallon, nor be less than 3.0 cents per gallon. The jet fuel tax, is not to exceed 2.0 cents per gallon, nor shall it be less than 1.5 cents per gallon. The tax rate as of January 1, 1990 is 3.2 cents per gallon on aviation gasoline and 1.0 cent per gallon on jet fuel, both raised 0.1 cent above their previous rates. Airport income consists primarily of rents, concessions, utility refunds and landing fees. Aviation restricted revenues are not included in Motor License Fund Revenue totals.

	1988-89 Actual	1989-90 Estimated	1990-91 Budget
AVIATION REVENUES			
Aviation Liquid Fuels Tax	\$ 7,923	\$ 7,410	\$ 7,815
Harrisburg International Airport Operations	7,052	6,500	7,198
State Airport Operations	136	227	248
Harrisburg International Airport Industrial Park	826	944	914
TOTAL AVIATION REVENUES	\$ 15,937	\$ 15,081	\$ 16,175

Highway Bridge Improvement Revenues

Actual	(Dollar Amounts in Thousands)	Estimated	
1983-84	\$ 80,400	1989-90	\$ 70,907
1984-85	72,683	1990-91	71,900
1985-86	76,074	1991-92	72,032
1986-87	79,171	1992-93	72,207
1987-88	42,862	1993-94	72,383
1988-89	63,862	1994-95	72,516

Prior to the U.S. Supreme Court decision declaring the Axle Tax unconstitutional, highway bridge improvement revenues included a \$36 per axle tax on heavy trucks and temporary permit fees. The Axle Tax was found unconstitutional by the U.S. Supreme Court on June 23, 1987. These revenues were replaced by Act 56 of 1987, which provides for the following: a 6 cent per gallon surtax on fuel consumed in Pennsylvania by motor carrier vehicles; a portion of the registration fee for Pennsylvania based motor vehicles in classes 9-25; and, temporary permit fees collected from out-of-state motor carriers for travel in Pennsylvania. Negative entries for Axle Tax receipts represent rebates paid out for previously collected taxes that did not meet payment criteria.

	1988-89 Actual	1989-90 Estimated	1990-91 Budget
HIGHWAY BRIDGE IMPROVEMENT REVENUES			
Axle Tax	\$ -7,286	\$ 7	.....
Motor Carrier Surcharge	52,024	51,500	\$ 51,500
Registration Fee Portion—PA-Based Motor Vehicles	17,357	18,000	19,000
Temporary Permit Fees	1,767	1,400	1,400
TOTAL HIGHWAY BRIDGE IMPROVEMENT REVENUES	\$ 63,862	\$ 70,907	\$ 71,900

Motor License Fund

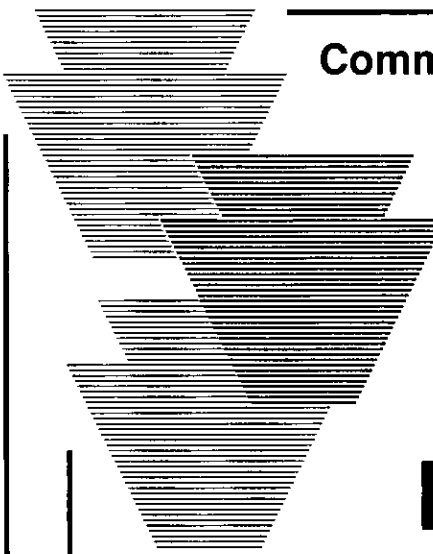
Restricted Revenues Not Included in Department Total (continued)

State Highway Transfer Revenues

Actual	(Dollar Amounts in Thousands)	Estimated	
1983-84	\$ 8,926	1989-90	\$ 14,855
1984-85	13,712	1990-91	14,855
1985-86	14,551	1991-92	14,893
1986-87	14,225	1992-93	14,942
1987-88	14,841	1993-94	14,991
1988-89	14,855	1994-95	15,028

State highway transfer restricted revenues are provided by three mills of the Oil Company Franchise Tax. The present rate became effective in 1984-85, having increased one mill from the previous rate. Act 1983-32 established a local highway turnback program funded by a restricted revenue account within the Motor License Fund.

	1988-89 Actual	1989-90 Estimated	1990-91 Budget
STATE HIGHWAY TRANSFER REVENUES			
Oil Company Franchise Tax (3 mills)	\$ 14,855	\$ 14,855	\$ 14,855



Commonwealth of Pennsylvania

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.

Banking Department Fund

Financial Statement

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Beginning Balance	\$ 2,576	\$ 1,240	\$ 655
Receipts:			
Revenue Estimate	\$ 7,480	\$ 8,355	\$ 9,120
Prior Year Lapses	70	.....	.....
Total Receipts	<u>7,550</u>	<u>8,355</u>	<u>9,120</u>
Funds Available	\$ 10,126	\$ 9,595	\$ 9,775
Expenditures:			
Appropriated	\$ 8,886	\$ 8,940	\$ 9,096
Estimated Expenditures	<u>-8,886</u>	<u>-8,940</u>	<u>-9,096</u>
Ending Balance	<u>\$ 1,240</u>	<u>\$ 655</u>	<u>\$ 679</u>

Summary by Department

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Treasury Department			
General Government			
Replacement Checks .....	.....	\$ 15	\$ 15
Banking Department			
General Government			
General Operations	\$ 8,592	\$ 8,642	\$ 8,798
Department of General Services			
General Government			
Harristown Rental Charges	\$ 163	\$ 146	\$ 146
Harristown Utility and Municipal Charges	131	137	137
DEPARTMENT TOTAL	<u>\$ 294</u>	<u>\$ 283</u>	<u>\$ 283</u>
FUND TOTAL	<u>\$ 8,886</u>	<u>\$ 8,940</u>	<u>\$ 9,096</u>

Banking Department Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1988-89 Actual	1989-90 Estimated	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
Licenses and Fees	\$ 7,190	\$ 8,056	\$ 8,823	\$ 9,428	\$ 10,075	\$ 10,567	\$ 11,081
Miscellaneous	290	299	297	315	333	353	375
TOTAL BANKING DEPARTMENT FUND RECEIPTS	\$ 7,480	\$ 8,355	\$ 9,120	\$ 9,743	\$ 10,408	\$ 10,920	\$ 11,456

Revenue Sources

Licenses and Fees

Actual	Estimated
1983-84	1989-90
\$ 6,528	\$ 8,056
1984-85	1990-91
6,251	8,823
1985-86	1991-92
6,588	9,428
1986-87	1992-93
6,524	10,075
1987-88	1993-94
7,324	10,567
1988-89	1994-95
7,190	11,081

The Commonwealth receives revenue from examination fees based on the actual cost of examining banks and trust companies, savings and private banks, building and loan associations, pawnbrokers, consumer discount companies and credit unions. Overhead assessments 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. Beginning in 1989-90, fees include the impact of Act 90 of 1989, the Mortgage Bankers and Brokers Act.

Miscellaneous Revenues

Actual	Estimated
1983-84	1989-90
\$ 351	\$ 299
1984-85	1990-91
406	297
1985-86	1991-92
276	315
1986-87	1992-93
183	333
1987-88	1993-94
232	353
1988-89	1994-95
290	375


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 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.

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Licenses and Fees			
Banking Examinations	\$ 2,354	\$ 2,589	\$ 2,783
Banking — Overhead Assessments	2,071	2,278	2,460
Banking — Application Fees	65	78	87
Banking — Publications	1	1	1
Banking — Miscellaneous Fees	6	7	7
Banking — Interstate Application Fees	45	50	60
Foreign Bank Application Fees	6	8	6
Savings Association — Examinations	522	574	615
Savings Association — Overhead Assessments	516	567	613
Savings Association — Application Fees	27	24	23
Consumer Credit — Examinations	348	383	413
Consumer Credit — Overhead Assessments	160	173	187
Miscellaneous	2	2	2
Consumer Credit — Pawnbroker Licenses	4	4	4
Consumer Credit — Installment Seller Licenses	209	215	219
Consumer Credit — Consumer Discount Company Licenses	169	172	175
Consumer Credit — Money Transmitter Licenses	4	4	4
Consumer Credit — Sales Finance Licenses	166	167	169
Consumer Credit — Collector-Repossessor Licenses	21	22	22
Consumer Credit — Second Mortgage Licenses	48	48	49
Examinations — Credit Union	204	225	243
Examinations — Money Transmitters	67	73	79
Examinations — Pawnbrokers	6	6	7
Examinations — Second Mortgage	169	186	201
Examinations — First Mortgage .....	.....	.....	241
First Mortgage Company — Licenses .....	.....	200	153
TOTAL	<u>\$ 7,190</u>	<u>\$ 8,056</u>	<u>\$ 8,823</u>
Miscellaneous Revenues			
Interest on Securities	\$ 287	\$ 299	\$ 297
Interest on Deposits	2	.....	.....
Sale of Unserviceable Property	1	.....	.....
TOTAL	<u>\$ 290</u>	<u>\$ 299</u>	<u>\$ 297</u>
TOTAL REVENUES	<u>\$ 7,480</u>	<u>\$ 8,355</u>	<u>\$ 9,120</u>



Commonwealth of Pennsylvania

Boat Fund

The Boat Fund is a special revenue fund composed of monies from license fees, fines, penalties, Federal contributions and other sources under the Fish and 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 programs relating to boats and boating.

Boat Fund

Financial Statement

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Beginning Balance	\$ 4,094	\$ 2,870	\$ 3,329
Receipts:			
Revenue Estimate	\$ 2,928	\$ 5,735	\$ 4,487
Prior Year Lapses	346	.....	.....
Total Receipts	3,274	5,735	4,487
Funds Available	\$ 7,368	\$ 8,605	\$ 7,816
Expenditures:			
Appropriated	\$ 4,498	\$ 5,276	\$ 5,647
Estimated Expenditures	-4,498	-5,276	-5,647
Ending Balance	\$ 2,870	\$ 3,329	\$ 2,169

Summary by Department

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Treasury Department			
General Government			
Replacement Checks .....	.....	\$ 17	\$ 17
DEPARTMENT TOTAL .....	.....	\$ 17	\$ 17
Fish Commission			
General Government			
General Operations	\$ 3,864	\$ 4,442	\$ 4,729
TOTAL STATE FUNDS	\$ 3,864	\$ 4,459	\$ 4,746
Federal Funds	\$ 632	\$ 807	\$ 891
Other Funds	2	10	10
FUND TOTAL	\$ 4,498	\$ 5,276	\$ 5,647

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1988-89 Actual	1989-90 Estimated	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
Licenses and Fees	\$ 1,402	\$ 1,498	\$ 1,574	\$ 1,634	\$ 1,694	\$ 1,759	\$ 1,824
Fines and Penalties	69	60	60	60	65	65	70
Miscellaneous	1,169	3,360	1,952	2,024	2,096	2,172	2,252
TOTAL BOAT FUND REVENUES	\$ 2,640	\$ 4,918	\$ 3,586	\$ 3,718	\$ 3,855	\$ 3,996	\$ 4,146
Augmentations	\$ 634	\$ 817	\$ 901	\$ 915	\$ 874	\$ 879	\$ 884
TOTAL BOAT FUND RECEIPTS	\$ 3,274	\$ 5,735	\$ 4,487	\$ 4,633	\$ 4,729	\$ 4,875	\$ 5,030

Revenue Sources

Licenses and Fees

Actual			Estimated
1983-84	\$ 1,071	1989-90	\$ 1,498
1984-85	1,141	1990-91	1,574
1985-86	1,179	1991-92	1,634
1986-87	1,287	1992-93	1,694
1987-88	1,344	1993-94	1,759
1988-89	1,402	1994-95	1,824

The Boat Fund receives revenue from fees for registering motor boats. The annual registration fee is \$4.00 for boats less than 16 feet in length and \$6.00 for boats 16 feet in length or longer.

Fines and Penalties

Actual			Estimated
1983-84	\$ 82	1989-90	\$ 60
1984-85	108	1990-91	60
1985-86	95	1991-92	60
1986-87	90	1992-93	65
1987-88	74	1993-94	65
1988-89	69	1994-95	70

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

Miscellaneous Revenues

Actual			Estimated
1983-84	\$ 2,159	1989-90	\$ 3,360
1984-85	2,442	1990-91	1,952
1985-86	1,989	1991-92	2,024
1986-87	1,992	1992-93	2,096
1987-88	2,320	1993-94	2,172
1988-89	1,169	1994-95	2,252

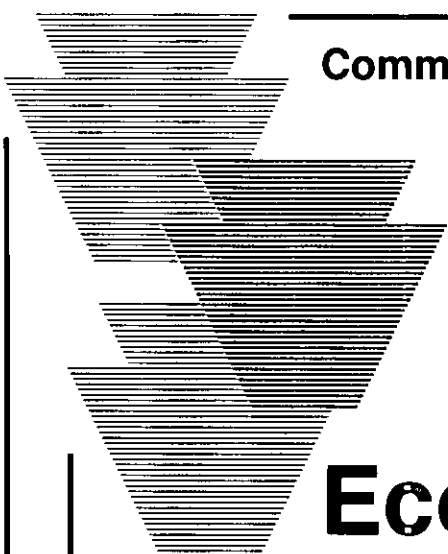
The Boat Fund receives a portion of the Liquid Fuels Tax transferred from the Motor License Fund and the Liquid Fuels Tax Fund for fuel used by motorboats on the waters of the Commonwealth. In addition, a small amount of revenue is collected annually from other miscellaneous sources including the sale of the publication *Boat Pennsylvania*.

Boat Fund

Revenue Detail

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

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Licenses and Fees			
Motor Boat Registration Fees	\$ 1,370	\$ 1,470	\$ 1,540
Boat Mooring Permits—Walnut Creek Access	27	22	30
Boat Capacity Plate Fees	5	6	4
TOTAL	<u>\$ 1,402</u>	<u>\$ 1,498</u>	<u>\$ 1,574</u>
Fines and Penalties			
Motor Boat Fines	\$ 69	\$ 60	\$ 60
TOTAL	<u>\$ 69</u>	<u>\$ 60</u>	<u>\$ 60</u>
Miscellaneous			
Transfer From Motor License and Liquid Fuels Tax Funds		\$ 3,000	\$ 1,550
Miscellaneous	\$ 358	7	10
Interest on Securities	307	312	317
Sale of Unserviceable Property		5	3
Sales Tax Agent Fee PFC Share	471	7	40
Sale of Boat Pennsylvania	33	29	32
TOTAL	<u>\$ 1,169</u>	<u>\$ 3,360</u>	<u>\$ 1,952</u>
TOTAL REVENUES	<u>\$ 2,640</u>	<u>\$ 4,918</u>	<u>\$ 3,586</u>
Augmentations			
Sale of Automobiles	\$ 2	\$ 10	\$ 10
U.S. Coast Guard Grant for Boating Safety	398	600	600
Sport Fish Restoration	234	207	291
TOTAL	<u>\$ 634</u>	<u>\$ 817</u>	<u>\$ 901</u>
TOTAL RECEIPTS	<u>\$ 3,274</u>	<u>\$ 5,735</u>	<u>\$ 4,487</u>



Commonwealth of Pennsylvania

Economic Revitalization Fund

The Pennsylvania Economic Revitalization Fund (PERF) was created by Act 104 of 1984 as a three-year \$190 million program financed through a bond issue authorized by the electorate. In 1985-86, the funding for PERF was changed from bond funds to current revenues provided from General Fund transfer appropriations; and the fund was formally established in the 1988-89 budget as a permanent economic development fund. This budget recommends utilizing the remaining \$117 million in PERF bond authority to continue economic development programs.

Economic Revitalization Fund

Financial Statement

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Available	1990-91 Estimated
Beginning Balance	\$ 20,281	\$ 5,413	\$ 3,898
Receipts:			
Transfer from General Fund	\$ 41,050	\$ 34,600	\$ 8,500
Miscellaneous	5,470	4,405	118,667 ^a
Less transfer of interest to Sinking Fund	-4,528	-3,405	-267
Total Receipts	\$ 41,992	\$ 35,600	\$ 126,900
Prior Year Lapses	4,293	2,500	.....
Funds Available	\$ 66,566	\$ 43,513	\$ 130,798
Expenditures:			
Appropriated	\$ 63,230	\$ 41,115	\$ 128,615
Less Current Year Lapses	-2,077	-1,500	.....
Estimated Expenditures	-61,153	-39,615	-128,615
Ending Balance	\$ 5,413	\$ 3,898	\$ 2,183

^aIncludes bond sales net of discount and cost of issuance of \$114,660,000.

Economic Revitalization Fund

Summary by Department

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Treasury Department			
General Government			
Replacement Checks .....	.....	\$ 15	\$ 15
 Department of Agriculture			
Grants and Subsidies			
PennAg Fund	\$ 1,000	.....	1,000
 Department of Community Affairs			
Grants and Subsidies			
Recreational Improvement and Rehabilitation	\$ 6,000	\$ 1,250	\$ 3,000
Reduction of State Match	1,500	.....	.....
Enterprise Development .....	.....^a	.....^a	7,250
Heritage Parks .....	.....	.....^a	950
Housing and Redevelopment — Economic Development Setaside .....	.....^b	.....^b	17,000
TOTAL STATE FUNDS	<u>\$ 7,500</u>	<u>\$ 1,250</u>	<u>\$ 28,200</u>
Augmentations .....	.....	.....	\$ 500
DEPARTMENT TOTAL	<u>\$ 7,500</u>	<u>\$ 1,250</u>	<u>\$ 28,700</u>
 Economic Development Partnership			
Grants and Subsidies			
Engineering School Equipment .....	.....	.....	\$ 2,000
Business Infrastructure Development	\$ 21,313	\$ 17,850	14,000
Small Business Incubators	2,157	.....	.....
Employe Ownership—Technical Assistance	154	500	250
Capital Loan Fund	8,000	500	1,500
Mon Valley Revitalization	2,000	2,000	2,000
Beaver Valley Revitalization	1,000	1,000	1,000
Shenango Valley Revitalization	1,000	1,000	1,000
Johnstown Industrial Heritage	1,000	.....	.....
Community Economic Recovery	979	1,000	1,000
Industrial Resource Centers	10,000	5,000	6,500
Lehigh Mountaintop Campus	1,000	1,000	1,000
Butler-Lawrence Revitalization	500	500	.....
Alle-Kiske Valley Revitalization	250	500	.....
Machinery and Equipment Revolving Fund	3,000	3,000	3,000
AVTEX Site Development	300	.....	.....
Site Development .....	.....^a	.....^a	1,000
Ben Franklin Partnership .....	.....^a	.....^a	28,000

^aProgram funded from the General Fund.

^bProgram funded from the General Fund and as part of a single Housing and Redevelopment appropriation totalling \$45 million in 1988-89 and \$37 million in 1989-90.

Economic Revitalization Fund

Summary by Department

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Economic Development Partnership			
(continued)			
Grants and Subsidies (continued)			
Super Computer Center .....	.....^a	.....	1,000
Industrial Communities Site Development and Action Program .....	.....	.....^a	10,500
Tourist Promotion Assistance .....	.....^a	.....^a	7,200
PENNPORTS .....	.....^a	.....^a	12,050
Powdered Metallurgy Research and Development .....	.....	.....	400
TOTAL STATE FUNDS	<u>\$ 52,653</u>	<u>\$ 33,850</u>	<u>\$ 93,400</u>
Federal Funds .....	.....	.....	\$ 1,500
DEPARTMENT TOTAL	<u>\$ 52,653</u>	<u>\$ 33,850</u>	<u>\$ 94,900</u>
Department of Labor and Industry			
Grants and Subsidies			
Conservation Corps .....	.....	\$ 6,000 ^b	\$ 6,000
ECONOMIC REVITALIZATION FUND TOTAL — ALL FUNDS			
State Funds	\$ 61,153	\$ 41,115	\$ 128,615
Federal Funds .....	.....	.....	1,500
Augmentations .....	.....	.....	500
FUND TOTAL	<u>\$ 61,153</u>	<u>\$ 41,115</u>	<u>\$ 130,615</u>

^aProgram funded from the General Fund.

^bActually appropriated to the Department of Environmental Resources.

Economic Revitalization Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
Transfer from General Fund	\$ 41,050	\$ 34,600	\$ 8,500	\$ 122,000	\$ 120,500	\$ 121,000	\$ 117,500
Miscellaneous	5,470	4,405	118,667	4,340	5,260	6,200	7,100
Interest Transferred to Sinking Fund	-4,528	-3,405	-267	-2,000	-2,000	-2,000	-2,000
TOTAL ECONOMIC REVITALIZATION	\$ 41,992	\$ 35,600	\$ 126,900	\$ 124,340	\$ 123,760	\$ 125,200	\$ 122,600

Revenue Sources

Transfer from General Fund

Actual	Estimated
1983-84	1989-90
1984-85	1990-91
1985-86	1991-92
1986-87	1992-93
1987-88	1993-94
1988-89	1994-95
	\$ 34,600
	8,500
\$ 12,000	122,000
105,000	120,500
59,000	121,000
41,050	117,500

Initially funded from the sale of bonds, this fund in 1985-86 was converted to a pay-as-you-go fund whose primary source of revenue is an annual transfer from the General Fund.

Miscellaneous Revenues

Actual	Estimated
1983-84	1989-90
1984-85	1990-91
1985-86	1991-92
1986-87	1992-93
1987-88	1993-94
1988-89	1994-95
	\$ 4,405
\$ 74,768	118,667
3,855	4,340
1,468	5,260
4,297	6,200
5,470	7,100

Miscellaneous Revenue includes bond sales net of discount and cost of issuance, interest earnings, loan repayments and other miscellaneous revenue. In 1990-91 net bond sales of \$114,660,000 are anticipated.

Interest Transferred to Sinking Fund

Actual	Estimated
1983-84	1989-90
1984-85	1990-91
1985-86	1991-92
1986-87	1992-93
1987-88	1993-94
1988-89	1994-95
	\$ -3,405
	-267
\$ -4,646	-2,000
-5,026	-2,000
-4,528	-2,000

All interest on securities not used for bond discounts or the cost of issuing bonds are required to be transferred to the Economic Revitalization Sinking Fund, to be used to pay interest and principal repayments due on outstanding economic revitalization bonds.

Economic Revitalization Fund

Revenue Detail

The following is detailed list of all Pennsylvania Economic Revitalization Fund Revenues.

	1988-89	(Dollar Amounts in Thousands)	1990-91
	Actual	1989-90 Estimated	Budget
Transfer from General Fund	\$ 41,050	\$ 34,600	\$ 8,500
Miscellaneous Revenue	5,470	4,405	118,667 ^a
Interest Transferred to Sinking Fund	-4,528	-3,405	-267
TOTAL RECEIPTS	\$ 41,992	\$ 35,600	\$ 126,900

^aIncludes bond sales net of discount and cost of issuance of \$114,660,000.



Commonwealth of Pennsylvania

Energy Conservation and Assistance Fund

The Energy Conservation and Assistance Fund was created by Act 122 of 1986 to receive all oil overcharge settlements including the uncommitted balance of settlements received prior to the act. Appropriations are made from the fund for supplemental low income weatherization and assistance programs, energy conservation activities and for solid waste resource recovery.

Energy Conservation and Assistance Fund

Financial Statement

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Available	1990-91 Estimated
Beginning Balance	\$ 85,932	\$ 53,440	\$ 18,566
Receipts:			
Revenue Estimated	\$ 13,306	\$ 8,724	\$ 2,000
Transfer from Oil Overcharge Fund .....	.....	640	.....
Prior Year Lapses	176	4,762	12,000
Total Receipts	<u>13,482</u>	<u>14,126</u>	<u>14,000</u>
Funds Available	<u>\$ 99,414</u>	<u>\$ 67,566</u>	<u>\$ 32,566</u>
Expenditures:			
Appropriated	\$ 45,974	\$ 49,000	\$ 31,825
Current year lapse .....	.....	.....	.....
Estimated Expenditures	<u>-45,974</u>	<u>-49,000</u>	<u>-31,825</u>
Ending Balance	<u>\$ 53,440</u>	<u>\$ 18,566</u>	<u>\$ 741</u>

Summary by Department

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Estimated	1990-91 Budget
Department of Community Affairs			
General Government			
Weatherization	\$ 21,431	\$ 18,500	.....
Department of Public Welfare			
General Government			
Low Income Fuel Assistance	\$ 17,443	\$ 20,000	\$ 26,925
Energy Office			
General Government			
Energy Conservation Programs	\$ 7,100	\$ 10,500	\$ 4,900
TOTAL STATE FUNDS	<u>\$ 45,974</u>	<u>\$ 49,000</u>	<u>\$ 31,825</u>
FUND TOTAL	<u>\$ 45,974</u>	<u>\$ 49,000</u>	<u>\$ 31,825</u>

Energy Conservation and Assistance Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1988-89 Actual	1989-90 Estimated	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
Court Settlements	\$ 6,144	\$ 5,224	\$ 1,000	\$ 15,800	\$ 4,500	\$ 4,300	\$ 4,000
Transfer from Oil Overcharge Fund		640					
Interest Earned	7,162	3,500	1,000	500	135	125	115
TOTAL ENERGY CONSERVATION AND ASSISTANCE FUND RECEIPTS	\$ 13,306	\$ 9,364	\$ 2,000	\$ 16,300	\$ 4,635	\$ 4,425	\$ 4,115

Revenue Sources

Court Settlements

Actual	Estimated
1983-84	1989-90
1984-85	1990-91
1985-86	1991-92
1986-87	1992-93
1987-88	1993-94
1988-89	1994-95
	\$ 5,864
	1,000
	15,800
\$ 140,999	4,500
15,666	4,300
6,144	4,000

Price controls were imposed on existing petroleum reserves during the oil embargo. Violations of this law have been recouped from the oil companies and distributed to the states in proportion to the specific product consumption.

Amounts for 1987-88 and 1989-90 are the transfer of court settlements initially deposited in Oil Overcharge Fund.

Miscellaneous Revenues

Actual	Estimated
1983-84	1989-90
1984-85	1990-91
1985-86 ^a	1991-92
1986-87	1992-93
1987-88	1993-94
1988-89	1994-95
	3,500
	1,000
\$ 2,853	500
5,601	135
7,640	125
7,162	115

Miscellaneous Revenue is interest earned on the Energy Conservation and Assistance Fund.

^aFunds were originally deposited in the General Fund. Upon transfer to this special fund retroactive interest accruals were also transferred.

Energy Conservation and Assistance Fund

Revenue Detail

The following is a detailed list of all Energy Conservation and Assistance Fund Revenues.

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Court Settlements	\$ 6,144	\$ 5,224	\$ 1,000
Interest Earned	7,162	3,500	1,000
Transfer from Oil Overcharge Fund .....	.....	640	.....
TOTAL RECEIPTS	\$ 13,306	\$ 9,364	\$ 2,000



Commonwealth of Pennsylvania

Farm Products Show Fund

The 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 Farm Products Show Commission. It also includes a transfer from the General Fund.

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

Farm Products Show Fund

Financial Statement

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Available	1990-91 Estimated
Beginning Balance	\$ 983	\$ 1,639	\$ 2,018
Receipts:			
Revenue Estimate	\$ 2,536	\$ 3,503	\$ 2,350
Transfer from General Fund	1,000	1,000	1,000
Prior Year Lapses	14	.....	.....
	<hr/>	<hr/>	<hr/>
Total Receipts	3,550	4,503	3,350
Funds Available	<u>\$ 4,533</u>	<u>\$ 6,142</u>	<u>\$ 5,368</u>
Expenditures:			
Appropriated	\$ 2,894	\$ 4,124	\$ 5,039
	<hr/>	<hr/>	<hr/>
Estimated Expenditures	-2,894	-4,124	-5,039
	<hr/>	<hr/>	<hr/>
Ending Balance	<u>\$ 1,639</u>	<u>\$ 2,018</u>	<u>\$ 329</u>

Summary by Department

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Estimated	1990-91 Budget
Treasury Department			
General Government			
Replacement Checks .....	.....	\$ 15	\$ 15
Department of Agriculture			
General Government			
General Operations	\$ 1,890	\$ 2,109	\$ 2,205
Farm Show Roof Replacement	4	1,000	1,819
	<hr/>	<hr/>	<hr/>
TOTAL STATE FUNDS	<u>\$ 1,894</u>	<u>\$ 3,124</u>	<u>\$ 4,039</u>
	<hr/>	<hr/>	<hr/>
Augmentations	\$ 1,000	\$ 1,000	\$ 1,000
	<hr/>	<hr/>	<hr/>
FUND TOTAL	<u>\$ 2,894</u>	<u>\$ 4,124</u>	<u>\$ 5,039</u>

Farm Products Show Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Estimated	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
Fees	\$ 265	\$ 265	\$ 266	\$ 266	\$ 266	\$ 266	\$ 266
Miscellaneous	2,271	3,238	2,084	2,086	2,146	2,217	2,289
Total Farm Products Show Fund Revenues	<u>\$ 2,536</u>	<u>\$ 3,503</u>	<u>\$ 2,350</u>	<u>\$ 2,352</u>	<u>\$ 2,412</u>	<u>\$ 2,483</u>	<u>\$ 2,555</u>
Augmentations	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
TOTAL FARM PRODUCTS SHOW FUND RECEIPTS	<u><u>\$ 3,536</u></u>	<u><u>\$ 4,503</u></u>	<u><u>\$ 3,350</u></u>	<u><u>\$ 3,352</u></u>	<u><u>\$ 3,412</u></u>	<u><u>\$ 3,483</u></u>	<u><u>\$ 3,555</u></u>

Revenue Sources

Fees

Actual	(Dollar Amounts in Thousands)		Estimated
1983-84	\$ 213	1989-90	\$ 265
1984-85	208	1990-91	266
1985-86	221	1991-92	266
1986-87	239	1992-93	266
1987-88	249	1993-94	266
1988-89	265	1994-95	266

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	(Dollar Amounts in Thousands)		Estimated
1983-84	\$ 1,298	1989-90	\$ 3,238
1984-85	1,504	1990-91	2,084
1985-86	1,550	1991-92	2,086
1986-87	1,652	1992-93	2,146
1987-88	1,786	1993-94	2,217
1988-89	2,271	1994-95	2,289

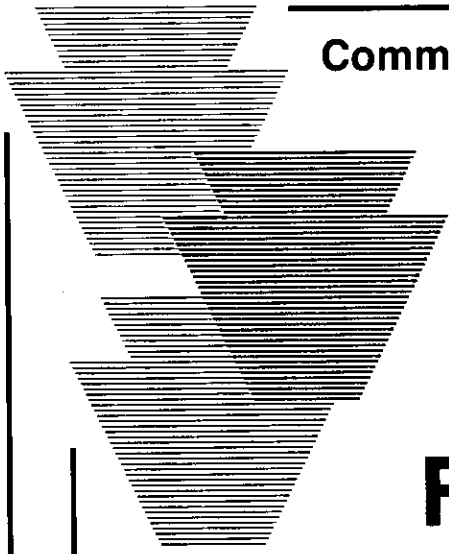
Miscellaneous revenue is raised through the leasing of the State Farm Show Buildings for exhibitions, conventions or other purposes; through the collection of service charges, net proceeds and commissions from the sale of exhibits; and through sale of unserviceable property, the collection of interest on securities and deposits, and fees from parking. Included in the 1988-89 and 1989-90 revenue are the potential proceeds from the sale of the Woodville farm as mandated by Act 64 of 1988, signed May 13, 1988.

Farm Products Show Fund

REVENUE DETAIL

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

		(Dollar Amounts in Thousands)	
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Licenses and Fees			
Exhibit Fees — Competitive — Farm Show	\$ 16	\$ 16	\$ 16
Exhibit — Commercial	249	249	250
TOTAL	\$ 265	\$ 265	\$ 266
Miscellaneous Revenue			
Concession Revenue	\$ 540	\$ 540	\$ 545
Service Charges	268	267	269
Rentals	875	915	920
Sale of Exhibits — Net Proceeds	18	18	18
Miscellaneous Revenue	10	10	10
Interest on Securities, Deposits, Returned Checks	99	82	52
Parking Fees	258	235	235
Salary Reimbursement — Dairy and Livestock Association	32	33	33
Proceeds From Sale of Woodville Farm	171	1,136	.....
Sign Shop Sales .....	.....	2	2
TOTAL	\$ 2,271	\$ 3,238	\$ 2,084
TOTAL REVENUES	\$ 2,536	\$ 3,503	\$ 2,350
Augmentations			
Transfer from General Fund	\$ 1,000	\$ 1,000	\$ 1,000
TOTAL	\$ 1,000	\$ 1,000	\$ 1,000
TOTAL RECEIPTS	\$ 3,536	\$ 4,503	\$ 3,350



Commonwealth of Pennsylvania

Fish Fund

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

Fish Fund

Financial Statement

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Beginning Balance	\$ 10,441	\$ 10,568	\$ 8,158
Receipts:			
Miscellaneous	\$ 24,474	\$ 24,458	\$ 27,994
Prior Year Lapses	512	.....	.....
Total Receipts	<u>24,986</u>	<u>24,458</u>	<u>27,994</u>
Funds Available	<u>\$ 35,427</u>	<u>\$ 35,026</u>	<u>\$ 36,152</u>
Expenditures:			
Appropriated	\$ 24,859	\$ 26,868	\$ 28,704
Estimated Expenditures	<u>-24,859</u>	<u>-26,868</u>	<u>-28,704</u>
Ending Balance	<u>\$ 10,568</u>	<u>\$ 8,158</u>	<u>\$ 7,448</u>

Summary by Department

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Treasury Department			
General Government			
Replacement Checks .....	.....	\$ 15	\$ 15
Debt Service Requirements			
General Obligation Debt Service	\$ 6	63	58
DEPARTMENT TOTAL	<u>\$ 6</u>	<u>78</u>	<u>\$ 73</u>
Fish Commission			
General Government			
General Operations	\$ 16,381	\$ 18,076	\$ 19,193
TOTAL STATE FUNDS	<u>\$ 16,387</u>	<u>\$ 18,154</u>	<u>\$ 19,266</u>
Federal Funds	\$ 3,880	\$ 3,305	\$ 3,658
Other Funds	4,592	5,409	5,780
FUND TOTAL	<u>\$ 24,859</u>	<u>\$ 26,868</u>	<u>\$ 28,704</u>

Fish Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1988-89 Actual	1989-90 Estimated	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
Licenses and Fees	\$ 13,717	\$ 13,709	\$ 16,442	\$ 17,108	\$ 17,258	\$ 17,399	\$ 17,659
Fines and Penalties	181	200	175	180	185	190	200
Miscellaneous	2,104	1,835	1,939	1,978	2,015	2,060	2,096
Total Fish Fund Revenues	<u>\$ 16,002</u>	<u>\$ 15,744</u>	<u>\$ 18,556</u>	<u>\$ 19,266</u>	<u>\$ 19,458</u>	<u>\$ 19,649</u>	<u>\$ 19,955</u>
Augmentations	<u>\$ 8,472</u>	<u>\$ 8,714</u>	<u>\$ 9,438</u>	<u>9,504</u>	<u>9,474</u>	<u>9,506</u>	<u>7,522</u>
TOTAL FISH FUND RECEIPTS	<u><u>\$ 24,474</u></u>	<u><u>\$ 24,458</u></u>	<u><u>\$ 27,994</u></u>	<u><u>\$ 28,770</u></u>	<u><u>\$ 28,932</u></u>	<u><u>\$ 29,155</u></u>	<u><u>\$ 27,477</u></u>

Revenue Sources

Actual	Licenses and Fees	Estimated	
1983-84	\$ 12,408	1989-90	\$ 13,709
1984-85	12,802	1990-91	16,442
1985-86	13,019	1991-92	17,108
1986-87	13,149	1992-93	17,258
1987-88	13,544	1993-94	17,399
1988-89	13,717	1994-95	17,659

The Commonwealth issues resident fishing licenses to persons between the ages of 16 and 64 if the applicant can prove that he has been a resident of the Commonwealth for 60 days. Through the passage of Act 180 on June 25, 1982 the resident fees were increased to \$12.00 from the \$9.00 fee passed in January of 1979. The Commonwealth also issues senior resident fishing licenses to persons 65 years of age and older for a fee of \$2.00. Beginning January 1, 1979 an individual eligible for a senior resident license has been able to purchase a lifetime license for a fee of \$10.00. Act 180 of June 25, 1982 also increased non-resident fees from \$14.00 to \$20.00 and the tourist fishing license from \$9.00 to \$15.00. Tourist licenses are valid for a period of seven consecutive days. Effective January, 1991, persons fishing for trout or salmon will be required to buy a \$5.00 stamp in addition to their regular fishing license. Other sources of revenue include special eel licenses, Lake Erie commercial fishing licenses and commercial holiday licenses.

Actual	Fines and Penalties	Estimated	
1983-84	\$ 253	1989-90	\$ 200
1984-85	312	1990-91	175
1985-86	350	1991-92	180
1986-87	231	1992-93	185
1987-88	211	1993-94	190
1988-89	181	1994-95	200

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

Actual	Miscellaneous Revenue	Estimated	
1983-84	\$ 1,903	1989-90	\$ 1,835
1984-85	2,053	1990-91	1,939
1985-86	1,780	1991-92	1,978
1986-87	1,650	1992-93	2,015
1987-88	1,922	1993-94	2,060
1988-89	2,104	1994-95	2,096

The Commonwealth receives contributions for restocking of streams 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.

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Licenses and Fees			
Resident Fishing Licenses	\$ 11,856	\$ 11,832	\$ 12,000
Resident Senior Fishing Licenses	76	78	76
Nonresident Fishing Licenses	1,320	1,320	1,360
Tourist Fishing Licenses	255	270	285
Lake Erie Licenses	3	2	2
Commercial Hatchery Licenses	8	7	7
Fee—Fishing Lake Licenses	13	14	14
Miscellaneous Permits and Fees	16	15	15
Scientific Collector's Permits	5	5	5
Lifetime Fishing Licenses — Senior Resident	147	150	160
Membership Fees — Pennsylvania League of Angling			
Youth	12	11	12
H.R. Stackhouse Facilities User Fees	6	5	6
Trout/Salmon Stamp			2,500
TOTAL	<u>\$ 13,717</u>	<u>\$ 13,709</u>	<u>\$ 16,442</u>
Fines and Penalties			
Fish Law Fines	\$ 181	\$ 200	\$ 175
TOTAL	<u>\$ 181</u>	<u>\$ 200</u>	<u>\$ 175</u>
Miscellaneous Revenue			
Sale of Publications	\$ 25	\$ 29	\$ 25
Sale of Unserviceable Property	7	2	3
Miscellaneous Revenue	92	75	78
Refund of Expenditures not Credited to Appropriations	5		
Interest on Securities and Deposits	827	693	800
Rental of Fish Commission Property	17	22	22
Income from Sand and Gravel Dredging	272	250	260
In Lieu Payments for Fishways	75	75	75
Sale of Pennsylvania Angler	288	275	285
Deputy Waterways Patrolmen—Reimbursements	5		
Van Dyke Shad Station—Reimbursements	133	162	140
Restitution For Fish Killed	345	200	200
Sale of Recreational Fishing Promotional Items	4	7	4
Royalty Payments	9	45	47
TOTAL	<u>\$ 2,104</u>	<u>\$ 1,835</u>	<u>\$ 1,939</u>
TOTAL REVENUES	<u>\$ 16,002</u>	<u>\$ 15,744</u>	<u>\$ 18,556</u>
Augmentations			
Sale of Automobiles and Other Vehicles	\$ 45	\$ 50	\$ 50
Reimbursement for Services—Boating Fund	4,498	5,259	5,630
Federal Reimbursement—Restoration	3,880	3,305	3,658
Pennsylvania Conservation Corps	49	100	100
TOTAL	<u>\$ 8,472</u>	<u>\$ 8,714</u>	<u>\$ 9,438</u>
TOTAL RECEIPTS	<u>\$ 24,474</u>	<u>\$ 24,458</u>	<u>\$ 27,994</u>

A stylized map of the Commonwealth of Pennsylvania, filled with horizontal lines, positioned in the upper left corner of the page.

Commonwealth of Pennsylvania

Game Fund

The Game Fund is a special revenue fund composed of monies received from hunting license fees, 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.

Game Fund

Financial Statement

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Beginning Balance	\$ 25,298	\$ 30,644	\$ 27,224
Receipts:			
Revenue Estimate	\$ 43,393	\$ 42,568	\$ 42,868
Prior Year Lapses	3,808	1,067	.....
Total Receipts	<u>47,201</u>	<u>43,635</u>	<u>42,868</u>
Funds Available	<u>\$ 72,499</u>	<u>\$ 74,279</u>	<u>\$ 70,092</u>
Expenditures:			
Appropriated	\$ 41,855	\$ 47,055	\$ 44,847
Estimated Expenditures	<u>-41,855</u>	<u>-47,055</u>	<u>-44,847</u>
Ending Balance	<u>\$ 30,644</u>	<u>\$ 27,224</u>	<u>\$ 25,245</u>

Summary by Department

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Treasury Department			
General Government			
Replacement Checks .....	.....	\$ 18	\$ 18
Game Commission			
General Government			
General Operations	\$ 37,448	\$ 41,941	\$ 40,091
TOTAL STATE FUNDS	<u>\$ 37,448</u>	<u>\$ 41,959</u>	<u>\$ 40,109</u>
Federal Funds	\$ 3,847	\$ 4,596	\$ 4,205
Other Funds	560	500	533
FUND TOTAL	<u>\$ 41,855</u>	<u>\$ 47,055</u>	<u>\$ 44,847</u>

Game Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1988-89 Actual	1989-90 Estimated	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
Licenses and Fees	\$ 25,150	\$ 24,985	\$ 25,040	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Fines and Penalties	1,010	1,750	1,600	1,600	1,600	1,600	1,600
Miscellaneous	12,826	10,737	11,490	10,900	10,900	10,900	10,900
TOTAL GAME FUND REVENUES ...	\$ 38,986	\$ 37,472	\$ 38,130	\$ 37,500	\$ 37,500	\$ 37,500	\$ 37,500
Augmentations	\$ 4,407	\$ 5,096	\$ 4,738	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500
TOTAL GAME FUND RECEIPTS	\$ 43,393	\$ 42,568	\$ 42,868	\$ 42,000	\$ 42,000	\$ 42,000	\$ 42,000

Revenue Sources

Licenses and Fees

Actual	Estimated
1983-84	1989-90
\$ 16,693	\$ 24,985
1984-85	1990-91
15,923	25,040
1985-86	1991-92
23,004	25,000
1986-87	1992-93
23,365	25,000
1987-88	1993-94
24,445	25,000
1988-89	1994-95
25,150	25,000

An increase in hunting license fees issued by the Game Commission became effective September, 1985, which is the beginning of the 1985-86 license year. The annual resident hunting license for ages 17 to 64 increased \$4.00, to \$12.00; for ages 65 or older, \$5.00, to \$10.00; while the license for ages 12 to 16 remained at \$5.00. New license categories for resident furtakers were introduced with the same age and fee structure. In addition, a new resident senior lifetime hunting license of \$50.00 was approved. The archery, muzzleloader and antlerless deer licenses increased to \$5.00. License fees for non-resident hunters likewise increased; ages 17 and over, from \$60.00 to \$80.00. A non-resident license to hunt bear increased \$10.00, to \$25.00. A new non-resident license for ages 12 to 16 has been introduced with a \$40.00 fee. License categories for non-resident furtakers have also been established: ages 17 and older, \$80.00; ages 12 to 16, \$40.00. In addition, non-resident hunters may obtain a special \$3.00 3-day license for hunting on a regulated shooting ground, or a \$15.00 5-day license to hunt small game.

Fines and Penalties

Actual	Estimated
1983-84	1989-90
\$ 551	\$ 1,750
1984-85	1990-91
621	1,600
1985-86	1991-92
507	1,600
1986-87	1992-93
641	1,600
1987-88	1993-94
930	1,600
1988-89	1994-95
1,010	1,600

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

Beginning July 1, 1987, the total of all fines, fees and costs collected by any division of the unified judicial system which are in excess of the amount collected from such sources in the fiscal year 1986-87 are to be deposited in the Judicial Computer System Augmentation Account in accordance with Act 1987-64. Any fines, fees or costs which are allocated by law to counties and municipalities are not affected by this act.

Game Fund

Revenue Sources (continued)

Miscellaneous Revenues

	Actual	(Dollar Amounts in Thousands)		Estimated
1983-84	\$	9,603	1989-90	\$ 10,737
1984-85		9,627	1990-91	11,490
1985-86		9,626	1991-92	10,900
1986-87		9,660	1992-93	10,900
1987-88		9,252	1993-94	10,900
1988-89		12,826	1994-95	10,900

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 the rental of State property; gas and oil ground rentals and royalties; and other miscellaneous revenues.

Revenue Detail

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

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Licenses and Fees			
Resident Hunting Licenses	\$ 11,047	\$ 11,200	\$ 11,100
Resident Junior Hunting Licenses	546	570	535
Nonresident Hunting Licenses	5,612	5,280	5,500
Special Game Permits	156	160	160
Special Antlerless Deer Licenses	3,362	3,395	3,250
Special Archery Licenses	1,313	1,275	1,300
Special Three-day Nonresidential Regulated Shooting Ground Licenses	9	7	9
Resident Senior Hunting Licenses	642	650	675
Muzzle-loading Hunting Licenses	460	400	450
Right of Way Licenses	330	288	300
Resident Bear Licenses	910	950	950
Nonresident Bear Licenses	42	45	45
Hunting License Issuing Agents' Application Fees	42	32	40
Nonresident Junior Hunting License	105	100	100
Nonresident 5-Day Hunting License	54	39	50
Senior Resident — Lifetime Hunting License	86	77	90
Adult Resident Furtaker License	362	432	400
Junior Resident Furtaker License	25	30	30
Senior Resident Furtaker License	25	27	27
Nonresident Furtaker License	21	25	25
Nonresident Junior Furtaker License	1	3	4
TOTAL	\$ 25,150	\$ 24,985	\$ 25,040
Fines and Penalties			
Game Law Fines	\$ 1,010	\$ 1,750	\$ 1,600
TOTAL	\$ 1,010	\$ 1,750	\$ 1,600

Game Fund

Revenue Detail (continued)

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Miscellaneous Revenue			
Sports Promotional Publications and Materials	\$ 11	\$ 8	\$ 10
Sale of Coal	888	450	750
Sale of Wood Products	6,135	5,000	5,000
Interest on Deposits	18	34	35
Sale of Unserviceable Property	18	1	1
Sale of Skins and Guns	112	105	120
Rental of State Property	9	12	10
Miscellaneous Revenue	120	80	80
Interest on Securities	3,147	3,000	3,000
Gas and Oil Ground Rentals and Royalties	477	380	450
Refund of Expenditures Not Credited to Appropriations	79	20	20
Sale of Nonusable Property	5	.	.
Miscellaneous Revenue License Division	11	28	28
Redeposit of Checks	1	.	.
Sale of Game News	711	722	899
Sale of Stone, Sand, Gravel and Limestone	21	10	10
Sale of Grain and Hay	33	30	30
Sale of Maps	42	42	42
Wildlife Management Promotional Revenue	108	70	100
Sale of Wood Products — PR Tracts	659	600	700
Working Together For Wildlife — NonGame Fund	79	60	80
Waterfowl Management Stamp Sales and Royalties	142	85	125
TOTAL	\$ 12,826	\$ 10,737	\$ 11,490
TOTAL REVENUES	\$ 38,986	\$ 37,472	\$ 38,130
Augmentations			
Sale of Automobiles	244	225	250
Federal Reimbursement—Pittman Robinson Act	3,769	4,500	4,100
Sharecrop and Agriculture License .....	.	12	20
Endangered Species Program	10	36	35
Pennsylvania Conservation Corps	205	200	200
Federal Reimbursement—Surface Mine Regulatory Program	49	40	50
Private Donations	97	50	50
Hunter — Trapper Ed Camp Program	8	10	10
Federal Reimbursement — Stream Bank Fencing	20	20	20
Youth Shooting Sports Program	5	3	3
TOTAL—AUGMENTATIONS	\$ 4,407	\$ 5,096	\$ 4,738
TOTAL RECEIPTS	\$ 43,393	\$ 42,568	\$ 42,868



Commonwealth of Pennsylvania

Lottery Fund

The Lottery Fund is a special revenue fund composed of monies received from lottery sales. It provides funds for lottery prizes and for programs to support older Pennsylvanians including property tax and rent assistance, mass transit fare subsidies, inflation dividends, and partial rebate of drug and long-term care costs.

Act No. 131 of 1979 provides for the anticipation of Lottery Fund revenues and requires establishment of a reserve for each year.

Lottery Fund

Financial Statement

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Available	1990-91 Estimated
Beginning Balance	\$ 169,621	\$ 130,205	\$ 57,603
Reserve from Previous Year ^a	110,132	126,435	122,916
Adjusted Beginning Balance	<u>\$ 279,753</u>	<u>\$ 256,640</u>	<u>\$ 180,519</u>
Receipts:			
Revenue Estimate	\$ 919,490	\$ 961,662	\$ 1,018,021
Prior Year Lapses	23,344	3,000	.....
Funds Available	<u>\$ 1,222,587</u>	<u>\$ 1,221,302</u>	<u>\$ 1,198,540</u>
Expenditures:			
Appropriated	\$ 965,947	\$ 1,042,583	\$ 1,059,482
Less Current Year Lapses .....	.....	-1,800	.....
Estimated Expenditures	-965,947	-1,040,783	-1,059,482
Reserve for Current Year ^a	<u>-126,435</u>	<u>-122,916</u>	<u>-138,263</u>
Ending Balance	<u><u>\$ 130,205</u></u>	<u><u>\$ 57,603</u></u>	<u><u>\$ 795</u></u>

^aAct No. 131 of 1979 provides the amount in the Lottery Fund shall include the June 30 balance plus eighty percent of projected revenues after Lottery Fund administrative expenses for the subsequent fiscal year. "Reserve from Previous Year" equals twenty percent of the prior year revenues after prior year administrative expenses have been deducted.

Lottery Fund

Summary by Department

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Executive Offices			
General Government			
OB — Ridership Verification	\$ 2	\$ 66	\$ 65
Treasury Department			
General Government			
Replacement Checks	\$ 13	\$ 60	\$ 60
Department of Aging			
General Government			
General Government Operations	\$ 2,467	\$ 3,022	\$ 3,249
Grants and Subsidies			
Aging Programs	\$ 54,160	\$ 57,586	\$ 59,733
Pharmaceutical Assistance Fund	165,000	188,000	222,000
PennCARE—Lottery	45,585	51,448	61,833
Abuse Intervention Services for Older Pennsylvanians ...	2,352	4,000	4,160
Subtotal	<u>\$ 267,097</u>	<u>\$ 301,034</u>	<u>\$ 347,726</u>
TOTAL STATE FUNDS	<u>\$ 269,564</u>	<u>\$ 304,056</u>	<u>\$ 350,975</u>
Federal Funds	\$ 52,897	\$ 58,821	\$ 60,565
Augmentations	1,057	3,402	3,806
DEPARTMENT TOTAL	<u>\$ 323,518</u>	<u>\$ 366,279</u>	<u>\$ 415,346</u>
Department of General Services			
General Government			
Harristown Rental Charges	\$ 95	\$ 86	\$ 86
Harristown Utility and Municipal Charges	89	94	94
DEPARTMENT TOTAL	<u>\$ 184</u>	<u>\$ 180</u>	<u>\$ 180</u>
Department of Public Welfare			
Grants and Subsidies			
Medical Assistance—Long-Term Care Facilities	\$ 126,000 ^a	\$ 106,000 ^a	\$ 96,000 ^a
DEPARTMENT TOTAL	<u>\$ 126,000</u>	<u>\$ 106,000</u>	<u>\$ 96,000</u>

^aThe Medical Assistance Long-Term Care Facilities appropriation reflects transfers to the General Fund of \$14,000,000 in 1988-89, \$20,000,000 in 1989-90 and \$10,000,000 in 1990-91.

Lottery Fund

Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Department of Revenue			
General Government			
General Operations	\$ 54,755	\$ 69,570	\$ 70,337
Personal Income Tax for Lottery Prizes	17,295	17,279	17,627
Payment of Prize Money	212,600	256,905	235,188
Subtotal	<u>\$ 284,650</u>	<u>\$ 343,754</u>	<u>\$ 323,152</u>
Grants and Subsidies			
Property Tax and Rent Assistance for Older			
Pennsylvanians	\$ 127,820	\$ 126,791	\$ 122,700
Older Pennsylvanians' Inflation Dividend	33,683	33,858	32,850
Subtotal	<u>\$ 161,503</u>	<u>\$ 160,649</u>	<u>\$ 155,550</u>
TOTAL STATE FUNDS	<u>\$ 446,153</u>	<u>\$ 504,403</u>	<u>\$ 478,702</u>
Augmentations	<u>\$ 3,331</u>	<u>\$ 3,576</u>	<u>\$ 3,839</u>
DEPARTMENT TOTAL	<u>\$ 449,484</u>	<u>\$ 507,979</u>	<u>\$ 482,541</u>
Department of Transportation			
Grants and Subsidies			
Older Pennsylvanians' Free Transit	\$ 73,059	\$ 73,775	\$ 74,500
Older Pennsylvanians' Shared Rides	46,075	49,043	53,700
Transfer to Motor License Fund—Vehicle Registration for			
Older Pennsylvanians	2,600	2,700	3,000
Demand Response Equipment Grants	2,297	2,300	2,300
DEPARTMENT TOTAL	<u>\$ 124,031</u>	<u>\$ 127,818</u>	<u>\$ 133,500</u>
TOTAL STATE FUNDS	<u>\$ 965,947</u>	<u>\$ 1,042,583</u>	<u>\$ 1,059,482</u>
Federal Funds	\$ 52,897	\$ 58,821	\$ 60,565
Augmentations	4,388	6,978	7,645
FUND TOTAL	<u>\$ 1,023,232</u>	<u>\$ 1,108,382</u>	<u>\$ 1,127,692</u>

Lottery Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1988-89 Actual	1989-90 Estimated	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
Collections	\$ 893,431	\$ 944,900	\$ 1,005,794	\$ 1,019,202	\$ 1,046,313	\$ 1,074,145	\$ 1,102,717
Miscellaneous Revenue	26,059	16,762	12,227	8,005	4,000	4,000	4,000
TOTAL LOTTERY FUND REVENUES ..	\$ 919,490	\$ 961,662	\$ 1,018,021	\$ 1,027,207	\$ 1,050,313	\$ 1,078,145	\$ 1,106,717

Revenue Sources

Net Lottery Collections

	Actual		Estimated
1983-84	\$ 763,814	1989-90	\$ 944,900
1984-85	768,734	1990-91	1,005,794
1985-86	732,852	1991-92	1,019,202
1986-87	765,092	1992-93	1,046,313
1987-88	775,534	1993-94	1,074,145
1988-89	893,431	1994-95	1,102,717

Net Lottery Collections consist of the proceeds from lottery ticket sales less commissions and some prizes. Currently prizes of \$2,500 or less for the three computer games and prizes of \$100 or less for instant games can be paid by the ticket agents. The State Lottery is currently operating 5 games; the "Daily Number" game introduced in March, 1977, the "Big 4" game introduced in November, 1980, the "Lotto" game introduced in April, 1982 and revised as "Wild Card Lotto" in 1988; and the "Super 7" introduced in August, 1986; all utilize computer sales terminals located across the Commonwealth. The fifth game is the instant game which during the course of a year may consist of 6 or 7 variations of instant game tickets. Ticket prices are \$1 for "Instant Game" tickets and "Super 7" which consists of 1 play to pick 7 of 80 numbers. Wild Card Lotto is priced at 2 plays for \$1.00. "Daily Number" and "Big 4" game ticket prices range from \$.50 to \$5.00. Sales projection reflect planned modification of the "Super 7" "Big 4" and "Daily Number" games.

Net Lottery collections as reported above corresponds to the Lottery Fund revenue remitted to the Commonwealth and reported in the Commonwealth's accounting system. Net Lottery collections are derived by subtracting the commissions retained and prizes paid by local lottery agents from the total lottery ticket sales. During 1988-89 the commissions payment procedures was revised. After January 1989, commissions to the on-line game vendor are paid via executive authorization. The table below shows the calculation of the net revenue amount.

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Ticket Sales	\$ 1,567,162	\$ 1,625,215	\$ 1,678,718	\$ 1,723,372	\$ 1,769,214	\$ 1,816,275	\$ 1,864,588
Commissions	-97,017	-97,965	-96,901	-101,400	-104,098	-106,867	-109,709
Field Paid Prizes	-576,714	-582,350	-576,023	-602,770	-618,803	-635,263	-652,162
NET LOTTERY COLLECTIONS	\$ 893,431	\$ 944,900	\$ 1,005,794	\$ 1,019,202	\$ 1,046,313	\$ 1,074,145	\$ 1,102,717

Lottery Fund

Revenue Sources (continued)


Miscellaneous Revenue			
Actual	(Dollar Amounts in Thousands)		Estimated
1983-84	\$ 28,704	1989-90	\$ 16,762
1984-85	45,834	1990-91	12,227
1985-86	37,917	1991-92	8,005
1986-87	28,407	1992-93	4,000
1987-88	26,553	1993-94	4,000
1988-89	26,059	1994-95	4,000

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

Revenue Detail

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

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Collections	\$ 893,431	\$ 944,900	\$ 1,005,794
Miscellaneous	26,059	16,762	12,227
TOTAL LOTTERY FUND REVENUES	<u>\$ 919,490</u>	<u>\$ 961,662</u>	<u>\$ 1,018,021</u>



Commonwealth of Pennsylvania

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.

Milk Marketing Fund

Financial Statement

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Beginning Balance	\$ 221	\$ 159	\$ 264
Receipts:			
Revenue Estimate	\$ 711	\$ 939	\$ 1,115
Transfer from General Fund	950	931	600
Prior Year Lapses	1	.....	.....
	1,662	1,870	1,715
Funds Available	\$ 1,883	\$ 2,029	\$ 1,979
Expenditures:			
Appropriated	\$ 1,724	\$ 1,765	\$ 1,725
Estimated Expenditures	-1,724	-1,765	-1,725

Ending Balance	\$ 159	\$ 264	\$ 254

Summary by Department

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Treasury Department			
Replacement Checks .....	.....	\$ 15	\$ 15
Refund Milk Marketing Licenses and Fees .....	.....	5	5
DEPARTMENT TOTAL .....	.....	\$ 20	\$ 20
Milk Marketing Board			
General Government	\$ 774	\$ 814	\$ 1,105
TOTAL STATE FUNDS	\$ 774	\$ 834	\$ 1,125
Augmentations	\$ 950	\$ 931	\$ 600
FUND TOTAL	\$ 1,724	\$ 1,765	\$ 1,725

Milk Marketing Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1988-89 Actual	1989-90 Estimated	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
Licenses and Fees	\$ 604	\$ 863	\$ 1,044	\$ 1,044	\$ 1,044	\$ 1,044	\$ 1,044
Fines and Penalties	47	15	10	10	10	10	10
Miscellaneous Revenue	60	61	61	61	61	61	61
Total Milk Marketing Fund Revenues	\$ 711	\$ 939	\$ 1,115	\$ 1,115	\$ 1,115	\$ 1,115	\$ 1,115
Augmentations	\$ 950	\$ 931	\$ 600	\$ 650	\$ 725	\$ 760	\$ 825
TOTAL MILK MARKETING FUND RECEIPTS	\$ 1,661	\$ 1,870	\$ 1,715	\$ 1,765	\$ 1,840	\$ 1,875	\$ 1,940

Revenue Sources

Licenses and Fees

Actual	(Dollar Amounts in Thousands)		Estimated
1983-84	\$ 573	1989-90	\$ 863
1984-85	647	1990-91	1,044
1985-86	600	1991-92	1,044
1986-87	565	1992-93	1,044
1987-88	590	1993-94	1,044
1988-89	604	1994-95	1,044

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. Act 135 of 1988 transferred the responsibility for setting fees from statute to regulation by the Milk Marketing Board.

Fines and Penalties

Actual	(Dollar Amounts in Thousands)		Estimated
1983-84	\$ 9	1989-90	\$ 15
1984-85	20	1990-91	10
1985-86	20	1991-92	10
1986-87	24	1992-93	10
1987-88	8	1993-94	10
1988-89	47	1994-95	10

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 Revenues

Actual	(Dollar Amounts in Thousands)		Estimated
1983-84	\$ 74	1989-90	\$ 61
1984-85	94	1990-91	61
1985-86	60	1991-92	61
1986-87	54	1992-93	61
1987-88	51	1993-94	61
1988-89	60	1994-95	61


Miscellaneous Revenues consist primarily of interest on securities and deposits, plus legal fees for transcripts of hearings.

Milk Marketing Fund

Revenue Detail

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

		(Dollar Amounts in Thousands)	
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Licenses and Fees			
Milk Dealers Licenses	\$ 555	\$ 640	\$ 640
Milk Testers Certificate Fees	5	5	5
Milk Weighers Certificate Fees	30	29	27
Milk Testers and Weighers Examination Fees	4	4	4
Milk Haulers Licenses Fees	10	185	368
TOTAL	\$ 604	\$ 863	\$ 1,044
 Fines and Penalties			
Milk Marketing Act Fines	\$ 47	\$ 15	\$ 10
TOTAL	\$ 47	\$ 15	\$ 10
 Miscellaneous Revenue			
Interest on Securities	\$ 58	\$ 60	\$ 60
Interest on Deposits	1	1	1
Refunds of Expenditure Not Credited to the Appropriation	1		
TOTAL	\$ 60	\$ 61	\$ 61
TOTAL REVENUES	\$ 711	\$ 939	\$ 1,115
 Augmentations			
Transfer from General Fund	\$ 950	\$ 931	\$ 600
TOTAL	\$ 950	\$ 931	\$ 600
TOTAL RECEIPTS	\$ 1,661	\$ 1,870	\$ 1,715



Commonwealth of Pennsylvania

Racing Fund

The Racing Fund is a special revenue fund, composed of monies received from taxes and license fees collected by the State Harness Racing Commission and the State Horse Racing Commission derived from the regulation of horse and harness racing. It provides for the operational needs of both commissions. Any remaining balance is transferred to the General Fund in the subsequent fiscal year.

Racing Fund

Financial Statement

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Beginning Balance	\$ 1,940	\$ 1,612	\$ 401
Receipts:			
Revenue Estimate	\$ 7,455	\$ 6,812	\$ 8,509
Prior Year Lapses	57	.....	.....
Total Receipts	<u>7,512</u>	<u>6,812</u>	<u>8,509</u>
Funds Available	<u>\$ 9,452</u>	<u>\$ 8,424</u>	<u>\$ 8,910</u>
Expenditures:			
Appropriated	\$ 7,840	\$ 8,023	\$ 7,009
Estimated Expenditures	<u>-7,840</u>	<u>-8,023</u>	<u>-7,009</u>
Ending Balance	<u>\$ 1,612</u>	<u>\$ 401</u>	<u>\$ 1,901</u>

Summary by Department

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Estimated	1990-91 Budget
Treasury Department			
General Government			
Replacement Checks .....	.....	\$ 30	\$ 30
Department of Agriculture			
General Government			
State Racing Commissions	\$ 4,754	\$ 5,135	\$ 5,282
Race Horse Testing Laboratory	814	933	976
Payments to Pennsylvania Fairs — Administration	225	184	191
Subtotal	<u>\$ 5,793</u>	<u>\$ 6,252</u>	<u>\$ 6,449</u>
Grants and Subsidies			
Transfer to the General Fund	\$ 1,940	\$ 1,612	\$ 401
DEPARTMENT TOTAL	<u>\$ 7,733</u>	<u>\$ 7,864</u>	<u>\$ 6,850</u>
Department of Revenue			
General Government			
Collections — Racing	\$ 107	\$ 129	\$ 129
FUND TOTAL	<u>\$ 7,840</u>	<u>\$ 8,023</u>	<u>\$ 7,009</u>

Racing Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1988-89 Actual	1989-90 Estimated	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
Tax Revenues	\$ 5,916	\$ 5,529	\$ 7,148	\$ 8,587	\$ 9,340	\$ 11,089	\$ 11,574
Licenses and Fees	528	342	424	511	556	606	689
Miscellaneous Revenue	1,011	941	937	1,125	1,223	1,506	1,515
TOTAL RACING FUND REVENUES .	\$ 7,455	\$ 6,812	\$ 8,509	\$ 10,223	\$ 11,119	\$ 13,201	\$ 13,778

Revenue Sources

Tax Revenues

Actual	(Dollar Amounts in Thousands)	Estimated	
1983-84	\$ 16,409	1989-90	\$ 5,529
1984-85	7,280	1990-91	7,148
1985-86	5,859	1991-92	8,587
1986-87	5,803	1992-93	9,340
1987-88	5,963	1993-94	11,089
1988-89	5,916	1994-95	11,574

Prior to December 30, 1983, the thoroughbred racing tax revenues consisted of wagering, breakage and admissions taxes assessed by the Race Horse Industry Reform Act (Act 135 of December 17, 1981). This act amended the wagering tax from 4.75 percent to a sliding rate ranging from 4.5 percent to 2 percent depending on the number of days raced per licensee. This was effective January 1, 1982. Effective September 1, 1981, the breakage tax was reduced from 50 percent to 25 percent. The admissions tax was lowered from 15 percent to 10 percent on September 1, 1981, and decreased to 5 percent on September 1, 1982.

Also prior to December 30, 1983 harness racing tax revenues consisted of wagering and admissions taxes assessed by the Race Horse Industry Reform Act (Act 135 of December 17, 1981). This act amended the wagering tax from 4.75 percent to a sliding rate ranging from 4.5 percent to 2 percent depending on the number of days raced per licensee. This was effective January 1, 1982. A State Admissions Tax was levied at the rate of 5 percent of the admission price.

The Harness Racing Fund and the Horse Racing Fund were combined into the Racing Fund by Act 93 of 1983. Act 93 amended portions of the Race Horse Industry Reform Act. For licensed racing corporations annually conducting at least 100 days of racing or for two licensed corporations conducting their racing at the same facility with a minimum of 175 combined racing days, the previous sliding wagering tax rate was changed to a flat 3.8 percent effective January 1, 1984, decreasing to 2 percent effective July 1, 1984 and 1.5 percent effective July 1, 1986 and thereafter. For licensed racing corporations not conducting the minimum number of racing days, the wagering rate was 2.5 percent from July 1, 1984 to June 30, 1986 and 2 percent thereafter. In addition, a 0.7 percent wagering tax was imposed on exotic wagering.

Act 127 of 1988 permits off-track betting in the Commonwealth. Proposed increases in revenue are reflected in 1989-90 and future years.

Licenses and Fees

Actual	(Dollar Amounts in Thousands)	Estimated	
1983-84	\$ 308	1989-90	\$ 342
1984-85	404	1990-91	424
1985-86	370	1991-92	511
1986-87	434	1992-93	556
1987-88	739	1993-94	606
1988-89	528	1994-95	689

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 Racing Commissions.

Racing Fund

Revenue Sources (continued)

Miscellaneous Revenue			
Actual	(Dollar Amounts in Thousands)	Estimated	
1983-84	\$ 1,744	1989-90	\$ 941
1984-85	1,473	1990-91	937
1985-86	1,135	1991-92	1,125
1986-87	699	1992-93	1,223
1987-88	935	1993-94	1,506
1988-89	1,011	1994-95	1,515

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

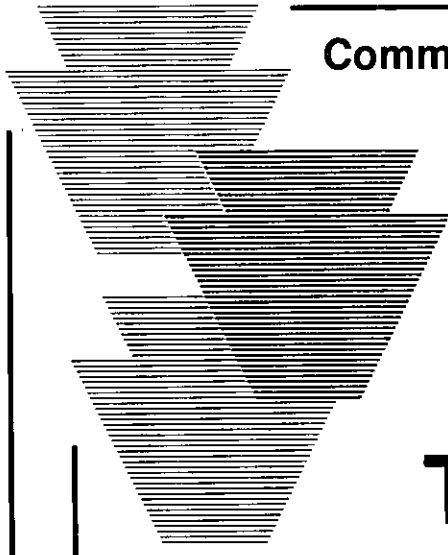
Revenue Detail

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

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Estimated	1990-91 Budget
Tax Revenue			
State Admission Tax	\$ 268	\$ 134	\$ 142
Wagering Tax	5,166	4,899	6,254
Breakage Tax	482	496	752
TOTAL	<u>\$ 5,916</u>	<u>\$ 5,529</u>	<u>\$ 7,148</u>
Licenses and Fees			
License Fees	\$ 528	\$ 342	\$ 424
TOTAL	<u>\$ 528</u>	<u>\$ 342</u>	<u>\$ 424</u>
Miscellaneous			
Uncashed Tickets	\$ 717	\$ 617	\$ 627
Interest on Securities	257	293	280
Miscellaneous	1	2	2
Redeposit of Checks	12	4	4
Interest On Deposits	4	4	4
Owner-by-Agent Security Deposit Forfeits	19	20	20
Refunds of Expenditures Not Credited to Appropriation	1	1	.....
TOTAL	<u>\$ 1,011</u>	<u>\$ 941</u>	<u>\$ 937</u>
TOTAL REVENUES	<u>\$ 7,455</u>	<u>\$ 6,812</u>	<u>\$ 8,509</u>

1990-91

TAX EXPENDITURES



Commonwealth of Pennsylvania

TAX EXPENDITURES

Tax credits, deductions, exemptions and exclusions are provided in law which result in a significant reduction in revenues that would otherwise be received at current tax rates. These reductions are tax expenditures.

Tax Expenditures

TAX EXPENDITURE ANALYSIS

The traditional budget process involves estimating Commonwealth revenues and the appropriation of these monies for numerous programs. The process is subject to intense scrutiny by interests in and outside government. Constrained by available revenues, programs are initiated, limited or deleted based on merit. For the third year, the budget includes an analysis of indirect subsidies that occur through preferential treatment within the tax structure. Various tax credits, deductions, exemptions and exclusions are provided which result in a reduction in revenue that would otherwise be received by the Commonwealth at current tax rates. These reductions are "tax expenditures."

The Commonwealth's tax structure contains many tax expenditures. Examples include items as diverse as the Sales and Use Tax exemption for firewood to the manufacturing exemption in the Capital Stock/Franchise Tax. In general, they are characterized by the fact that they confer preferential treatment to specific taxpayers or for specific activities. These reductions are the accumulation of many prior legislative sessions, and the original intent of certain expenditures may no longer be valid or consistent with current policies. A comprehensive tax expenditure analysis permits an on-going evaluation of each tax expenditure.

Therefore, the 1990-91 Governor's Executive Budget document includes another step toward a comprehensive tax expenditure analysis. The intended purposes are to:

- (1) Identify indirect sources of budgetary support for various activities.
- (2) Present estimated costs associated with each tax expenditure.
- (3) Allow for administration, legislative and public scrutiny and facilitate discussion on each tax expenditure's merits.

A four year phase-in schedule for full development of the tax expenditure analysis is anticipated. This analysis will be expanded annually to include additional tax areas according to the following schedule:

Executive Budget	Taxes First Included in Analysis
1988-89	Sales and Use Tax Bank Shares Tax Title Insurance and Trust Companies Shares Tax Insurance Premiums Tax Mutual Thrift Institutions Tax Unemployment Compensation Insurance Tax Marine Insurance Underwriting Profits Tax
1989-90	Corporate Net Income Tax Capital Stock/Franchise Tax Utility Gross Receipts Tax Utility Realty Tax Co-operative Agricultural Association Corporate Net Income Tax Electric Co-operative Corporation Tax
1990-91	Personal Income Tax Liquid Fuels and Fuel Use Taxes Oil Company Franchise Tax Gross Receipts Tax on Motor Carriers Vehicle Registration Fees Interstate Bus Compact Tax

Tax Expenditures

Tax Expenditure Analysis (continued)

Executive Budget

1991-92

Taxes First Included in Analysis

Realty Transfer Tax
Inheritance Tax
Cigarette Tax
Malt Beverage Tax
Spiritous and Vinous Liquors Tax
Property Taxes
Other Taxes

For the purposes of this document, tax expenditure is defined as a reduction in revenue that would otherwise be collected by the Commonwealth as the result of an exemption, reduction, deduction, limitation, exclusion, tax deferral, discount, refund, commission, credit, preferential rate or preferential treatment. This definition provides a general framework within which to determine whether to classify certain items as tax expenditures. To facilitate this classification process, six specific criteria have been adopted to augment the general definition of tax expenditure:¹

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

Examples of several items not considered to be tax expenditures clarify the use of these criteria.

Purchases made by Commonwealth agencies are **not** subject to Sales and Use Tax. Were these transactions not exempted, tax revenues would increase but increased Commonwealth expenses would offset revenues. Therefore, no net budgetary change occurs. This item is not a tax expenditure.

The exclusion of a sale for resale from Sales and Use Tax is **not** considered a tax expenditure because the tax base is defined as the retail sale of tangible personal property.

Financial institutions and insurance companies are exempted from Corporate Net Income Tax (CNIT) and Capital Stock/Franchise Tax (CS/FT). However, these corporations are subject to alternative taxes—the Bank Shares Tax, Mutual Thrift Institutions Tax or Insurance Premiums Tax. The exemption of these corporations from the CNIT and CS/FT are **not** in themselves tax expenditures. However, to the extent that those taxes may not impose proportionate tax burdens on the exempted companies, the overall tax structure may involve some indirect subsidy.

The pro rata exclusion of U.S. securities from Bank Shares Tax was a State legislative response to a Federal prohibition against direct taxation of these obligations or income derived from them. As this cannot be altered by changing State law, this exclusion is **not** a tax expenditure.

¹The Expenditure Budgets of California, Minnesota and Michigan have provided considerable guidance in developing the criteria established to evaluate Pennsylvania tax expenditures.

Tax Expenditures

Tax Expenditure Analysis (continued)

There are three primary limitations on the tax expenditure estimates. First, estimated revenue foregone due to a tax expenditure should not be construed as the revenue which could be gained if the tax expenditure provision is rescinded. No attempt has been made to account for changes in taxpayer behavior which may occur because of tax law changes. For example, if the Sales and Use Tax exemptions were rescinded for equipment and utilities directly used in manufacturing, it is possible that capital investment in manufacturing would be reduced and that these Sales and Use Tax receipts would be less than the tax expenditure estimate.

A second limitation is that individual estimates are **not** additive. Each tax expenditure was estimated without regard to interactions with other provisions of that tax or other taxes. For example, certain exempt items qualify under multiple tax expenditures. If gasoline were to be included in the Sales and Use Tax base, agricultural, political subdivision, and manufacturing/processing use would continue to be exempt under other provisions. Therefore, no bottom line can be presented similar to that shown for total revenues or expenditures in the current Governor's Executive Budget.

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

All estimates appear in thousands of dollars. The word "nominal" is used when the estimated impact is less than \$100,000 and estimates which are not available are represented by "NA."

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

General Fund Tax Expenditures

CORPORATION TAXES

CREDIT PROGRAMS

NEIGHBORHOOD ASSISTANCE PROGRAMS

Authorization: Act of November 29, 1967 (P.L. 636, No. 292)

Description: A tax credit is available to banks, thrift institutions, title insurance and trust companies, and insurance companies (other than foreign fire/casualty insurance companies), as well as corporations doing business in Pennsylvania and subject to the corporate net income tax and capital stock/franchise tax that engage in certain assistance programs in impoverished areas or contribute to neighborhood organizations which provide such activities. The credit is allowed for neighborhood assistance, job training or education for individuals, community services, economic development or crime prevention in an impoverished area. The program must be approved by the Secretary of Community Affairs. The amount of the credit available to a taxpayer is 50 percent of the contribution to approved programs during the taxable year, but it may not exceed \$250,000. An expanded credit of 70 percent may be available for investments in certain priority programs defined by the Secretary of Community Affairs. The total amount of credits taken by all taxpayers can not exceed \$12,750,000 in any one fiscal year, \$4,000,000 of which is exclusively reserved for private companies (as defined in Section 3 of the Pennsylvania Industrial Development Authority Act and Section 3 of the Industrial and Commercial Development Act) which make qualified investments to improve buildings or land located within designated enterprise zones.

Purpose: This program encourages taxpayers to contribute to neighborhood organizations and engage in activities which promote community economic development in impoverished areas.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Corporate Net Income Tax				
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
	Capital Stock/Franchise Tax				
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250
	Selective Business Taxes				
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250

General Fund Tax Expenditures

EMPLOYMENT INCENTIVE PAYMENTS

Authorization: Act of April 8, 1982 (P.L. 231, No. 75) as amended by Act of July 1, 1989 (No.23)

Description: Any bank, thrift institution, title insurance and trust company, or insurance company, as well as any corporation or person subject to the corporate net income tax or the personal income tax, employing persons formerly receiving welfare benefits may claim an employment incentive payment as credit against any tax liability in selected taxes. The credit is for a portion of wages paid to a qualifying employee in the first three years of employment. Employment incentive payments will not be available for employees hired after June 30, 1993.

Purpose: This program provides tax relief to taxpayers that hire persons previously receiving aid to families with dependent children or classified as chronically or transitionally needy at the time of employment and reduces state aid payments to those individuals.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Corporate Taxes				
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
	Personal Income Tax				
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 500	500	\$ 500	\$ 500	\$ 500

HOMEOWNERS' EMERGENCY MORTGAGE ASSISTANCE FUND

Authorization: Act of December 23, 1983 (P.L. 385, No. 91) as amended by Act of December 20, 1989 (No. 79)

Description: A tax credit is available to any bank, thrift institution, title insurance and trust company, and insurance company (other than a foreign fire/casualty insurance company), as well as any corporation doing business in Pennsylvania and subject to the corporate net income tax, for amounts contributed to the Homeowner's Emergency Mortgage Assistance Fund. Provisions for this credit expire December 23, 1992.

Purpose: This credit encourages businesses to contribute to a fund established to prevent mortgage foreclosures and distress sales of homes resulting from circumstances beyond a homeowner's control.

Estimates: The credits used under this Act amount to a total of \$79,800 which was applied by four banks and one other corporation in 1984-85. Limited participation in this program is expected to continue in the future.

General Fund Tax Expenditures

CORPORATE NET INCOME TAX

The Pennsylvania corporate net income tax is imposed on domestic and foreign corporations for the privilege of doing business, carrying on activities, having capital or property employed or used, or owning property in Pennsylvania. Certain corporations are exempt from the tax.

The tax is based on federal taxable income before net operating loss deduction and special deductions (line 28 of page 1 of Federal IRS Form 1120) modified by additions and subtractions to arrive at the Pennsylvania taxable income. Taxes based on income and certain tax preference items are added back to federal taxable income. The tax rate is 8.5 percent.

Corporations are taxed on a separate-company basis for Pennsylvania purposes; therefore, corporations which file a consolidated federal return must start with the taxable income which would have been shown on a separate federal return in order to arrive at the Pennsylvania base. For corporations whose entire business is not transacted within Pennsylvania, the income base may be allocated and apportioned to determine the portion subject to Pennsylvania corporate net income tax. Nonbusiness income is directly allocated within or without Pennsylvania, and business income is usually apportioned by a three-factor formula computed on the basis of property, payroll and sales within and without Pennsylvania. Other apportionment methods may be applied if the three-factor formula does not fairly represent the extent of Pennsylvania activities.

The corporate net income tax expenditures listed below do not include any deductions, exemptions or types of preferential treatment which are reflected in Line 28 on the Federal IRS Form 1120 and have not been modified or adjusted by Pennsylvania statute.

DIVIDENDS RECEIVED

Authorization: Article IV, Section 401(3)1(B), of the Act of March 4, 1971 (P.L. 6, No. 2)

Description: Corporations may deduct dividends received from any other corporation to the extent that they are included in federal taxable income.

Purpose: This deduction avoids a potential for taxing the income and the dividends produced by that income under the same tax since these dividends may be taxed as income of corporations which distribute them.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 533,300	\$ 564,000	\$ 592,000	\$ 622,400	\$ 653,800

FEDERAL JOBS CREDIT

Authorization: Article IV, Section 401(3)1(C), of the Act of March 4, 1971 (P.L. 6, No. 2) as added by the Act of November 26, 1978 (P.L. 1287) and amended by the Act of December 21, 1981 (P.L. 482)

Description: Corporations which claim a credit for "new jobs" or "targeted jobs" on their federal tax return must reduce their wage and salaries expense by the amount of credit claimed to determine federal taxable income. For state income tax purposes, corporations may deduct the amount of wages and salaries that was disallowed as a federal deduction due to the employer taking the federal jobs credit.

Purpose: This deduction makes it possible for those corporations that took the federal wage credit to get the full deduction for wages and salaries expenses because no state benefit is derived from the federal jobs credit.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 920	\$ 930	\$ 950	\$ 970	\$ 980

General Fund Tax Expenditures

NET OPERATING LOSS CARRYFORWARD

Authorization: Article IV, Section 401(3)4

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 78,300	\$ 80,300	\$ 86,000	\$ 91,100	\$ 97,500

DIVIDENDS PAID

Authorization: 61 Pa. Code 153.14(1)

Description: A public utility is allowed a deduction for dividends paid on non-participating cumulative preferred stock issued before October 1, 1942.

Purpose: This special deduction is pursuant to IRC Section 247 which retains the dividend deduction that was in effect at the time of the change in the federal code in 1942. It provides tax relief to public utilities and also benefits customers to the extent it is reflected in lower utility rates.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300

DEPRECIATION OF SECTION 1250 PROPERTY

Authorization: 61 Pa. Code 153.14(4)

Description: A corporation may take an additional deduction for depreciation on IRC Section 1250 property when the accelerated depreciation amount falls below the straight-line depreciation amount. The additional deduction is equal to the amount necessary to make the depreciation deduction equal to the straight-line amount. Total additional deductions can not exceed the aggregate amount added to taxable income with respect to such property in previous taxable years.

Purpose: The excess accelerated depreciation deduction over the straight-line depreciation on IRC Section 1250 property is a tax preference item which is added back to federal taxable income to arrive at the state base. This additional deduction permits the taxpayer to build up its allowable depreciation to the straight-line level in the later years of the life of such property when the accelerated deduction becomes less than the straight-line deduction.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	NOMINAL	NOMINAL	NOMINAL	NOMINAL	NOMINAL

General Fund Tax Expenditures

POLLUTION CONTROL FACILITIES

Authorization: 61 Pa. Code 153.14(5)

Description: Corporations may take a special deduction for certified pollution control facilities pursuant to IRS Section 169 when the rapid amortization period expires. The deduction is an amount sufficient to bring the year's total depreciation to the amount otherwise allowable under IRC Section 167. The total special deductions can not exceed the aggregate amount added to taxable income in prior years.

Purpose: The excess of rapid amortization of pollution control facilities over the depreciation that otherwise would be allowable is a tax preference item added back to the federal taxable income to arrive at the state base. This special deduction permits the taxpayer to build up to its full depreciation allowance for pollution control facilities when the rapid amortization period ends and the depreciation deduction for federal purposes becomes less than the depreciation amount otherwise allowable.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	NOMINAL	NOMINAL	NOMINAL	NOMINAL	NOMINAL

NONPROFIT CORPORATIONS

Authorization: 61 Pa. Code 153.1(b)(2)

Description: Nonprofit corporations that do not have the authority to issue stock are exempt from the corporate net income tax. Pennsylvania nonprofit status is not dependent upon federal nonprofit status. Corporations having authority to issue capital stock and organized under the nonprofit corporation law of a state but not in fact nonprofit are taxable on federal taxable income. The definition of "corporation" precludes taxation of these nonprofit corporations.

Purpose: This exemption provides tax relief to nonprofit corporations including religious, charitable, education and scientific organizations which are perceived as providing social benefit.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	NA	NA	NA	NA	NA

PENNSYLVANIA S CORPORATIONS

Authorization: Article IV, Section 401(1), of the Act of March 4, 1971 (P.L. 6, No. 2) as amended by the Act of December 23, 1983 (No. 90)

Description: Corporations that have a valid Pennsylvania S corporation election in effect for the taxable year are exempt from the corporate net income tax. However, Pennsylvania S corporation shareholders must include their distributive share of Pennsylvania S corporation income for Pennsylvania personal income tax purposes. The tax expenditure is the difference between what is paid by the shareholders under the personal income tax and what the corporations would pay under the corporate net income tax.

Purpose: S corporations are small, closely-held corporations believed to be major job creators, especially in the initial years of operation. This exemption provides an incentive for their existence within the Commonwealth.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 116,700	\$ 145,200	\$ 174,100	\$ 201,200	\$ 242,800

General Fund Tax Expenditures

CAPITAL STOCK/FRANCHISE TAX

The capital stock tax is a property tax imposed on every domestic corporation with capital stock, every joint-stock association and limited partnerships, and every other company organized or incorporated in Pennsylvania. The franchise tax is a privilege tax imposed on foreign corporations, joint-stock associations, limited partnerships and other companies doing business and liable to taxation within Pennsylvania or having capital or property employed or used in Pennsylvania. Certain corporations are exempt from these taxes, and some corporations are afforded preferential treatment.

The capital stock and franchise taxes are based on capital stock value which is defined as half of the sum of the average net income capitalized at the rate of 9.5 percent plus 75 percent of the net worth, less \$100,000. The tax rate is 9 mills for the 1987 tax year, with an additional 0.5 mill for the Hazardous Waste Cleanup Fund beginning with the 1988 tax year. The estimates in this analysis include only the 9 mill, General Fund portion of the tax. Act 90-1983 established a minimum tax of \$75 for tax years beginning in 1983 and thereafter.

Various types of assets are exempt from tax. The valuation of capital stock is not affected by these exemptions, but the exemptions are reflected in apportionment formulas used to compute the percentage of the capital stock value base actually subject to tax.

NONPROFIT CORPORATIONS

Authorization: Article VI, Section 601(a), of the Act of March 4, 1971 (P.L. 6, No. 2)

Description: Nonprofit corporations without capital stock are exempt from the capital stock/franchise tax. This includes Corporations of the First Class formed under the Corporation Act of April 29, 1974 and corporations organized or created by or under the nonprofit corporation laws of Pennsylvania or any other state which are in fact nonprofit corporations. Nonprofit corporations which issue capital stock must file a report and make tax payments. All other nonprofit corporations are excluded from the tax base because they do not have capital stock.

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

Estimates: (Dollar Amounts in Thousands)

	1989-90	1990-91	1991-92	1992-93	1993-94
	NA	NA	NA	NA	NA

FAMILY FARM CORPORATIONS

Authorization: Article VI, Section 602.2, of the Act of March 4, 1971 (P.L. 6, No. 2) as added by the Act of October 17, 1980 (P.L. 1077)

Description: Family farm corporations are exempt from the capital stock/franchise tax. A family farm corporation is a corporation which devotes at least 75 percent of its assets to agriculture and at least 75 percent of its stock is owned by members of the same family.

Purpose: This exemption provides tax relief to family farm corporations thereby recognizing the importance of the family-owned farm.

Estimates: (Dollar Amounts in Thousands)

	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 310	\$ 370	\$ 430	\$ 400	\$ 420

General Fund Tax Expenditures

ASSETS USED IN MANUFACTURING, PROCESSING, AND RESEARCH AND DEVELOPMENT

Authorization: Article VI, Section 602, of the Act of March 4, 1971 (P.L. 6, No. 2) as amended by the Act of August 13, 1971 (P.L. 362) and the Act of July 1, 1978 (P.L. 594)

Description: Corporations (except those which enjoy the right of eminent domain, i.e. utilities) organized for manufacturing, processing, research or development purposes may claim an exemption for capital stock invested in such activities within Pennsylvania. This exemption is reflected in computing the percentage of the capital stock value actually subject to tax and applies to both single-factor and three-factor apportionment.

Purpose: This exemption encourages investment in manufacturing, processing, research and development activities which improves the Commonwealth's economic position.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 341,700	\$ 361,000	\$ 384,100	\$ 400,000	\$ 417,400

APPORTIONMENT FORMULA OPTIONS

Authorization: Article VI, Section 602(a), Act of March 4, 1971 (P.L. 6, No. 2) and Article VI Section 602(b), Act of March 4, 1971 (P.L. 6, No. 2) as amended by the Act of December 23, 1983 (No. 90)

Description: Corporations have the option of using either a single-factor or a three-factor formula to compute the portion of the capital stock value that is subject to tax. The single-factor formula is based on the ratio of the book value of taxable assets to book value of total assets. The three-factor formula is based on property, payroll, and sales within and without Pennsylvania. Historically, only domestic corporations were permitted to choose the single-factor apportionment method until the Pennsylvania Supreme Court ruled that foreign corporations must be allowed the same option. These estimates measure the difference between the tax on capital stock value apportioned using three-factor apportionment for those corporations choosing the single-factor method. Other special apportionment fractions which apply were permitted in the estimating process.

Purpose: This option provides tax relief to those corporations with considerable tangible investment in the Commonwealth and thereby encourages corporate investment in Pennsylvania.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 81,000	\$ 87,000	\$ 93,100	\$ 99,600	\$ 106,600

POLLUTION CONTROL DEVICES

Authorization: Article VI, Section 602.1, of the Act of March 4, 1971 (P.L. 6, No. 2) as added by the Act of August 31, 1971 (P.L. 362)

Description: Equipment, machinery, facilities and other assets used during the tax year within Pennsylvania for water or air pollution control or abatement devices utilized for the benefit of the general public are exempt from the capital stock/franchise tax. This exemption is reflected as an exclusion from the numerator of the single asset apportionment fraction or the numerator of the property factor when the three-factor apportionment formula is used. However, for manufacturing, processing, research and development corporations these assets are included as exempt equipment and shown in the expenditure at the top of this page.

Purpose: This exemption provides tax relief to corporations required to install pollution control devices and encourages investment in pollution control assets.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 10,430	\$ 10,770	\$ 11,710	\$ 11,900	\$ 12,090

General Fund Tax Expenditures

\$100,000 DEDUCTION

Authorization: Article VI, Section 601(a), of the Act of March 4, 1971 (P.L. 6, No. 2) as amended by the Act of July 13, 1987 (No. 58)

Description: For tax years beginning in 1988 and thereafter, corporations may deduct \$100,000 from the capital stock value which is then subject to apportionment to determine the taxable base. In 1987, a \$50,000 deduction was permitted. The following estimates measure the full \$100,000 deduction.

Purpose: This exemption provides a tax-free portion of value for corporations, particularly beneficial to new businesses which realize little or no profits during their early years.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 36,300	\$ 38,700	\$ 41,300	\$ 42,300	\$ 43,100

HOLDING COMPANIES

Authorization: Article VI, Section 602(e), of the Act of March 4, 1971 (P.L. 6, No. 2)

Description: Holding companies may elect, in lieu of a standard apportionment formula, a special apportionment formula which computes the taxable portion of capital stock value by taking 10 percent of the total capital stock value. Use of the single-factor apportionment formula was permitted in the estimating process. Holding companies are corporations (1) which derive at least 90 percent of their income from stock or securities and the rendering of administrative or management services to subsidiary corporations and (2) whose assets are at least 60 percent comprised of securities or indebtedness of subsidiary corporations.

Purpose: This preferential treatment is intended to provide tax relief to those holding companies with considerable intangible assets that otherwise are not exempt under the single assets apportionment fraction.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 9,700	\$ 11,100	\$ 12,400	\$ 13,400	\$ 14,400

REGULATED INVESTMENT COMPANIES

Authorization: Article VI, Section 602(f), of the Act of March 4, 1971 (P.L. 6, No. 2) as amended by the Act of December 20, 1985 (No. 102)

Description: Regulated investment companies are subject to special valuation for capital stock/franchise tax purposes. Their tax is computed by adding the net asset value (multiplied by \$75 and divided by one million) and the apportioned undistributed personal income tax income (multiplied by the personal income tax rate). Undistributed personal income is apportioned to Pennsylvania by a fraction, the numerator of which is all income distributed during the taxable year to resident shareholders and the denominator of which is all income distributed to all shareholders.

Purpose: Regulated investment companies are corporations which derive at least 90 percent of their income from dividends, interest, and gains on disposition of stock and securities. This preferential treatment provides tax relief to these companies thereby allowing them to earn higher rates of return on their investments which, in turn, are passed on to their shareholders. The higher earnings rates may result in higher investment in the economy which is channeled through these companies.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 7,900	\$ 9,800	\$ 10,500	\$ 10,900	\$ 11,500

General Fund Tax Expenditures

UTILITY GROSS RECEIPTS TAX

The utilities gross receipts tax is imposed on the following companies which do business in Pennsylvania: railroad, pipeline, conduit, steamboat, canal, slack water navigation, and transportation companies; freight or oil transporters; telephone and telegraph companies; express service, palace car or sleeping car companies; gas companies; and electric light, water power and hydroelectric energy companies. Certain companies are entitled to exemptions.

A tax of 44 mills is levied on gross receipts from passengers, baggage, freight and oil transported within the state; telephone and telegraph messages transmitted within the state; and sales of electric energy and gas.

Motor carrier vehicles engaged in the carrying of passengers or property for hire are not taxed under the provisions of the Tax Reform Code of 1971, but they are subject to the motor carriers gross receipts tax imposed by Act of June 22, 1931.

MUNICIPALLY-OWNED PUBLIC UTILITIES

Authorization: Article XI, Section 1101(f), of the Act of March 4, 1971 (P.L. 6, No. 2)

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 65,100	\$ 69,900	\$ 73,100	\$ 76,700	\$ 80,600

NUCLEAR GENERATING FACILITY DAMAGE

Authorization: Article XI, Section 1101(g), of the Act of March 4, 1971 (P.L. 6, No. 2)

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

Purpose: This tax relief alleviates the financial hardship faced by the public utility as a result of damage caused by an accident or natural disaster. It also benefits consumers to the extent the tax relief is reflected in lower utility rates.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	NA	NA	NA	NA	NA

RAILROAD CREDIT

Authorization: Article XI, Section 1101.2, of the Act of March 4, 1971 (P.L. 6, No. 2) as added by the Act of March 27, 1980 (P.L. 60) and as re-enacted by the Act of July 10, 1986 (No. 123).

Description: Railroad companies may claim a credit against the gross receipts tax for maintenance and improvement of rights-of-way. The amount of credit is 25 percent of the amount spent in Pennsylvania during each calendar year and is applied to the year following the calendar year during which the funds were spent. The credit can not exceed the amount of tax due and the total expenditure for which the credit is granted must be at least twice the amount of the prior year's credit. The credit is applicable for expenditures through 1992.

Purpose: This program encourages investment in ties, rails, communications systems, power transmission systems and other track materials necessary to provide an efficient rail transportation network that improves the economic condition of the Commonwealth.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 6,000	\$ 5,600	\$ 5,300	\$ 5,000	NA

General Fund Tax Expenditures

UTILITY REALTY TAX

The public utility realty tax is imposed on public utilities furnishing services under the jurisdiction of the Pennsylvania Public Utility Commission or a regulatory body of another state or the United States.

This tax is levied at the rate of 30 mills on each dollar of "state taxable value" of utility realty at the end of the preceding calendar year. The taxable value is the cost of utility realty, less reserves for depreciation and depletion. Certain utility property is exempt from the tax.

The Commonwealth imposes this tax on public utility realty in lieu of local real estate taxes and distributes the revenue to local taxing authorities.

PROPERTY SUBJECT TO LOCAL TAXATION

Authorization: Article XI-A, Section 1101-A(3), of the Act of March 4, 1971 (P.L. 6, No. 2) as added by the the Act of July 4, 1979 (P.L. 60)

Description: Property subject to local real estate taxation under any law in effect on April 23, 1968 is excluded from the PURTA base.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 11,650	\$ 11,940	\$ 12,240	\$ 12,610	\$ 13,000

MACHINERY AND EQUIPMENT

Authorization: Article XI-A, Section 1101-A(3), of the Act of March 4, 1971 (P.L. 6, No. 2) as added by the Act of July 4, 1979 (P.L. 60)

Description: Machinery and equipment, regardless of whether it is housed within included property, is excluded from the PURTA base.

Purpose: PURTA is intended as a tax on land and attached structures. The exemption of business personalty encourages investment in machinery and equipment so that efficient utility service may be provided. It also benefits consumers to the extent the tax relief is reflected in lower utility rates.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 772,900	\$ 770,600	\$ 794,400	\$ 818,100	\$ 842,500

EASEMENTS

Authorization: Article XI-A, Section 1101-A(3)(i), of the Act of March 4, 1971 (P.L. 6, No. 2) as added by the Act of July 4, 1979 (P.L. 60)

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 13,260	\$ 13,130	\$ 13,540	\$ 13,950	\$ 14,370

General Fund Tax Expenditures

RAILROAD RIGHTS-OF-WAY

Authorization: Article XI-A, Section 1101-A(3)(ii), of the Act of March 4, 1971 (P.L. 6, No. 2) as added by the Act of July 4, 1979 (P.L. 60)

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

Purpose: PURTA is intended as a tax on real property, and not as a tax on property such as these rights. This tax relief encourages the development of an extensive railroad network that is beneficial to the economy.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200

LINES

Authorization: Article XI-A, Section 1101-A(3)(iii), of the Act of March 4, 1971 (P.L. 6, No. 2) as added by the Act of July 4, 1979 (P.L. 60)

Description: Pole, transmission tower, pipe, rail or other lines, regardless of whether they are attached to the land or other included property, are excluded from the PURTA base.

Purpose: This exemption encourages investment in transmission facilities necessary for universal service to all consumers. It also benefits consumers to the extent the tax relief is reflected in lower utility rates.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 272,200	\$ 282,600	\$ 287,900	\$ 296,000	\$ 304,400

HYDROELECTRIC PROPERTY

Authorization: Article XI-A, Section 1101-A(3)(iv), of the Act of March 4, 1971 (P.L. 6, No. 2) as added by the Act of July 4, 1979 (P.L. 60) and amended by the Act of December 9, 1982 (No. 246)

Description: All land and other property first used after July 1, 1983 to furnish hydroelectric power is excluded from the PURTA base. This exemption commences in the first year in which the land and property is used to furnish hydroelectric power and energy and remains in effect for a period of ten years.

Purpose: This exemption encourages investment in hydroelectric power as an alternative form of energy. It also benefits consumers to the extent the tax relief is reflected in lower utility rates.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

SEWAGE SERVICES

Authorization: Article XI-A, Section 1102-A(d), of the Act of March 4, 1971 (P.L. 6, No. 2) as added by the Act of July 4, 1979 (P.L. 60)

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

Purpose: This provides tax relief to companies that are in the business of sewage treatment and encourages investment in sewage treatment facilities which provide public environmental benefits. It also benefits consumers to the extent the tax relief is reflected in lower utility rates.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 26,720	\$ 26,760	\$ 27,570	\$ 28,390	\$ 29,250

MUNICIPALITIES

Authorization: Article XI-A, Section 1102-A(d), of the Act of March 4, 1971 (P.L. 6, No. 2) as added by the Act of July 4, 1979 (P.L. 60) and amended by the Act of July 21, 1983 (No. 29)

Description: Municipalities or municipal authorities furnishing public utility services are exempt from tax.

Purpose: The realty used for municipally-furnished utility services is public property used for public purposes. Moreover, taxing such property would result in the municipal government paying itself a tax.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 15,160	\$ 16,460	\$ 16,490	\$ 17,000	\$ 17,490

COOPERATIVE AGRICULTURAL ASSOCIATION CORPORATION TAX

Authorization: Act of May 23, 1945 (P.L. 893), Section 3, as amended by the Act of July 1, 1978 (P.L. 591) and the Act of March 3, 1982 (No. 41)

Description: Cooperative agricultural associations are subject to an excise tax of 4 percent on net income in lieu of any other excise tax. Net income is the sum of dividends declared or declared and paid on shares of stock issued by the association and is apportioned to the Commonwealth based on the ratio of gross receipts from business in Pennsylvania to gross receipts from all business. The following estimates measure the difference between the receipts received under this tax and the amounts otherwise due under the corporate net income tax and the capital stock/franchise tax.

Purpose: These cooperatives are composed of persons engaged in agriculture and organized for the purpose of mutual help in order to improve the economic position of agriculture.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Corporate Net Income Tax				
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 580	\$ 600	\$ 720	\$ 630	\$ 620
	Capital Stock/Franchise Tax				
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 650	\$ 770	\$ 940	\$ 810	\$ 810
	Sales and Use Tax				
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

ELECTRIC COOPERATIVE CORPORATION TAX

Authorization: Act of June 21, 1937 (P.L. 1969), Section 31

Description: Electric cooperative corporations annually pay on or before July 1 a fee of \$10 for each 100 members, or fraction thereof, in lieu of all other state taxes. The following estimates represent the difference between the aforementioned fee and the tax otherwise due under the corporate net income tax, the capital stock/franchise tax, and the utility gross receipts tax.

Purpose: These cooperatives are nonprofit corporations organized to engage in rural electrification and thereby provide a public benefit.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Corporate Net Income Tax				
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 1,200	\$ 1,300	\$ 1,400	\$ 1,470	\$ 1,540
	Capital Stock/Franchise Tax				
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 1,260	\$ 1,440	\$ 1,620	\$ 1,720	\$ 1,810
	Utility Gross Receipts Tax				
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 14,300	\$ 15,600	\$ 16,100	\$ 17,000	\$ 17,800

INSURANCE PREMIUMS TAX

The insurance premiums tax is imposed on domestic and foreign insurance companies that transact business in Pennsylvania. Certain insurance companies are exempt from the tax.

The tax is levied on gross premiums received from business done within Pennsylvania during each calendar year. A retaliatory tax is also imposed on taxable insurance companies incorporated in other states which impose a higher burden upon Pennsylvania companies doing business there.

The basic tax rate is 2 percent of gross premiums plus any retaliatory tax. A 3 percent rate is imposed on insurance premiums for policies written with unlicensed insurers by a surplus lines agent.

Marine insurance companies are subject to a 5 percent tax on their underwriting profits in lieu of the insurance premiums tax.

MUTUAL BENEFICIAL ASSOCIATIONS

Authorization: Article IX, Section 1001(1) of the Act of March 4, 1971 (P.L. 6, No.2)

Description: Purely mutual beneficial associations, whose funds for the benefits of members and families or heirs are made up entirely of the contributions from their members and the accumulated interest thereon, are exempt from the insurance premiums tax.

Purpose: Mutual beneficial associations are charitable and benevolent organizations which provide life, accident and health benefits for their members. The exemption also benefits subscribers to the extent that it is reflected in reduced premiums.

<i>Estimates:</i>	(Dollar Amounts in Thousands)				
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 3,250	\$ 3,480	\$ 3,720	\$ 3,980	\$ 4,260

General Fund Tax Expenditures

NONPROFIT HOSPITAL AND MEDICAL CARE SERVICE ORGANIZATIONS

Authorization: Article IX, Section 1001(1), of the Act of March 4, 1971 (P.L. 6, No.2)

Description: Companies organized under the "Nonprofit Hospital Plan Act" (Act of June 21, 1937, P. L. 1948, No. 378) and the "Nonprofit Medical, Osteopathic, Dental and Podiatry Service Corporation Act" (Act of June 27, 1939, P.L. 1125, No. 399) are exempt from the insurance premiums tax. Those exempt include Blue Cross of Greater Philadelphia; Blue Cross of Western Pa.; Capital Blue Cross; Hospital Service Association of Northeastern Pa.; Inter-County Hospital Plan, Inc., Crown Dental Plan, Inc., Good Vision Plan, Inc., Inter-County Health Plan, Inc., Medical Service Association of Pa. (Blue Shield), Pa. Dental Service Corp., and Vision Service Plan of Pa. For purposes of this tax expenditure analysis, health maintenance organizations are not included because they are not considered to be insurance companies so as to be subject to the insurance premiums tax, but rather are held to be corporations and as such are subject to corporate taxation.

Purpose: These corporations are deemed to be charitable and benevolent institutions which provide hospital and/or medical care to their subscribers. The exemption provides indirect tax relief to subscribers to the extent that it is reflected in lower premiums.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 123,200	\$ 134,000	\$ 145,700	\$ 158,500	\$ 172,400

EXTRAORDINARY MEDICAL BENEFIT

Authorization: Act 4 of 1989 (Approved April 26, 1989)

Description: An exemption is allowed for any premiums writtern after June 1, 1989 by automobile insurance companies for optional extraordinary medical benefit coverage from \$100,000 to \$1,100,000.

Purpose: This exemption benefits private insurance companies which are required to provide the extraordinary medical coverage as a result of the repeal of Pennsylvania's Catastrophic Loss Trust Fund. This exemption also benefits subscribers to the extent that it is reflected in reduced premiums.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 1,000	\$ 570	\$ 640	\$ 690	\$ 740

LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION CREDIT

Authorization: Act of November 26, 1978 (P.L. 1188, No. 280)

Description: A tax credit is available to companies that are members of the Life and Health Insurance Guaranty Association. These companies may offset a proportionate part of assessments made by the association against the insurance premiums tax.

Purpose: This nonprofit association protects policyholders and claimants by providing for the payment of benefits and the continuation of coverage under life, health and accident, and annuity policies. Members are assessed to provide funds to carry out the purpose of the association and may consider their assessment obligation in determining their premium rates. This tax credit provides relief to subscribers to the extent that it offsets increases in premium rates that are due to assessment obligations.

Estimates: The amount of credits applied under this Act has averaged approximately \$25,600 per year for the period 1984-85 through 1988-89. Barring any unforeseen circumstances or catastrophic events which may lead to the impairment or insolvency of member insurers, assessments against members and the resultant credits to be applied will continue to be nominal through 1993-94.

General Fund Tax Expenditures

MARINE INSURANCE UNDERWRITING PROFITS TAX

Authorization: Act of May 13, 1927 (P.L. 998, No. 486)

Description: Companies transacting marine insurance business within the Commonwealth are subject to a tax of 5 percent on the portion of underwriting profits attributable to Pennsylvania in lieu of the 2 percent insurance premiums tax on premiums written for risks located in the State. Premiums written in this particular line of insurance are typically attributed to states based upon the location of the agent who wrote the policy. The tax expenditure is the difference between what is paid on underwriting profits and what would be paid under the insurance premium tax.

Purpose: Ocean marine insurance is taxed on underwriting profits, as opposed to gross premiums, because this line of insurance covers seagoing vessels and their cargo with respect to the risks of transit thereby making it difficult to allocate risks among states.

<i>Estimates:</i>	(Dollar Amounts in Thousands)				
	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 690	\$ 750	\$ 830	\$ 900	\$ 990

BANK SHARES TAX

The Bank Shares Tax is imposed on every bank having capital stock which is incorporated under the law of Pennsylvania or under any law of the United States and located within Pennsylvania.

This tax is imposed annually on the value of shares as of January 1. For each year from 1984 through 1988, the taxable value of shares was based on the preceeding year's quarterly average value of shares, adjusted to exclude the value of United States obligations. Beginning in 1989, the value of shares as of each January 1 is a six-year average calculated by dividing the total number of shares into the average of each of the previous six years' quarterly average value of shares adjusted to exclude the value of United States obligations. The tax rate on the dollar value of each taxable share of stock is 1.075 percent for 1984 through 1988, 10.77 percent for 1989, and 1.25 percent thereafter.

NEW BANK TAX CREDIT

Authorization: Article XIX of the Act of March 4, 1971 (P.L. 6, No. 2) as added by Act 23 of 1989.

Description: A tax credit is available to any bank, bank and trust company, or trust company established since January 1, 1979 and may be used against the Shares or Sales and Use Taxes. The amount of each taxpayer's credit is the sum of (1) a fixed amount determined by the number of years in operation, (2) one percent of the value of Pennsylvania deposits, and (3) either 1.5 percent or 0.5 percent of Pennsylvania loans, depending upon whether or not its loan/deposit ratio exceeds 70 percent. The total amount of credits authorized is limited to \$12 million in 1989, \$2 million in 1990, and \$1 million in 1991. Unused credits may be carried forward two years. The tax expenditure is the full amount of credits used by eligible taxpayers subject to the bank shares tax as well as the title insurance and trust company shares tax.

Purpose: This program provides tax relief to new banking institutions and thereby helps to allow growth in the banking industry in Pennsylvania and may be perceived to insure its health and stability.

<i>Estimates:</i>	(Dollar Amounts in Thousands)				
Shares Taxes	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 8,100	\$ 1,000	\$ 1,000	\$ 800	NA
Sales and Use Tax	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 400	\$ 3,100	\$ 600	NA	NA

General Fund Tax Expenditures

TITLE INSURANCE AND TRUST COMPANY SHARES TAX

This tax is imposed on domestic title insurance companies and companies organized as bank and trust companies or as trust companies.

This tax is imposed annually on the value of shares as of January 1. For each year from 1984 through 1988, the taxable value of shares was based on the preceeding year's quarterly average value of shares, adjusted to exclude the value of United States obligations. Beginning in 1989, the value of shares as of each January 1 is a six-year average calculated by dividing the total number of shares into the average of each of the previous six years' quarterly average value of shares adjusted to exclude the value of United States obligations. The tax rate on the dollar value of each taxable share of stock is 1.075 percent for 1984 through 1988, 10.77 percent for 1989, and 1.25 percent thereafter.

A tax credit is available to any trust company subject to this tax and established since January 1, 1979. See the discussion and estimates under Bank Shares Tax.

MUTUAL THRIFT INSTITUTIONS TAX

The mutual thrift institutions tax is imposed on the net income of savings institutions, savings banks, savings and loan associations, and building and loan associations conducting business in Pennsylvania.

For tax years beginning after 1986, the tax is based on net income determined in accordance with generally accepted accounting principals with the following major exceptions: income earned from United States obligations or Pennsylvania state and local obligations is excluded; the interest expense associated with tax exempt interest income is disallowed as a deduction; and net operating losses from previous years may be carried forward for a maximum of three years. Taxable net income is apportioned to Pennsylvania by a three-factor formula comprised of payroll, receipts and deposits.

The tax rate is 11.5 percent for 1986, 20 percent for 1987 through 1990, 12.5 percent for 1991, and 11.5 percent for 1992 and thereafter.

NET OPERATING LOSS CARRYFORWARD

Authorization: Article IV, Section 401(3)4 of the Act of March 4, 1971 (P.L., No. 2).

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 5,110	\$ 10,230	\$ 7,310	\$ 4,420	\$ 1,840

CREDIT UNIONS

Authorization: Act of September 20, 1961 (P.L. 1548, No. 658)

Description: Credit unions are exempt from taxation. The tax expenditure is determined by applying to their net earnings the mutual thrift institutions tax rates of 20.0 percent in 1987 through 1990, 12.5 percent in 1991 and 11.5 percent thereafter.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 8,100	\$ 7,500	\$ 5,400	\$ 6,500	\$ 7,200

General Fund Tax Expenditures

SALES AND USE TAX

Authorization: The Sales and Use Tax was first enacted by the Act of March 6, 1956, (P.L. 1228) effective March 7, 1956. That act was repealed by the Act of March 4, 1971, (P.L. 6, No. 2) which enacted a new Sales and Use Tax Law cited as Article II, Tax for Education, of the Tax Reform Code of 1971.

GENERAL / PERSONAL EXPENDITURES

FOOD

Description: Food and beverages purchased for human consumption are exempt from taxation. The exemption does not apply to soft drinks, alcoholic beverages or food purchased from a location identified as an eating place.

Purpose: Food is considered to be a basic necessity of life. Additionally, this provision reduces the regressive nature of the tax and eases the tax burden on families who use a disproportionate share of income on these products.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 1,212,020	\$ 1,295,650	\$ 1,382,460	\$ 1,473,700	\$ 1,572,440

CANDY, GUM AND CONFECTIONARY PRODUCTS

Description: The purchase of candy, gum and similar confections is exempt from taxation. Confections are characterized by their sweet taste. For example, candy-coated peanuts are a confectionary item while salted peanuts are not.

Purpose: This provision may have been perceived as helping Pennsylvania candy manufacturers maintain a dominant position in the industry.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 31,900	\$ 33,100	\$ 34,300	\$ 35,600	\$ 36,900

HOUSEHOLD PAPER AND CLEANING SUPPLIES

Description: Household supplies purchased at retail establishments for residential consumption are exempt from taxation. These supplies include soaps, detergents, cleaning and polishing preparations, paper goods, wrapping supplies and paper products used for feminine hygiene.

Purpose: Household paper and cleaning supplies are considered essential for maintaining a basic standard of life. This provision reduces the regressive nature of the tax and eases the tax burden on families who use a disproportionate share of income purchasing these products.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 101,570	\$ 106,910	\$ 112,530	\$ 118,450	\$ 124,680

General Fund Tax Expenditures

NEWSPAPERS AND PERIODICALS

Description: The purchase or use of periodicals and publications containing information of general interest published at regular intervals, not exceeding three months, and circulated among the general public is exempt from taxation. Printed advertising included in these publications is also exempt.

Purpose: The intent of this tax exemption is to encourage the citizenry to be well informed. Additionally, the purchase of these items may be perceived as an information service in that the tangible nature of the document is incidental to the information being provided.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 159,500	\$ 170,500	\$ 182,300	\$ 194,800	\$ 208,300

CLOTHING AND FOOTWEAR

Description: The purchase at retail or use of wearing apparel, footwear and other articles of clothing worn on the human body is exempt from taxation. Accessories, ornamental wear, formal day or evening apparel, furs and sporting goods are taxable.

Purpose: Clothing and footwear are considered essential for maintaining a basic standard of life. This provision reduces the regressive nature of the tax and eases the tax burden on families who use a disproportionate share of income on these products.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 578,810	\$ 615,280	\$ 655,890	\$ 697,210	\$ 741,830

AMUSEMENT DEVICES

Description: Expenditures to play amusement devices are not rentals and therefore not taxable. Examples of such devices are flipper games, video games, pool tables, soccer tables, arcade games and kiddie rides.

Purpose: These expenditures are considered to be payments for a nontaxable service.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 27,100	\$ 28,180	\$ 29,310	\$ 30,480	\$ 31,700

PRESCRIPTION DRUGS AND ORTHOPEDIC EQUIPMENT

Description: The purchase at retail or use of prescription drugs and orthopedic equipment is exempt from taxation. Such equipment includes crutches, wheelchairs, false teeth and dental materials, eyeglasses, artificial limbs and eyes, hearing devices, braces and supports. Also included are devices to alleviate a physical incapacity such as a hospital bed or kidney machine.

Purpose: Prescription drugs and orthopedic equipment are considered essential for maintaining life. This provision reduces the regressive nature of the tax and eases the tax burden on families who must spend a disproportionate share of income on these products.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 133,480	\$ 144,460	\$ 156,350	\$ 169,210	\$ 183,140

General Fund Tax Expenditures

NON-PRESCRIPTION DRUGS

Description: The purchase at retail or use of non-prescription drugs such as antiseptics, aspirin, milk of magnesia, castor oil, cold capsules, eye washes and vitamins is exempt from taxation.

Purpose: Nonprescription drugs are considered essential for maintaining a basic standard of life. This provision reduces the regressive nature of the tax and eases the tax burden on families who use a disproportionate share of income on these products.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 68,170	\$ 74,030	\$ 80,400	\$ 87,310	\$ 94,820

LIQUOR OR MALT BEVERAGE PURCHASED FROM RETAIL DISPENSER

Description: Alcoholic beverages purchased in a drinking place or bar are exempt from taxation. Purchases from a State liquor store or a beer distributor are taxed, despite the wholesale nature of a portion of these sales. The estimates represent the difference in the tax that would be collected at the retail level and the tax presently collected on the bulk sale.

Purpose: Taxing container sales rather than per drink sales reduces overall administrative and reporting burdens for vendors and audit efforts by the Department of Revenue.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 99,470	\$ 104,340	\$ 109,560	\$ 114,930	\$ 120,560

CHARGES FOR RETURNABLE CONTAINERS

Description: Separately stated deposit charges for returnable containers are excluded from the purchase price and are exempt from taxation.

Purpose: Deposit charges usually represent security in the event a container is not returned. For this reason, a true exchange of property is not considered to have occurred.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 7,290	\$ 7,690	\$ 8,120	\$ 8,600	\$ 9,100

WRAPPING AND PACKING SUPPLIES

Description: The purchase or use of wrapping paper, twine, bags, cartons, tape, rope, labels, nonreturnable containers and all other wrapping supplies which are incidental to the delivery of personal property is exempt from taxation. This exclusion applies to retailers only. A separately stated charge for wrapping or packaging is taxable.

Purpose: Exemption of these items prevents double taxation since the cost of wrapping supplies, as a final input of the product, is included in the price charged by the retailer.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

BIBLES, RELIGIOUS PUBLICATIONS, ARTICLES

Description: The purchase or use of religious publications sold by religious groups, bibles and religious articles is tax exempt.

Purpose: Religious materials could be perceived to provide a beneficial influence on the Commonwealth's citizenry through the dissemination of religious information.

The estimate below relates only to the sale of bibles.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 720	\$ 790	\$ 860	\$ 940	\$ 1,020

CASKETS AND BURIAL VAULTS

Description: The purchase or use of caskets, burial vaults, markers and tombstones to be used for human remains and graves is exempt from taxation.

Purpose: These items are considered to be the final basic necessity of life. Additionally, this exemption reduces the regressive nature of the tax and eases the burden on low income families.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 15,720	\$ 17,130	\$ 18,680	\$ 20,360	\$ 22,190

FLAGS

Description: The purchase or use of Pennsylvania and United States flags is exempt from taxation.

Purpose: The exemption of flags may be based on the perception that governmental support of national and state symbols is a worthy public policy objective.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	NA	NA	NA	NA	NA

TEXTBOOKS

Description: The purchase or use of textbooks for use in schools, colleges and universities is exempt from taxation. The purchase must be on behalf of or through schools recognized by the Department of Education as institutions of learning.

Purpose: The education of the Commonwealth's citizenry is a major policy objective of state government. This exemption helps to reduce the overall cost of obtaining an education.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 13,300	\$ 14,270	\$ 15,310	\$ 16,430	\$ 17,630

General Fund Tax Expenditures

CATALOGS AND DIRECT MAIL ADVERTISING

Description: The purchase of a mail order catalog or direct mail advertising literature or material is exempt from taxation.

Purpose: The purchase of these items may be perceived as an information service in that the tangible nature of the document is incidental to the information being provided.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	NA	NA	NA	NA	NA

FOOD STAMP PURCHASES

Description: The purchase at retail or use of tangible personal property in accordance with the Federal Food Stamp Act of 1977 is exempt from taxation. Primarily, exempt items are soft drinks, certain drink mixes, vegetable and fruit seeds and plants, and certain prepared cold foods.

Purpose: This provision is mandated by Federal law for continued State participation in the federally funded food stamp program.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 1,760	\$ 1,850	\$ 1,940	\$ 2,040	\$ 2,140

GRATUITIES

Description: Any amount paid, in excess of charges and tax, for service relating to the purchase of food or beverages or hotel or motel accommodations is an exempt gratuity.

Purpose: Separately stated gratuities or tips are not included in the cost of the meal or accommodation acquired by the purchaser but are considered costs of accompanying non-taxable services.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 17,180	\$ 18,420	\$ 19,750	\$ 21,170	\$ 22,690

FUELS AND UTILITIES

RESIDENTIAL FUEL

Description: As defined by law, "tangible personal property" specifies taxable items. Specifically omitted from this definition are steam, natural, manufactured and bottled gas, and fuel oil when purchased for residential use.

Purpose: Residential fuel is considered essential for maintaining a basic standard of life. Additionally, this provision reduces the regressive nature of the tax on low and moderate income families.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 162,260	\$ 171,210	\$ 182,630	\$ 194,020	\$ 207,480

General Fund Tax Expenditures

COAL

Description: The purchase or use of coal is exempt from taxation.

Purpose: This exemption provides special tax treatment of coal versus alternative energy forms. Other major energy sources are exempt only when used for residential use. Encouragement of coal consumption may have been perceived as providing or preserving employment when mining was a major employer within the Commonwealth.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 159,760	\$ 160,400	\$ 161,040	\$ 161,680	\$ 162,330

FIREWOOD

Description: The purchase or use of firewood cut into lengths for burning and used as fuel for cooking or for heating water or residential dwellings is exempt from taxation.

Purpose: Alternative energy sources such as heating oil, natural gas, coal and electricity are exempt when used for residential purposes. The extension of this exemption to firewood provided consistency among all major energy sources.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 540	\$ 550	\$ 590	\$ 620	\$ 660

RESIDENTIAL UTILITIES

Description: As defined by law, "tangible personal property" specifies taxable items. Specifically omitted from this definition are electricity and intrastate telephone or telegraph service when purchased for residential use.

Purpose: Residential utilities are considered essential for maintaining a basic standard of life. Additionally, this provision reduces the regressive nature of the tax and reduces the tax burden on families who use a disproportionate share of income on these services.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Electric:	1989-90	1990-91	1991-92	1992-93	1993-94
		\$ 258,780	\$ 281,810	\$ 304,920	\$ 327,180	\$ 355,640
	Telephone:	1989-90	1990-91	1991-92	1992-93	1993-94
		\$ 87,060	\$ 91,850	\$ 97,270	\$ 103,690	\$ 110,640

WATER

Description: The purchase at retail or use of water in liquid or solid form is exempt from taxation.

Purpose: Water is a basic necessity of life. Additionally, this provision reduces the regressive nature of the tax and reduces the tax burden on families who use a disproportionate share of income on this product.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 59,350	\$ 65,090	\$ 71,450	\$ 78,480	\$ 86,290

General Fund Tax Expenditures

GASOLINE AND MOTOR FUELS

Description: The purchase or use of gasoline and other motor fuels, taxed under the Liquid Fuels Tax Act or the Fuel Use Tax Act, is exempt from the Sales and Use Tax.

Purpose: Because these items are already subject to fuels taxes, the legislature has provided for their exemption from the Sales and Use Tax.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 318,140	\$ 323,510	\$ 329,080	\$ 334,640	\$ 340,380

MOTOR VEHICLES / VESSELS

COMMON CARRIERS

Description: Vehicles purchased by a public utility, engaged in business as a common carrier, to be used in rendering utility services are exempt from taxation.

Purpose: Without this exemption, the tax would be built into the rate base of public utility services and, ultimately, passed on to consumers. Therefore, this exemption reduces the overall cost of utility services which are considered to be basic necessities.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 13,890	\$ 14,380	\$ 14,880	\$ 15,400	\$ 15,940

ALTERNATE IMPOSITION OF TAX (Motor Vehicle Dealers)

Description: This provision provides motor vehicle dealers an alternative method of calculating "use" tax on vehicles purchased under the resale exemption and put to taxable use before final sale. A dealer may pay use tax, at 6%, on the fair rental value which is calculated as 3% of the purchase price in lieu of the 6% tax on the full purchase price.

Purpose: The alternative method of tax calculation may have been permitted because of the generally short time dealer owned vehicles are used for demonstration and other purposes.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 35,400	\$ 36,280	\$ 37,190	\$ 38,120	\$ 39,070

ALTERNATE IMPOSITION OF TAX (Commercial Aircraft Operators)

Description: This provision provides commercial aircraft operators an alternative method of calculating "use" tax on aircraft purchased under the resale exemption and put to a taxable use before final sale. An operator may pay a use tax, at 6%, on the fair rental value which is calculated as 2% of the purchase price in lieu of the 6% tax on the full purchase price.

Purpose: The alternative method of tax calculation may have been permitted because of the generally short time these aircraft are used for demonstration, training or other purposes.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

COMMERCIAL VESSELS (Construction)

Description: The purchase or use of commercial vessels of fifty tons or larger is exempt from taxation if delivery is taken in Pennsylvania.

Purpose: Imposition of the tax at the point of sale would place Pennsylvania shipbuilders at a competitive disadvantage relative to those states allowing this exemption.

Estimates: The most recent data available show that Pennsylvania has 12 establishments engaged in shipbuilding and repair with only 5 having more than 20 employees.

(Dollar Amounts in Thousands)

1989-90	1990-91	1991-92	1992-93	1993-94
\$ 1,120	\$ 1,170	\$ 1,230	\$ 1,290	\$ 1,350

COMMERCIAL VESSELS (Repair)

Description: Property or services purchased or used in building, rebuilding, repairing and making additions to or replacements in commercial vessels of fifty tons or more are exempt from taxation.

Purpose: Imposition of the tax at the point of sale would place Pennsylvania shipbuilders at a competitive disadvantage relative to those states allowing this exemption.

Estimates: The most recent data available show that Pennsylvania has 12 establishments engaged in shipbuilding and repair with only 5 having more than 20 employees.

(Dollar Amounts in Thousands)

1989-90	1990-91	1991-92	1992-93	1993-94
\$ 780	\$ 680	\$ 590	\$ 520	\$ 450

VESSELS (Equipment, Maintenance)

Description: The purchase or use of fuel, supplies, equipment, ships' or sea stores and cleaning or maintenance supplies is exempt from taxation. This exemption applies to any vessel, commercial or private, regardless of size.

Purpose: Imposition of the tax at the point of sale would place Pennsylvania vendors at a competitive disadvantage relative to those vendors operating in other states which allow this exemption.

(Dollar Amounts in Thousands)

1989-90	1990-91	1991-92	1992-93	1993-94
NA	NA	NA	NA	NA

MOTOR VEHICLES (Out-of-State Purchases)

Description: The purchase or use of a motor vehicle by a non-resident, to be used outside Pennsylvania, which is registered in another state within twenty days of delivery is exempt from taxation. Delivery must be taken outside of Pennsylvania.

Purpose: The exemption protects the participation of Pennsylvania car dealers in the out-of-state market while preventing potential abuses of such an exemption by Pennsylvania residents.

(Dollar Amounts in Thousands)

1989-90	1990-91	1991-92	1992-93	1993-94
NA	NA	NA	NA	NA

General Fund Tax Expenditures

SCHOOL BUSES

Description: The purchase at retail or use of school buses is exempt from taxation. These buses must be used exclusively for the transportation of children for school purposes. The provision is extended to persons who have contracts with school districts to bus children.

Purpose: The costs of transporting school children are directly borne by school districts and indirectly by State government through subsidy programs. This exemption, while limiting state Sales and Use Tax revenues, also decreases state educational subsidy costs.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 10,710	\$ 11,480	\$ 12,310	\$ 13,190	\$ 14,140

REAL ESTATE

REAL ESTATE

Description: A person constructing, repairing, altering or cleaning real estate, or applying or installing personal property as a repair or replacement part of real estate is not making a taxable "sale at retail." Also, the person obtaining such services is not making a taxable "use" of such personal property or services. Materials and supplies consumed by the persons providing these services are taxable.

Purpose: Generally, services are nontaxable because they do not directly involve the sale or use of tangible personal property.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 720,000	\$ 770,000	\$ 830,000	\$ 890,000	\$ 950,000

PRODUCTION EXPENDITURES

MANUFACTURING EXEMPTION (Manufacture and Processing)

Description: By law, "sale at retail" does not include, and therefore exempts, rendering services or the purchase or use of machinery, equipment and parts and supplies including utilities used directly or consumed in the manufacture and processing of personal property. This exemption does not apply to motor vehicles, maintenance facilities, managerial or other nonoperational activities or materials, supplies or equipment used relative to real estate.

Purpose: Exemption of manufacturing equipment and supplies prevents the multiple taxation which could occur in the production of a finished good for consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 592,200	\$ 625,060	\$ 659,550	\$ 698,970	\$ 739,530

General Fund Tax Expenditures

MANUFACTURING EXEMPTION (Agriculture)

Description: By law, "sale at retail" does not include, and therefore exempts, rendering services or the purchase or use of machinery, equipment and parts and supplies including utilities used directly or consumed in farming, dairying, horticulture, floriculture or aquaculture. This exemption does not apply to motor vehicles, maintenance facilities, managerial or other nonagricultural activities or materials, supplies or equipment used relative to real estate.

Purpose: Exemption of agricultural equipment and supplies prevents multiple taxation which could occur in the production of an agricultural commodity for consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 87,720	\$ 85,630	\$ 83,600	\$ 81,620	\$ 79,690

MANUFACTURING EXEMPTION (Public Utility)

Description: By law, "sale at retail" does not include, and therefore exempts, the cost of services or the purchase or use of machinery, equipment and parts and supplies used directly or consumed in producing, delivering or rendering a public utility service. This exemption does not apply to motor vehicles (except those used as common carriers), maintenance facilities, managerial or other nonoperational activities or materials, supplies or equipment used relative to real estate.

Purpose: Exemption of equipment and supplies used in producing and delivering a public utility service prevents the multiple taxation which could occur in providing the service. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	NA	NA	NA	NA	NA

MANUFACTURING EXEMPTION (Foundations for Machinery and Equipment)

Description: Foundations for machinery and equipment used directly in manufacturing, farming, dairying, agriculture, horticulture, floriculture, aquaculture, processing or producing and delivering or rendering a public utility service are exempt from taxation. Included, for a public utility, are sand, gravel, crushed rock, concrete or similar material used as bedding or surrounding pipe used directly to render sewer or water service.

Machinery and equipment have been exempt since the tax was first enacted. Act #202—1980 extended the exemption to include foundations for these items.

Purpose: Exemption of foundations for manufacturing equipment prevents the multiple taxation which could occur in the production of a finished good for consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 1,340	\$ 1,370	\$ 1,400	\$ 1,430	\$ 1,460

General Fund Tax Expenditures

OTHER

COIN OPERATED FOOD AND BEVERAGE VENDING MACHINES

Description: The tax on food and beverages dispensed from coin operated vending machines is derived from total receipts collected from the machines rather than from the price of individual items sold.

Purpose: This provision eases reporting and administrative burdens on the vendor and reduces audit efforts required by the Department of Revenue.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 490	\$ 530	\$ 570	\$ 620	\$ 670

HOTEL—PERMANENT RESIDENT

Description: An exemption is provided, under the Hotel Occupancy Tax, for a person occupying or having the right to occupy a room in a hotel, motel, inn, tourist home, lodging house, rooming house, summer camp, apartment hotel, resort lodging or cabin for 30 consecutive days or more. This exemption does not extend to prepared meals or other taxable items.

Purpose: Residency of this length is felt to approximate permanent dwelling rental, which is non-taxable as a basic necessity of life.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	NA	NA	NA	NA	NA

COMMISSION

Description: A licensed vendor is permitted a 1% discount as a credit against the gross amount of tax collected provided that a tax return, with payment due the Department, is postmarked on or before the due date. Nearly all tax returns are due 20 days after the end of a collection period.

Purpose: This provision is intended to defray the vendor's cost of collecting and remitting the Sales and Use Tax.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 34,790	\$ 36,980	\$ 39,220	\$ 41,550	\$ 44,160

OUT-OF-STATE CREDIT

Description: A credit is allowed for the purchase of personal property or taxable services for use outside Pennsylvania equal to the sales tax paid in the applicable state. That state must grant substantially similar tax relief as provided by Pennsylvania.

Purpose: Allowing a credit for tax paid in another state prevents double taxation.

(Dollar Amounts in Thousand\$)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

TRADE-IN VALUE

Description: A deduction is allowed against the gross purchase price for the value of personal property actually taken in trade or exchange. The reduction in purchase price is considered to be the value of the trade-in.

Purpose: Usually, tangible personal property taken as a trade-in is resold. Therefore, it is treated as a sale for resale, and its value is exempt from tax.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 180,940	\$ 189,380	\$ 197,380	\$ 206,180	\$ 215,370

ISOLATED SALES

Description: Infrequent personal property sales of a non-recurring nature by a person not in the business of selling such items are exempt from taxation. These sales can occur no more than three times nor more than a total of seven days in a year. These sales may include the sale of a lawn mower to a neighbor, liquidation of an estate, sale of a used typewriter by an insurance company or yard sale items. Motor vehicles and property which must be registered or licensed are not granted this exemption.

Purpose: The exclusion of isolated sales from taxation greatly reduces administration and compliance burdens for the seller and the Commonwealth.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 49,100	\$ 50,400	\$ 51,600	\$ 53,000	\$ 54,200

TEMPORARY USAGE

Description: Property purchased outside Pennsylvania by a nonresident and temporarily used in Pennsylvania for seven days or less or any length of time by a tourist or vacationer is exempt from taxation. If the property is consumed in the State it becomes taxable.

Purpose: Providing an exemption for temporary usage of taxable property in Pennsylvania does not discourage entry into the State by vacationers, tourists or others who attend or are involved in specific short term events or activities.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	NA	NA	NA	NA	NA

HORSES

Description: The sale of a horse is exempt from taxation if the seller is directed to deliver the horse to an out-of-state location. A horse may be temporarily delivered to a resident or agent prior to being delivered out-of-state.

Purpose: This exemption provides preferential treatment of horses relative to other tangible personal property by permitting temporary location in Pennsylvania before a horse is delivered out-of-state.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 1,800	\$ 1,820	\$ 1,840	\$ 1,860	\$ 1,880

General Fund Tax Expenditures

EXEMPT ORGANIZATIONS

Description: The sale of personal property or services to or for use by any (1) charitable organization, (2) volunteer fireman's organization, (3) nonprofit educational institution or (4) religious organization is exempt from taxation. Transactions unrelated to the trade or business of such organizations are taxable as are materials, supplies and equipment purchased for use in connection with real estate.

Purpose: These organizations provide public and charitable services which are perceived to benefit the general public. This exemption permits these services to be rendered at reduced cost.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Charitable organizations:				
	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 116,520	\$ 119,430	\$ 122,780	\$ 125,860	\$ 129,050
	Volunteer fireman's organizations:				
	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 4,420	\$ 4,620	\$ 4,850	\$ 5,080	\$ 5,330
	Nonprofit educational institutions:				
	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 56,960	\$ 62,030	\$ 67,570	\$ 73,630	\$ 80,210
	Religious organizations:				
	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 4,380	\$ 4,580	\$ 4,800	\$ 5,030	\$ 5,280

EXEMPT GOVERNMENTAL UNITS

Description: The sale of personal property or services to or for use by the Federal government and the Commonwealth or its instrumentalities or political subdivisions is exempt from taxation. Based on the criteria adopted to define tax expenditures, Federal transactions are not included in this study. Commonwealth transactions are also excluded because revenues would offset expenditures with no net effect. The estimates, therefore, represent the tax on local government expenditures.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 54,770	\$ 58,820	\$ 63,230	\$ 67,970	\$ 73,140

SUBSTITUTED TAX BASE

Description: The tax on tangible personal property purchased at least six months prior to the first taxable use in Pennsylvania may be based on the prevailing market price at the time of the taxable use. This substituted base would be in lieu of taxing the original purchase price.

Purpose: This alternative tax base permits taxpayers to pay tax relative to the current market value of such assets which most closely approximates current taxable value.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

OUT-OF-STATE PURCHASES

Description: Tangible personal property purchased and used outside the State by a nonresident who later brings the property into Pennsylvania while establishing a permanent residence or business is exempt from taxation. This property must be purchased more than six months prior to the first taxable use in Pennsylvania.

Purpose: This provision eases administrative costs for the Commonwealth and compliance costs for the taxpayer and prevents a substantial tax liability being imposed when a person moves to Pennsylvania.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	NA	NA	NA	NA	NA

RAIL TRANSPORTATION EQUIPMENT

Description: The purchase or use of rail transportation equipment used by a business, other than a utility, in the movement of its own personal property is exempt from taxation.

Purpose: Exemption of rail equipment provides preferential treatment benefiting specific users of this transportation mode. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	NA	NA	NA	NA	NA

FISH FEED

Description: The purchase or use of fish feed by sportsmen's clubs, fish cooperatives or nurseries approved by the Pennsylvania Fish Commission is exempt from taxation.

Purpose: The exemption provides preferential treatment benefiting organizations which raise fish ultimately destined for human consumption.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

TOURIST PROMOTION AGENCIES

Description: The purchase or use of supplies and materials by tourist promotion agencies for distribution to the public is exempt from taxation. To be permitted this exemption, an agency must receive grants from the State.

Purpose: Excluding supplies and materials used by tourist promotion agencies which receive State grants reduces the cost of performing promotional activities. The need for direct support to these agencies is decreased by providing this exemption.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 700	\$ 760	\$ 830	\$ 900	\$ 970

General Fund Tax Expenditures

TROUT

Description: The purchase or use of brook trout, brown trout or rainbow trout is exempt from taxation.

Purpose: Preferential treatment is conferred to those involved in the raising or sale of trout ultimately destined for human consumption.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 120	\$ 130	\$ 150	\$ 170	\$ 190

CONSTRUCTION OF MEMORIALS

Description: The purchase or use of materials used in the construction or erection of objects commemorating or memorializing historical events is exempt from taxation. These objects must be purchased by not-for-profit organizations and erected on publicly owned property.

Purpose: This exemption has been provided because these memorials are presumably erected for public benefit and gratification.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100

STORAGE

Description: Charges for the storage of tangible personal property and the value of that property are exempt from taxation for Pennsylvania residents. For nonresidents, a storage charge within the State is exempt but the value of the property is taxable under the "use" tax.

Purpose: Generally, services are exempt because they do not directly involve the sale or use of tangible personal property.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 16,200	\$ 17,100	\$ 18,000	\$ 19,000	\$ 20,100

PUBLIC TRANSPORTATION (Local)

Description: Expenditures for public transportation fares are not taxable.

Purpose: State and local governments are primary financial contributors to public transportation systems. Taxing these services would be contrary to public policy of supporting public transportation.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 26,270	\$ 27,660	\$ 29,130	\$ 30,670	\$ 32,300

General Fund Tax Expenditures

SERVICES

Description: Generally, expenditures for services are not taxable under the Sales and Use Tax law except where specifically noted. Currently, only services rendered on taxable tangible personal property are taxed.

Purpose: The basis for the Sales and Use Tax is tangible personal property. Services are not taxed, in most instances, unless they are related to taxable property.

Estimates:

	(Dollar Amounts in Thousands)				
	1989-90	1990-91	1991-92	1992-93	1993-94
LODGING					
Trailer parks and camps	\$ 4,940	\$ 5,430	\$ 5,970	\$ 6,560	\$ 7,210
PERSONAL SERVICES					
Cleaning, storage and repair of clothing and shoes (1)	\$ 6,560	\$ 7,160	\$ 7,820	\$ 8,540	\$ 9,330
Drycleaning (1)	13,800	15,470	17,340	19,440	21,790
Barber and beauty shops	29,150	31,660	34,380	37,340	40,550
Funeral parlors and crematories	20,640	22,000	23,450	25,000	26,650
All other personal services	27,400	30,360	33,640	37,270	41,300
BUSINESS SERVICES					
Advertising (local)	\$ 136,470	\$ 148,450	\$ 161,480	\$ 175,670	\$ 191,110
Credit reporting, collection agencies	14,250	15,790	17,490	19,380	21,480
Stenographers	2,090	2,350	2,640	2,970	3,340
Exterminators	7,190	8,090	9,100	10,240	11,520
Janitorial service	55,860	60,610	65,760	71,350	77,410
Personnel supply service	74,750	89,030	106,030	126,280	150,400
Computer and data processing	162,260	184,330	209,400	237,870	270,220
Management, consulting and public relations	130,750	145,660	162,260	180,760	201,360
Research	24,320	27,430	30,940	34,910	39,370
Detective agencies	35,300	40,770	47,090	54,390	62,820
AUTOMOTIVE SERVICES					
Automobile parking	\$ 11,000	\$ 12,200	\$ 13,530	\$ 15,000	\$ 16,640
RECREATION SERVICES					
Commercial sports admissions	\$ 52,940	\$ 57,863	\$ 63,240	\$ 69,130	\$ 75,560
Entertainers	6,680	6,920	7,170	7,430	7,690
Memberships	10,210	10,740	11,300	11,890	12,510
Other admissions	28,780	32,180	35,970	46,220	44,960
HEALTH SERVICES					
Health, except hospitals	\$ 217,650	\$ 245,070	\$ 275,950	\$ 310,720	\$ 349,870
Hospitals	624,120	685,280	749,010	817,170	892,350
PROFESSIONAL SERVICES					
Legal	\$ 224,710	\$ 254,150	\$ 287,440	\$ 325,090	\$ 367,680
Engineering	265,030	293,390	324,780	359,530	398,000
Surveying / architects	35,530	37,120	41,096	45,490	50,350
Accounting, auditing and bookkeeping services	83,510	95,030	108,150	123,070	140,060
MISCELLANEOUS SERVICES					
Cable television	\$ 44,710	\$ 48,290	\$ 52,150	\$ 56,320	\$ 60,830
Learned professions	NA	NA	NA	NA	NA
Electrician, plumber, heating and air conditioner service fees	NA	NA	NA	NA	NA
Veterinary fees	18,210	19,080	20,010	20,970	22,020
Stockbroker fees	NA	NA	NA	NA	NA
Real estate agent fees	NA	NA	NA	NA	NA
Financial institution fees	163,390	188,550	217,590	251,100	289,770
Pilots fees	NA	NA	NA	NA	NA
OTHER SERVICES					
Other	\$ 243,290	\$ 271,030	\$ 301,920	\$ 336,340	\$ 374,680

(1) These services, pertaining to tangible personal property, are specifically exempt by Statute.

General Fund Tax Expenditures

PERSONAL INCOME TAX

Authorization: The personal income tax is authorized by Article III of the Act of August 31, 1971, P.L. 362, applicable to income received on or after June 1, 1971. The personal income tax was first enacted by the Tax Reform Code of 1971 (Act of March 4, 1971, P.L. 6, No. 2) and imposed a tax on income for taxable years ending after December 31, 1970, but was held unconstitutional by the Supreme Court of Pennsylvania.

EXCLUSIONS FROM INCOME

RETIREMENT INCOME

Description: Payments commonly recognized as old age or retirement benefits paid to persons retired from service after reaching a specific age or after a stated period of service are exempt from taxation.

Purpose: The exemption limits the impact of the tax on retired persons. It also prevents taxation of previously taxed employee contributions to retirement plans. The estimate below is understated due to not including amounts received by individuals for Individual Retirement Accounts (IRA's) or Keogh accounts for which data were not available.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 590,700	\$ 646,800	\$ 708,200	\$ 775,500	\$ 849,200

RETIREMENT CONTRIBUTIONS BY EMPLOYERS

Description: Payments made by employers for programs covering employee retirement and employer social security contributions are exempt from taxation.

Purpose: This provision lessens the burden of the tax upon Pennsylvania wage-earners and maintains fairness, since the employee often does not have the right to possess the funds in the retirement plan except for retirement or separation from the company after a set number of years of service.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 251,400	\$ 265,700	\$ 283,300	\$ 300,500	\$ 316,100

EMPLOYEE BENEFIT PROGRAM EMPLOYER CONTRIBUTIONS

Description: Payments made by employers or labor unions for programs covering hospitalization, sickness, disability or death, supplemental unemployment benefits, group life insurance, and strike benefits are exempt from taxation.

Purpose: This provision lessens the burden of the tax upon Pennsylvania wage-earners, along with maintaining fairness, since these payments are not usually based on actual use by each wage-earner.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 249,900	\$ 264,200	\$ 281,700	\$ 298,700	\$ 314,300

General Fund Tax Expenditures

LIFE INSURANCE PROCEEDS

Description: Amounts paid to beneficiaries or the estate of a decedent by reason of the death of the decedent are exempt from tax.

Purpose: Life insurance proceeds are not considered compensation for services rendered and are often purchased with after-tax dollars.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 27,700	\$ 29,600	\$ 31,600	\$ 33,700	\$ 35,900

SICKNESS OR DISABILITY PROCEEDS

Description: Payments other than regular wages or salary received for periods of sickness or disability are excludable from compensation.

Purpose: These payments are excludable because they do not take the place of an employees' regular wages or salary. Sick pay in the form of regular wages or salary, however, is taxable.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	NA	NA	NA	NA	NA

UNEMPLOYMENT AND SUPPLEMENTAL UNEMPLOYMENT COMPENSATION

Description: Any amount received as unemployment compensation or supplemental unemployment compensation is excluded from taxable income.

Purpose: This exemption assists unemployed persons in providing the basic necessities of life.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 19,500	\$ 20,300	\$ 20,600	\$ 21,700	\$ 22,700

WORKER'S COMPENSATION

Description: Disability, retirement or other payments arising under workmen's compensation acts, occupational disease acts, and similar legislation are exempt from taxation.

Purpose: These benefits are not provided for services rendered and are intended to provide income or subsistence during periods of disability when the taxpayer was injured on the job and also to pay workers' medical bills for injuries sustained on the job. These benefits more closely resemble insurance payments, which are not taxable.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 29,300	\$ 30,500	\$ 32,100	\$ 33,700	\$ 35,300

General Fund Tax Expenditures

STRIKE BENEFITS

Description: Amounts received designated as strike benefits are exempt from tax.

Purpose: These benefits are not considered compensation for services rendered and are thus excluded from tax.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	NA	NA	NA	NA	NA

PUBLIC ASSISTANCE

Description: Public Assistance payments from governmental entities are excluded from taxable income.

Purpose: This provision limits the impact of the tax on the poor and increases the effectiveness of state payments under this program.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 13,200	\$ 13,200	\$ 12,600	\$ 12,200	\$ 12,100

SALE OF A PRINCIPAL RESIDENCE (AGE 55 AND OVER)

Description: Up to \$100,000 of the gain from a sale of a principal residence is excludable from income. The taxpayer must be at least age 55 and meet certain other criteria. The exclusion may be used once in a taxpayer's lifetime.

Purpose: This provision limits the impact of the tax on older Pennsylvanian's who are subject to a substantial liability upon the profit from the sale of their home.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 13,500	\$ 14,100	\$ 14,800	\$ 15,700	\$ 16,700

COMPENSATION FOR MILITARY SERVICE

Description: Compensation for military service by a Pennsylvania resident in a combat zone is excludable from tax. Income received for military service outside the Commonwealth (whether or not it is in a combat zone) while on active duty as a member of the armed forces is excludable from compensation.

Purpose: This provision reduces tax on members of the armed forces while on active duty in service of the country.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	33,700	34,700	35,700	36,800	37,900

General Fund Tax Expenditures

SCHOLARSHIPS, GRANTS, FELLOWSHIPS, AND STIPENDS

Description: Scholarships, grants, fellowships, and stipends awarded on the basis of need, or academic achievement for the purpose of encouraging or allowing the recipient to further his educational development are not taxable. Fellowships and stipends are taxable if they are awarded as compensation for past, present, or future services.

Purpose: Awards made on the basis of detached generosity are considered to be gifts and are not taxable under the Personal Income Tax.

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 11,700	\$ 12,900	\$ 14,300	\$ 15,800	\$ 17,500

(Dollar Amounts in Thousands)

PENNSYLVANIA LOTTERY WINNINGS

Description: Prizes of the Pennsylvania Lottery won on or after July 21, 1983 are not subject to tax. The estimates below reflect all expected payments to Lottery winners within the appropriate fiscal year.

Purpose: This provision provides incentive for playing the Pennsylvania Lottery. A separate section of the statute provides for a transfer from the Lottery Fund to the General Fund based on the present value of prizes won in that fiscal year.

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	17,200	17,600	18,000	18,400	18,700

(Dollar Amounts in Thousands)

DEPENDENT CARE FACILITIES

Description: The fair market value of employer-provided dependent care facilities is exempt from tax.

Purpose: This exemption provides assistance to working parents whose employer provides day care facilities as a benefit of employment.

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	NOMINAL	NOMINAL	NOMINAL	NOMINAL	NOMINAL

(Dollar Amounts in Thousands)

REIMBURSEMENTS FOR ACTUAL EXPENSES

Description: Payments by an employer to an employee in order to reimburse actual expenses incurred by the employee in the conduct of the employer's business are excludable from compensation.

Purpose: This provision insures that employees incurring business expenses, for which they are later reimbursed in the actual amount of the expenses, are not taxed on the reimbursements. Such expenses and reimbursements are treated as if the employer had made the expenditure directly.

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	NA	NA	NA	NA	NA

(Dollar Amounts in Thousands)

General Fund Tax Expenditures

UNREIMBURSED EXPENSES

Description: Unreimbursed expenditures made by employees are excludable from compensation if they are: necessary to enable the taxpayer to perform properly the duties of employment, reasonable in amount, directly related to the taxpayer's occupation, and customary in the occupation in which the taxpayer works.

Purpose: This provision enhances the fairness of the tax for those employees who incur expenses for the benefit of the employer, in order to properly perform a job, or to retain a rate of compensation. The expenditures would be excludable if the employee was reimbursed for these expenditures in the exact amount of the expense.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 29,000	\$ 29,000	\$ 29,000	\$ 29,000	\$ 29,000

BUSINESS INCOME DEDUCTIONS

Description: Ordinary and reasonable expenses necessary to operate a business or profession may be deducted from the gross receipts of that business or profession.

Purpose: Businesses and professions are taxed on "net" profits, therefore expenses necessary to produce the income may be deducted before tax is computed.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Depreciation:				
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 31,000	\$ 32,700	\$ 35,000	\$ 35,100	\$ 36,900
	Other:				
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 207,800	\$ 218,900	\$ 234,500	\$ 235,200	\$ 247,100

General Fund Tax Expenditures

CREDITS

SPECIAL POVERTY PROVISIONS (TAX FORGIVENESS)

Description: Special tax forgiveness provisions allow eligible claimants to reduce their tax liability depending upon the amount of their eligibility income. Taxpayers with eligibility income of \$7,200 or less will qualify for some amount of tax forgiveness. The qualifying level is increased with each additional dependent.

Purpose: This provision limits the tax on the poor, who have a lower ability to pay along with providing increased incentive for obtaining employment.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 36,900	\$ 34,700	\$ 32,500	\$ 30,600	\$ 28,800

OUT-OF-STATE CREDIT

Description: Pennsylvania residents who have income which is subject to both Pennsylvania Personal Income Tax and the income or wage tax of another state (excluding compensation earned in states with reciprocal agreements) or country may claim all or a portion of the tax paid to the other state or country as a credit against the Personal Income Tax.

Purpose: This provision prevents the double taxation of income earned by a Pennsylvania resident in another state or country.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 36,700	\$ 38,800	\$ 41,300	\$ 43,800	\$ 46,400

General Fund Tax Expenditures

ESTIMATED TAXES

ESTIMATED TAXES FOR FARMERS

Description: Individuals having an estimated gross income from farming which is at least two-thirds of their total gross income may file an estimated tax declaration any time on or before January 15 of the succeeding year. If such an individual files a final return and pays the entire tax due by March 1, the return may be considered the declaration due on or before January 15.

Purpose: This provision provides assistance to farmers by allowing more liberal estimated payment rules, enhancing the farmers' cash flow.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100

ESTIMATED TAXES FOR ESTATES AND TRUSTS

Description: Estates and trusts are not required to pay estimated taxes.

Purpose: This provision permits estates and trusts to delay payment of taxes until after the end of the tax year, when actual distributions to beneficiaries are known.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 100	\$ 200	\$ 200	\$ 200	\$ 200

ESTIMATED PAYMENTS FOR SMALL AMOUNTS

Description: Individuals with income not subject to withholding of \$2,500 (or \$52.50 in tax at the current tax rate) or less are not required to pay estimated taxes. Individuals whose estimated tax is \$100 or less for a tax year may file a declaration and pay any estimated tax due by January 15 of the succeeding year.

Purpose: These provisions reduce paperwork for taxpayers with small amounts of income not subject to withholding.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	NOMINAL	NOMINAL	NOMINAL	NOMINAL	NOMINAL

Motor License Fund Tax Expenditures

LIQUID FUELS TAX

Authorization: The current Liquid Fuels Tax was enacted in 1931, replacing the 1929 fuel tax act. Although first imposed on retailers, the Act of May 21, 1931 (P.L. 149, No. 105) placed the burden on the consumer and the responsibility for collection and payment on the distributor. The permanent tax rate was increased to 8c per gallon with the Act of March 3, 1970 (P.L. 109, No. 41). An additional temporary tax of 1c was imposed by the Act of July 12, 1974 (P.L. 458, No. 161), an additional 2c tax was imposed by the Act of July 4, 1979 (P.L. 60, No. 27), and an additional 1c tax was imposed by the Act of July 22, 1983 (P.L. 122, No. 32).

POLITICAL SUBDIVISIONS

Description: Liquid fuels purchased by political subdivisions of the Commonwealth are exempt from the payment of the Liquid Fuels Tax.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Thousands)

Estimates:

Motor Gasoline:									
<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>					
\$ 6,110	\$ 6,200	\$ 6,290	\$ 6,380	\$ 6,480					
Jet Fuel and Aviation Gasoline									
<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>					
Nominal	Nominal	Nominal	Nominal	Nominal					

VOLUNTEER EMERGENCY VEHICLES

Description: Liquid fuels purchased by a volunteer fire company, volunteer ambulance service or volunteer rescue squad used solely in official vehicles are exempt from the Liquid Fuels Tax.

Purpose: Volunteer emergency organizations provide public services which are perceived to benefit the citizenry. This exemption permits these services to be rendered at a reduced cost.

(Dollar Amounts in Thousands)

Estimates:

Motor Gasoline:									
<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>					
\$ 1,250	\$ 1,270	\$ 1,290	\$ 1,310	\$ 1,330					
Jet Fuel and Aviation Gasoline									
<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>					
Nominal	Nominal	Nominal	Nominal	Nominal					

Motor License Fund Tax Expenditures

NONPROFIT/NONPUBLIC SCHOOLS

Description: Any nonprofit/nonpublic school in which a resident of the Commonwealth may legally fulfill compulsory school attendance requirements is granted an exemption under the Liquid Fuels Tax Act.

Purpose: Since State government indirectly subsidizes transporting public school children, this exemption was intended to provide similar treatment to nonprofit/nonpublic schools.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Motor Gasoline				
	1989-90	1990-91	1991-92	1992-93	1993-94
	Nominal	Nominal	Nominal	Nominal	Nominal
	Jet Fuel and Aviation Gasoline				
	1989-90	1990-91	1991-92	1992-93	1993-94
	Nominal	Nominal	Nominal	Nominal	Nominal

SECOND CLASS COUNTY PORT AUTHORITIES

Description: Purchases of liquid fuels by second class county port authorities are exempt from the Liquid Fuels Tax.

Purpose: The exemption to second class county port authorities is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Motor Gasoline				
	1989-90	1990-91	1991-92	1992-93	1993-94
	Nominal	Nominal	Nominal	Nominal	Nominal
	Jet Fuel and Aviation Gasoline				
	1989-90	1990-91	1991-92	1992-93	1993-94
	Nominal	Nominal	Nominal	Nominal	Nominal

ELECTRIC COOPERATIVES

Description: Liquid fuel purchases for vehicles operated by electric cooperatives are exempt from the Liquid Fuels Tax Act.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Motor Gasoline				
	1989-90	1990-91	1991-92	1992-93	1993-94
	Nominal	Nominal	Nominal	Nominal	Nominal
	Jet Fuel and Aviation Gasoline				
	1989-90	1990-91	1991-92	1992-93	1993-94
	Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

AGRICULTURAL USE

Description: A full refund of tax paid is granted for agricultural use relating to the actual production of farm products.

Purpose: This exemption, operating through a refund mechanism, helps to provide agricultural products at a reduced price to the consumer.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Motor Gasoline				
	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 2,660	\$ 2,700	\$ 2,740	\$ 2,780	\$ 2,820
	Jet Fuel and Aviation Gasoline				
	1989-90	1990-91	1991-92	1992-93	1993-94
	Nominal	Nominal	Nominal	Nominal	Nominal

DISCOUNT

Description: A distributor is permitted a variable percentage discount based on gross tax due provided the tax return and payment due are timely filed. Returns and payments are due on or before the next to the last business day of each month for the preceding month's sales.

Purpose: This discount is intended to defray the distributor's cost of preparing and remitting the Liquid Fuels Tax reports and payments.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Motor Gasoline				
	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 5,290	\$ 5,370	\$ 5,450	\$ 5,530	\$ 5,610
	Jet Fuel and Aviation Gasoline				
	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 100	\$ 110	\$ 120	\$ 120	\$ 130

FOREIGN DIPLOMATS

Description: Foreign diplomats whose country has entered into a treaty with the United States are exempt from payment of the Liquid Fuels Tax.

Purpose: The Commonwealth grants the exemption administratively at the request of the Federal government.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Motor Gasoline				
	1989-90	1990-91	1991-92	1992-93	1993-94
	Nominal	Nominal	Nominal	Nominal	Nominal
	Jet Fuel and Aviation Gasoline				
	1989-90	1990-91	1991-92	1992-93	1993-94
	Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

FUEL USE TAX

Authorization: The Fuel Use Tax Act of January 14, 1952 (P.L. 1965, No. 550), replaced the original 1947 tax. The permanent tax rate was raised to 8¢ per gallon by the Act of March 3, 1970 (P.L. 111, No. 42), and was supplemented by the temporary 1¢ tax imposed by the Act of July 12, 1974 (P.L. 458, No. 161), by the 2¢ tax of the Act of July 4, 1979 (P.L. 60, No. 27) and by the 1¢ tax of the Act of July 22, 1983 (P.L. 122, No. 32). The Fuel Use Tax is an excise tax imposed on all dealer-users of fuel within Pennsylvania except those fuels subject to the Liquid Fuels Tax. Example of products taxable under this Act are diesel, liquefied petroleum gases (L.P.G.) and kerosene.

POLITICAL SUBDIVISIONS

Description: Fuel purchased by political subdivisions of the Commonwealth are exempt from payment of the Fuel Use Tax.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 1,050	\$ 1,090	\$ 1,120	\$ 1,150	\$ 1,190

VOLUNTEER EMERGENCY VEHICLES

Description: Fuel purchased by a volunteer fire company, volunteer ambulance service or volunteer rescue squad used solely in official vehicles is exempt from the Fuel Use Tax.

Purpose: Volunteer emergency organizations provide public services which are perceived to benefit the citizenry. This exemption permits these services to be rendered at a reduced cost.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 360	\$ 370	\$ 380	\$ 390	\$ 400

NONPROFIT/NONPUBLIC SCHOOLS

Description: Any nonprofit/nonpublic school in which a resident of the Commonwealth may legally fulfill compulsory school attendance requirements is granted an exemption under the Fuel Use Tax Act.

Purpose: Since State government indirectly subsidizes transporting public school children, this exemption was intended to provide similar treatment to nonprofit/nonpublic schools.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

SECOND CLASS COUNTY PORT AUTHORITIES

Description: Purchases of fuel by second class county port authorities are exempt from the Fuel Use Tax.

Purpose: The exemption to second class county port authorities is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

ELECTRIC COOPERATIVES

Description: Fuel purchased for use in vehicles operated by electric cooperatives is exempt from the payment of the Fuel Use Tax.

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

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	Nominal	Nominal	Nominal	Nominal	Nominal

AGRICULTURAL USE

Description: Fuel used in farm machinery or equipment engaged in the production or harvesting of agricultural products is exempt from taxation under the Fuel Use Tax Act.

Purpose: This exemption helps to provide agricultural products at a reduced price to the consumer.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 240	\$ 250	\$ 250	\$ 260	\$ 270

DISCOUNT

Description: A dealer is permitted a 2% discount based on gross tax due provided the tax report and payment due are timely filed. Reports and payments are due on or before the next to the last business day of each month for the preceding month's sales.

Purpose: This discount is intended to defray the dealer's cost of preparing and remitting the Fuel Use Tax reports and payments.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 2,270	\$ 2,340	\$ 2,420	\$ 2,490	\$ 2,570

FOREIGN DIPLOMATS

Description: Fuel purchased by foreign diplomats whose country has entered into a treaty with the United States is exempt from payment of the Fuel Use Tax.

Purpose: The Commonwealth grants the exemption administratively at the request of the Federal government.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

MOTOR CARRIERS ROAD TAX

Authorization: The Motor Carriers Road Tax was enacted by the Act of June 19, 1964 (P.L. 7, No.1), and provisions requiring identification markers were transferred to the Vehicle Code by the Act of June 18, 1980 (P.L. 229, No.68). The Act of July 13, 1987 (P.L. 303, No. 56) repealed the Motor Carriers Road Tax and reenacted it as Ch. 96 of Title 75 of the Pennsylvania Consolidated Statutes. The Motor Carriers Road Tax is levied at the rate per gallon of the Pennsylvania Liquid Fuels Tax and Oil Franchise Tax currently in effect plus an additional tax of 6c per gallon. This additional 6c per gallon tax is deposited in the Highway Bridge Improvement Restricted Account within the Motor License Fund.

POLITICAL SUBDIVISIONS

Description: Vehicles operated by political subdivisions are exempt from the requirement to display identification markers and payment of Motor Carriers Road Tax on motor fuel consumed in vehicles operating within the Commonwealth of Pennsylvania.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 2,110	\$ 2,160	\$ 2,210	\$ 2,270	\$ 2,320

FARM TRUCK REGISTRATION

Description: A motor carrier vehicle bearing a Pennsylvania farm truck registration which operates exclusively on a farm is exempt from the requirement to display the identification marker and payment of the Motor Carriers Road Tax.

Purpose: This exemption assists the farmer to provide agricultural products at a reduced price to the consumer.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 1,330	\$ 1,360	\$ 1,390	\$ 1,430	\$ 1,460

VOLUNTEER EMERGENCY VEHICLES

Description: Fire, rescue and ambulance vehicles operated by volunteers are exempt from the requirements of the Motor Carriers Road Tax Act.

Purpose: Volunteer emergency organizations provide public services which are perceived to benefit the citizenry. This exemption permits these services to be rendered at a reduced cost.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 660	\$ 680	\$ 690	\$ 710	\$ 730

Motor License Fund Tax Expenditures

BUSES

Description: Any bus engaged in the interstate transportation of passengers and subject to the jurisdiction of the Interstate Commerce Commission or any State regulatory agency concerned with the regulation of passenger transportation is exempt from the requirements of the Motor Carriers Road Tax Act.

Purpose: Although the cited buses are exempt from the Motor Carriers Road Tax, they are subject to taxation under the Interstate Bus Compact Act.

Estimates: (Dollar Amounts in Thousands)

	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 430	\$ 440	\$ 450	\$ 460	\$ 470

PRIVATE SCHOOL BUS

Description: A school bus operated by or on behalf of any private school is exempt from the requirement to display the identification marker and payment of the Motor Carriers Road Tax.

Purpose: Since State government indirectly subsidizes transporting public school children, this exemption provides similar treatment to nonprofit/nonpublic schools.

Estimates: (Dollar Amounts in Thousands)

	1989-90	1990-91	1991-92	1992-93	1993-94
	Nominal	Nominal	Nominal	Nominal	Nominal

SPECIAL MOBILE EQUIPMENT

Description: Vehicles not designed or used primarily for the transportation of persons or property and only incidentally operated or moved over a highway, such as ditch digging apparatus, well-boring apparatus, earth moving and road construction machinery, are exempt from the requirements of the Motor Carriers Road Tax Act.

Purpose: Exemption is granted to these vehicles because of their specialized off-highway use.

Estimates: (Dollar Amounts in Thousands)

	1989-90	1990-91	1991-92	1992-93	1993-94
	Nominal	Nominal	Nominal	Nominal	Nominal

IMPLEMENTS OF HUSBANDRY

Description: A vehicle designed or adapted to be used exclusively for agricultural operations is exempt from the requirement to display the identification marker and payment of the Motor Carriers Road Tax.

Purpose: This exemption assists the farmer to provide agricultural products at a reduced price to the consumer.

Estimates: (Dollar Amounts in Thousands)

	1989-90	1990-91	1991-92	1992-93	1993-94
	Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

CHARITABLE AND RELIGIOUS ORGANIZATIONS

Description: Vehicles operated by charitable and religious organizations are exempt from the requirements of the Motor Carriers Road Tax Act.

Purpose: These organizations provide public and charitable services which are perceived to benefit the general public. This exemption permits these services to be rendered at reduced costs.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	Nominal	Nominal	Nominal	Nominal	Nominal

ELECTRIC COOPERATIVES

Description: Motor carrier vehicles operated by electric cooperatives are exempt from the requirement to display the identification marker and payment of the Motor Carriers Road Tax.

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

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	Nominal	Nominal	Nominal	Nominal	Nominal

VEHICLES NEEDING EMERGENCY REPAIRS

Description: A motor carrier vehicle needing emergency repairs which was granted authorization from the Pennsylvania State Police to enter this Commonwealth is exempt from the requirements of the Motor Carriers Road Tax Act.

Purpose: This exemption was granted due to the temporary emergency nature of the vehicle entering Pennsylvania for needed repairs.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	Nominal	Nominal	Nominal	Nominal	Nominal

VEHICLES SECURING REPAIRS OR RECONDITIONING

Description: Exemption from the Motor Carriers Road Tax Act is provided for unladen or towed motor vehicles or unladen trailers entering Pennsylvania solely for the purpose of securing repairs or reconditioning.

Purpose: This exemption was granted so as to not discourage vehicle owners from obtaining repairs or reconditioning of a vehicle from a Pennsylvania business.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

INTERSTATE BUS COMPACT TAX

Authorization: The Compact on Taxation of Motor Fuels Consumed by Interstate Buses was enacted by the Act of August 1, 1963 (P.L. 476, No. 249). The compact was adopted by Pennsylvania and other states to avoid multiple taxation on fuels used by buses traveling among states. Since inception, the compact tax rate has been the same as the Fuel Use Tax rate which is currently 12¢ per gallon.

SCHOOL BUSES

Description: Buses that are used exclusively for the transportation of children for school purposes are exempt from the Interstate Bus Compact Tax.

Purpose: Since State government indirectly subsidizes transporting school children, this exemption decreases state educational subsidy costs.

Estimates:

	(Dollar Amounts in Thousands)				
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 3,760	\$ 3,760	\$ 3,760	\$ 3,760	\$ 3,760

Motor License Fund Tax Expenditures

OIL COMPANY FRANCHISE TAX

Authorization: The Oil Company Franchise Tax was enacted by the Act of June 23, 1981 (P.L. 98, No.35) under Title 75 of the Pennsylvania Consolidated Statutes. This tax is imposed on oil companies for the privilege of doing business, exercising a corporate franchise, employing capital, owning or leasing property, maintaining an office, or having employees in Pennsylvania. The tax is calculated at 6% of the average wholesale price of petroleum products which may not be less than \$.90 or more than \$1.25 per gallon.

POLITICAL SUBDIVISIONS

Description: Petroleum products purchased by political subdivisions of the Commonwealth are exempt from the Oil Company Franchise Tax.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 3,220	\$ 3,280	\$ 3,340	\$ 3,400	\$ 3,460

VOLUNTEER EMERGENCY VEHICLES

Description: Petroleum products purchased by a volunteer fire company, volunteer ambulance service or volunteer rescue squad used solely in official vehicles are exempt from the Oil Company Franchise Tax.

Purpose: Volunteer emergency organizations provide public services which are perceived to benefit the citizenry. This exemption permits these services to be rendered at a reduced cost.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 720	\$ 740	\$ 750	\$ 760	\$ 780

NONPROFIT/NONPUBLIC SCHOOLS

Description: Any nonprofit/nonpublic school in which a resident of the Commonwealth may legally fulfill compulsory school attendance requirements is granted an exemption under the Oil Company Franchise Tax Act.

Purpose: Since State government indirectly subsidizes transporting public school children, this exemption was intended to provide similar treatment to nonprofit/nonpublic schools.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

SECOND CLASS COUNTY PORT AUTHORITIES

Description: Petroleum products purchased by second class county port authorities are exempt under the Oil Company Franchise Tax Act.

Purpose: The exemption to second class county port authorities is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

Estimates:

	(Dollar Amounts in Thousands)				
	1989-90	1990-91	1991-92	1992-93	1993-94
	Nominal	Nominal	Nominal	Nominal	Nominal

ELECTRIC COOPERATIVES

Description: Petroleum products purchased by electric cooperatives are exempt from the Oil Company Franchise Tax Act.

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

Estimates:

	(Dollar Amounts in Thousands)				
	1989-90	1990-91	1991-92	1992-93	1993-94
	Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

MOTOR VEHICLE CODE

Authorization: The Motor Vehicle Code, contained in Title 75 of the Pennsylvania Consolidated Statutes, was enacted by the Act of June 17, 1976 (P.L. 162, No. 81), effective July 1, 1977. This amended the Act of April 29, 1959 (P.L. 58, No.32) known as 'The Vehicle Code'. Contained in the Motor Vehicle Code are provisions for the titling, registration and licensing of vehicles, operation of vehicles, vehicle characteristics and the administration and enforcement of the code.

VEHICLE REGISTRATIONS

Description: Specific entities that request the authority to operate a particular vehicle upon the highways of the Commonwealth are granted a full or partial exemption from the registration fee. Not shown below are exempt categories with unknown numbers of vehicles which include, for example, mobile/modular homes, military vehicles and maintenance vehicles.

Purpose: This exemption provides relief to the organizations or individuals cited below. Many of those cited are dependent upon charitable contributions or augmented incomes. This exemption is also an indirect means of assistance to local governments and may reduce the taxes levied by these entities. A transfer occurs annually from the Lottery Fund to reimburse the Motor License Fund for the cost of a reduced fee for Older Pennsylvanians.

(Dollar Amounts in Thousands)

<i>Estimates:</i>					
Disabled/Severely Disabled Veterans					
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
Charitable Organizations					
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 720	\$ 720	\$ 720	\$ 730	\$ 730
Former Prisoners of War					
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	Nominal	Nominal	Nominal	Nominal	Nominal
Farm Trucks					
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 2,030	\$ 2,040	\$ 2,060	\$ 2,090	\$ 2,100
Emergency Vehicles					
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 220	\$ 220	\$ 220	\$ 230	\$ 230
Fire Department Vehicles					
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 1,470	\$ 1,470	\$ 1,470	\$ 1,470	\$ 1,480
Political Subdivisions					
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 6,710	\$ 6,710	\$ 6,710	\$ 6,710	\$ 6,710
Older Pennsylvanians					
	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 2,700	\$ 3,000	\$ 2,700	\$ 2,700	\$ 2,700

Motor License Fund Tax Expenditures

CERTIFICATES OF TITLE

Description: Ownership of a particular vehicle is recorded by the issuance of a Certificate of Title for which a fee is charged. Specific entities are exempt from this title fee.

Purpose: This exemption provides relief to the organizations or individuals cited below. The General Assembly has provided exemption for these entities due to their perceived special status.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Totally Disabled Veterans				
	1989-90	1990-91	1991-92	1992-93	1993-94
	NA	NA	NA	NA	NA
	Political Subdivisions				
	1989-90	1990-91	1991-92	1992-93	1993-94
	NA	NA	NA	NA	NA
	Former Prisoners of War				
	1989-90	1990-91	1991-92	1992-93	1993-94
	NA	NA	NA	NA	NA
	Foreign Nationals				
	1989-90	1990-91	1991-92	1992-93	1993-94
	NA	NA	NA	NA	NA
	Emergency Vehicles				
	1989-90	1990-91	1991-92	1992-93	1993-94
	NA	NA	NA	NA	NA

INSPECTION STICKERS

Description: All vehicles registered in Pennsylvania are required to have periodic safety inspections to insure their road-worthiness. A certificate of inspection is issued to show the vehicle meets specified safety standards for which a fee is charged. The Commonwealth administratively grants an exemption from the certificate fee to vehicles operated by political subdivisions.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 210	\$ 210	\$ 210	\$ 210	\$ 210

Motor License Fund Tax Expenditures

BRIDGE PERMITS

Description: Permits are issued that allow work to be performed on bridges that are on a state-owned right-of-way for which a fee is charged. The Commonwealth administratively grants an exemption from the permit fee to political subdivisions who are performing work for the State.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

HEAVY HAULING PERMITS

Description: Permits for which a fee is charged are issued to firms who wish to haul loads that exceed the maximum size or weight specifications for a vehicle. The Commonwealth administratively grants an exemption from the permit fee to political subdivisions.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

POLICE ACCIDENT REPORTS

Description: Traffic accident reports are generated as a result of any accident where there is bodily injury or death or if one or more vehicles must be towed from the scene. A fee is charged to obtain a copy of the police accident report. The Commonwealth administratively grants an exemption for paying an accident report fee to political subdivisions.

Purpose: This exemption provides local prosecuting officials an aid in law enforcement.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

MOTOR CARRIERS GROSS RECEIPTS TAX

Authorization: The Motor Carriers Gross Receipts Tax is imposed by the Act of June 22, 1931 (P.L. 694, No. 255). The tax is levied at the rate of 8 mills upon each dollar of taxable gross receipts on companies who carry passengers or property for hire over the highways of Pennsylvania.

VEHICLES WITH SEATING CAPACITY OF 12 OR MORE PERSONS

Description: Vehicles with a designed seating capacity of 12 or more persons and used as a common carrier of passengers under the jurisdiction of the Pennsylvania Public Utility Commission are exempt from the Motor Carriers Gross Receipts Tax.

Purpose: This exemption allows public transportation companies to operate at reduced costs which is reflected in their rates to consumers.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	NA	NA	NA	NA	NA

VEHICLES USED TO TRANSPORT SCHOOL CHILDREN

Description: A business with vehicles having a designed capacity of 11 or more persons used to transport school children under contract with any school district or private school is exempt from the Motor Carriers Gross Receipts Tax.

Purpose: Since state government indirectly subsidizes transporting school children, this exemption decreases state educational subsidy costs.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	NA	NA	NA	NA	NA

VEHICLES THAT MOVE UPON OR ARE GUIDED BY A TRACK

Description: A business that operates vehicles that move upon or are guided by a track erected upon the highways is exempt from the Motor Carriers Gross Receipts Tax.

Purpose: Without this exemption the tax on public transportation companies would ultimately be passed on to the consumers in the form of higher fares.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	NA	NA	NA	NA	NA

CREDIT FOR REGISTRATION FEES

Description: A credit for vehicle registration fees paid to the Pennsylvania Department of Revenue or other states may be taken against the Motor Carriers Gross Receipts Tax.

Purpose: Without this credit for registration fees, the tax on operators of motor vehicles for hire would ultimately be passed on to the consumers.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
	\$ 3,230	\$ 3,230	\$ 3,230	\$ 3,230	\$ 3,230

Special Fund Tax Expenditures

UNEMPLOYMENT COMPENSATION INSURANCE TAX

LIMITATION OF THE TAXABLE WAGE BASE

Authorization: The Act of December 5, 1936 (2nd special session, 1937 P.L. 2897, No. 1), 4(x)(1) as amended, 43 P.S. 753 (x)(1).

Description: The Commonwealth's unemployment compensation law provides for a limitation of the taxable wage base to the first \$8,000 of wages paid to each employe during a calendar year by an employer. Prior to 1984 the limitation on taxable remuneration had been \$7,000. All state governments are required by the federal government to tax at least the first \$7,000 of subject wages. Most states, including Pennsylvania, have chosen to keep their bases close to the federal minimum. The estimate represents the cost of this limitation as measured by the difference between contributions based on taxable wages and contributions based on total wages. In 1988, legislation was enacted which provides for a "trigger" mechanism to regulate employer and employe contributions. The fifth consecutive year of a surplus of tax contributions over benefits was achieved in 1988, and as a result, the estimates reflect reduced state tax rates. These projected tax rates were used to estimate contributions based on currently taxable wages. The same tax rates were used to estimate contributions based on total wages paid by contributory employers.

Purpose: The limitation on taxable wages limits growth in employer tax liabilities that would otherwise occur as wages rise. It also reduces the potential cyclical volatility of U.C. contributions.

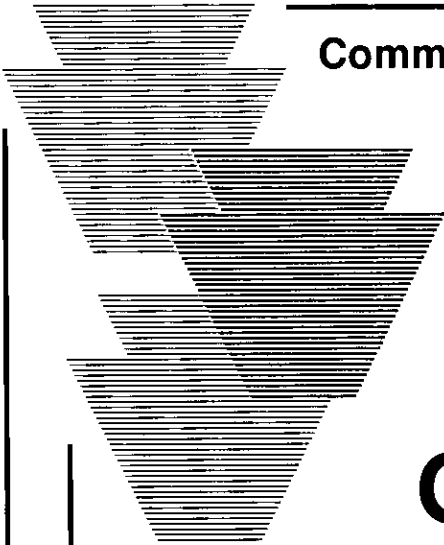
(Dollar Amounts in Thousands)

<i>Estimates:</i>	1989-90	1990-91	1991-92	1992-93	1993-94
	\$ 1,980,700	\$ 2,115,700	\$ 2,282,000	\$ 2,442,000	\$ 2,580,600



1990-91

DEPARTMENTAL
PRESENTATIONS



Commonwealth of Pennsylvania

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

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Available	1990-91 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
Governor's Office	\$ 5,686	\$ 6,201	\$ 6,610
(A) Press Services	<u>724</u>	<u>788</u>	<u>828</u>
GENERAL FUND TOTAL	<u>\$ 6,410</u>	<u>\$ 6,989</u>	<u>\$ 7,438</u>

GOVERNOR'S OFFICE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
EXECUTIVE DIRECTION							
General Funds.....	\$ 5,686	\$ 6,201	\$ 6,610	\$ 6,848	\$ 7,095	\$ 7,350	\$ 7,615
Other Funds.....	724	788	828	858	889	921	954
TOTAL.....	\$ 6,410	\$ 6,989	\$ 7,438	\$ 7,706	\$ 7,984	\$ 8,271	\$ 8,569
ALL PROGRAMS:							
GENERAL FUND.....	\$ 5,686	\$ 6,201	\$ 6,610	\$ 6,848	\$ 7,095	\$ 7,350	\$ 7,615
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	724	788	828	858	889	921	954
TOTAL.....	\$ 6,410	\$ 6,989	\$ 7,438	\$ 7,706	\$ 7,984	\$ 8,271	\$ 8,569

GOVERNOR'S OFFICE

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

Program: Executive Direction

This program provides for the Office of the Governor, in whom the executive authority of the Commonwealth is vested. It supports the Governor in performing his functions as delegated by the State Constitution and laws passed by the General Assembly.

This program also includes funding for staff to assist with the

legislative, policy development and research, administrative and public information functions required of the office, operation of Pennsylvania's Liaison Office in Washington, D.C., and official entertainment and household expenses at the Governor's Home.

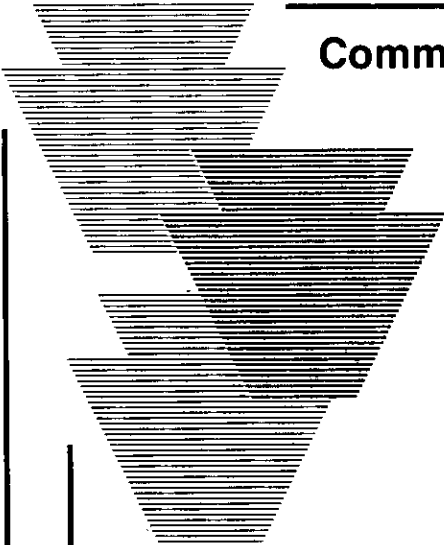
Program Recommendations:

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

Governor's Office
\$ 409 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Governor's Office	<u>\$ 5,686</u>	<u>\$ 6,201</u>	<u>\$ 6,610</u>	<u>\$ 6,848</u>	<u>\$ 7,095</u>	<u>\$ 7,350</u>	<u>\$ 7,615</u>



Commonwealth of Pennsylvania

Executive Offices

To aid the Governor, the Office of Administration performs the duties of a central management agency and coordinates the Commonwealth's Integrated Central System. The Office of the Budget performs the duties of a central management agency, prepares the annual Governor's Budget and Five Year Financial Plan based upon the Governor's priorities and analysis of program effectiveness, and provides comptroller services for the maintenance and management of all agency accounts in the Commonwealth. The Human Relations Commission and the Pennsylvania Commission for Women promote equal opportunities for all people in employment, housing, public accommodations and education. The Energy Office studies the Commonwealth's entire energy program from production to demand, provides support to regional energy centers and coordinates the activities of the Energy Conservation and Assistance Fund. The Council on the Arts provides for encouragement and development of the arts in Pennsylvania. The Commission on Crime and Delinquency provides the planning and technical assistance for the improvement of the criminal justice system. The Governor's Action Center provides citizens easy access to State Government. The Milrite Council seeks solutions to Pennsylvania's economic problems and makes funds available for local labor/management committees. The Public Employee Retirement Study Commission monitors public employe retirement plans to assure their actuarial viability. The Office of General Counsel provides legal counsel in matters affecting the operation of State agencies. The Juvenile Court Judges Commission provides technical and financial assistance to the juvenile probation staffs of the county courts. The Crime Victims Compensation Board provides financial assistance to relieve the financial hardship of individuals who have been victimized by criminal acts. The Health Facilities Hearing Board conducts preliminary hearings on appeals from decisions of the Department of Health relating to applications for certificate of need and the licensure of health care facilities. The Health Care Conciliation Panels assist courts by conducting conciliation conferences involving medical malpractice cases. The Medical Professional Liability Catastrophe Loss Fund makes claim payments in certain medical malpractice cases. The Drug Policy Council supervises the expenditure of Drug Control and System Improvement Grant monies along with performing research and evaluation studies related to illegal drug use and alcohol abuse. The Inspector General investigates suspected improper use of State revenues.

EXECUTIVE OFFICES

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1990-91 State Funds (In thousands)
GENERAL FUND		
Drug and Alcohol Program Expansion		

This Program Revision provides \$10,677,000 in State funds and \$51,037,000 in Federal funds to expand drug and alcohol services. It focuses on the use of new Federal drug funds to supplement and expand drug and alcohol initiatives started under PENNFREE.

Funding is provided through nine State agencies. See the Program Revision entitled "Drug and Alcohol Program Expansion" after the Executive Direction program for additional information.

EXECUTIVE OFFICES

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
Governor's Action Center	\$ 587	\$ 325	\$ 343
Office of Administration	3,797	4,871	4,871
(F) ADMSBG — State Employees Assistance Program			566
(A) Classification and Pay	1,711	1,876	1,889
(A) CMIC	11,442	11,232	11,476
(A) BMS/BATM	1,576	1,786	1,925
(A) Labor Relations	13	30	30
(A) Directives Management	252	263	246
(A) Division of State Employment	50	33	33
(A) Data Network	7,500 ^a	7,400	6,852
(A) Aids Education		350 ^b	350
Subtotal State Funds	3,797	4,871	4,871
Subtotal Federal Funds			566
Subtotal Augmentations	22,544	22,970	22,801
Total — Office of Administration	\$ 26,341	\$ 27,841	\$ 28,238
Inspector General	\$ 352	\$ 1,873	\$ 1,873
(A) Augmentations — Inspector General		1,538	1,595
Total — Inspector General	\$ 352	\$ 3,411	\$ 3,468
Office of the Budget	\$ 21,821	\$ 23,783	\$ 25,449
(F) JTPA — Program Accountability	575	888	688
(A) Comptroller Services	20,935	24,160	25,106
Total — Office of the Budget	\$ 43,331	\$ 48,831	\$ 51,243
Audit Payments to HHS		\$ 5,051	
ICS Development	\$ 3,675	3,694	\$ 3,915
Milrite Council	227	240	250
Human Relations Commission	6,212	7,043	7,206
(F) EEOC — Special Project Grant	748	1,250	1,513
(F) HUD — Special Project Grant	146	211	139
Subtotal State Funds	\$ 6,212	\$ 7,043	\$ 7,206
Subtotal Federal Funds	894	1,461	1,652
Total — Human Relations Commission	\$ 7,106	\$ 8,504	\$ 8,858
Council on the Arts	\$ 752	\$ 810	\$ 814
(F) NEA — Grants to the Arts - Administration	50	50	50
Total — Council on the Arts	\$ 802	\$ 860	\$ 864
Commission for Women	\$ 236	\$ 247	\$ 324
Pay Equity Study			40
Energy Office	1,475	1,691	1,881
(F) Energy Extension Services	135	148	138
(F) State Energy Conservation Plan	424	371	329
(F) Institutional Conservation	177	200	197
(F) HUD — Energy Conservation Assistance	56	90	
(A) Chevron	20		
Subtotal State Funds	\$ 1,475	\$ 1,691	\$ 1,881
Subtotal Federal Funds	792	809	664
Subtotal Augmentations	20		
Total — Energy Office	\$ 2,287	\$ 2,500	\$ 2,545
Juvenile Court Judges Commission	\$ 482	\$ 517	\$ 544

^aAmount actually augmented Department of General Services.

^bActually funded from the AIDS Programs appropriation in the Department of Health.

EXECUTIVE OFFICES

(Dollar Amounts in Thousands)

	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GENERAL GOVERNMENT: (continued)			
Commission on Crime and Delinquency	\$ 2,002	\$ 2,073	\$ 2,146
(F) Plan for Juvenile Justice	134	150	150
(F) Dangerous Juvenile Offender	7		
(F) Offender Based Transaction Statistics	2	3	3
(F) ADA — Law Enforcement — Administration	233	245	
(F) ADA — Law Enforcement	4,684	6,000	
(F) DCSI — Administration			260
(F) DCSI — Law Enforcement			8,528
(F) DCSI — Drug Transportation Interdiction			525
(F) DCSI — Local Drug Task Forces			1,000
(F) DCSI — Correctional Institutions			1,646
(F) DCSI — Drug Law Enforcement			1,441
(F) DCSI — Municipal Police Drug Law Enforcement			2,000
(F) Analytic Methods Investigations	19		
(F) Crime and Drug Abuse Prevention	15		
(F) Law Enforcement Management and Information System		50	
(A) Deputy Sheriff's Education and Training	120	197	226
Subtotal State Funds	\$ 2,002	\$ 2,073	\$ 2,146
Subtotal Federal Funds	5,094	6,448	15,553
Subtotal Augmentations	120	197	226
Total — Commission on Crime and Delinquency	\$ 7,216	\$ 8,718	\$ 17,925
Office of General Counsel	\$ 1,384	\$ 1,642	\$ 1,697
Crime Victims Compensation Board	562	588	622
(F) Crime Victims Payments	700	701	798
Total — Crime Victims Compensation Board	\$ 1,262	\$ 1,289	\$ 1,420
Health Facilities Hearing Board	\$ 159	\$ 183	\$ 184
Health Care Arbitration Panels	503	528	532
Public Employee Retirement Study Commission	450	500	504
Distinguished Daughters	4	5	6
Drug Policy Council	91	96	96
(F) ADA — Law Enforcement — Administration	39	47	
(F) DCSI — Administration			52
(F) Drug Free Schools and Communities — Administration	57	94	120
Subtotal State Funds	\$ 91	\$ 96	\$ 96
Subtotal Federal Funds	96	141	172
Total — Drug Policy Council	\$ 187	\$ 237	\$ 268
Subtotal — State Funds	\$ 44,771	\$ 55,760	\$ 53,297
Subtotal — Federal Funds	8,201	10,498	20,143
Subtotal — Augmentations	43,619	48,865	49,728
Total — General Government	\$ 96,591	\$ 115,123	\$ 123,168
GRANTS AND SUBSIDIES:			
Grants to the Arts	\$ 11,958	\$ 12,000	\$ 12,000
(F) NEA — Grants	531	556	700
Total — Grants to The Arts	\$ 12,489	\$ 12,556	\$ 12,700
Energy Development Authority	\$ 1,500	\$ 1,500	\$ 750
Eagleville Hospital	300	300	
Improvement of Juvenile Probation Services	3,239	3,239	3,239

EXECUTIVE OFFICES

	(Dollar Amounts in Thousands)		
GENERAL FUND	1988-89 Actual	1989-90 Available	1990-91 Budget
<i>GENERAL GOVERNMENT: (continued)</i>			
PENNFREE — Juvenile Drug and Alcohol Probation Units	. . . . .	\$ 3,500 ^a	. . . . .
(F) DFSC — Special Programs — Probation Services . . . . .	. . . . .	200	\$ 200
Subtotal — State Funds	\$ 3,239	\$ 6,739	\$ 3,239
Subtotal — Federal Funds . . . . .	. . . . .	200	200
Total — Improvement of Juvenile Probation Services	\$ 3,239	\$ 6,939	\$ 3,439
Labor Management Committee	\$ 790	825	825
Subtotal — State Funds	\$ 17,787	\$ 21,364	\$ 16,814
Subtotal — Federal Funds	531	756	700
Total Grants and Subsidies	\$ 18,318	\$ 22,120	\$ 17,514
STATE FUNDS	\$ 62,558	\$ 77,124	\$ 70,111
FEDERAL FUNDS	8,732	11,254	20,843
AUGMENTATIONS	43,619	48,865	49,728
GENERAL FUND TOTAL	\$ 114,909	\$ 137,243	\$ 140,682
MOTOR LICENSE FUND			
<i>GENERAL GOVERNMENT:</i>			
Office of the Budget	\$ 4,110	\$ 4,510	\$ 4,665
(A) Reimbursement of Comptroller Services	725	730	782
MOTOR LICENSE FUND TOTAL	\$ 4,835	\$ 5,240	\$ 5,447
ENERGY CONSERVATION AND ASSISTANCE FUND			
<i>GRANTS AND SUBSIDIES:</i>			
Energy Conservation	\$ 7,100	\$ 10,500	\$ 4,900
LOTTERY FUND			
<i>GENERAL GOVERNMENT:</i>			
Ridership Verification	\$ 2	\$ 66	\$ 65
OTHER FUNDS			
<i>GENERAL FUND:</i>			
Federal Juvenile Justice and Delinquency Prevention	\$ 935	\$ 2,000	\$ 2,000
Crime Victim Payments	1,564	1,900	2,200
Victim/Witness Services	996	1,200	1,200
Federal Criminal Justice Assistance	1,435	1,500	100
Federal Crime Victim Assistance	1,579	2,000	2,000
GENERAL FUND TOTAL	\$ 6,509	\$ 8,600	\$ 7,500
MEDICAL PROFESSIONAL LIABILITY CATASTROPHE LOSS FUND:			
General Government Operations	\$ 8,552	\$ 10,574	\$ 10,463
Payment of Claims	167,943	175,000	160,001
MEDICAL PROFESSIONAL LIABILITY CATASTROPHE LOSS FUND TOTAL	\$ 176,495	\$ 185,574	\$ 170,464
OTHER FUNDS TOTAL	\$ 183,004	\$ 194,174	\$ 177,964
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 62,558	\$ 77,124	\$ 70,111
SPECIAL FUNDS	11,212	15,076	9,630
FEDERAL FUNDS	8,732	11,254	20,843
AUGMENTATIONS	44,344	49,595	50,510
OTHER FUNDS	183,004	194,174	177,964
TOTAL ALL FUNDS	\$ 309,850	\$ 347,223	\$ 329,058

^aThis continuing appropriation will provide funds for both 1989-90 and 1990-91.

EXECUTIVE OFFICES

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
EXECUTIVE DIRECTION							
General Funds.....	\$ 31,794	\$ 41,263	\$ 38,132	\$ 39,473	\$ 40,865	\$ 42,306	\$ 43,799
Special Funds.....	4,112	4,576	4,730	4,900	5,076	5,258	5,448
Federal Funds.....	671	1,029	1,426	1,429	1,433	1,436	1,439
Other Funds.....	44,204	49,398	50,284	51,666	53,525	55,451	57,446
TOTAL.....	\$ 80,781	\$ 96,266	\$ 94,572	\$ 97,468	\$ 100,899	\$ 104,451	\$ 108,132
CRIMINAL AND JUVENILE JUSTICE PLANNING AND COORD							
General Funds.....	\$ 2,302	\$ 2,373	\$ 2,146	\$ 2,223	\$ 2,303	\$ 2,386	\$ 2,472
Federal Funds.....	5,094	6,448	15,553	15,553	15,553	15,553	15,553
Other Funds.....	5,065	6,897	5,526	5,423	5,430	5,435	5,440
TOTAL.....	\$ 12,461	\$ 15,718	\$ 23,225	\$ 23,199	\$ 23,286	\$ 23,374	\$ 23,465
ENERGY MANAGEMENT AND CONSERVATION							
General Funds.....	\$ 2,975	\$ 3,191	\$ 2,631	\$ 3,449	\$ 3,519	\$ 3,592	\$ 3,667
Special Funds.....	7,100	10,500	4,900	4,260	1,159	1,106	1,028
Federal Funds.....	792	809	664	664	664	664	664
Other Funds.....	20	0	0	0	0	0	0
TOTAL.....	\$ 10,887	\$ 14,500	\$ 8,195	\$ 8,373	\$ 5,342	\$ 5,362	\$ 5,359
PREVENTION AND ELIMINATION OF DISCRIMINATORY PRACT							
General Funds.....	\$ 6,448	\$ 7,290	\$ 7,570	\$ 7,801	\$ 8,082	\$ 8,373	\$ 8,674
Federal Funds.....	894	1,461	1,652	1,643	1,633	1,623	1,623
TOTAL.....	\$ 7,342	\$ 8,751	\$ 9,222	\$ 9,444	\$ 9,715	\$ 9,996	\$ 10,297
DEVELOPMENT OF ARTISTS AND AUDIENCES							
General Funds.....	\$ 12,710	\$ 12,810	\$ 12,814	\$ 12,843	\$ 12,873	\$ 12,904	\$ 12,937
Federal Funds.....	581	606	750	750	750	750	750
TOTAL.....	\$ 13,291	\$ 13,416	\$ 13,564	\$ 13,593	\$ 13,623	\$ 13,654	\$ 13,687
LEGAL SERVICES							
General Funds.....	\$ 1,384	\$ 1,642	\$ 1,697	\$ 1,758	\$ 1,821	\$ 1,887	\$ 1,955
TOTAL.....	\$ 1,384	\$ 1,642	\$ 1,697	\$ 1,758	\$ 1,821	\$ 1,887	\$ 1,955

EXECUTIVE OFFICES

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
INCOME MAINTENANCE							
General Funds.....	\$ 562	\$ 588	\$ 622	\$ 644	\$ 667	\$ 691	\$ 716
Federal Funds.....	700	701	798	822	847	872	898
Other Funds.....	1,564	1,900	2,200	2,279	2,361	2,446	2,534
TOTAL.....	\$ 2,826	\$ 3,189	\$ 3,620	\$ 3,745	\$ 3,875	\$ 4,009	\$ 4,148
REINTEGRATION OF JUVENILE DELINQUENTS							
General Funds.....	\$ 3,721	\$ 7,256	\$ 3,783	\$ 3,803	\$ 3,823	\$ 3,844	\$ 3,866
Federal Funds.....	0	200	0	0	0	0	0
TOTAL.....	\$ 3,721	\$ 7,456	\$ 3,783	\$ 3,803	\$ 3,823	\$ 3,844	\$ 3,866
MEDICAL MALPRACTICE ARBITRATION							
General Funds.....	\$ 662	\$ 711	\$ 716	\$ 742	\$ 769	\$ 797	\$ 825
Other Funds.....	176,495	185,574	170,464	176,601	182,958	189,544	196,368
TOTAL.....	\$ 177,157	\$ 186,285	\$ 171,180	\$ 177,343	\$ 183,727	\$ 190,341	\$ 197,193
ALL PROGRAMS:							
GENERAL FUND.....	\$ 62,558	\$ 77,124	\$ 70,111	\$ 72,736	\$ 74,722	\$ 76,780	\$ 78,911
SPECIAL FUNDS.....	11,212	15,076	9,630	9,160	6,235	6,364	6,476
FEDERAL FUNDS.....	8,732	11,254	20,843	20,861	20,880	20,898	20,927
OTHER FUNDS.....	227,348	243,769	228,474	235,969	244,274	252,876	261,788
TOTAL.....	\$ 309,850	\$ 347,223	\$ 329,058	\$ 338,726	\$ 346,111	\$ 356,918	\$ 368,102

EXECUTIVE OFFICES

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

Program: Executive Direction

The Executive Direction Program provides administrative support and policy direction for implementing and maintaining the substantive programs of the Commonwealth.

The Governor's Action Center provides general information, referral for specific programs and assistance in solving citizen's problems.

The Office of Administration provides policy direction and administrative support. Centralized personnel services insure equity by maintaining the classification, pay and benefits systems, negotiating and administering collective bargaining agreements between the Commonwealth and the various unions representing State employes under the provisions of the Public Employee Relations Act of 1970, recruiting for all non-civil service positions, training in management and supervisory skills, and administering the Commonwealth's affirmative action process and programs.

In addition to personnel administration, the Office of Administration maintains the Central Management Information Center (CMIC) and the data network. The Office of Administration also conducts management studies on State programs to improve their operation, administration and organization.

The Bureau of Automated Technology Management provides executive direction in areas related to electronic data processing and telecommunications by approving all Commonwealth EDP and telecommunications resource acquisitions. They also establish Commonwealth policy governing the acquisition, management, utilization and security of these resources.

The Central Management Information Center is the data processing service center for all Commonwealth central administrative systems. The center manages and maintains the Commonwealth's payroll, personnel, accounting and retirement systems for all agencies under the Governor's jurisdiction.

Also under Executive Direction is the Office of Inspector General who is charged with investigating suspected improper use of State resources. The Inspector General also provides leadership, coordination and administrative control over satellite Inspector General Offices in designated executive agencies.

The Office of the Budget assists the Governor in formulating fiscal policies and procedures, and prepares the Commonwealth Budget for

delivery to the General Assembly. The office also prepares fiscal notes and reviews proposed regulations as mandated by Act 149 of 1978.

In addition, the Office of the Budget provides accounting, auditing, and financial advisory and supportive services to all Commonwealth agencies and is responsible for maintenance of the ICS accounting system.

The Integrated Central System (ICS) facilitates policymaking and provides integrated accounting, payroll, purchasing and personnel systems. This improves the effectiveness of managing the Commonwealth's operations as well as improving efficiency and controlling costs by decreasing paper flow, expediting processing and improving productivity.

The Milrite Council examines impediments to the development of industry and jobs in Pennsylvania by focusing on those problems requiring the cooperation of labor, business and government which affect firms and establishments currently doing business in Pennsylvania. The council administers the Area Labor Management Committee Grant Program and works with businesses and labor leaders across the State who are interested in establishing area labor management committees.

The Public Employee Retirement Study Commission provides an ongoing mechanism to monitor public employe retirement plans in the Commonwealth. The commission also provides technical assistance to the General Assembly and the Governor in conjunction with their consideration of public pension legislation.

Distinguished Daughters provides payment for selected women designated as Distinguished Daughters of Pennsylvania to attend ceremonies at the Governor's Home.

The Drug Policy Council is designated as the State coordinating agency for purposes of implementing a Statewide strategy to combat illegal drug use and alcohol abuse in the Commonwealth. The council supervises the expenditures under the Federal Drug Control and System Improvement Grant Program (DCSI) including the final approval of all grant applications. The council also performs evaluations, conducts studies and develops policy analyses related to illegal drug use and alcohol abuse. The (DCSI) monies have been appropriated to three State agencies: Pennsylvania Commission on Crime and Delinquency, the Department of Education and the Department of Health.

Program Recommendations:

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

GENERAL FUND
Governor's Action Center
\$ 18 —to continue current program.

Office of the Budget
\$ 1,666 —to continue current program.

The Program Revision Request for Drug and Alcohol Program Expansion follows this subcategory.

EXECUTIVE OFFICES

Program: Executive Direction (continued)

Program Recommendations: (continued)

	GENERAL FUND (continued)		MOTOR LICENSE FUND
	ICS Development		Office of the Budget
\$ 221	—to continue current program.	\$ 155	—to continue current program.
	Milrite		LOTTERY FUND
\$ 10	—to continue current program.		Ridership Verification
	Public Employe Retirement Study Commission	\$ -1	—audit of Older Pennsylvanians Shared Ride vendors.
\$ 4	—to continue current program.		
	Distinguished Daughters		
\$ 1	—to continue current program.		

All other General Fund programs are recommended at the 1989-90 levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Governor's Action Center	\$ 587	\$ 325	\$ 343	\$ 355	\$ 368	\$ 381	\$ 395
Office of Administration	3,797	4,871	4,871	5,046	5,228	5,416	5,611
Inspector General	352	1,873	1,873	1,940	2,010	2,082	2,157
Office of the Budget	21,821	23,783	25,449	26,365	27,314	28,298	29,316
Audit Payment to HHS		5,051					
ICS Development	3,675	3,694	3,915	4,056	4,202	4,353	4,510
Milrite Council	227	240	250	259	268	278	288
Public Employe Retirement Study Commission	450	500	504	522	541	560	580
Distinguished Daughters	4	5	6	6	6	6	6
Drug Policy Council	91	96	96	99	103	107	111
Labor Management Committee	790	825	825	825	825	825	825
TOTAL GENERAL FUND	\$ 31,794	\$ 41,263	\$ 38,132	\$ 39,473	\$ 40,865	\$ 42,306	\$ 43,799
MOTOR LICENSE FUND:							
Office of the Budget	\$ 4,110	\$ 4,510	\$ 4,665	\$ 4,833	\$ 5,007	\$ 5,187	\$ 5,374
LOTTERY FUND:							
Office of the Budget — Ridership Verification	\$ 2	\$ 66	\$ 65	\$ 67	\$ 69	\$ 71	\$ 74

Program Revision: Drug and Alcohol Program Expansion

State public health officials estimate that 1.2 million Pennsylvanians are addicted to alcohol and other drugs like cocaine and its deadly derivative, crack. The cost to the State's economy of health care costs, lost productivity and the funding of government human services associated with substance abuse is estimated to be more than \$10 billion annually. Drug and alcohol abuse is linked to child and spousal abuse, contributes to crimes against people and property, and directly and indirectly causes deaths and injuries.

The Commonwealth made fighting the war against drugs a major priority in 1989-90. The 1989-90 Governor's Budget contained the first comprehensive drug and alcohol abuse initiative ever proposed by a Pennsylvania Governor at a cost of \$25.5 million. The Governor also proposed a \$140 million initiative, known as PENNFREE, to expand the war on drugs. The General Assembly eventually approved a \$90.26 million PENNFREE Program that provided a one-time infusion of funds for up to two years for drug law enforcement, prevention and treatment. These funds have already helped to reduce drug trafficking, provide treatment for drug and alcohol addicts and establish school and community-based drug and alcohol prevention programs. A summary of PENNFREE funding for 1989-90 and 1990-91 is located in Section A of this Budget.

This Program Revision builds on this effort by increasing State funding and allocating significant increases in Federal funding under the Drug Control and Systems Improvement (DCSI) Formula Grant Program; the Alcohol, Drug Abuse, and Mental Health Services Block Grant (ADMBSBG); and the Drug Free Schools and Communities (DFSC) Act.

Drug Law Enforcement

A major emphasis will be placed on preventing the flow of drugs into the Commonwealth through airports, train stations, and bus stations. The State Police's Mobile Narcotics teams, which were initially funded with one-time funds under PENNFREE, will be continued with State funds and Federal Drug Control and Systems Improvement Formula Grant funds. The Attorney General will establish four transportation interdiction teams which will supplement interdiction efforts already underway by the State Police and the Attorney General. These interdiction teams will emphasize working with and training local law enforcement officials so they can perform interdiction functions in the absence of the Attorney General's interdiction teams. The Department of Military Affairs has been allocated over \$1 million by the U.S. Department of Defense to conduct drug transportation interdiction activities such as flight crew surveillance, aerial photography, radar surveillance, assistance in searching cargo containers, and loaning military equipment to drug law enforcement agencies. The U.S. Department of Defense will pay National Guardsmen directly for their time served and reimburse the Department of Military Affairs for the cost of equipment and materials used on these activities. An additional \$54,000 is recommended for the Department of Military Affairs to assure that each National Guardsman performing drug interdiction duty receives a minimum of \$45 a day.

Federal Drug Control and Systems Improvement funds will also be used to initiate and expand programs to apprehend, incarcerate and treat drug traffickers and drug users. The State Police will receive additional crime lab equipment, crime lab personnel and drug investigation vehicles to increase the apprehension of drug traffickers. ~~Federal DCSI funds will be used to continue two PENNFREE drug law enforcement programs that were funded for only part of 1989-90. Two~~ Board of Probation and Parole intensive drug parole units, and grants to county probation departments to establish special drug offender probation programs.

Finally, DCSI funds will be used to assist local law enforcement and

corrections officials. The State Police will award \$2 million in grants to municipal police departments for costs incurred during drug investigations. These funds will supplement \$1.5 million available to municipal police departments under PENNFREE. The Attorney General will use \$1 million to establish at least 10 new local drug task forces that will combine the resources of several municipal police departments to conduct comprehensive regional drug investigations. These funds are in addition to approximately \$3.3 million in PENNFREE funds set aside by the Attorney General to establish local drug task forces in 1990-91. The Board of Probation and Parole will fund 77 percent of the salaries for 76 county probation positions for special drug and alcohol probation/parole programs. And, the Commission on Crime and Delinquency will award almost \$3 million in new grants to local governments with an emphasis on correctional treatment and supervision, juvenile drug abuse and related delinquent activity, and criminal justice training.

Drug and Alcohol Treatment

Pennsylvania's allocation of Federal Alcohol, Drug Abuse, Mental Health Services Block Grant (ADMBSBG) funds will increase significantly in 1990-91. These funds will allow Pennsylvania to continue and expand programs initiated under PENNFREE. Three PENNFREE initiatives, which were funded for only one year, will be continued with Federal funds: the AIDS Program, the Child Abuse Treatment Program, and the Homeless Drug and Alcohol Program.

Several new initiatives will be funded with the new Federal funds. A major emphasis will be placed on treating adult and juvenile offenders incarcerated in State and local facilities. The Department of Corrections will use DCSI and ADMBSBG funds to establish three 50 bed therapeutic communities to provide intensive drug and alcohol treatment for inmates. Two therapeutic communities will be established at SCI-Waymart for male inmates and one therapeutic community will be established at SCI-Muncy to treat drug and/or alcohol dependent female inmates. The Department of Corrections will also develop a 200 bed motivation camp for adult offenders with substance abuse problems. The motivation camp will be a highly structured environment and will emphasize physical routine, education and substance abuse therapy. Low risk inmates most likely to change their attitudes, dependence upon drugs and alcohol, and improve their self-esteem will be targeted. A significant increase in drug and alcohol treatment staff in the State correctional institutions will be funded. For the first time, the Department of Health will award significant funds for the treatment of offenders in county jails. Grants to treat and counsel juvenile delinquents in State, local and private facilities will also be increased \$3 million.

ADMBSBG funds will also be used to support a variety of substance abuse related treatment and prevention activities at the local level. Single County Authorities will receive a \$4 million, 12.5 percent, increase in their formula grants to provide local drug and alcohol services. These funds will be distributed using the same formula that is used to distribute the State's Assistance to Drug and Alcohol Programs appropriation. The Department of Health will submit a \$3 million application to the U.S. Department of Health and Human Services for discretionary funds to reduce waiting lists for drug and alcohol services. Funds will be allocated to establish a 40-bed unit in southeastern Pennsylvania for the mentally ill with substance abuse problems. In anticipation of the implementation of requirements under Act 152 of 1988, seed money will be provided to establish nonhospital residential detoxification and rehabilitation programs, particularly in areas where such services are scarce or nonexistent. The Department of Health will also expand its successful Teen Pregnancy Program, which provides specialized treatment services for pregnant teenagers, to four additional sites and expand services at current sites.

EXECUTIVE OFFICES

Program Revision: Drug and Alcohol Program Expansion (continued)

Several PENNFREE initiatives will be expanded with the increase in Federal ADMSBG funds including additional nonhospital residential treatment for women with children; services for pregnant women and babies born addicted to cocaine, crack and heroin; adult aftercare such as halfway houses; expanded case management; and specialized treatment services for Hispanics. Finally, the Department of Health will receive additional resources to administer the new Federal ADMSBG funds.

Prevention, Education, and Intervention

Drug and alcohol education funding will also increase greatly under the Drug Free Schools and Communities Act. Drug and alcohol education grants to school districts will increase by over \$6.7 million in 1990-91. In addition, the Commonwealth will provide over \$1 million in one-time money to make emergency prevention/education grants to local school districts in the most vulnerable urban and rural areas. Emergency grants must be targeted at areas that have a large number or high percentage of drug and alcohol related arrests or juvenile convictions, a large number or high percentage of referrals of youth to drug and alcohol abuse treatment and rehabilitation programs, and have significant drug and alcohol abuse problems as indicated by other data.

Funding for the Department of Education's successful dropout prevention program will be doubled to \$2 million. See the Program Revision entitled "Dropout Prevention" in the Department of Education for additional information. The department's Teenage Pregnancy Program will receive an additional \$500,000 to permit more teenage mothers to stay in school and complete their education.

The Student Assistance Program, which identifies students at risk of drug and alcohol abuse and mental illness, continues to expand to every school district in the Commonwealth. This highly successful and popular program has guided thousands of students into appropriate drug and alcohol and mental health programs. Almost \$5 million in State funds will be used to continue and expand the mental health component of this program. The drug and alcohol component will be fully funded with a combination of State and Federal funds.

The Governor's Drug Policy Council will be able to fund over \$2 million in new substance abuse prevention/education grants to community organizations, parent groups, and other private and public nonprofit groups with an emphasis towards assisting youth who are or are at-risk of abusing drugs and alcohol.

The Department of Public Welfare will expand aftercare services for delinquent youth by providing drug and alcohol education and counseling for delinquent youth released from Youth Development Centers (YDCs) and Youth Forestry Camps (YFCs). An additional 175 delinquent youth will receive intensive aftercare services which will permit certain low-risk youth to participate in early release programs. This will help to relieve the severe overcrowding problem faced by the YDCs and YFCs. Approximately 600 youth will receive regular aftercare services

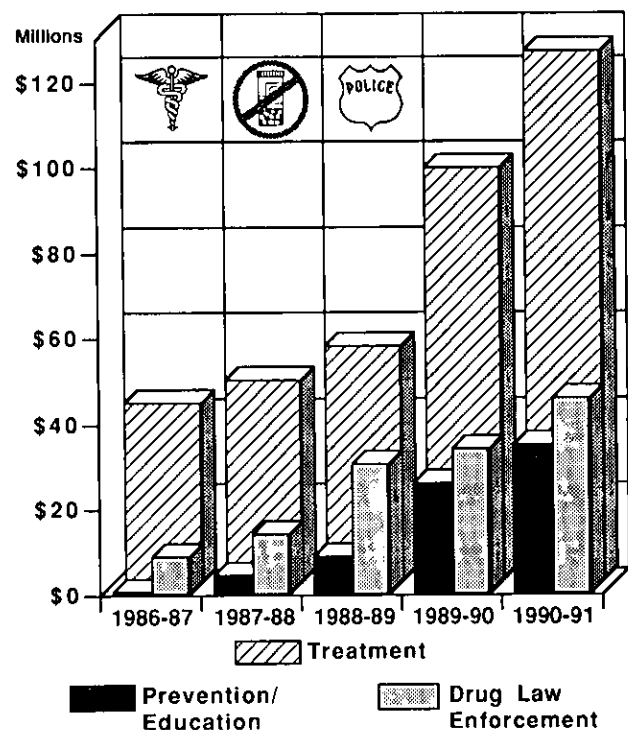
upon release from a YDC or YFC. Although these youth will not be released early, the aftercare services will provide additional rehabilitation which should reduce recidivism. The department will also provide drug and alcohol training to YDC/YFC staff.

State funds will be used to continue providing foster parents with a higher stipend for caring for HIV-infected infants and children. State funds will also be used to continue the Family Preservation Program. The drug and alcohol prevention and counseling program for victims of domestic violence, which was funded for only one year under PENNFREE, will be continued with Federal funds. The Drug Policy Council will use Federal DFSC funds to develop a training curriculum for sexual assault and drug and alcohol counselors that assist sexual assault victims who have substance abuse problems.

Finally, the Department of Health will work with the Office of Administration to expand the State Employees Assistance Program to work towards the goal of a drug-free workplace for Commonwealth employees.

Drug and Alcohol Programs

State and Federal Funds



EXECUTIVE OFFICES

Program Revision: Drug and Alcohol Program Expansion (continued)

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Major drug conspiracy arrests resulting from transportation interdiction teams							
Current	7	12	15	15	15	15	15
Program Revision	.....	.....	40	60	67	67	67
Local drug task forces established							
Current	19	29	30	30	30	30	30
Program Revision	.....	.....	40	40	40	40	40
State supported county drug and alcohol probation positions							
Current	.....	70	70	70	70	70	70
Program Revision	.....	.....	146	146	146	146	146
State inmates receiving drug and alcohol treatment							
Current	4,500	5,200	5,900	5,900	5,900	5,900	5,900
Program Revision	.....	.....	11,000	15,650	15,650	15,650	15,650
State inmates enrolled in intensive drug and alcohol treatment programs							
Current	265	340	340	340	340	340	340
Program Revision	.....	.....	490	490	490	490	490
Potential dropouts receiving on-site coordinated services							
Current	5,616	6,616	6,616	6,616	6,616	6,616	6,616
Program Revision	.....	.....	10,600	10,600	10,600	10,600	10,600
Students served by teen parenting programs							
Current	3,000	3,260	3,260	3,260	3,260	3,260	3,260
Program Revision	.....	.....	4,000	4,000	4,000	4,000	4,000
School districts with a Student Assistance Program							
Current	124	440	440	440	440	440	440
Program Revision	.....	.....	500	500	500	500	500
Nonhospital detoxification and rehabilitation beds							
Current	3,271	3,271	3,217	3,271	3,271	3,271	3,271
Program Revision	.....	.....	3,311	3,351	3,351	3,351	3,351
Adult halfway house beds							
Current	120	120	130	130	130	130	130
Program Revision	.....	.....	160	180	180	180	180
Halfway house beds for juvenile offenders							
Current	.....	30	30	30	30	30	30
Program Revision	.....	.....	45	50	60	60	60
Women with children receiving specialized services							
Current	100	212	462	518	518	518	518
Program Revision	.....	.....	518	618	618	618	618
Additional delinquent youth receiving drug and alcohol aftercare services							
Program Revision	.....	.....	775	775	775	775	775

EXECUTIVE OFFICES

Program Revision: Drug and Alcohol Program Expansion (continued)

Program Revision Recommendations:

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

<u>General Fund</u>	<u>Federal Funds</u>	
		Executive Offices
		Commission on Crime and Delinquency; DCSI — Law Enforcement (F)
.....	\$ 2,933	—to provide grants to local government for the apprehension, prosecution, adjudication, incarceration, and treatment of drug offenders.
		Attorney General
		Drug Law Enforcement; DCSI — Drug Transportation Interdiction (F)
\$ 475	\$ 525	—to establish four transportation interdiction teams to reduce the flow of drugs through the Commonwealth's airports, train stations, and bus stations.
		Drug Law Enforcement; DCSI — Local Drug Task Forces (F)
.....	\$ 1,000	—to establish 10 additional local drug task forces.
<u>\$ 475</u>	<u>\$ 1,525</u>	Agency Increase
		Corrections
		State Correctional Institutions; DCSI — Correctional Institutions (F)
\$ 200	\$ 599	—to purchase and equip a 50 cell modular unit to establish a drug and alcohol therapeutic community at SCI-Muncy.
349	1,047	—to establish a drug and alcohol motivation camp for 200 inmates.
<u>\$ 549</u>	<u>\$ 1,646</u>	Appropriations Increase
		State Correctional Institutions; ADMSBG — Alcohol Services (F); ADMSBG — Drug Services (F)
.....	\$ 222	—to establish two 50 bed drug and alcohol therapeutic communities at SCI-Waymart.
.....	129	—to establish a 50 bed drug and alcohol therapeutic community at SCI-Muncy.
.....	712	—to expand drug and alcohol treatment services at all State correctional institutions.
<u>.....</u>	<u>\$ 1,063</u>	Appropriations Increase
<u>\$ 549</u>	<u>\$ 2,709</u>	Agency Increase
		Education
		Dropout Prevention; Drug Free Schools and Communities — Special Programs (F)
\$ 250 ^a	\$ 750	—to expand the department's Dropout Prevention Program. See the Program Revision entitled "Dropout Prevention" under Education for additional information.
		Teen Pregnancy and Parenthood; Drug Free Schools and Communities — Special Programs (F)
.....	\$ 500	—to expand the department's Teenage Pregnancy Program.
		General Government Operations; Drug Free Schools and Communities — School Districts (F)
.....	\$ 6,735	—to expand drug and alcohol education grants to all 500 school districts.

^aFunds are not included in the subtotal for this Program Revision to avoid double counting. Funds are included in the Dropout Prevention Program Revision.

EXECUTIVE OFFICES

Program Revision: Drug and Alcohol Program Expansion (continued)

Program Revision Recommendations (continued): _____

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

<u>General Fund</u>	<u>Federal Funds</u>	
		General Government Operations; Drug Free Schools and Communities — Special Programs (F)
.	\$ 1,096	—to provide emergency drug and alcohol education grants to local school districts in the most vulnerable urban and rural areas.
.	2,024	—to provide grants to parent groups, community-based organizations, and similar groups for drug and alcohol prevention.
_____	_____	
.	\$ 3,120	Appropriations Increase
_____	_____	
\$ 250 ^a	\$ 11,105	Agency Increase
		Health
		Assistance to Drug and Alcohol Programs; Drug Abuse Treatment Time (F)
.	\$ 3,000	—to provide grants to Single County Authorities to reduce waiting lists for drug and alcohol abuse services.
		Assistance to Drug and Alcohol Programs; ADMSBG — Alcohol Services (F); ADMSBG — Drug Services (F)
.	\$ 1,430	—to continue the PENNFREE AIDS Program initiated with one-time funding under PENNFREE.
.	2,555	—to establish a 40-bed unit in the Philadelphia State Hospital catchment area for the mentally ill with substance abuse problems.
.	2,100	—to provide drug and alcohol treatment/prevention grants to counties for adult offenders. Awards will be coordinated with awards of Federal funds made by the Commission on Crime and Delinquency. Funds will also be used to expand the 12 Treatment Alternatives to Street Crimes projects.
.	3,000	—to provide drug and alcohol treatment/prevention grants for juvenile delinquents.
.	2,000	—to expand nonhospital detoxification and rehabilitation services, particularly in areas where such services are scarce or do not exist.
.	1,000	—to expand nonhospital residential treatment services for women with children, pregnant addicted women, and infants born addicted to cocaine, crack and heroin.
.	283	—to expand the Teen Pregnancy Program to four additional sites and to expand services at current sites.
.	2,500	—to expand adult aftercare services, case management and Hispanic treatment services.
.	566	—to continue and expand the State's Employee Assistance Program.
.	4,000	—to provide grants to Single County Authorities for priority services identified at the local level such as salary increases and training for drug and alcohol staff, and aftercare, outpatient, residential and dually-diagnosed services.
_____	_____	
.	\$ 19,434	Appropriations Increase
		General Government Operations; ADMSBG — Administration (F)
.	\$ 328	—to administer the new Federal Alcohol, Drug Abuse, and Mental Health Services Block Grant funds.
_____	_____	
.	\$ 22,762	Agency Increase
		Military Affairs
		Drug Interdiction
\$ 54	. . . . .	—to provide for interdiction costs not reimbursable by the U.S. Department of Defense.

^aFunds are not included in the subtotal for this Program Revision to avoid double counting. Funds are included in the Dropout Prevention Program Revision.

EXECUTIVE OFFICES

Program Revision: Drug and Alcohol Program Expansion (continued)

Program Revision Recommendations (continued): _____

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

General Fund	Federal Funds	
		Probation and Parole
		General Government Operations; DCSI — State Parole Services (F)
\$ 83	\$ 248	—to continue two intensive parole units initiated with one-time funding under PENNFREE.
		Improvement of Adult Probation Services; DCSI — Local Probation Services (F)
\$ 112	\$ 335	—to continue grants to county probation departments to establish special drug offender probation programs initiated with one-time funding under PENNFREE.
341	1,022	—to pay for an additional 76 county drug and alcohol probation officers.
<u>\$ 453</u>	<u>\$ 1,357</u>	Appropriations Increase
		Agency Increase
<u>\$ 536</u>	<u>\$ 1,605</u>	
		Public Welfare
		Community Mental Health Services
\$ 4,982	. . . .	—to expand mental health services for youth referred from Student Assistance Programs in 60 additional school districts and to continue mental health services for students from 440 school districts.
		County Child Welfare; ADMSBG — Child Welfare (F)
\$ 1,700	. . . .	—to continue providing a higher stipend for foster care parents who care for HIV-infected babies and children initiated with one-time funding under PENNFREE.
1,900	. . . .	—to continue the Family Preservation Program initiated with one-time funding under PENNFREE.
. . . .	\$ 2,000	—to continue providing drug and alcohol treatment services for child abuse victims and their families initiated with one-time funding under PENNFREE.
<u>\$ 3,600</u>	<u>\$ 2,000</u>	Appropriations Increase
		Homeless Assistance; ADMSBG — Homeless Services (F)
. . . .	\$ 1,033	—to continue providing drug and alcohol services for the homeless initiated with one-time funding under PENNFREE.
		Youth Development Institutions; Drug Free Schools and Communities — Special Programs (F)
. . . .	\$ 1,250	—to continue and expand aftercare services for juvenile delinquents released from State Youth Development Centers.
. . . .	100	—to provide drug and alcohol training for staff and counselors in Youth Development Centers and Youth Forestry Camps.
<u>. . . .</u>	<u>\$ 1,350</u>	Appropriations Increase
		Domestic Violence; Drug Free Schools and Communities — Special Programs (F)
. . . .	\$ 449	—to continue drug and alcohol prevention and counseling services for victims of domestic violence initiated with one-time funding under PENNFREE.
		Rape Crisis; Drug Free Schools and Communities — Special Programs (F)
. . . .	\$ 125	—to establish a training program for sexual assault counselors and drug and alcohol counselors to assist women with a substance abuse problem who have been sexually assaulted.
<u>\$ 8,582</u>	<u>\$ 4,957</u>	Agency Increase

EXECUTIVE OFFICES

Program Revision: Drug and Alcohol Program Expansion (continued)

Program Revision Recommendations (continued):

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

General Fund	Federal Funds	
		State Police
		General Government Operations; DCSI — Drug Law Enforcement (F)
\$ 344	\$ 1,031	—to continue the drug law enforcement and interdiction efforts of five mobile narcotics teams initiated with one-time funding under PENNFREE.
74	222	—to purchase additional crime lab equipment and to improve the analysis of drugs and other drug-related evidence.
63	188	—to purchase 20 drug investigation vehicles.
<u>\$ 481</u>	<u>\$ 1,441</u>	Appropriations Increase
		General Government Operations; DCSI — Municipal Police Drug Law Enforcement
.....	\$ 2,000	—to provide drug law enforcement grants to municipal police departments.
<u>\$ 481</u>	<u>\$ 3,441</u>	Agency Increase
<u>\$ 10,677</u>	<u>\$ 51,037</u>	Program Revision Total

The Federal Department of Defense will reimburse the Department of Military Affairs and National Guardsmen for costs up to \$1.019 million in conducting drug-related activities such as flight crew surveillance, aerial photography, radar surveillance, assistance in searching cargo containers, and loaning military equipment to drug law enforcement officials.

General Fund	Federal Funds	
		SUMMARY OF DRUG AND ALCOHOL INITIATIVES BY PROGRAM AREA:
\$ 1,546	\$ 9,504	Drug Law Enforcement
549	28,504	Treatment
8,582	13,029	Prevention/Education/Intervention
<u>\$ 10,677</u>	<u>\$ 51,037</u>	Total of New Drug and Alcohol Initiatives

Federal funds are available under the authority of three different funding streams: Drug Control and Systems Improvement Grant Program; the Alcohol, Drug Abuse, and Mental Health Services Block Grant; and the Drug Free Schools and Communities Act. Allocations of Federal funds presented here are approximate and may change depending on the specific grants awarded to State and local agencies. Federal allocations include portions of available year appropriations spent on nonrecurring items.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
ATTORNEY GENERAL							
Drug Law Enforcement			\$ 475	\$ 513	\$ 554	\$ 598	\$ 646
CORRECTIONS							
State Correctional Institutions			\$ 549	\$ 728	\$ 750	\$ 776	\$ 804
EDUCATION							
Dropout Prevention ^a			\$ 250	\$ 250	\$ 250	\$ 250	\$ 250
MILITARY AFFAIRS							
Drug Interdiction			\$ 54	\$ 54	\$ 54	\$ 54	\$ 54
PROBATION AND PAROLE							
Intensive Drug Parole Units			\$ 83	\$ 86	\$ 89	\$ 92	\$ 95
Improvement of Adult Probation Services			453	453	453	453	453
TOTAL PROBATION AND PAROLE			\$ 536	\$ 459	\$ 462	\$ 465	\$ 468

^aFunds are not included in the subtotal for this Program Revision to avoid double counting. Funds are included in the Dropout Prevention Program Revision.

EXECUTIVE OFFICES

Program Revision: Drug and Alcohol Program Expansion (continued)

Recommended Program Revision Costs by Appropriation (continued):

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
PUBLIC WELFARE							
Community Mental Health Services	\$ 4,982	\$ 5,181	\$ 5,389	\$ 5,604	\$ 5,828
County Child Welfare	3,600	3,744	3,894	4,050	4,211
TOTAL PUBLIC WELFARE	\$ 8,582	\$ 8,925	\$ 9,283	\$ 9,654	\$ 10,039
STATE POLICE							
General Government Operations	\$ 481	\$ 433	\$ 449	\$ 465	\$ 482
TOTAL GENERAL FUND	\$ 10,677	\$ 11,192	\$ 11,632	\$ 12,092	\$ 12,573

EXECUTIVE OFFICES

PROGRAM OBJECTIVE: To provide legal advice to the Governor and the Cabinet, and to supervise, coordinate and administer legal services for the Commonwealth.

Program: Legal Services

The Office of the General Counsel is headed by the General Counsel who serves as the chief legal advisor to the Governor and directs the legal activities of the Executive Branch.

This office has the responsibility to appoint the Chief Counsel in each agency and to supervise, coordinate and administer legal services. The office renders such legal advice and representation prior to initiation of any action concerning matters and issues arising in connection with the operation of agencies under the Governor's jurisdiction.

There are two major areas of responsibility for the General Counsel. First, this office provides general legal assistance to the Governor. The office reviews and approves for form and legality all Commonwealth deeds, leases, contracts, rules and regulations. It also is responsible for initiating appropriate proceedings for defending the Commonwealth when the Attorney General refuses or fails to initiate appropriate

proceedings. Second, the General Counsel has the authority to intervene in any action by or against an agency under the Governor's jurisdiction whenever the Governor shall request. This authority is not altered even if the Attorney General conducts the case.

The General Counsel also serves as the Chief Administrative Officer of the Department of Corrections, the Juvenile Court Judges Commission, the Crime Victims Compensation Board, the Health Facilities Hearing Board and the Health Care Arbitration Panels.

In addition, the General Counsel serves as a member of the Board of Commissioners on Uniform State Laws, the Pennsylvania Emergency Management Agency, the Joint Committee on Documents, the Board of Property, the Commission on Charitable Organizations, the Local Government Records Committee, the Medical Advisory Board, the Board of Finance and Revenue, and the Civil Disorder Commission.

Program Recommendations:

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

Office of General Counsel
\$ 55 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Office of General Counsel	\$ 1,384	\$ 1,642	\$ 1,697	\$ 1,758	\$ 1,821	\$ 1,887	\$ 1,955

EXECUTIVE OFFICES

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

Program: Prevention and Elimination of Discriminatory Practices

The Human Relations Commission is responsible for identifying, preventing and eliminating illegal discriminatory practices as defined by the Pennsylvania Human Relations Act and the Pennsylvania Fair Educational Opportunities Act. The two principal methods utilized by the commission to secure compliance with the law are processing complaints of discrimination which might result in legal proceedings being initiated, and providing technical assistance to organizations, businesses, governmental bodies and individuals to promote voluntary compliance.

Processing formal complaints continues to be the major activity of the commission.

Substantial resources are also devoted to providing technical assistance to anyone who requests guidance in avoiding illegal discriminatory acts. The Commission coordinates the State's response to racial and ethnic tensions and trains law enforcement officials on appropriate responses. The commission is also involved with major outreach programs to provide information to community leaders and public officials regarding the Pennsylvania Human Relations Act and its procedures.

The commission's efforts to identify and remedy systemic

discrimination will continue. This approach addresses major problems of discrimination against whole classes of employees. In addition, litigation remains a significant feature of the commission's workload.

The Commission for Women functions as the Commonwealth's advocate for women and is responsible for developing and implementing policies and programs that work to ensure equal opportunity.

A large part of the work of the commission is the distribution of information on subjects that affect equal opportunities and full participation. The agency utilizes five major methods of disseminating information: publication of a periodical mailed directly to groups and individual leaders; publication of handbooks or checklists on specific subjects; distribution of news releases and other information to press and broadcast media; speeches to groups and broadcast appearances; and the provision of information to individuals requesting assistance, often distributed through legislative offices.

Citizens contact the commission seeking information or assistance in redress of discrimination. Response includes appropriate information, copies of publications and referrals to government or private agencies.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
<i>Human Relations Commission:</i>							
Formal complaint investigation:							
Complaints pending	6,327	6,551	7,045	7,146	7,247	7,348	7,449
New complaints filed	3,757	4,400	4,400	4,400	4,400	4,400	4,400
Complaints closed	3,533	3,906	4,299	4,299	4,299	4,299	4,299
Projected complaints pending	6,551	7,045	7,146	7,247	7,348	7,449	7,550
Informal complaints received	22,078	21,000	21,000	21,000	21,000	21,000	21,000
<i>Commission For Women:</i>							
Information to organizations and individuals							
	92,000	95,000	97,800	100,500	103,500	106,600	109,800
Public education efforts, media contacts and speeches							
	205	211	217	224	231	238	245

Establishment of a Speakers Bureau in 1988-89 and increases in number of contacts with area Chambers of Commerce resulted in higher numbers of organizations and individuals reached by the Commission for Women as well as media contacts and speeches.

Program Recommendations:

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

Human Relations Commission
 \$ -165 —nonrecurring projects.
 328 —to continue current program.
 \$ 163 *Appropriation Increase*

Commission for Women
 \$ 77 —to continue current program.

Pay Equity Study
 \$ 40 —to conduct a diagnostic pay equity study of the State Employee Compensation system in terms of pay equity for women and minorities.

EXECUTIVE OFFICES

Program: Prevention and Elimination of Discriminatory Practices (continued)

Appropriations within this Program:

	*(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Human Relations Commission	\$ 6,212	\$ 7,043	\$ 7,206	\$ 7,465	\$ 7,734	\$ 8,012	\$ 8,300
Commission for Women	236	247	324	336	348	361	374
Pay Equity Study .....	.....	.....	40	.....	.....	.....	.....
TOTAL GENERAL FUND	<u>\$ 6,448</u>	<u>\$ 7,290</u>	<u>\$ 7,570</u>	<u>\$ 7,801</u>	<u>\$ 8,082</u>	<u>\$ 8,373</u>	<u>\$ 8,674</u>

EXECUTIVE OFFICES

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

Program: Development of Artists and Audiences

The Commonwealth encourages cultural development in the arts through matching grants-in-aid to arts organizations and through service programs initiated by the Council on the Arts. The organizations and artists served are diverse and range from small community organizations that engender and support local arts programs to world-renowned orchestras, museums, dance companies, theatres and festivals.

As the council enters its third decade, it will focus on the Commonwealth's environment for the arts and artists.

The council process depends upon 17 advisory panels, each chaired by a council member and composed of nine professionals in each program area. The peer review panels are the cornerstone of the decision-making process and provide the method that assures applications receive the most informed and objective review possible. Panels also review program structure and recommend needed changes to the staff and the council.

The Pennsylvania Council on the Arts functions in three ways to support and assist the arts in the Commonwealth: a grant program that responds to applications, program initiatives that address issues and

problems that are beyond the capacity of a single arts institution, and staff services and technical assistance to arts organizations. The first two involve direct expenditure of grant funds as well as the administrative costs of staff, panelists and specialists. The third is carried out by the program staff, panelists and council members, and is supported entirely by the administrative appropriation.

The grant program provides funds to nonprofit arts organizations for general support, support of specific arts projects, technical assistance, touring and administrative and artistic development. The grant program also funds the Minority Arts Program which encourages minority, traditional and ethnic artists and ensembles to participate to a greater extent in the Pennsylvania arts. With Federal funds, fellowships are awarded to individual artists to provide time for creative work.

The council also provides technical assistance and staff services to arts organizations. Site visits, consultations and evaluations are the basis of the development and monitoring of programs. Staff assists arts organizations in analyzing their problems and in planning solutions.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Attendance at supported events	59,600	59,600	60,000	60,000	60,000	60,000	60,000
Site visits and consultations	16,500	16,800	17,200	17,200	17,300	17,300	17,400
Award applications reviewed	2,569	2,850	2,900	3,100	3,300	3,500	3,700
Awards made	1,399	1,400	1,400	1,450	1,450	1,500	1,500
Information services (circulation)	50,000	50,000	50,000	50,000	50,000	50,000	50,000

Program Recommendations:

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

Council on the Arts
\$ 4 —to continue current program.

Grants to the Arts
—continues the commitment of \$1.00 per capita in State support for the arts.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Council on the Arts	\$ 752	\$ 810	\$ 814	\$ 843	\$ 873	\$ 904	\$ 937
Grants to the Arts	11,958	12,000	12,000	12,000	12,000	12,000	12,000
TOTAL GENERAL FUND	\$ 12,710	\$ 12,810	\$ 12,814	\$ 12,843	\$ 12,873	\$ 12,904	\$ 12,937

EXECUTIVE OFFICES

PROGRAM OBJECTIVE: To increase public awareness of energy problems and to encourage public participation in the reduction of energy consumption.

Program: Energy Management and Conservation

Program Element: Energy Conservation

Stable energy prices, increased energy efficiency and greater reliance on the State's indigenous energy resources are key elements in enhancing Pennsylvania's economic growth. The Energy Office has been charged with ensuring that these goals are met.

The Energy Office has maintained its emphasis on providing site specific assistance to selected target audiences rather than generic information. The Federally funded State Energy Conservation Plan and Energy Extension Service have assisted small businesses, local municipalities, public institutions and farmers to conduct site specific feasibility studies of waste to energy projects such as cogeneration, municipal solid waste and agricultural waste recycling. All site specific studies require a matching contribution.

There is a Pennsylvania Energy Center (PEC) in each region of the State. While the centers can be used as a source of information by private citizens, they are specifically tailored to serve the needs of small businesses, local governments, nonprofit organizations and multi-family building owners. A key element of the center is its Energy Efficiency Team (EET) which surveys target facilities to identify energy conservation opportunities. The office conducts an annual performance evaluation that is used to allocate approximately one-third of their funding. The EET energy savings compose approximately one-half of the evaluation.

Energy efficiency capital improvement grants are offered to Pennsylvania's schools and hospitals through the Institutional Conservation Program (ICP).

Program Element: Energy Conservation and Assistance Fund

Act 122 of 1986 established the Energy Conservation and Assistance Fund (ECAAF) as a repository for all oil overcharge settlements. The act also provides a framework for allowable expenditures from the fund. While several of the major court settlements tie the use of funds to existing Federal energy programs, Act 122 restricts Pennsylvania's participation to four of the five programs.

Two programs, Pennsylvania Supplemental Low-Income Energy Assistance and Pennsylvania Supplemental Low-Income Weatherization, are both authorized by the Federal Low-Income Home Energy Assistance Program (LIHEAP). The LIHEAP program, while basically providing cash grants to pay energy bills, allows diversion of up to 15 percent of the funds for installing energy conservation improvements in homes.

The act also provides up to 25 percent of the total appropriations each year for activities authorized by three Federal energy conservation programs: the State Energy Conservation Program (SECP), the Energy Extension Service (EES) and the Institutional Conservation Program (ICP).

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Energy efficiency surveys	700	700	850	600	300	300	300
Workshop attendance	1,500	1,299	1,300	800	250	200	100
Institutional Conservation Program technical assistance studies	99	37	50	60	25	25	25
Institutional Conservation Program energy conservation measures funded by category:							
Schools	62	60	60	60	30	30	30
Hospital	21	20	20	20	10	10	10
Residential energy and solar projects	924	27					

Energy efficiency surveys and workshops are lower due to the rebidding of the Energy Center Program. The rebid process has resulted in 3 fewer centers and, in some instances, centers substituting new programs in place of surveys and workshops. In addition, the planning years reflect fewer dollars available from ECAAF for programs.

The Institutional Conservation Program technical assistance studies level of technical assistance was unusually high due to submissions by colleges with large campus facilities in the 1988-89 fiscal year. This level of technical assistance is not expected to recur.

Institutional Conservation Program energy conservation measures have decreased and will continue to decrease significantly due to lower ECAAF funding levels.

Residential energy and solar projects will end in 1989-90, since no Energy Conservation and Solar Bank funds are anticipated from the U.S. Department of Housing and Urban Development.

EXECUTIVE OFFICES

Program: Energy Management and Conservation (continued)

Program Recommendations:

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

	GENERAL FUND		
	Energy Office		ENERGY CONSERVATION AND ASSISTANCE FUND:
\$ 190	—to continue current program.		Energy Conservation Programs
			—nonrecurring projects.
	Energy Development Authority	\$ -6,100	—for demonstration of recycling technologies
\$ -750	—reduction in appropriation due to return of	500	and processes which use recycled paper as a
	prior year project funds to the Authority.		feedstock.
		\$ -5,900	<i>Appropriation Decrease</i>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Energy Office	\$ 1,475	\$ 1,691	\$ 1,881	\$ 1,949	\$ 2,019	\$ 2,092	\$ 2,167
Energy Development Authority	1,500	1,500	750	1,500	1,500	1,500	1,500
TOTAL	<u>\$ 2,975</u>	<u>\$ 3,191</u>	<u>\$ 2,631</u>	<u>\$ 3,449</u>	<u>\$ 3,519</u>	<u>\$ 3,592</u>	<u>\$ 3,667</u>
 ENERGY CONSERVATION AND ASSISTANCE FUND:							
Energy Conservation Programs	<u>\$ 7,100</u>	<u>\$ 10,500</u>	<u>\$ 4,900</u>	<u>4,260</u>	<u>1,159</u>	<u>1,106</u>	<u>1,028</u>

EXECUTIVE OFFICES

PROGRAM OBJECTIVE: To increase economic stability by providing financial assistance to those who have suffered financial loss as a result of being injured during the commission of a crime.

Program: Income Maintenance

The Crime Victims Compensation Program was established in 1976 to ameliorate the financial burden faced by the victims of crime.

Individuals under age 60 receive compensation for out-of-pocket expenses exceeding \$100 or for loss of at least two continuous weeks' earnings or support. The maximum compensation paid to a victim or dependant is \$35,000. In addition to earnings, compensation is limited to actual treatment costs or the exact amount of stolen support payments.

The program was expanded by legislation in 1979, 1984 and again in 1986. The changes in 1979 eliminated the minimum loss requirement for victims over 60 and required law enforcement officials to notify victims of the compensation program. The 1984 amendments provided coverage for the stolen cash proceeds of a social security check when it could be determined that social security was the victim's primary source of income. The board was authorized to award compensation when the claimant and offender were related so long as they did not reside together and the offender would not benefit from the award. Also, compensation was allowed for a family member assuming liability for a homicide victim's funeral expenses.

In addition to expanding compensable coverage, Act 96 of 1984

reinforced the victim notification requirements and imposed costs on criminals to finance victims compensation. Referred to as "reverse Miranda," victims rights programs were established Statewide to inform individuals of their right to compensation.

The amendment passed in 1986 expanded the definition of injury to include mental damage but limited compensation to the cost of psychological or psychiatric services. The amendment also allowed reimbursement for stolen railroad retirement and child or spousal support payments if the loss is the primary income source.

The Crime Victims Compensation Program is the payor of last resort for crime victims' losses and the board is required to verify all aspects of each claim prior to payment.

No State grant funds were required for this program after 1986-87 as a result of the Federal Victims of Crime Act of 1984 which allocates Federal funds for crime victims' payments, and State Act 96 of 1984 which allows collections and disbursements of court imposed costs from an established restricted revenue account. Since the imposed costs are paid from a restricted revenue account, they are listed as other funds in this program.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Claims open	1,608	1,283	1,574	2,109	2,907	3,994	5,400
Claims submitted	1,702	2,386	2,630	2,893	3,182	3,501	3,850
Claims paid	1,402	1,470	1,470	1,470	1,470	1,470	1,470
Claims denied	625	625	625	625	625	625	625

Measures for 1988-89 adjusted to reflect a change from fiscal to calendar year reporting period which coincides with the reporting method used by victims assistance groups.

Program Recommendations:

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

Crime Victims Compensation Board
 \$ 34 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Crime Victims Compensation Board	\$ 562	\$ 588	\$ 622	\$ 644	\$ 667	\$ 691	\$ 716

EXECUTIVE OFFICES

PROGRAM OBJECTIVE: To provide criminal and juvenile justice system policy analysis, coordination and planning to improve criminal justice programs.

Program: Criminal and Juvenile Justice Planning and Coordination

The Pennsylvania Commission on Crime and Delinquency (PCCD) examines criminal justice problems and needs, researches and proposes improvement strategies, and assesses the results of these strategies on affected components of the justice system. Appointed task forces, advisory groups and planning committees, encompassing commission and noncommission members, advise the commission in addressing specific problem areas.

The commission also administers a mix of State and Federal grant programs which are designed to provide support to local elements of the criminal justice system and, through selective financing of proposals, demonstrate new solutions to Statewide problems.

PCCD serves law enforcement and citizens across the Commonwealth through a comprehensive crime prevention service development and delivery system that fosters community-based efforts to establish and maintain effective crime reduction programs at the local level. The major elements of this Statewide initiative include training for law enforcement personnel and citizens, on-site consultations to municipalities, technical assistance in developing resource and support materials for local program needs, and administration of a Statewide crime prevention review group. Annually, PCCD sponsors a Statewide program to identify and honor citizen volunteers having made a significant contribution to the success of a local community crime prevention project.

Under the guidance of its gubernatorially appointed Juvenile Advisory Committee, PCCD occupies a central role in the interaction between the Department of Public Welfare, the Juvenile Court Judges' Commission and other agencies in the development and implementation of policy and programming relative to juvenile justice. Paramount to PCCD's involvement has been the administration of the Federal Juvenile Justice and Delinquency Prevention Act formula grant program.

The Commission's Prison and Jail Overcrowding Task Force continues to oversee the adoption and implementation of initiatives to alleviate crowding, monitor and evaluate the effects of the initiatives and identify further necessary changes.

PCCD uses county-based policy boards to define local victim service

needs and develop cost-effective victim/witness service strategies. Technical and financial assistance is provided through community organizations to support comprehensive service to victims of all violent crime with particular emphasis on services to victims of sexual assault, domestic violence and child abuse. Grants are made using court imposed costs authorized by Act 96 of 1984 and the Federal Victims of Crime Act of 1984.

The Drug Control and Systems Improvement (DCSI) Grant Program combines the Justice Assistance Act Program and the Drug Law Enforcement Grant Program previously authorized under different Federal statutes. DCSI established a state grant program to assist state and local governments in carrying out programs which offer a high probability of improving the functioning of the criminal justice system with emphasis on violent crime, serious offenders and the enhancement of state and local drug control efforts. DCSI funds have been used to continue projects previously funded by PCCD in the apprehension and prosecution areas. The major focal point for new projects is the county correctional/treatment area which was established because of the significant crowding problems in county correctional facilities and the lack of adequate treatment services for substance abusing offenders.

Act 2 of 1984 established a basic and continuing training program for deputy sheriffs to be financed through a surcharge on fees levied by the sheriffs for legal services executed. The 160 hour basic training school began in 1985 and continuing education began in 1987; both continue to train deputy sheriffs at regular intervals.

The Commission fosters the development of criminal justice policy by conducting research on timely criminal justice issues, and has established a link to Pennsylvania's academic community through the formation of a research advisory committee composed of leading criminal justice researchers. Also integral to its role in criminal justice coordination and analysis of legislative issues, PCCD has formed a multi-agency correctional population projection committee which provides policymakers with accurate projections of the Commonwealth's correctional population and conducts policy impact analysis.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Police officers attending crime-prevention practitioner's course and inservice instructors' development workshops . . .	200	200	200	200	200	200	200
Citizens attending community crime prevention training	200	200	200	200	200	200	200
Counties receiving technical assistance and grants for crime victims services . . .	67	67	67	67	67	67	67

EXECUTIVE OFFICES

Program: Criminal and Juvenile Justice Planning and Coordination (continued)

Program Recommendations: _____

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

<p>Commission on Crime and Delinquency \$ 73 —to maintain current program.</p>	<p>Eagleville Hospital \$ -300 —nonrecurring appropriation.</p>
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Appropriations within this Program: _____

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Commission on Crime and Delinquency . . .	\$ 2,002	\$ 2,073	\$ 2,146	\$ 2,223	\$ 2,303	\$ 2,386	\$ 2,472
Eagleville Hospital	300	300	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	<u>\$ 2,302</u>	<u>\$ 2,373</u>	<u>\$ 2,146</u>	<u>\$ 2,223</u>	<u>\$ 2,303</u>	<u>\$ 2,386</u>	<u>\$ 2,472</u>

EXECUTIVE OFFICES

PROGRAM OBJECTIVE: To reduce the recurrence of juvenile delinquency through replacement of criminal behavior with socially acceptable behavior.

Program: Reintegration of Juvenile Delinquents

The Juvenile Court Judges Commission is responsible for the development and improvement of juvenile probation services throughout the Commonwealth. These services focus on the effective reintegration of juvenile offenders into the community through increased performance by juvenile courts and their staff.

The development of Statewide juvenile probation standards, comprehensive training and specialized intensive probation and aftercare programs have significantly improved the quality of services within the Commonwealth's juvenile court system.

All of the Commonwealth's sixty-seven Counties participate in the commission's grant-in-aid program and have voluntarily adopted intake standards, participated in training programs and complied with statistical reporting requirements. The grant program supports several major programs including intensive probation and aftercare initiatives.

The intensive probation program is designed as an alternative to placement while the availability of aftercare programs reduces the average length of placement.

During Fiscal Year 1988-89, the commission sponsored 26 state-of-the-art training programs for 1,500 juvenile justice practitioners. These

formal programs included topics such as: Child Sexual Abuse; The Victim/Offender; Intervening in Youth Violence; Unraveling Ritualistic Crime, Satanism and the Occult; and Dispositional Alternatives for Young Drug Dealers. In addition to the provision of training, the Commission, in conjunction with Shippensburg University and Mercyhurst College, provided the support to enable 25 probation officers to receive Master of Science Degrees in the Administration of Justice. By June 1990, 168 probation officers will have received Masters Degrees in the Administration of Justice through this program. The commission will continue to support these programs during Fiscal Year 1990-91.

With the funding support of the Governor's PENNFREE initiative, the Juvenile Court Judges' Commission is establishing major programs dealing with juvenile drug and/or drug related offenders geared to improving services for this offender. Specialized intensive probation and aftercare programs will be implemented; treatment, counseling, educational, vocational, intervention and preventive programs will be developed; and assessment, screening and urinalysis testing of juvenile drug offenders will be encouraged and supported through this program.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Commitments as a percent of referrals . . .	13.70%	13.25%	13.00%	12.50%	12.00%	12.00%	12.00%
Children referred to court	29,034	29,500	30,000	30,400	30,200	30,000	30,000
Children arrested for violent crime	3,842	3,900	3,950	4,000	3,850	3,800	3,800
Intensive probation and aftercare programs operating	62	62	62	62	62	62	62
Juvenile Justice personnel trained by category:							
Formal	1,500	1,550	1,550	1,600	1,600	1,650	1,650
Informal	320	350	350	350	350	350	350

The numbers of children referred to court and those arrested for violent crime are expected to increase as a result of the increased drug enforcement activities. However, the numbers are expected to decline during 1992-93 as a result of the effectiveness of the drug education and prevention efforts and as the number of children declines.

Juvenile Justice Personnel training has been split to account for formal and informal training. Formal training is conducted by Shippensburg University and informal training is conducted by the agency upon requests from individual police departments.

EXECUTIVE OFFICES

Program: Reintegration of Juvenile Delinquents (continued)

Program Recommendations:

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

Juvenile Court Judges Commission
 \$ 27 —to continue current program.

—In addition, \$200,000 in Federal DFSC —
 Special Program funds is recommended for
 juvenile probation services.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Juvenile Court Judges Commission	\$ 482	\$ 517	\$ 544	\$ 564	\$ 584	\$ 605	\$ 627
Improvement of Juvenile Probation Services	3,239	3,239	3,239	3,239	3,239	3,239	3,239
PENNFREE — Juvenile Drug and Alcohol Program Units		3,500					
TOTAL GENERAL FUND	<u>\$ 3,721</u>	<u>\$ 7,256</u>	<u>\$ 3,783</u>	<u>\$ 3,803</u>	<u>\$ 3,823</u>	<u>\$ 3,844</u>	<u>\$ 3,866</u>

EXECUTIVE OFFICES

PROGRAM OBJECTIVE: To assist persons who have 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 their claim and to conduct preliminary hearings on appeals concerning health care facilities.

Program: Medical Malpractice Arbitration and Health Facilities Hearings

The Health Care Services Malpractice Act of 1975 created a comprehensive program to assure the availability of medical malpractice insurance at reasonable rates. As originally designed by the act, the Arbitration Panels for Health Care conducted arbitration hearings in medical malpractice cases to promote reduced insurance costs and prompt resolution of claims.

In 1984, the arbitration hearing system was replaced by a conciliation conference service which conducts court-supervised settlement conferences pursuant to Section 7342 of the Judicial Code. This service has been well received and is highly regarded by judges, attorneys and other interested legal and professional groups. It has dramatically increased the settlement rate for medical malpractice cases in those counties where the court has ordered it implemented. While use of the service remains at the discretion of the court, it is available throughout the State.

The Health Care Services Malpractice Act also established the Medical Professional Liability Catastrophe Loss Fund to pay the cost of settlements in excess of \$200,000 per occurrence and \$600,000 annually for individuals and \$1 million annually for hospitals. A Statement of Cash Receipts and Disbursements for the fund is included in the

Special Funds Appendix. The fund expenditures are also reflected as other funds in this program.

The State Health Facility Hearing Board, created by Act 48 of 1979, is reflected in this program. The board conducts hearings throughout the State on appeals of decisions made by the Department of Health on application for certificate of need and licensure of health care facilities. Decisions of the board may be appealed to Commonwealth Court.

The Department of Health's action on certificate of need applications may be appealed either by the institution applying for the certificate or by other institutions that anticipate an adverse impact from the change. The appeal hearing does not judge the correctness of the department's action but determines if the evidence is sufficient to reasonably support the decision.

In licensing appeals, the board must discover the facts and make a judgement on the relative merit of the case. The department's decisions may involve either the initial licensing of a new facility or possible revocation or penalties against a licensed facility where impropriety is alleged. The majority of these appeals are settled by pre-hearing conferences.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Health Care Arbitration Panels:							
Conciliation conferences held	450	500	510	520	530	530	530
Court cases settled as a result of conciliation conferences	234	260	285	310	320	325	330
Total value of settlements reached (in millions of dollars)	\$58	\$60	\$62	\$64	\$68	\$70	\$72
Time from incident to disposition (in months)	1	1	1	1	1	1	1
Health Facilities Hearing Board:							
Unresolved appeals carried forward	50	48	44	42	40	38	38
New appeals filed	48	44	50	54	56	58	60
Total number of open cases	98	92	94	96	96	96	98
Appeals resolved	50	48	52	56	58	58	60
Decisions appealed to Commonwealth Court	5	4	4	4	4	4	4
Time from incident to disposition of appeal (in months)	9	9	9	9	9	9	9

Health Care Arbitration Panels Conciliation Conferences and Court Case Settlements increase due to addition of three counties participating in program in 1988-89.

EXECUTIVE OFFICES

Program: Medical Malpractice Arbitration and Health Facilities Hearings (continued)


Program Recommendations:

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

<p>Health Facilities Hearing Board</p> <p>\$ 1 —to continue current program.</p>	<p>Health Care Arbitration Panels</p> <p>\$ 4 —to continue current program.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Health Facilities Hearing Board	\$ 159	\$ 183	\$ 184	191	198	205	212
Health Care Arbitration Panels	503	528	532	551	571	592	613
TOTAL GENERAL FUND	\$ 662	\$ 711	\$ 716	\$ 742	\$ 769	\$ 797	\$ 825



Commonwealth of Pennsylvania

Lieutenant Governor

The Lieutenant Governor serves as President of the Senate and Chairman of the Board of Pardons. In 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.

LIEUTENANT GOVERNOR

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
<i>GENERAL GOVERNMENT:</i>			
Lieutenant Governor's Office	\$ 564	\$ 643	\$ 672
Portrait—Former Lieutenant Governor .....	.....	3	.....
Board of Pardons	210	217	234
GENERAL FUND TOTAL	<u>\$ 774</u>	<u>\$ 863</u>	<u>\$ 906</u>

LIEUTENANT GOVERNOR

Program Funding Summary:

	(Dollar Amounts in Thousands)						1994-95 ESTIMATED
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	
EXECUTIVE DIRECTION							
General Funds.....	\$ 774	\$ 863	\$ 906	\$ 938	\$ 972	\$ 1,007	\$ 1,043
TOTAL.....	\$ 774	\$ 863	\$ 906	\$ 938	\$ 972	\$ 1,007	\$ 1,043
ALL PROGRAMS:							
GENERAL FUND.....	\$ 774	\$ 863	\$ 906	\$ 938	\$ 972	\$ 1,007	\$ 1,043
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
TOTAL.....	\$ 774	\$ 863	\$ 906	\$ 938	\$ 972	\$ 1,007	\$ 1,043

LIEUTENANT GOVERNOR

PROGRAM OBJECTIVE: To provide an effective administrative system through which substantive programs of the agency can be accomplished.

Program: Executive Direction

This program provides for the execution of duties relating to the office of the Lieutenant Governor. These duties, as prescribed by the Constitution include 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 the death, conviction on impeachment, failure to qualify or resignation of the Governor.

Governor also serves the Governor in many other areas, and is Chairman of the Emergency Management Council, the Pennsylvania Energy Office, the Recyclable Materials Market Development Task Force, and the Pennsylvania Heritage Affairs Commission. As chairman of the Pennsylvania Emergency Management Agency, the Lieutenant Governor has direct responsibility for coordinating relief information and assistance.

In addition to these duties prescribed by law, the Lieutenant

Also included in this program is the Board of Pardons which reviews applications for reprieve, commutation of sentences and pardons.

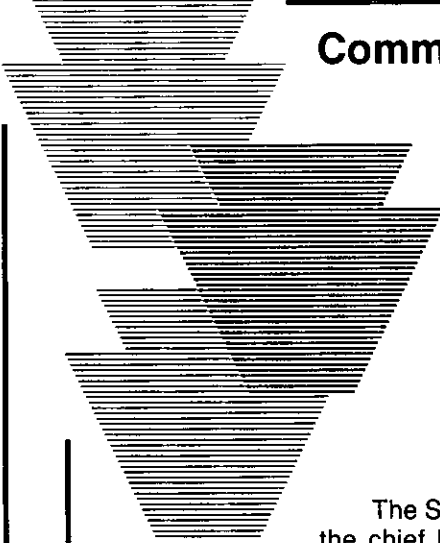
Program Recommendations:

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

<p>Lieutenant Governor's Office</p> <p>\$ 29 —to continue current program.</p> <p>Portrait — Former Lieutenant Governor</p> <p>\$ -3 —nonrecurring project.</p>	<p>Board of Pardons</p> <p>\$ 17 —to continue current program.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Lieutenant Governor's Office	\$ 564	\$ 643	\$ 672	\$ 696	\$ 721	\$ 747	\$ 774
Portrait — Former Lieutenant Governor ..	.....	3	.....	.....	.....	.....	.....
Board of Pardons	210	217	234	242	251	260	269
TOTAL GENERAL FUND	\$ 774	\$ 863	\$ 906	\$ 938	\$ 972	\$ 1,007	\$ 1,043



Commonwealth of Pennsylvania

Attorney General

The State constitution provides that the Attorney General shall be the chief law officer of the Commonwealth and shall exercise such powers and perform such duties as may be imposed by law.

The Commonwealth Attorneys Act establishes the Attorney General as the chief legal and law enforcement officer of the Commonwealth and provides the following fundamental duties and responsibilities of the Office of Attorney General:

To be the Commonwealth's chief law enforcement officer charged with the responsibility for the prosecution of organized crime and public corruption. This law enforcement program includes a criminal investigations unit and drug law enforcement program as well as direction of Statewide and multi-county investigating grand juries and a Medicaid Fraud Control Section.

To represent the Commonwealth and all Commonwealth agencies and upon request the Auditor General, State Treasurer, and Public Utility Commission in any action brought by or against the Commonwealth or its agencies; to furnish upon request legal advice to the Governor or the head of any Commonwealth agency.

To review for form and legality, all proposed rules and regulations for Commonwealth agencies.

To review for form and legality all Commonwealth deeds, leases and contracts to be executed by Commonwealth agencies.

To collect, by suit or otherwise, all debts, taxes, and accounts due the Commonwealth which shall be referred to and placed with the Attorney General.

To administer the provisions relating to consumer protection as well as appoint the Advisory Committee.

To represent the Commonwealth and its citizens in any action brought for violation of the Antitrust Laws of the United States and the Commonwealth.

The Attorney General, in addition, serves as a member of the Board of Pardons, the Joint Committee on Documents, the Hazardous Substances Transportation Board, the Board of Finance and Revenue, the Pennsylvania Commission on Crime and Delinquency, the Civil Disorder Commission and the Municipal Police Officers Education and Training Commission.

ATTORNEY GENERAL

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1990-91 State Funds (In thousands)
GENERAL FUND		
Drug and Alcohol Program Expansion	Drug Law Enforcement	\$ 475

This Program Revision will provide \$475,000 in State funds and \$525,000 in Federal funds for four transportation interdiction teams to reduce the flow of drugs through Commonwealth airports, train stations and bus stations. It will also provide \$1 million in Federal funds for 10 additional local drug task forces. This is part of a \$62 million State and Federal fund Drug and Alcohol Program Expansion Program Revision. Please see the Executive Offices for more information.

DEPARTMENT TOTAL	<u>\$ 475</u>
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ATTORNEY GENERAL

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 23,329	\$ 25,312	\$ 27,092
(F) Medicaid Fraud	2,096	2,230	2,318
(F) Child Abuse Enforcement Training	57		
(A) Legal Fees Reimbursement	171	171	175
(A) Collections — Legal	128	125	125
(A) Department Services	427	943	800
(A) Consumer Protection Investigation	20	10	10
(A) Investigative Cost Reimbursement	30	17	30
Total — General Government Operations	\$ 26,258	\$ 28,808	\$ 30,550
(R) Office of the Consumer Advocate	2,738	2,964	3,143
Hazardous Waste Prosecutions	820	1,448	1,513
(F) Hazardous Waste Management		200	
Drug Law Enforcement	5,661	6,417	12,866
(F) DCSI — Drug Transportation Interdiction			525
(F) ADA — Mobile Cooperative Task Force	411	411	
(F) ADA — Technical Assistance	47	85	28
(F) ADA — Financial Asset Investigation	390	250	
(F) ADA — Drug Law Enforcement	22	24	
(F) Drug Prosecution Program	350	413	290
(F) Clandestine Lab Model	170	248	145
(F) ADA — Expansion of Financial Asset Investigation		28	
(F) ADA — Expansion of Mobile Cooperative Task Force		78	
(F) State and Local Narcotics Control Assistance		53	
PENNFREE — Drug Law Enforcement		5,499^a	
Subtotal — Federal Funds	1,390	1,590	988
Total — Drug Law Enforcement	\$ 7,051	\$ 13,506	\$ 13,854
Subtotal — State Funds	29,810	38,676	41,471
Subtotal — Federal Funds	3,543	4,020	3,306
Subtotal — Augmentations	776	1,266	1,140
Subtotal — Restricted Revenues	2,738	2,964	3,143
Total — General Government	\$ 36,867	\$ 46,926	\$ 49,060
GRANTS AND SUBSIDIES:			
County Trial Reimbursement	\$ 110	\$ 110	\$ 110
PENNFREE — Local Drug Task Forces		5,701 ^a	
(F) DCSI — Local Drug Task Forces			1,000
 STATE FUNDS	\$ 29,920	\$ 44,487	\$ 41,581
FEDERAL FUNDS	3,543	4,020	4,306
AUGMENTATIONS	776	1,266	1,140
RESTRICTED REVENUE	2,738	2,964	3,143
GENERAL FUND TOTAL	\$ 36,977	\$ 52,737	\$ 50,170

^aThis continuing appropriation will provide funds for both 1989-90 and 1990-91.

ATTORNEY GENERAL

Summary by Fund and Appropriation

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Available	1990-91 Budget
OTHER FUNDS			
<i>GENERAL FUND:</i>			
Seized/Forfeited Property — State Court Awarded	\$ 675	\$ 1,200	\$ 1,670
Seized/Forfeited Property — Federal Court Awarded	975	448	282
Public Protection Law Enforcement	88	170	220
OTHER FUNDS TOTAL	\$ 1,738	\$ 1,818	\$ 2,172
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUNDS	\$ 29,920	\$ 44,487	\$ 41,581
FEDERAL FUNDS	3,543	4,020	4,306
AUGMENTATIONS	776	1,266	1,140
RESTRICTED REVENUE	2,738	2,964	3,143
OTHER FUNDS	1,738	1,818	2,172
TOTAL — ALL FUNDS	\$ 38,715	\$ 54,555	\$ 52,342

ATTORNEY GENERAL

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
PUBLIC PROTECTION AND LAW ENFORCEMENT							
General Funds.....	\$ 29,920	\$ 44,487	\$ 41,581	\$ 43,639	\$ 45,206	\$ 46,829	\$ 48,511
Federal Funds.....	3,543	4,020	4,306	2,793	2,636	2,636	2,636
Other Funds.....	5,252	6,048	6,455	7,297	8,312	9,052	9,728
TOTAL.....	\$ 38,715	\$ 54,555	\$ 52,342	\$ 53,729	\$ 56,154	\$ 58,517	\$ 60,875
ALL PROGRAMS:							
GENERAL FUND.....	\$ 29,920	\$ 44,487	\$ 41,581	\$ 43,639	\$ 45,206	\$ 46,829	\$ 48,511
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	3,543	4,020	4,306	2,793	2,636	2,636	2,636
OTHER FUNDS.....	5,252	6,048	6,455	7,297	8,312	9,052	9,728
TOTAL.....	\$ 38,715	\$ 54,555	\$ 52,342	\$ 53,729	\$ 56,154	\$ 58,517	\$ 60,875

ATTORNEY GENERAL

PROGRAM OBJECTIVE: To enforce the criminal laws of the Commonwealth and protect the interests of Pennsylvania citizens in areas of consumer protection, antitrust enforcement, operation of charitable trusts and organizations, and civil rights.

Program: Public Protection and Law Enforcement

The Attorney General as the chief law enforcement officer of the Commonwealth is charged with the responsibility for the investigation and prosecution of organized crime and public corruption. The agency investigates and prosecutes criminal activity in accordance with Sections 205 and 206 of the Commonwealth Attorneys Act, and utilizes Statewide investigative grand juries as appropriate. The Attorney General's Office works with the State Police to curtail drug abuse in the Commonwealth by immobilizing illegal drug traffickers. Last year, over 2,300 drug traffickers were arrested, of which 780 were considered major.

Other major activities of this program involve: decreasing the

incidence of fraud and deceptive business practices and securing recovery of damages to the Commonwealth and its citizens; encouraging free enterprise and competition; prosecution of hazardous waste cases; and providing for representation of the consumer before the Public Utility Commission through the Office of the Consumer Advocate.

This program also provides legal services for governmental agencies of the Commonwealth, as required by Section 204 of the Commonwealth Attorneys Act. Specifically, the Attorney General's Office represents the Commonwealth in any action brought by or against the Commonwealth or its agencies, particularly tort claims.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Cases presented to the statewide investigating Grand Jury	27	40	60	60	60	60	60
Drug law arrests	3,713	3,950	4,000	4,000	4,050	4,050	4,050
Major drug traffickers arrested	941	680	700	720	720	720	720
Consumer complaints concerning business practices investigated and mediated	26,000	26,000	26,500	27,000	27,000	27,000	27,000
Dollar value of recoupment to consumers regarding business practices (in thousands)	\$2,310	\$2,400	\$2,500	\$2,600	\$2,600	\$2,600	\$2,600
Rate cases argued by Consumer Advocate	72	28	28	N/A	N/A	N/A	N/A
Other cases argued by the Consumer Advocate	25	66	66	N/A	N/A	N/A	N/A
Antitrust and oil overcharge cases:							
Settlements with or without court action	12	12	10	10	10	10	10
Dollars paid or agreed to be paid to the Commonwealth or directly to its citizens (in thousands)	\$6,804	\$17,000	\$10,000	\$4,750	\$4,500	\$4,500	\$4,500

Drug law arrests were higher than anticipated in 1988-89 primarily due to new initiatives and increased resources. Fluctuations in actual results are attributable to program objectives and priorities, available resources, manpower and drug availability.

The large increase in the 1988-89 year for dollars paid or agreed to be paid to its citizens are due to oil overcharge cases coming to fruition, with the largest payments in 1988-89 and 1989-90. The planning years reflect decreases in these payments.

ATTORNEY GENERAL

Program: Public Protection and Law Enforcement (continued)


Program Recommendations:

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

<p>General Government Operations \$ 1,780 —to continue current program.</p> <p>Hazardous Waste Prosecutions \$ 65 —to continue current program.</p> <p>PENNFREE — Drug Law Enforcement \$ -5,499 —one-time funding. Program is transferred to the Drug Law Enforcement appropriation.</p> <p>Drug Law Enforcement \$ 1,205 —to continue current program. 4,769 —PRR — Drug and Alcohol Program Expansion. To continue programs initiated with one-time funding under PENNFREE. See the Program Revision in the Executive Offices for further information and the PENNFREE summary in Section A.</p> <p>475 —PRR — Drug and Alcohol Program Expansion. To establish four transportation interdiction teams to reduce the flow of drugs through Commonwealth airports, train stations and bus stations. See the Program Revision in the Executive Offices for further information.</p> <p><u>\$ 6,449</u> <i>Appropriation Increase</i></p>	<p>PENNFREE — Local Drug Task Forces \$ -5,701 —nonrecurring, one-time State funded program. Funds have been provided in the Drug and Alcohol Program Expansion PRR to continue the program. See the PRR in the Executive Offices and the PENNFREE summary in section A for additional information.</p> <p>Funding for County Trial Reimbursement is recommended to be continued at the available year level.</p> <p>This budget also recommends the following change to the Office of Consumer Advocate from its restricted revenue account in the General Fund.</p> <p>Office of the Consumer Advocate \$ 179 —to continue current program.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operations	\$ 23,329	\$ 25,312	\$ 27,092	\$ 28,067	\$ 29,077	\$ 30,124	\$ 31,208
Drug Law Enforcement	5,661	6,417	12,866	13,895	14,396	14,914	15,451
PENNFREE - Drug Law Enforcement		5,499					
Hazardous Waste Prosecution	820	1,448	1,513	1,567	1,623	1,681	1,742
County Trial Reimbursement	110	110	110	110	110	110	110
PENNFREE - Local Drug Task Forces		5,701					
TOTAL GENERAL FUND	<u>\$ 29,290</u>	<u>\$ 44,487</u>	<u>\$ 41,581</u>	<u>\$ 43,639</u>	<u>\$ 45,206</u>	<u>\$ 46,829</u>	<u>\$ 48,511</u>



Commonwealth of Pennsylvania

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 insure that all money due the Commonwealth was reported and transmitted properly.

AUDITOR GENERAL

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
Auditor General's Office	\$ 28,394	\$ 33,263	\$ 35,600
(A) Reimbursement for Auditing Services	5,936	5,805	6,542
(A) Sale of Automobiles	46	.....	.....
Transition Expenses — Attorney General	33	.....	.....
Transition Expenses — State Treasurer	73	.....	.....
Subtotal — State Funds	<u>\$ 28,500</u>	<u>\$ 33,263</u>	<u>\$ 35,600</u>
Subtotal — Augmentations	<u>5,982</u>	<u>5,805</u>	<u>6,542</u>
Total — Auditor General's Office	<u>\$ 34,482</u>	<u>\$ 39,068</u>	<u>\$ 42,142</u>
Board of Claims	\$ 1,082	\$ 1,171	\$ 1,312
Subtotal — State Funds	<u>\$ 29,582</u>	<u>\$ 34,434</u>	<u>\$ 36,912</u>
Subtotal — Augmentations	<u>5,982</u>	<u>5,805</u>	<u>6,542</u>
Total — General Government	<u>\$ 35,564</u>	<u>\$ 40,239</u>	<u>\$ 43,454</u>
GRANTS AND SUBSIDIES:			
Municipal Pension System State Aid	\$ 3,534	\$ 17,481	\$ 17,406
Total — Grants and Subsidies	<u>\$ 3,534</u>	<u>\$ 17,481</u>	<u>\$ 17,406</u>
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 33,116	\$ 51,915	\$ 54,318
AUGMENTATIONS	<u>5,982</u>	<u>5,805</u>	<u>6,542</u>
TOTAL ALL FUNDS	<u>\$ 39,098</u>	<u>\$ 57,720</u>	<u>\$ 60,860</u>

AUDITOR GENERAL

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
AUDITING							
General Funds.....	\$ 29,582	\$ 34,434	\$ 36,912	\$ 38,241	\$ 39,618	\$ 41,045	\$ 42,523
Other Funds.....	5,982	5,805	6,542	6,778	7,022	7,275	7,537
TOTAL.....	\$ 35,564	\$ 40,239	\$ 43,454	\$ 45,019	\$ 46,640	\$ 48,320	\$ 50,060
MUNICIPAL PENSION SYSTEMS							
General Funds.....	\$ 3,534	\$ 17,481	\$ 17,406	\$ 17,406	\$ 17,406	\$ 17,406	\$ 17,406
TOTAL.....	\$ 3,534	\$ 17,481	\$ 17,406	\$ 17,406	\$ 17,406	\$ 17,406	\$ 17,406
ALL PROGRAMS:							
GENERAL FUND.....	\$ 33,116	\$ 51,915	\$ 54,318	\$ 55,647	\$ 57,024	\$ 58,451	\$ 59,929
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	5,982	5,805	6,542	6,778	7,022	7,275	7,537
TOTAL.....	\$ 39,098	\$ 57,720	\$ 60,860	\$ 62,425	\$ 64,046	\$ 65,726	\$ 67,466

AUDITOR GENERAL

PROGRAM 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.

Program: Auditing

The Auditor General is required by the Fiscal Code to audit the financial affairs of State Government. Each year, the department makes thousands of regular and special post audits of Commonwealth agencies, persons, associations and corporations to insure money is disbursed legally and properly. Also, the Auditor General examines accounts of revenue collecting agents to assure that all money due to the Commonwealth, totaling several billions of dollars, was reported and transmitted properly and that Commonwealth financial statements conform to Generally Accepted Accounting Principles (GAAP). A joint audit of the General Purpose Financial Statements of the Commonwealth is being performed by the Auditor General and an independent certified public accounting firm.

The Auditor General is also required by the Fiscal Code to audit

public assistance payments to determine 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 or receiving overpayments or underpayments.

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

The Board 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 Recommendations:

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

Auditor General's Office
\$ 2,337 —to continue current program.

Board of Claims
\$ 141 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Auditor General's Office	\$ 28,394	\$ 33,263	\$ 35,600	\$ 36,882	\$ 38,210	\$ 39,586	\$ 41,011
Transition Expenses — Attorney General	33	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Transition Expenses — Treasury	73	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Board of Claims	1,082	1,171	1,312	1,359	1,408	1,459	1,512
TOTAL GENERAL FUND	\$ 29,582	\$ 34,434	\$ 36,912	\$ 38,241	\$ 39,618	\$ 41,045	\$ 42,523

AUDITOR GENERAL

PROGRAM OBJECTIVE: To assist municipal pension systems through loans and disbursement of annual supplemental State assistance.

Program: Municipal Pension Systems

In 1984, the General Assembly passed Act 205 known as the Municipal Pension Plan Funding Standard and Recovery Act. The enactment of this legislation was in response to the solvency problems facing many of the Commonwealth's municipal pension systems. The act requires the submission of municipal pension plan actuarial reports to the Public Employee Retirement Study Commission (PERSC) every two years, and establishes criteria for determination of actuarial soundness and the amount of State financed support that will be provided.

The Auditor General is responsible for audits of municipal pension funds for non-uniformed employes where municipalities choose to allocate State aid to those funds. The municipal pension plans for non-uniformed employes total approximately 1,300. In July of 1985, the Auditor General became responsible for administration of the Supplemental State Assistance Account which from July 1985 to December 1988 contained portions of the proceeds of the Foreign Casualty Premium Tax previously paid to the State Employees' Retirement

Board. After December 1988, funding is from an appropriation of the General Fund not to exceed \$35 million annually. The initial funding is immediately available for loans to municipalities in imminent danger of defaulting on the obligations of their pension plans.

In December 1988, the Auditor General became responsible for disbursement of Supplemental State Assistance to distressed municipal pension systems based on certified State assistance amounts provided by PERSC.

Act 147 of 1988 required that municipal retirement systems pay a special postretirement adjustment to certain retired police and firefighters, effective in January of 1989. The bill provides that the municipalities will be reimbursed for the annual cost of the payment from a special account in the Municipal Pension Aid Fund in every year in which the payment is made. The reimbursement program is administered by the Auditor General. Beginning in 1990, municipalities will receive payments for this program.


Program Recommendations:

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

Municipal Pension System State Aid
\$ -75 —to provide the amount certified by the Public Employees' Retirement Study Commission for a recovery program for financially distressed municipal pension systems.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Municipal Pension System State Aid	\$ 3,534	\$ 17,481	\$ 17,406	\$ 17,406	\$ 17,406	\$ 17,406	\$ 17,406



Commonwealth of Pennsylvania

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

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
State Treasurer's Office	\$ 13,581	\$ 14,735	\$ 15,672
(A) Expenses — Unemployment Compensation	756	845	873
(A) Fees — Federal Savings Bond	30		
(A) Sale Automobiles	9		
(A) Photocopy Services	1		
(A) General State Authority Fiscal Function			
Computer Modernization			1,400
Subtotal — State Funds	\$ 13,581	\$ 14,735	\$ 17,072
Subtotal — Augmentations	796	845	873
Total — State Treasurer's Office	\$ 14,377	\$ 15,580	\$ 17,945
Transition Expenses — Auditor General	\$ 34		
Board of Finance and Revenue	913	\$ 1,029	\$ 1,298
Council of State Governments	123	128	135
Great Lakes Commissions	38	60	60
Publishing Monthly Statements	38	40	45
National Conference of State Legislatures	136	142	150
Education Commission of the States	67	71	74
Advisory Commission on Intergovernmental Relations	9	9	9
National Governors Association	114	121	129
Coalition of Northeast Governors	136	85	85
Northeast—Midwest Institute	52	63	58
Governmental Accounting Standards Board	40	40	40
State and Local Legal Center	8	8	8
Replacement Checks (EA)	92	300	300
Subtotal — State Funds	\$ 15,381	\$ 16,831	\$ 19,463
Subtotal — Augmentations	796	845	873
Total — General Government	\$ 16,177	\$ 17,676	\$ 20,336
DEBT SERVICE REQUIREMENTS:			
Interest Obligations — Penn State University		\$ 16	\$ 16
Loan and Transfers Agent	\$ 190	225	225
Tax Note Expenses	125	170	170
General Obligation Debt Service	355,694 ^a	416,575	441,214
(A) Rentals and Building Fees	676	1,492	882
Commercial Paper Costs (EA)	360	400	400
Interest on Tax Anticipation Notes (EA)	24,853	36,000	38,000
Subtotal — State Funds	\$ 381,222	\$ 453,386	\$ 480,025
Subtotal — Augmentations	676	1,492	882
Total — Debt Service Requirements	\$ 381,898	\$ 454,878	\$ 480,907
GRANT AND SUBSIDIES:			
Law Enforcement Officers Death Benefits	\$ 300	\$ 350	\$ 350
Total — Grants and Subsidies	\$ 300	\$ 350	\$ 350
STATE FUNDS	\$ 396,903	\$ 470,567	\$ 499,838
AUGMENTATIONS	1,472	2,337	1,755
GENERAL FUND TOTAL	\$ 398,375	\$ 472,904	\$ 501,593

^aActually appropriated as \$75,000 General State Authority Rentals, Department of Education, \$899,000 General State Authority Rentals, Department of General Services, and \$354,720,000 General Obligations Debt Service, Treasury Department.

TREASURY

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Available	1990-91 Budget
MOTOR LICENSE FUND			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks	\$ 40	\$ 180	\$ 180
Refunding Liquid Fuels Tax — Agricultural	2,700	4,000	4,000
Refunding Liquid Fuels Tax — State Share	200	350	350
Refunding Emergency Liquid Fuels Tax .....	.....	1	1
Refunding Liquid Fuels Tax — Political Subdivisions	1,550	2,100	2,100
Administration of Refunding Liquid Fuels Tax	227	297	258
Refunding Liquid Fuels Tax — Volunteer Services	110	175	175
Refunding Marine Liquid Fuels Tax — Boating Fund	1,500	1,500	1,500
Total — General Government	\$ 6,327	\$ 8,603	\$ 8,564
<i>DEBT SERVICE REQUIREMENTS:</i>			
Capital Debt — Transportation Projects	\$ 165,050	\$ 165,066	\$ 166,434
General Obligation Debt Service	642 ^a	1,508	2,089
Advance Construction Interstate — Interest	12,185	14,769	14,520
Loan and Transfer Agent	119	135	135
(R) Aviation Debt Service	144	183	180
(R) Capital Bridge Debt	17,359	22,246	24,502
(R) Advance Construction Interstate — Principal	39,000	72,500	66,500
Subtotal — State Funds	\$ 177,996	\$ 181,478	\$ 183,178
Subtotal — Restricted Revenue	56,503	94,929	91,182
Total — Debt Service	\$ 234,499	\$ 276,407	\$ 274,360
Subtotal — State	\$ 184,323	\$ 190,081	\$ 191,742
Subtotal — Restricted Revenue	56,503	94,929	91,182
MOTOR LICENSE FUND TOTAL	\$ 240,826	\$ 285,010	\$ 282,924
BANKING DEPARTMENT FUND			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	.....	\$ 15	\$ 15
BOAT FUND			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	.....	\$ 15	\$ 15
<i>DEBT SERVICE REQUIREMENTS:</i>			
General Obligation Debt Service .....	.....	2	2
BOAT FUND TOTAL .....	.....	\$ 17	\$ 17
ECONOMIC REVITALIZATION FUND			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	.....	\$ 15	\$ 15

^aActually appropriated as \$121,000 for General State Authority Rentals, Motor License Fund in the Department of General Services and \$521,000 Capital Debt-General State Authority in the Treasury Department.

TREASURY

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Available	1990-91 Budget
FARM PRODUCTS SHOW FUND			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	.....	\$ 15	\$ 15
FISH FUND			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	.....	\$ 15	\$ 15
<i>DEBT SERVICE REQUIREMENTS:</i>			
General Obligation Debt Service	\$ 6	63 ^a	58
FISH FUND TOTAL	\$ 6	\$ 78	\$ 73
GAME FUND			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	.....	\$ 18	\$ 18
LOTTERY FUND			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA)	\$ 13	\$ 60	\$ 60
MILK MARKETING FUND			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	.....	\$ 15	\$ 15
Refund Milk Marketing Licenses and Fees(EA) .....	.....	5	5
MILK MARKETING FUND TOTAL .....	.....	\$ 20	\$ 20
RACING FUND			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	.....	\$ 30	\$ 30
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 396,903	\$ 470,567	\$ 499,838
SPECIAL FUNDS	184,342	190,349	192,005
AUGMENTATIONS	1,472	2,337	1,755
RESTRICTED REVENUE	56,503	94,929	91,182
TOTAL ALL FUNDS	\$ 639,220	\$ 758,182	\$ 784,780

^aActually appropriated as \$63,000 for General State Authority Rentals, Fish Fund in the Department of General Services.

TREASURY

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
DISBURSEMENT							
General Funds.....	\$ 14,920	\$ 16,414	\$ 19,020	\$ 18,231	\$ 18,863	\$ 19,519	\$ 20,198
Special Funds.....	6,340	8,806	8,767	8,776	8,786	8,796	8,806
Other Funds.....	796	845	873	904	937	971	1,006
TOTAL.....	\$ 22,056	\$ 26,065	\$ 28,660	\$ 27,911	\$ 28,586	\$ 29,286	\$ 30,010
INTERSTATE RELATIONS							
General Funds.....	\$ 723	\$ 727	\$ 748	\$ 748	\$ 748	\$ 748	\$ 748
TOTAL.....	\$ 723	\$ 727	\$ 748	\$ 748	\$ 748	\$ 748	\$ 748
DEBT SERVICE							
General Funds.....	\$ 381,260	\$ 453,426	\$ 480,070	\$ 535,285	\$ 576,199	\$ 599,215	\$ 621,449
Special Funds.....	178,002	181,543	183,238	183,471	181,940	176,335	175,814
Other Funds.....	57,179	96,421	92,064	127,416	121,566	53,202	29,331
TOTAL.....	\$ 616,441	\$ 731,390	\$ 755,372	\$ 846,172	\$ 879,705	\$ 828,752	\$ 826,594
ALL PROGRAMS:							
GENERAL FUND.....	\$ 396,903	\$ 470,567	\$ 499,838	\$ 554,264	\$ 595,810	\$ 619,482	\$ 642,395
SPECIAL FUNDS.....	184,342	190,349	192,005	192,247	190,726	185,131	184,620
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	57,975	97,266	92,937	128,320	122,503	54,173	30,337
TOTAL.....	\$ 639,220	\$ 758,182	\$ 784,780	\$ 874,831	\$ 909,039	\$ 858,786	\$ 857,352

TREASURY

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

Program: Disbursement

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 capacity the State Treasury is responsible for the receipt, custody and disbursement of billions of dollars each year.

Treasury also audits disbursement records, maintains accounting controls and disburses all checks to recipients of Public Assistance. Thousands of checks are processed each working day for distribution to recipients. This processing includes preauditing, collating, authenticating and mailing the checks to individual recipients and banks. Hundreds of participating banks throughout the Commonwealth distribute thousands of checks daily.

The State Treasurer is also 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 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 certain monies to which the Commonwealth is not legally entitled.

Under the provisions of Act 101 of 1976, the Treasury 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 local firemen or law enforcement officers.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Disbursements issued	10,189,000	10,200,000	10,200,000	N/A	N/A	N/A	N/A
Average monthly number of persons receiving cash assistance	616,234	587,500	586,100	544,500	531,900	528,200	525,000
Interest earned on investments:							
General Fund (In Thousands)	\$65,488	\$66,540	\$69,389	N/A	N/A	N/A	N/A
Motor License Fund (In Thousands) .	23,466	32,000	28,600	N/A	N/A	N/A	N/A
TOTAL	\$88,954	\$98,540	\$97,989	N/A	N/A	N/A	N/A

Program Recommendations:

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

<p>General Fund State Treasurer's Office \$ 937 —to continue current program.</p> <p>Computer Modernization \$ 1,400 —to upgrade current computer system.</p>	<p>Board of Finance and Revenue \$ 269 —to continue current program.</p> <p>Motor License Fund Administering Liquid Fuels Tax Refunds \$ -39 —to continue current program.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
State Treasurer's Office	\$ 13,581	\$ 14,735	\$ 15,672	\$ 16,236	\$ 16,820	\$ 17,426	\$ 18,053
Computer Modernization	34	.....	1,400	.....	.....	.....	.....
Transition Expenses—Auditor General	913	1,029	1,298	1,345	1,393	1,443	1,495
Board of Finance and Revenue	92	300	300	300	300	300	300
Replacement Checks	300	350	350	350	350	350	350
Law Enforcement Officers Death Benefits							
TOTAL GENERAL FUND	\$ 14,920	\$ 16,414	\$ 19,020	\$ 18,231	\$ 18,863	\$ 19,519	\$ 20,198

TREASURY

Program: Disbursement

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
MOTOR LICENSE FUND:							
Replacement Checks	\$ 40	\$ 180	\$ 180	\$ 180	\$ 180	\$ 180	\$ 180
Refunding Liquid Fuels Tax-Agricultural Use	2,700	4,000	4,000	4,000	4,000	4,000	4,000
Refunding Liquid Fuels Tax-State Share ..	200	350	350	350	350	350	350
Refunding Liquid Fuels Tax-Political Subdivisions	1,550	2,100	2,100	2,100	2,100	2,100	2,100
Administration of Refunding Liquid Fuels Tax	227	297	258	267	277	287	297
Refunding Liquid Fuels Tax-Volunteer Services	110	175	175	175	175	175	175
Refunding Marine Liquid Fuels Tax- Boating Fund	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Refunding Emergency Liquid Fuels Tax ..	.....	1	1	1	1	1	1
TOTAL MOTOR LICENSE FUND	\$ 6,327	\$ 8,603	\$ 8,564	\$ 8,573	\$ 8,583	\$ 8,593	\$ 8,603
BANKING DEPARTMENT FUND:							
Replacement Checks .....	.....	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
BOATING FUND:							
Replacement Checks .....	.....	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
ECONOMIC REVITALIZATION FUND:							
Replacement Checks .....	.....	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
FARM PRODUCTS SHOW FUND:							
Replacement Checks .....	.....	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
FISH FUND:							
Replacement Checks .....	.....	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
GAME FUND:							
Replacement Checks .....	.....	\$ 18	\$ 18	\$ 18	\$ 18	\$ 18	\$ 18
LOTTERY FUND:							
Replacement Checks	\$ 13	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60
RACING FUND:							
Replacement Checks .....	.....	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30
MILK MARKETING FUND:							
Replacement Checks .....	.....	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
Refunding Milk Marketing Licenses and Fees .....	.....	5	5	5	5	5	5
TOTAL MILK MARKETING FUND .....	.....	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20

TREASURY

PROGRAM OBJECTIVE: To promote interstate cooperation and progress through participation in various associations and organizations both regionally and nationally.

Program: Interstate Relations

Pennsylvania helps promote interstate progress and cooperation through participation in various organizations, associations, and commissions with other states and other units of government. As a member of the Council of State Governments, Education Commission of the States, National Conference of State Legislatures, Coalition of Northeast Governors, Northeast-Midwest Institute, Advisory Commission on Intergovernmental Relations and the National Governors Association, Pennsylvania helps coordinate ideas on programs, interstate progress, budgets, Federal-State relations, education, labor, research, governmental techniques and general information concerning the states with other states, the Congress and the Federal Executive Branch.

Also included within this program is the Governmental Accounting

Standards Board which provides guidance and establishes standards to promote uniformity and comparability in governmental accounting and financial reporting and the State and Local Legal Center which provides for Pennsylvania's participation in a center to advance and defend the interests of state and local governments in matters involving Federal preemption, state taxing and spending powers, the tenth amendment and other issues.

This program also covers Pennsylvania's cost of the Great Lakes Commission. The commission was established in 1956 to plan and promote a unified and balanced program for the development, use and conservation of Great Lakes Basin water resources.

Program Recommendations:

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

Various Associations and Commissions
 \$ 21 —net increase for membership costs in ten organizations. Included within the Great Lakes Commissions is support for the Great Lakes Council of Governors.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Council on State Governments	\$ 123	\$ 128	\$ 135	\$ 135	\$ 135	\$ 135	\$ 135
National Conference of State Legislatures	136	142	150	150	150	150	150
Education Commission of the States	67	71	74	74	74	74	74
National Governors Association	114	121	129	129	129	129	129
Advisory Commission on Intergovernmental Relations	9	9	9	9	9	9	9
Coalition of Northeastern Governors	136	85	85	85	85	85	85
Northeast — Midwest Institute	52	63	58	58	58	58	58
Governmental Accounting Standards Board	40	40	40	40	40	40	40
Great Lakes Commissions	38	60	60	60	60	60	60
State and Local Legal Center	8	8	8	8	8	8	8
TOTAL GENERAL FUND	\$ 723	\$ 727	\$ 748	\$ 748	\$ 748	\$ 748	\$ 748

TREASURY

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

Program: Debt Service

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

Long-term bonds are issued by the State to cover the cost of financing public improvements which 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; accomplishing economic revitalization efforts; 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.

General obligation debt service costs include payments on bonds issued in November 1988 to refinance the annual lease rentals due to the General State Authority for payment of debt service on General State Authority bonds. That refinancing eliminated the need to pay rental payments to the General State Authority in the 1988-89 and future fiscal years, and produced a present value savings to the Commonwealth of over five million dollars.

For purposes of comparison, the appropriations for General Obligation Debt Service include amounts previously paid by and appropriated to the Departments of General Services, Education and Transportation and the Fish Commission for the payment of General State Authority rentals.


Program Recommendations:

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

<p>General Fund</p> <p>\$ 26,644 —to meet principal and interest requirements and other costs relating to General Fund Debt Service. To pay the interest and principal payments on new debt issuances, primarily debt for transportation assistance projects (\$6.3 M); building and structure projects (\$1.0 M); PENNVEST (\$9.5 M) and redevelopment assistance projects (\$6.7 M).</p>	<p>\$ 1,700</p> <p>\$ -5</p>	<p>Motor License Fund</p> <p>— to meet principal and interest requirements and other costs relating to Motor License Fund Debt Service.</p> <p>Fish Fund</p> <p>—to meet principal and interest requirements and other costs relating to Fish Fund Debt Service.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Publishing Monthly Statements	\$ 38	\$ 40	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45
Interest Obligations — Penn State University		16	16	16	16	16	16
Loan and Transfer Agents	190	225	225	225	225	225	225
Tax Note Expenses	125	170	170	170	170	170	170
Commercial Paper Cost	360	400	400	400	400	400	400
Interest on Tax Anticipation Notes	24,853	36,000	38,000	38,000	38,000	38,000	38,000
General Obligation Debt Service	355,694	416,575	441,214	496,429	537,343	560,359	582,593
TOTAL GENERAL FUND	\$ 381,260	\$ 453,426	\$ 480,070	\$ 535,285	\$ 576,199	\$ 599,215	\$ 621,499
MOTOR LICENSE FUND:							
Capital Debt — Transportation Projects	\$ 165,050	\$ 165,066	\$ 166,434	\$ 169,387	\$ 173,596	\$ 173,491	\$ 173,390
Advance Construction Interstate — Interest	12,185	14,769	14,520	11,815	6,086	741	. . . . .
Loan and Transfer Agent	119	135	135	135	135	135	135
General Obligation Debt Service	642	1,508	2,089	2,082	2,078	1,933	2,264
TOTAL MOTOR LICENSE FUND	\$ 177,996	\$ 181,478	\$ 183,178	\$ 183,419	\$ 181,895	\$ 176,300	\$ 175,789
BOATING FUND:							
General Obligation Debt Service		\$ 2	\$ 2	\$ 2	\$ 2	\$ 1	\$ 1
FISH FUND:							
General Obligation Debt Service	\$ 6	\$ 63	\$ 58	\$ 50	\$ 43	\$ 34	\$ 24



Commonwealth of Pennsylvania

Department of Aging

The Department of Aging, created by Act 70 of 1978, consolidates services for Older Pennsylvanians and provides a single point of contact through which these older Pennsylvanians can address their concerns to State government. The Secretary of Aging serves as a cabinet-level advocate and is routinely advised of citizens' concerns through a network including area agency advisory boards, regional councils and the Pennsylvania Council on Aging.

Statewide services are provided through the local Area Agencies on Aging. Services include nutrition, employment, transportation, domiciliary care, protection and long-term care assessment and both basic and intensive in-home services. Additionally, the Department of Aging manages the pharmaceutical assistance program for older Pennsylvanians.

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1990-91 State Funds (in thousands)
GENERAL FUND		
PENNCARE Expansion	Family Caregiver	\$ 4,500
LOTTERY FUND		
PENNCARE Expansion	PENNCARE	\$ 3,377
	General Government Operations	160
	Subtotal	<u>\$ 3,537</u>

This Program Revision extends intensive in-home care services to the remaining 22 counties of the State, eliminates the waiting list for basic in-home services, expands the Family Caregiver Program from 9 to 52 sites to provide services Statewide and transfers adult day care licensure from the Department of Public Welfare to the Department of Aging.

GENERAL FUND		
Maintaining the Integrity of the Lottery Fund	DPW — Long-Term Care Facilities	\$ 10,000
LOTTERY FUND		
Maintaining the Integrity of the Lottery Fund	DPW — Medical Assistance — Long-Term Care	\$ -10,000
	Pharmaceutical Assistance Fund	-21,485
	Subtotal	<u>\$ -21,485^a</u>

This Program Revision transfers \$10 million in program expenditures for Long Term Care from the Lottery Fund to the General Fund. In addition, this PRR requires Pennsylvania to adopt the Federal Drug Administration generic drug formulary (Orange Book). It also requires a rebate from the manufacturers of non-multisource drugs to the PACE Fund and will increase the dispensing fee by 75 cents over three years. See the Department of Public Welfare Pharmaceutical Cost Containment Program Revision for further details.

DEPARTMENT TOTAL	<u>\$ -17,948^a</u>
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^aNeither the Maintaining the Integrity of the Lottery Fund PRR or the Department Total include the impact on the Department of Welfare.

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
Transitional Care	\$ 1,280	\$ 1,500	\$ 1,500
Family Caregiver	1,498	2,300	7,500
GENERAL FUND TOTAL	\$ 2,778	\$ 3,800	\$ 9,000
LOTTERY FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 2,467	\$ 3,022	\$ 3,249
(F) Aging (Title III) - Administration	1,624	1,653	1,653
(F) Programs for the Aging - Title V - Administration	127	140	140
(F) Pre-Admission Assistance - Administration .....	.....	87	133
(A) Pre-Admission Assessment .....	.....	113	133
Total — General Government	<u>\$ 4,218</u>	<u>\$ 5,015</u>	<u>\$ 5,308</u>
GRANTS AND SUBSIDIES:			
Aging Programs	\$ 54,160	\$ 57,586	\$ 59,733
(F) Aging - (Title III)	37,697	40,000	40,000
(F) Aging - Nutrition	7,500	7,500	7,500
(F) Aging (Title V) - Employment	3,645	3,815	3,815
Total — Aging Programs	<u>\$ 103,002</u>	<u>\$ 108,901</u>	<u>\$ 111,048</u>
PENNCARE - Lottery	45,585^a	51,448	61,833
(F) Medical Assistance — Pre-Admission Assessment	2,304	5,626	7,324
(A) Pre-Admission Assessment	1,057	3,289	3,673
Total — Pre-Admission Assessment	<u>\$ 48,946</u>	<u>\$ 60,363</u>	<u>\$ 72,830</u>
Abuse Intervention Services for Older Pennsylvanians	2,352	4,000	4,160
Pharmaceutical Assistance Fund	165,000	188,000	222,000
Subtotal — State Funds	<u>\$ 267,097</u>	<u>\$ 301,034</u>	<u>\$ 347,726</u>
Subtotal — Federal Funds	51,146	56,941	58,639
Subtotal — Augmentations	1,057	3,289	3,673
Total — Grants and Subsidies	<u>\$ 319,300</u>	<u>\$ 361,264</u>	<u>\$ 410,038</u>
STATE FUNDS	\$ 269,564	\$ 304,056	\$ 350,975
FEDERAL FUNDS	52,897	58,821	60,565
AUGMENTATIONS	1,057	3,402	3,806
LOTTERY FUND TOTAL	\$ 323,518	\$ 366,279	\$ 415,346
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 2,778	\$ 3,800	\$ 9,000
SPECIAL FUNDS	269,564	304,056	350,975
FEDERAL FUNDS	52,897	58,821	60,565
AUGMENTATIONS	1,057	3,402	3,806
TOTAL ALL FUNDS	\$ 326,296	\$ 370,079	\$ 424,346

^aActually appropriated as Home Based Care for Older Pennsylvanians \$45,485,000 and Alzheimer's Disease \$100,000.

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
COMMUNITY SERVICES FOR AGING							
General Funds.....	\$ 2,778	\$ 3,800	\$ 9,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000
Special Funds.....	104,564	116,056	128,975	138,591	140,680	140,807	140,939
Federal Funds.....	52,897	58,821	60,565	60,565	60,565	60,565	60,565
Other Funds.....	1,057	3,402	3,806	3,806	3,806	3,806	3,806
TOTAL.....	\$ 161,296	\$ 182,079	\$ 202,346	\$ 214,962	\$ 217,051	\$ 217,178	\$ 217,310
PHARMACEUTICAL ASSISTANCE							
Special Funds.....	\$ 165,000	\$ 188,000	\$ 222,000	\$ 247,000	\$ 283,000	\$ 323,000	\$ 367,000
TOTAL.....	\$ 165,000	\$ 188,000	\$ 222,000	\$ 247,000	\$ 283,000	\$ 323,000	\$ 367,000
ALL PROGRAMS:							
GENERAL FUND.....	\$ 2,778	\$ 3,800	\$ 9,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000
SPECIAL FUNDS.....	269,564	304,056	350,975	385,591	423,680	463,807	507,939
FEDERAL FUNDS.....	52,897	58,821	60,565	60,565	60,565	60,565	60,565
OTHER FUNDS.....	1,057	3,402	3,806	3,806	3,806	3,806	3,806
TOTAL.....	\$ 326,296	\$ 370,079	\$ 424,346	\$ 461,962	\$ 500,051	\$ 540,178	\$ 584,310

PROGRAM OBJECTIVE: To enable older Pennsylvanians to maintain active and independent lives in their own homes or alternative community living arrangements.

Program: Community Services for Older Pennsylvanians

The Department of Aging has established a network of in-home and community-based services addressing the varied needs of older Pennsylvanians. Programs enrich the lives of healthy older Pennsylvanians and enable frail older Pennsylvanians to delay or avoid institutionalization. The 52 Area Agencies on Aging, serving all 67 counties, provide aging services at the local level.

Many older Pennsylvanians require only minimal outside support to function independently and a basic service of Area Agencies on Aging (AAA) is to inform these people of available services. AAAs sponsor over 500 senior centers throughout the Commonwealth that provide a full range of socialization, recreational and educational activities. Congregate meals served by the centers at noon time provide older Pennsylvanians a hot, nutritionally balanced meal. Transportation services provided by the agencies allow older Pennsylvanians to visit the doctor, shop or attend senior center events. A job placement service helps older Pennsylvanians find unsubsidized private sector employment and offers job training and subsidized, part-time community service employment.

Frail older Pennsylvanians require more extensive and personalized services to remain in their homes and communities and avoid placement in an institutional setting such as a nursing home or personal care home.

A nursing home pre-admission screening program helps older Pennsylvanians and their families determine the least restrictive environment needed and, in some counties, helps secure intensive in-home services tailored to their needs.

A variety of personal support services are available for the growing population of frail older Pennsylvanians. The most common service is home delivered meals for people unable to prepare adequate meals for themselves or participate in group dining at senior centers. Personal care services are provided by trained attendants to assist functionally limited persons with key activities of daily living such as eating, dressing and personal hygiene. Home support services provide for performance of labor intensive unskilled or semi-skilled maintenance, cleaning tasks or routine household chores.

The Department of Aging has developed demonstration projects that support family caregivers and provide special services to older Pennsylvanians following hospitalization. The family caregiver program provides benefits counseling, services and financial assistance to families caring for older relatives in the home. The transitional care program provides short term intensive in-home services to older Pennsylvanians to aid in their convalescence.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Pennsylvanians 60 years and older	2,476,000	2,518,000	2,560,000	2,600,000	2,641,000	2,680,000	2,725,000
Persons receiving assistance:							
Congregate meals	140,540	149,799	155,000	155,000	155,000	155,000	155,000
Transportation (complete round trips) . .	92,655	103,962	108,000	108,000	108,000	108,000	108,000
Intensive community long-term care . . .	2,536	3,035	4,341	4,991	4,991	4,991	4,991
Attendant care services	3,531	2,967	3,000	3,000	3,000	3,000	3,000
Home delivered meals	37,913	41,131	43,000	43,000	43,000	43,000	43,000
Home support services	31,161	30,075	31,200	31,200	31,200	31,200	31,200
Personal care services	22,976	30,258	31,400	31,400	31,400	31,400	31,400
Units of services delivered:							
Employment services (unsubsidized job placements)	3,818	5,612	5,600	5,600	5,600	5,600	5,600
Volunteer services (volunteer hours) . . .	4,672,826	3,988,409	4,148,000	4,148,000	4,148,000	4,148,000	4,148,000
Home support services (client hours) . . .	940,627	945,206	983,000	983,000	983,000	983,000	983,000
Personal care services (client hours) . . .	2,031,055	2,420,430	2,517,000	2,517,000	2,517,000	2,517,000	2,517,000

The 1989-90 measures reflect the AAA's planned activity and, in some cases, are lower than actual activity the prior year.

The Department revised reporting categories from homemaker and chore service to personal care and home support in 1988. Personal care includes assisting clients with activities of daily living such as eating, grooming, toileting and self-administration of medications. Home support incorporates shopping, laundry, unskilled or semi-skilled maintenance and cleaning. Past reporting of homemaker service included an unduplicated count of both homemaker and chore clients which are separately counted under the new measures. The new personal care measure includes home health hours that were not previously reported.

Program: Community Services for Older Pennsylvanians (continued)

Program Recommendations:

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

	GENERAL FUND:		PENNCARE
	Family Caregiver		
\$ 752	—to annualize new programs in five counties initiated in 1989-90.	\$ 3,727	—to annualize expansion of intensive in-home services to 23 AAAs covering 30 counties.
-52	—nonrecurring program evaluation.	2,037	—to continue current program.
4,500	—PRR-PENNCARE Expansion. This Program Revision will extend family caregiver services to the remaining 43 AAAs. See the Program Revision following this program for further information.	1,244	—to provide full year funding for the direct care workers salary increase.
		1,791	—PRR—PENNCARE Expansion. This Program Revision will expand intensive in-home services to the remaining counties of the Commonwealth. See the Program Revision following this program for further information.
		1,586	—PRR—PENNCARE Expansion of In-Home Services. This Program Revision will eliminate the waiting lists for basic in-home services. See the Program Revision following this program for further information.
<u>\$ 5,200</u>	<i>Appropriation Increase</i>		
	Lottery Fund		
	General Government Operations		
\$ 184	—to continue current program.		
160	—PRR-PENNCARE Expansion. This Program Revision will transfer responsibility for licensing adult day care facilities from the Department of Welfare to the Department of Aging. See the Program Revision following this program for further information.	<u>\$ 10,385</u>	<i>Appropriation Increase</i>
-117	—nonrecurring computer acquisition costs.		
<u>\$ 227</u>	<i>Appropriation Increase</i>		
	Aging Programs		
\$ 2,297	—to continue current program.		
-150	—nonrecurring data processing services.		
<u>\$ 2,147</u>	<i>Appropriation Increase</i>		
			Abuse Intervention Services to Older Pennsylvanians
		\$ 160	—to continue current commitment.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Transitional Care	\$ 1,280	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
Family Caregiver	1,498	2,300	7,500	10,500	10,500	10,500	10,500
TOTAL GENERAL FUND	<u>\$ 2,778</u>	<u>\$ 3,800</u>	<u>\$ 9,000</u>	<u>\$ 12,000</u>	<u>\$ 12,000</u>	<u>\$ 12,000</u>	<u>\$ 12,000</u>
LOTTERY FUND:							
General Government Operations	\$ 2,467	\$ 3,022	\$ 3,249	\$ 3,412	\$ 3,535	\$ 3,662	\$ 3,794
Aging Programs	54,160	57,586	59,733	59,733	59,733	59,733	59,733
PENNCARE — Lottery	45,585	51,448	61,833	71,286	73,252	73,252	73,252
Abuse Intervention Services for Older Pennsylvanians	2,352	4,000	4,160	4,160	4,160	4,160	4,160
TOTAL LOTTERY FUND	<u>\$ 104,564</u>	<u>\$ 116,056</u>	<u>\$ 128,975</u>	<u>\$ 138,591</u>	<u>\$ 140,680</u>	<u>\$ 140,807</u>	<u>\$ 140,939</u>

Program Revision: PENNCARE Expansion

Many older Pennsylvanians require only minimal outside support to function independently. Frail older Pennsylvanians, however, require more extensive and personalized services to remain in their homes and communities. The majority of frail elderly are cared for by family members in non-institutional settings. However, as their numbers continue to grow, and as women, the traditional family caregivers, enter the workforce or become elderly themselves, it is more difficult for family members to assist in the care of older relatives. As a result, the number of persons needing the services and support offered through PENNCARE has been increasing. This Program Revision provides \$4.5 million from the General Fund and \$3.5 million from the Lottery Fund to increase the availability of community-based services to help delay or avoid the need for institutional care.

Too often, families are left behind by a system that, because of demand, is forced to give higher priority to those who have no involved family. The Family Caregiver Program is designed to help those who care for older persons in the home. Services include education and benefits counseling and, for low-income families, financial assistance with the expenses of supplies, services, home modifications, devices and respite care. This Program Revision provides \$4.5 million from the General Fund to expand the Family Caregiver Program Statewide. These services are currently being provided by 9 of the 52 Area Agencies on Aging (AAAs). By the end of 1990-91, Family Caregiver services will be offered by the remaining 43 AAAs as well.

The fastest growing segment of Pennsylvania's elderly population is persons age 85 and older. These individuals are more likely to be frail and experience medical conditions which make it difficult for them to care for themselves without assistance or place a greater responsibility on those who care for them. To meet the increasing need for long-term care services, this Program Revision provides for the Statewide expansion of intensive in-home services. As an alternative to nursing home care, services which are usually provided only in institutional

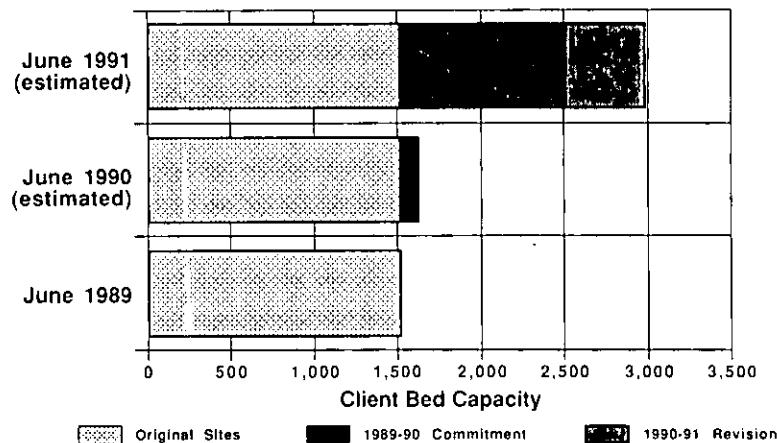
settings are made available in the home. Intensive in-home services are presently being provided by 7 of the 52 AAAs. An additional 23 sites will be phased-in by June 1991 with funds provided in the 1989-90 budget. This Program Revision provides an additional \$1.8 million to start-up the remaining 22 sites so that all 52 AAAs will provide intensive in-home services by June 1991.

In 1989-90, \$2.8 million was provided to eliminate the waiting list for basic in-home services. Since that time, however, the demand for services has continued to increase. This Program Revision provides an additional \$1.6 million to eliminate the existing waiting list for basic in-home services, which include home health, personal care, attendant care, home support, home delivered meals, case management, and adult day care.

Adult day care is a rapidly growing industry in Pennsylvania. The number of Area Agencies on Aging providing adult day care services to older persons in Pennsylvania has increased substantially over the past four years. In 1985-86, there were 52 adult day care centers. In 1989-90, the number of centers will have more than doubled to an estimated 125. These centers provide adult day care services to approximately 3,400 older Pennsylvanians.

Currently, the Department of Public Welfare inspects and licenses all private and public adult day care centers. Presently, generic regulations are applied to all adult day care facilities, regardless of client-type. Geriatric-specific regulations tailored to the needs of older day care clients are needed to ensure the health and safety of older Pennsylvanians. This Program Revision provides \$160,000 from the Lottery Fund to transfer the administrative responsibility for licensing geriatric adult day care centers from the Department of Public Welfare to the Department of Aging. This will ensure that geriatric-specific regulations are used by licensure staff who have been trained and sensitized to the needs of the older day care client.

INTENSIVE IN-HOME SERVICES Statewide Expansion



Program Revision: PENNCARE Expansion (continued)

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Families receiving Family Caregiver support services							
Current	925	1,850	1,850	1,850	1,850	1,850	1,850
Program Revision .....	.....	.....	4,370	6,250	6,250	6,250	6,250
Percent of population age 65+ with access to intensive in-home services							
Current	42%	51%	81%	81%	81%	81%	81%
Program Revision .....	.....	.....	100%	100%	100%	100%	100%
Days of intensive in-home care							
Current	545,133	564,012	771,188	978,366	992,260	992,260	992,260
Program Revision .....	.....	.....	843,843	1,193,568	1,214,425	1,214,425	1,214,425
Older Pennsylvanians receiving intensive in-home care							
Current	2,886	3,035	4,341	4,341	4,341	4,341	4,341
Program Revision .....	.....	.....	5,051	6,357	6,357	6,357	6,357

Program Revision Recommendations:

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

<p>General Fund Family Caregiver \$ 4,500 —to provide Family Caregiver support services Statewide.</p> <p>Lottery Fund PENNCARE \$ 1,791 —to expand intensive in-home services Statewide. 1,586 —to eliminate the waiting list for basic in-home services.</p> <p><u> </u> \$ 3,377 <i>Appropriation Increase</i></p>	<p>General Government Operations \$ 160 —to transfer responsibility for licensure of geriatric adult day care centers to the Department of Aging from the Department of Public Welfare.</p> <p><u> </u> \$ 8,037 <i>Program Revision Total</i></p>
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Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Family Caregiver	\$ 4,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500
LOTTERY FUND:							
PENNCARE	\$ 3,377	\$ 7,178	\$ 7,617	\$ 7,617	\$ 7,617
General Government Operations	160	206	213	221	229
TOTAL LOTTERY FUND	<u>\$ 3,537</u>	<u>\$ 7,384</u>	<u>\$ 7,830</u>	<u>\$ 7,838</u>	<u>\$ 7,846</u>
TOTAL ALL FUNDS	<u>\$ 8,037</u>	<u>\$ 14,884</u>	<u>\$ 15,330</u>	<u>\$ 15,338</u>	<u>\$ 15,346</u>

PROGRAM OBJECTIVE: To assist eligible older Pennsylvanians who experience difficulty meeting the cost of prescription drugs necessary to maintain healthy lives.

Program: Pharmaceutical Assistance

Act 63 of 1983 established the pharmaceutical assistance program to aid older Pennsylvanians who face a growing burden from the cost of drugs required to maintain healthy, productive lives. The program, financed by Lottery Fund revenue and administered by the Department of Aging, is referred to as PACE.

The PACE program pays the entire cost of prescription drugs and insulin supplies after a mandatory co-payment is made by eligible participants. Since the inception of the program, the co-payment has been \$4.00; however, the law allows a semi-annual adjustment based on financial experience and program expenditure projections.

Pennsylvania residents who are 65 or older qualify for PACE benefits if their annual income is below \$12,000 for single persons and \$15,000 for married persons and if they are not eligible for drug benefits provided by other public assistance or insurance programs. A PACE identification card, which must be renewed annually to assure compliance with the

income limit, is used to acquire benefits through local pharmacies.

Participating pharmacies are reimbursed for the cost of drugs plus a dispensing fee. The act places limits upon the quantities of drugs that may be dispensed per prescription and restricts costs for selected drug products by only reimbursing pharmacies for package sizes greater than the smallest package size available. In addition, the act prohibits payment for less than effective drugs without certification by the physician.

The 1987 PACE reauthorization legislation increased program compliance responsibilities of the Department of Aging as a means of containing costs. In addition to careful review of eligibility, the department audits providers to detect and deter fraud and established a drug utilization review system to monitor and correct misutilization of drug therapies. The use of generic drugs is encouraged by requiring claimants to pay a differential if they choose to use a brand name drug when the physician has allowed generic substitution.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Total older Pennsylvanians enrolled	451,000	430,000	430,000	430,000	430,000	430,000	430,000
Total prescriptions per year	11,992,415	11,352,000	11,610,000	11,739,000	11,868,000	11,997,000	12,126,000
Average PACE cost per prescription	\$16.95	\$19.31	\$21.78	\$24.54	\$27.64	\$31.10	\$34.98

Effective March 1, 1989, the department began staggering PACE enrollment rather than enrolling everyone on July 1. This has had the effect of reducing the number of cardholders during 1989-90. The enrollment is expected to remain stable in the future.

Program Recommendations:

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

	Transfer to PACE Fund
\$ 55,485	—to continue current program.
-21,485	--PRR -- Pharmaceutical Cost Containment.
	This Program Revision will reduce PACE costs by obtaining a rebate from manufacturers of brand name drugs purchased for clients, abolishing the Pennsylvania Formulary and providing a dispensing fee increase for pharmacies. See the Program Revision following the Medical Assistance subcategory in the Department of Welfare for further information.
<u>\$ 34,000</u>	

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
LOTTERY FUND:							
Transfer to PACE Fund	<u>\$ 165,000</u>	<u>\$ 188,000</u>	<u>\$ 222,000</u>	<u>\$ 247,000</u>	<u>\$ 283,000</u>	<u>\$ 323,000</u>	<u>\$ 367,000</u>

Program Revision: Maintaining the Integrity of the Lottery Fund

Revenue raised by the Lottery was originally intended to be used to develop new services for older Pennsylvanians. It was never intended to replace existing sources of revenue or to finance existing programs. Yet, prior to this Administration, Lottery funds were used to pay for existing programs previously supported by money from the General Fund. In 1986-87, almost \$173 million worth of programs were funded from the Lottery Fund that should have been funded from the General Fund. These programs included Medical Assistance Long-Term Care for the Elderly, Pre-Admission Assessments, Medicare Part B Premiums, Supplemental Grants to the Aged, Community Mental Retardation Services for the Elderly and the administrative costs of operating the Department of Aging.

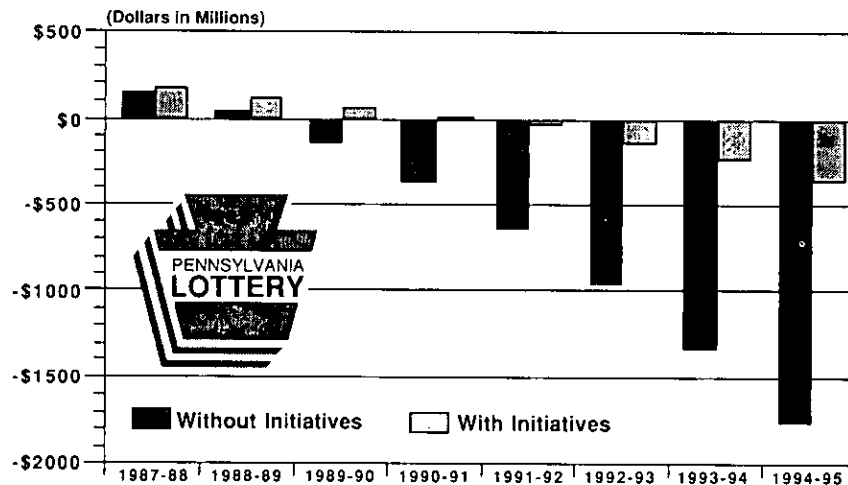
In 1987-88, this Administration took the first steps to maintain the integrity of the Lottery Fund. Funding for \$20 million in Supplemental Grants for the Aged and Community Mental Retardation Services for the Elderly was transferred back to the General Fund. In 1988-89, funding for an additional \$30 million for Medicare Part B Premiums, Pre-Admission Assessment, and Long-Term Care costs was transferred from the Lottery Fund to the General Fund. In 1989-90, another \$20 million of Long-Term Care expenditures was transferred from the Lottery Fund

to the General Fund. This Program Revision continues the effort to maintain the integrity of the Lottery Fund by transferring an additional \$10 million of Long-Term Care expenditures from the Lottery Fund to the General Fund.

In addition, the adoption of the Federal Food and Drug Administration's *Approved Drug Product List with Therapeutic Equivalence Evaluation* (referred to as the "Orange Book") as the standard for generic substitution and the implementation of the Drug Manufacturers' Rebate Program will reduce PACE pharmacy costs by over \$24.4 million in 1990-91. Of this amount, approximately \$2.9 million will be used to increase the dispensing fee paid to pharmacies. The net savings to PACE, and consequently to the Lottery Fund, is almost \$21.5 million. See the Program Revision entitled *Pharmaceutical Cost Containment* under the Department of Public Welfare for additional information.

As shown in the graph, the proposed transfer of \$10 million in program costs to the General Fund and the estimated cost savings of approximately \$21.5 million in the PACE Fund will help insure a positive ending balance in the Lottery Fund in 1990-91 as well as reduce projected future year deficits.

Lottery Fund Integrity



Program Revision Recommendations:

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

GENERAL FUND:
Public Welfare
Long-Term Care Facilities
 \$ 10,000 —to transfer program costs to the General Fund from the Lottery Fund.

LOTTERY FUND:
Public Welfare
Medical Assistance — Long-Term Care
 \$ -10,000 —to transfer program costs from the Lottery Fund to the General Fund.

PHARMACEUTICAL ASSISTANCE FUND:
Aging
 —cost savings generated from the use of the FDA Orange Book. \$ -8,452
 —cost savings generated from the Drug Manufacturers' Rebate Program. -15,936
 —increase in pharmacy dispensing fee. 2,903
Appropriation Decrease \$ -21,485
Program Revision Total \$ -21,485

In addition to these expenditure savings, the revenue deposits have been enhanced by \$13 million through the use of two-way wire transfer of funds. In the past, Lottery sales agents retained two weeks of sales to use as a float to offset prize payouts. Through the use of an electronic transfer system that will allow instant transfer of funds to the agents to meet large prize obligations, the float can be reduced to one week's sales.

Program Revision: Maintaining the Integrity of the Lottery Fund

Recommended Program Revision Costs by Appropriation: _____

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
PUBLIC WELFARE							
Long-Term Care Facilities	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
LOTTERY FUND:							
PUBLIC WELFARE							
Medical Assistance — Long-Term Care	\$ -10,000	\$ -10,000	\$ -10,000	\$ -10,000	\$ -10,000
AGING							
Pharmaceutical Assistance Fund	-21,485	-39,690	-42,571	-47,349	-54,768
TOTAL LOTTERY FUND	\$ -31,485	\$ -49,690	\$ -52,571	\$ -57,349	\$ -64,768
TOTAL ALL FUNDS	\$ -21,485	\$ -39,690	\$ -42,571	\$ -47,349	\$ -54,768



Commonwealth of Pennsylvania

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; to regulate the conduct of horse racing; and to improve the quality of life in rural Pennsylvania.

AGRICULTURE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 16,785	\$ 17,939	\$ 18,373
(F) Diagnostic Laboratory Services	32	45	10
(F) FDA Food Sanitation Inspection .....	..	72	..
(F) Poultry Grading Services	116	136	116
(F) Market News Reporting	18	20	20
(F) Medicated Feed Mill Inspection	11	26	13
(F) Donated Foods	100	150	150
(F) Plant Pest Detection System	44	32	32
(F) Household Commodity Program	2,114	2,300	2,500
(F) Pseudorabies Pilot Project	60	100	50
(F) Pesticide Control	227	367	430
(F) Consumer Saving .....	..	33	..
(F) Rural Development .....	..	17	..
(F) Rural Transportation .....	..	78	..
(A) Feed and Fertilizer	293	297	294
(A) Lime Inspection	32	35	32
(A) Soil Conditioner	8	19	10
(A) Milk Plant Inspections	34	35	35
(A) Fruit Tree Improvement	22	15	15
(A) Animal Industry Services	3	5	5
(A) Special Conferences and Projects	6	7	7
(A) Administrative Services	498	485	501
(A) Pesticide Regulation	556	802	779
(A) Training Rides and Attractions	12	7	7
Total — General Government Operations	\$ 20,971	\$ 23,022	\$ 23,379
Agricultural Conservation Easement Administration	67	98	124
Agricultural Research	2,499	3,000	2,500
Agricultural Promotion	360	590	500
Farmers' Market Food Coupons .....	..	..	104
(F) Farmers' Market Food Coupons .....	..	230	212
(A) WIC — Reimbursement .....	..	70	100
Subtotal — State Funds	\$ 19,711	\$ 21,627	\$ 21,601
Subtotal — Federal Funds	2,722	3,606	3,533
Subtotal — Augmentations	1,464	1,777	1,785
Total — General Government	\$ 23,897	\$ 27,010	\$ 26,919

AGRICULTURE

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GRANTS AND SUBSIDIES:			
Brucellosis Vaccination	\$ 150	\$ 225	\$ 225
Rabies Research	273	273	273
Poultry Surveillance	155	171	171
Animal Health Commission	879 ^a	955 ^b	955
Animal Indemnities	232	399	250
Transfer to State Farm Products Show Fund	1,000	1,000	1,000
Livestock Show	140	152	152
Open Dairy Show	83	90	90
Junior Dairy Show	33	36	36
4-H Club Shows	38	41	41
Payments to Pennsylvania Fairs	3,400	3,750	3,750
Emergency Food Assistance	8,000	9,500	10,000
TEFAP - Administration	165	250	150
Mushroom Promotion	100	100	.....
FFA Foundation	30	33	.....
Emergency Apple Marketing .....	.....	100	.....
Total — Grants and Subsidies	<u>\$ 14,678</u>	<u>\$ 17,075</u>	<u>\$ 17,093</u>
STATE FUNDS	\$ 34,389	\$ 38,702	\$ 38,694
FEDERAL FUNDS	2,722	3,606	3,533
AUGMENTATIONS	<u>1,464</u>	<u>1,777</u>	<u>1,785</u>
GENERAL FUND TOTAL	<u>\$ 38,575</u>	<u>\$ 44,085</u>	<u>\$ 44,012</u>
ECONOMIC REVITALIZATION FUND			
GRANTS AND SUBSIDIES:			
PENNAG Fund	<u>\$ 1,000</u>	<u>.....</u>	<u>\$ 1,000</u>
FARM PRODUCTS SHOW FUND			
GENERAL GOVERNMENT:			
General Operations	\$ 1,890	\$ 2,109	\$ 2,205
(A) Transfer from General Fund .....	.....^c	.....^c	.....^c
Total — General Government	<u>\$ 1,890</u>	<u>\$ 2,109</u>	<u>\$ 2,205</u>
CAPITAL IMPROVEMENTS:			
Farm Show Roof Replacement	\$ 4	\$ 1,000	\$ 1,819
FARM PRODUCTS SHOW FUND TOTAL	<u>\$ 1,894</u>	<u>\$ 3,109</u>	<u>\$ 4,024</u>

^aActually expended as: \$274,000 for Livestock Diagnostic Contract: \$275,000 for Poultry Laboratory Diagnostic Contract: \$209,000 for Field Investigation and \$121,000 for John's Disease.

^bActually appropriated as: \$298,000 for Livestock Diagnostic Contract: \$298,000 for Poultry Laboratory Diagnostic Contract: \$228,000 for Field Investigation and \$131,000 for John's Disease.

^cNot added to the total to avoid double counting: 1988-89 actual is \$1,000,000, 1989-90 available is \$1,000,000 and 1990-91 recommended is \$1,000,000.

AGRICULTURE

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
RACING FUND			
<i>GENERAL GOVERNMENT:</i>			
State Racing Commissions	\$ 4,754	\$ 5,135	\$ 5,282
Race Horse Testing Laboratory	814	933	976
Payments to Pennsylvania Fairs—Administration	225	184	191
Total — General Government	\$ 5,793	\$ 6,252	\$ 6,449
 <i>GRANTS AND SUBSIDIES:</i>			
Transfer to the General Fund	\$ 1,940	\$ 1,612	\$ 401
RACING FUND TOTAL	\$ 7,733	\$ 7,864	\$ 6,850
 OTHER FUNDS			
<i>GENERAL FUND:</i>			
Agriculture Farm Operations	\$ 237	\$ 487	\$ 235
Recovery on Lost Commodities	25	25	25
Dog Law Administration	3,932	3,800	3,805
Farm Loan Program	79	79	79
Pesticide Regulatory Account	563	937	849
Poultry Inspection	4	13	13
Public Weighmasters	17	17	17
GENERAL FUND TOTAL	\$ 4,857	\$ 5,358	\$ 5,023
 <i>RACING FUND:</i>			
Sire Stakes Fund	\$ 2,007	\$ 1,656	\$ 2,292
Breeders' Fund	2,413	2,515	3,411
RACING FUND TOTAL	\$ 4,420	\$ 4,171	\$ 5,703
 OTHER FUNDS TOTAL	 \$ 9,277	 \$ 9,529	 \$ 10,726
 DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 34,389	\$ 38,702	\$ 38,694
SPECIAL FUNDS	10,627	10,973	11,874
FEDERAL FUNDS	2,722	3,606	3,533
AUGMENTATIONS	1,464	1,777	1,785
OTHER FUNDS	9,277	9,529	10,726
TOTAL ALL FUNDS	\$ 58,479	\$ 64,587	\$ 66,612

AGRICULTURE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
EMERGENCY FOOD ASSISTANCE							
General Funds.....	\$ 8,165	\$ 9,750	\$ 10,254	\$ 10,258	\$ 10,262	\$ 10,266	\$ 10,270
Federal Funds.....	2,114	2,530	2,712	2,667	2,667	2,667	2,667
Other Funds.....	0	70	100	100	100	100	100
TOTAL.....	\$ 10,279	\$ 12,350	\$ 13,066	\$ 13,025	\$ 13,029	\$ 13,033	\$ 13,037
PROTECTION & DEVELOP. OF AGRI. INDUSTRIES							
General Funds.....	\$ 26,224	\$ 28,952	\$ 28,440	\$ 29,033	\$ 29,721	\$ 30,433	\$ 31,170
Special Funds.....	3,119	3,293	5,215	3,482	3,572	3,664	3,760
Federal Funds.....	608	1,076	821	841	863	885	908
Other Funds.....	6,321	7,065	6,708	6,924	7,145	7,374	7,611
TOTAL.....	\$ 36,272	\$ 40,386	\$ 41,184	\$ 40,280	\$ 41,301	\$ 42,356	\$ 43,449
HORSE RACING REGULATION							
Special Funds.....	\$ 7,508	\$ 7,680	\$ 6,659	\$ 8,410	\$ 10,096	\$ 10,988	\$ 13,067
Other Funds.....	4,420	4,171	5,703	5,910	6,122	6,343	6,570
TOTAL.....	\$ 11,928	\$ 11,851	\$ 12,362	\$ 14,320	\$ 16,218	\$ 17,331	\$ 19,637
ALL PROGRAMS:							
GENERAL FUND.....	\$ 34,389	\$ 38,702	\$ 38,694	\$ 39,291	\$ 39,983	\$ 40,699	\$ 41,440
SPECIAL FUNDS.....	10,627	10,973	11,874	11,892	13,668	14,652	16,827
FEDERAL FUNDS.....	2,722	3,606	3,533	3,508	3,530	3,552	3,575
OTHER FUNDS.....	10,741	11,306	12,511	12,934	13,367	13,817	14,281
TOTAL.....	\$ 58,479	\$ 64,587	\$ 66,612	\$ 67,625	\$ 70,548	\$ 72,720	\$ 76,123

PROGRAM OBJECTIVE: To strengthen the agricultural economy and related enterprises.

Program: Protection and Development of Agricultural Industries

The Department of Agriculture administers several related elements within this program.

Program Element: Agribusiness Development

To improve the economy of the Pennsylvania agriculture and food industry, programs have been developed that enhance the ability of Pennsylvania agriculture and food businesses to market their products in an extremely competitive market place. Emphasis is placed on the marketing of raw agriculture products through direct consumer marketing and on value-added products that utilize commodities produced by Pennsylvania farmers. These areas demonstrate the greatest opportunities for the Commonwealth to capture the full economic value of marketing.

This program element is divided into three sections: a domestic trade section, an international trade section and a market opportunities section. The domestic trade section primarily focuses on direct consumer market development and creating trade and consumer demands for Pennsylvania agriculture and food products, usually through promotional objectives. The international trade section helps Pennsylvania companies market their products in foreign markets by providing promotional opportunities in foreign market places. The international trade section differs from the domestic trade section in that technical outreach to Pennsylvania food and agriculture businesses is necessary if they are to adequately understand and prepare for market opportunities in foreign economies.

The market opportunities section looks at the domestic and foreign market places to identify market needs and communicate these needs to the Pennsylvania food and agriculture industry. Pennsylvania businesses then are better able to expand as they develop products and services that meet the needs of the Pennsylvania farmer, producer and processor.

Additionally the department's objective is to strengthen all markets, through programs designed to promote such commodities as apples, honey, cherries, grapes, maple syrup, beef, milk and dairy products. In most instances, the promotion of these products is coordinated with councils representing product interest. Some councils assess members fees based on their productivity.

Other promotional activities for Pennsylvania products include appearances by the Pennsylvania Dairy Princess, county dairy princesses and other Statewide commodity representatives at shopping centers and other public functions, developing and displaying exhibits that depict agriculture's role in the economy of Pennsylvania, and working with Statewide commodity organizations.

This program provides funds for the operation of the Farm Show Complex in Harrisburg. The grant program, Payments to Pennsylvania Fairs, is also included in this program. The recommended funding amount will be used for agricultural fair operating reimbursements and grants to Statewide agricultural organizations, Future Farmers of America and 4-H groups in accordance with the guidelines of Act 92 of 1986.

After these requirements have been fulfilled, the remaining appropriation balance will be used for capital improvements at fairs. In 1989-90, approximately \$850,000 is projected to be available to be used to pay off the capital improvement deficit of \$1.0 million. The majority of these projects were approved prior to January, 1987, apparently without regard to the amount of funds available to pay for such improvements. As a result, fairs made approved improvements with their own funds but were denied reimbursement because funds had been used for other purposes. Because of this backlog of approved but unreimbursed costs, the Secretary of Agriculture placed a moratorium on all new applications on March 5, 1987. The moratorium will remain in effect until the deficit is eliminated, which is expected to occur in 1990-91. The proposed 1990-91 funding level includes approximately

\$200,000 that could be used for new projects once the moratorium is lifted.

Program Element: Animal Health

The objective of this element is to maintain the health of domestic animals in order to protect human health, to protect the quantity, quality and safety of food of animal origin, and to provide for the general welfare of domestic animals. Emphasis is placed on disease prevention by surveillance and diagnostic activity to detect disease, control of animal movements to prevent the spread of disease, health certification programs to identify disease-free animals, and research to develop improved husbandry and health maintenance methods. Of major concern are interstate and international movements of animals and animal products that may introduce any one of numerous dangerous transmissible diseases existing outside the Commonwealth. Compliance with animal health rules is achieved by regular inspection of animal marketing and processing activities by veterinarians and livestock disease control technicians.

Also included in this program is dog law enforcement. Primary functions include control and regulation of the sale and transportation of dogs, kennel inspections, reimbursement of law enforcement agencies for the detention and disposition of stray dogs, subsidization of qualified agencies for building or expanding shelters, and reimbursement to owners of livestock and poultry for damage caused by dogs. Approximately 900,000 dogs and 2,000 kennels are licensed currently under this program.

Dog law expenditures are reflected in this program as Other Funds.

Program Element: Consumable Agricultural Products

The Department of Agriculture is committed through regulatory efforts to protect the health and safety of the consumer and assure the availability of quality agriculture products to consumers.

Among the most significant of the department's protection activities is its efforts in food law compliance. An educational approach has been developed under which department personnel participate in training courses for food handlers. Food establishments which are inspected include all licensed food stores, processing plants, warehouses, transportation facilities, bakeries, dairies, bottling plants, and certain restaurants and concession stands. Additional activities guarantee the quality of animal feeds, fertilizers, liming materials, plant materials and pesticides.

Also included in this element are activities which regulate and maintain uniform standards of legal weights and measures of Commonwealth products. The Bureau of Weights and Measures performed 56,819 inspections in 1988-89, and expects to perform the same amount in 1989-90.

To protect the consumer and assure the availability of quality agriculture products, the Department regulates the sale of feed, fertilizer, lime and seeds by requiring certain label information and by sampling and analyzing products in its Harrisburg laboratories. During 1988-89, 1,000 agribusinesses were inspected and nearly 4,000 feed, fertilizer and lime samples analyzed.

The department inspects all ornamental nurseries and greenhouses periodically to determine the presence of new plant pests. The field staff is supported by laboratories staffed by scientists to insure correct diagnosis of the pest and to quarantine and/or prescribe proper treatment. During 1988-89, more than 2,232 dealers, and 2,400 nurseries and greenhouses were inspected, involving more than 23,000 acres of plant material; 35 million vegetable transplants from out-of-state sources were also inspected to insure they were pest free. The Department also inspected 2,106 apiaries involving 11,600 colonies of bees in 1989 for disease problems.

AGRICULTURE

Program: Protection and Development of Agricultural Industries (continued)

The Pesticide Control Law provides for the regulation of the use, handling, storage and transportation of pesticides. The department achieves its statutory responsibilities by requiring registration of all pesticide products, testing and licensing of all persons who use pesticides to insure minimum competency levels and periodically inspecting those who use, store or transport pesticides. Complaints about misuse are also investigated by the department. During 1988-89, 882

pesticide dealers were licensed, 31,000 pesticide applicators certified, more than 10,000 pesticide products registered, 930 inspections and investigations conducted and 212 samples analyzed. This program attempts to provide for the optimum use of pesticides, while minimizing their adverse effects on human life and the environment.

Pesticide expenditures are reflected in this program as Other Funds.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Agribusiness Development							
Dollar volume of food and agricultural exports (millions)	\$235	\$250	\$265	\$280	\$294	\$294	\$294
Trade leads generated	850	850	850	1,000	1,100	1,100	1,100
Animal Health							
Animals examined to determine disease (thousands)	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Animals quarantined (thousands)	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Animals destroyed	10,335	20,000	3,000	3,000	3,000	3,000	3,000
Consumable Agricultural Products							
Incidence of food products showing major discrepancies	41,781	64,353	68,114	68,114	65,000	65,000	65,000
Dollar value of:							
products removed from the market (thousands)	\$1,572	\$2,420	\$2,562	\$2,562	\$2,000	\$2,000	\$2,000
consumer commodities inspected (thousands)	\$37,500	\$57,750	\$61,125	\$61,125	\$61,125	\$61,125	\$61,125

The 1989-90 increase in the measure for the number of animals destroyed is a result of increased pseudorabies infection in swine.

The increase in the dollar value of products removed from the market has been impacted by additional food inspector staff hired during 1989-90.

Program Recommendations:

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

General Fund:		Agricultural Conservation Easement Administration	
General Government Operations			
\$ -672	—nonrecurring projects including one-time fixed asset needs.	\$ -1	—to continue current program.
926	—to continue current program.	27	—to enhance operations and training for county boards and appraisers.
180	—to maintain accreditation at the Summerdale Laboratory.	\$.26	—Appropriation Increase
<hr/>			
\$ 434	<i>Appropriation Increase</i>		Animal Indemnities
		\$ -149	—reduction based on projected program activity level.

Other General Fund programs are recommended at current levels or decrease due to nonrecurring projects.

AGRICULTURE

Program: Protection and Development of Agricultural Industries (continued)

Program Recommendations: (continued)

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

<p>RACING FUND Payments to Pennsylvania Fairs - Administration \$ 7 —to continue current program.</p> <p>FARM PRODUCTS SHOW FUND: General Operations \$ -47 —nonrecurring projects. 55 —to continue current program. 88 —for maintenance of the complex due to additional events.</p> <hr style="width: 10%; margin-left: 0;"/> <p>\$ 96 <i>Executive Authorization Increase</i></p>	<p>Farm Show Roof Replacement \$ 819 —balance needed for roof replacement.</p> <p>Economic Revitalization Fund PENNAG Fund \$ 1,000 —loans for agriculture processors; examples include hardwoods, vegetable processing and new techniques in packaging and freezing of food products.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operations	\$ 16,785	\$ 17,939	\$ 18,373	\$ 18,962	\$ 19,645	\$ 20,352	\$ 21,084
Agricultural Conservation Easement							
Administration	67	98	124	128	133	138	143
Agricultural Research	2,499	3,000	2,500	2,500	2,500	2,500	2,500
Agricultural Promotion	360	590	500	500	500	500	500
Brucellosis Vaccination	150	225	225	225	225	225	225
Rabies Research	273	273	273	273	273	273	273
Animal Health Commission	879	955	955	955	955	955	955
Poultry Surveillance	155	171	171	171	171	171	171
Animal Indemnities	232	399	250	250	250	250	250
Transfer to State Farm Products Show							
Fund	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Livestock Show	140	152	152	152	152	152	152
Open Dairy Show	83	90	90	90	90	90	90
Junior Dairy Show	33	36	36	36	36	36	36
4-H Club Shows	38	41	41	41	41	41	41
Payments to Pennsylvania Fairs	3,400	3,750	3,750	3,750	3,750	3,750	3,750
Mushroom Promotion	100	100	.....	.....	.....	.....	.....
FFA Foundation	30	33	.....	.....	.....	.....	.....
Emergency Apple Marketing .....	.....	100	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 26,224	\$ 28,952	\$ 28,440	\$ 29,033	\$ 29,721	\$ 30,433	\$ 31,170

AGRICULTURE

Program: Protection and Development of Agricultural Industries (continued)

Appropriations within this Program: (continued)

(Dollar Amounts in Thousands)

	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
ECONOMIC REVITALIZATION FUND							
PENNAG Fund	\$ 1,000	.....	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
FARM PRODUCTS SHOW FUND							
General Operations	\$ 1,890	\$ 2,109	\$ 2,205	\$ 2,284	\$ 2,367	\$ 2,452	\$ 2,540
Roof Replacement	4	1,000	1,819	.....	.....	.....	.....
Total Farm Products Show Fund	<u>\$ 1,894</u>	<u>\$ 3,109</u>	<u>\$ 4,024</u>	<u>\$ 2,284</u>	<u>\$ 2,367</u>	<u>\$ 2,452</u>	<u>\$ 2,540</u>
RACING FUND							
Payments to Pennsylvania Fairs — Administration	<u>\$ 225</u>	<u>\$ 184</u>	<u>\$ 191</u>	<u>\$ 198</u>	<u>\$ 205</u>	<u>\$ 212</u>	<u>\$ 220</u>

AGRICULTURE

PROGRAM OBJECTIVE: To prevent consumer fraud in the racing industry.

Program: Horse Racing Regulation

Activities in this program area include the development and implementation of rules, regulations and procedures to insure the public and harness and horse owners of honest and safe competitive pari-mutuel harness and horse racing.

Horse racing in Pennsylvania is governed by Act 93 of 1983. This act merged the State Harness Racing Fund and the State Horse Racing Fund into the Racing Fund, adjusted the tax schedule and revised the

distribution of funds in order to assist the racing industry by increasing the funds retained by the tracks.

From monies remaining in the Racing Fund after payment of necessary expenses, percentages of the amount wagered, as specified by law, are credited to the Breeders' Fund and to the Sire Stakes' Fund. All remaining monies in the Racing Fund are then transferred to the General Fund in the subsequent fiscal year.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Investigations to insure compliance with established rules and regulations:							
Harness	180	200	200	200	200	200	200
Horse	1,558	1,594	2,000	2,000	2,000	2,000	2,000
Participant licenses issued:							
Harness	6,297	6,500	5,000	5,000	5,000	5,000	5,000
Horse	9,100	9,500	9,500	9,500	9,500	9,500	9,500
Licenses suspended for noncompliance of rules and regulations:							
Harness	218	250	250	250	250	250	250
Horse	330	330	330	330	330	330	330
Racing days approved:							
Harness	357	370	370	370	370	370	370
Horse	449	500	500	500	500	500	500

The increases from previous budget documents in the measure for investigations to insure compliance with established rules and regulations for horse and harness racing are attributed to implementation of off-track wagering, increased race days over last year's projections and upgraded testing.

The decrease from previous budget documents in the number of participant licenses issued for horse racing is based on a recent trend indicating less participants, and for harness racing is due to implementation of three-year licensing renewal, which is to be completed by the end of 1989-90.

The decrease in licenses suspended for noncompliance of rules and regulations for horse racing is due to reduced racing at Erie Downs. The increase for harness racing is due to the anticipated increase of racing days at the Meadows as well as implementation of off-track wagering.

Program Recommendations:

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

<p>State Racing Commissions</p> <p>\$ -160 —nonrecurring projects.</p> <p>243 —to continue current program.</p> <p>39 —for increased racing days.</p> <p>25 —to continue implementation of off-track wagering.</p> <hr/> <p>\$ 147 <i>Executive Authorization Increase</i></p>	<p>Transfer to the General Fund</p> <p>\$ -1,211 —reduced funds available for transfer. Law requires June 30th ending surplus to be transferred to the General Fund.</p>
<p>Race Horse Testing Lab</p> <p>\$ -48 —nonrecurring projects.</p> <p>56 —to continue current program.</p> <p>35 —for additional routine race horse blood testing.</p> <hr/> <p>\$ 43 <i>Executive Authorization Increase</i></p>	

AGRICULTURE

Program: Horse Racing Regulation (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
STATE RACING FUND:							
State Racing Commissions	\$ 4,754	\$ 5,135	\$ 5,282	\$ 5,498	\$ 5,696	\$ 5,901	\$ 6,113
Race Horse Testing Lab	814	933	976	1,011	1,048	1,085	1,124
Transfer to the General Fund	1,940	1,612	401	1,901	3,352	4,002	5,830
TOTAL STATE RACING FUND	\$ 7,508	\$ 7,680	\$ 6,659	\$ 8,410	\$ 10,096	\$ 10,988	\$ 13,067

AGRICULTURE

PROGRAM OBJECTIVE: To distribute surplus and donated food through institutions and counties or designated lead agencies to individuals and families who are dependent or disadvantaged to support minimum standards of living and economic independence.

Program: Emergency Food Assistance

The State funded Emergency Food Assistance Program provides grants to counties or a designated lead agency to purchase food to be provided to the needy. These grants are allocated to counties based on three factors: unemployment, food stamp recipients not on public assistance, and medical assistance recipients. Administrative costs of this program are funded from the grants, with a six and one-half percent limit on administrative allocations.

This program also distributes Federal surplus food through two programs: the traditional program involving schools, prisons, hospitals, summer camps, etc; and the Federal Temporary Emergency Food Assistance Program (TEFAP) which involves distribution of surplus food to the needy in Pennsylvania who meet certain eligibility criteria.

The traditional program distributes commodities among the states based on daily census, and allocates commodities within the State based on the same criteria. The TEFAP commodities are allocated among the states according to unemployment and poverty levels, and are allocated within the State based on the same criteria. Administrative and warehousing costs for both programs have been borne by the Federal Government; however in 1987-88 it was apparent that State funded support of the Federal TEFAP Program would also be necessary due to Federal reductions in administrative support. TEFAP-Administration monies reimburse local lead agencies for administrative costs incurred in accepting and distributing TEFAP commodities.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Dollar value of commodities distributed (thousands)	\$52,033	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000
Persons receiving donated or surplus foods (thousands):							
Traditional program	1,040	1,000	1,000	1,000	1,000	1,000	1,000
TEFAP	3,100	3,100	3,100	3,100	3,100	3,100	3,100
Emergency Food Assistance Program	2,600	2,600	2,600	2,600	2,600	2,600	2,600

The reduction in the dollar value of commodities distributed is due to a reduction in the quantities of commodities received from the Federal Government. Mass distributions have been discontinued and all commodities are channeled through food pantries.

Program Recommendations:

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

<p>Farmers' Market Food Coupons</p> <p>\$ 104 —for administrative support for the Farmers' Market Food Coupon Program.</p>	<p>TEFAP-Administration</p> <p>\$ -100 —due to a reduction in the quantities of commodities received from the Federal Government.</p>
<p>Emergency Food Assistance</p> <p>\$ 500 —to increase the financial support to counties and lead agencies to feed needy individuals and families.</p>	

AGRICULTURE

Program: Emergency Food Assistance (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Farmers' Market Food Coupons .....	.....	.....	\$ 104	\$ 108	\$ 112	\$ 116	\$ 120
Emergency Food Assistance	\$ 8,000	\$ 9,500	10,000	10,000	10,000	10,000	10,000
TEFAP—Administration	165	250	150	150	150	150	150
TOTAL GENERAL FUND	<u>\$ 8,165</u>	<u>\$ 9,750</u>	<u>\$ 10,254</u>	<u>\$ 10,258</u>	<u>\$ 10,262</u>	<u>\$ 10,266</u>	<u>\$ 10,270</u>



Commonwealth of Pennsylvania

Department of Banking

The Department of Banking protects the public through the examination of records, accounts and policies of State-chartered financial institutions.

BANKING

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
BANKING DEPARTMENT FUND			
<i>GENERAL GOVERNMENT:</i>			
General Operations	\$ 8,592	\$ 8,642	\$ 8,798
BANKING DEPARTMENT FUND TOTAL	<u>\$ 8,592</u>	<u>\$ 8,642</u>	<u>\$ 8,798</u>

BANKING

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
REGULATION OF FINANCIAL INSTITUTIONS							
Special Funds.....	\$ 8,592	\$ 8,642	\$ 8,798	\$ 9,114	\$ 9,442	\$ 9,782	10,134
TOTAL.....	\$ 8,592	\$ 8,642	\$ 8,798	\$ 9,114	\$ 9,442	\$ 9,782	10,134
ALL PROGRAMS:							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
SPECIAL FUNDS.....	8,592	8,642	8,798	9,114	9,442	9,782	10,134
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
TOTAL.....	\$ 8,592	\$ 8,642	\$ 8,798	\$ 9,114	\$ 9,442	\$ 9,782	10,134

PROGRAM OBJECTIVE: To insure the maintenance of an economically sound and competitive system of State-chartered financial institutions.

Program: Financial Institution Regulation

This program involves supervision and examination of the records, accounts and policies of State-chartered banking institutions, bank holding companies, State-chartered savings associations, sales finance companies, installment sellers, money transmitters, consumer discount companies, collector-repossessors, pawnbrokers and State-chartered credit unions. Other activities included in this program area are examinations of business development credit corporations and special investigations where necessary.

As of June 30, 1989, there were 160 banks under the department's supervision: 134 commercial banks, 11 savings banks, 5 private banks and 10 trust companies. In addition there were six foreign banks which established 7 branch offices in Pennsylvania. Also there are 104 bank holding companies and 34 multi-bank holding companies in operation in Pennsylvania.

Department of Banking responsibilities were significantly expanded by Acts 69, 205 and 206 of 1986, which provide for regional reciprocal interstate banking by commercial banks, savings banks, and savings and loan associations. Under these acts, the department must approve

all of the following interstate activity: interstate acquisitions and denovo (newly chartered) banks by all commercial bank holding companies, and interstate branching, mergers and acquisitions by State-chartered thrift institutions. Under these interstate banking acts, the department is to monitor the safety and soundness of the interstate institutions and ensure that the needs of Pennsylvania's communities are adequately served. This entails assuring that Pennsylvania residents have available to them the basic transaction accounts offered by the in-state institutions, and that the State's economy does not suffer through a lack of loans and other services that are required to enhance and maintain the State's economy.

Acts 69 and 205 include triggers, effective March 4, 1990, that permit Pennsylvania banks to branch statewide. Reciprocal interstate banking will be nationwide.

Act 90 of 1989 enacted the Mortgage Bankers and Brokers Act, which requires the Banking Department to license and examine mortgage companies and mortgage brokers.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Supervision of State-chartered:							
Banks	160	163	166	169	172	175	178
Savings and loan associations	145	141	136	130	125	120	115
Credit unions	151	148	145	142	139	136	133
Consumer credit agencies and branches licensed	1,433	1,450	1,470	1,490	1,490	1,490	1,490
Installment sellers licensed	3,994	3,894	3,794	3,694	3,694	3,694	3,694

The decline in the program measure for supervision of State-Chartered Savings and Loan Associations and Credit Unions is attributable to mergers.

Program Recommendations:

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

General Operations	
\$ -180	—nonrecurring projects.
336	—to continue current program including implementation of the Mortgage Bankers and Brokers Act.
<hr/>	
\$ 156	<i>Executive Authorization Increase</i>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
BANKING DEPARTMENT FUND:							
General Operations	\$ 8,592	\$ 8,642	\$ 8,798	\$ 9,114	\$ 9,442	\$ 9,782	\$ 10,134



Commonwealth of Pennsylvania

Civil Service Commission

The Civil Service Commission administers the Commonwealth's merit system. The responsibilities of the commission include: recruitment of qualified candidates; 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)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 1	\$ 1	\$ 1
(A) Fees From Agencies	8,064	8,604	8,961
(A) Special Merit System Services	450	646	560
(A) Special Merit System Services — U.C.D. EXAM .....	.....	.....	640
STATE FUNDS	\$ 1	\$ 1	\$ 1
AUGMENTATIONS	8,514	9,250	10,161
GENERAL FUND TOTAL	\$ 8,515	\$ 9,251	\$ 10,162

CIVIL SERVICE COMMISSION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
PERSONNEL SELECTION							
General Funds.....	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Other Funds.....	8,514	9,250	10,161	10,429	10,219	10,587	10,968
TOTAL.....	\$ 8,515	\$ 9,251	\$ 10,162	\$ 10,430	\$ 10,220	\$ 10,588	\$ 10,969
ALL PROGRAMS:							
GENERAL FUND.....	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	8,514	9,250	10,161	10,429	10,219	10,587	10,968
TOTAL.....	\$ 8,515	\$ 9,251	\$ 10,162	\$ 10,430	\$ 10,220	\$ 10,588	\$ 10,969

CIVIL SERVICE COMMISSION

PROGRAM OBJECTIVE: To provide a sufficient number of qualified, available persons to meet merit system manpower needs.

Program: Personnel Selection

Through this program, the Civil Service Commission provides qualified persons to meet merit system staffing needs.

The commission works toward bringing the Commonwealth merit system into full compliance with all State laws and regulations concerning employee selection procedures and the Federal Uniform Guidelines on Employee Selective Procedures. This includes job analysis, test discrimination, test analysis and development, and implementation of an adverse impact determination program.

Goals of the commission include: 1) identification and elimination of adverse impact; 2) development of more valid examinations; 3) the identification and elimination of discrimination in the Commonwealth's personnel system; 4) increased efficiency in meeting personnel needs of other State agencies; and 5) prompt and accurate resolution or adjudication of complaints, grievances and appeals.

The funds supporting this program are received from billing various General and Special Fund agencies.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Total eligibles on lists	171,680	175,000	180,000	180,000	180,000	180,000	180,000
Persons scheduled for exams	119,732	125,000	140,000	145,000	145,000	145,000	150,000
Appeal requests received and processed	499	650	700	750	800	850	900
Certifications audited	13,000	13,500	14,000	14,250	14,500	14,750	15,000
Handicapped persons provided							
employment information	260	350	425	425	425	425	425
Handicapped persons hired	35	55	65	70	70	75	75

The program measure employees referred to interested agencies for employment consideration has been deleted, as it reflects only a narrow component of personnel selection.

Actual 1988-89 data on Program Measures are below projected levels shown in the 1989-90 budget, chiefly because the Commission temporarily discontinued or curtailed virtually all its activities during the Sunset Act phase-out period prior to the enactment of renewal legislation in late June 1989.

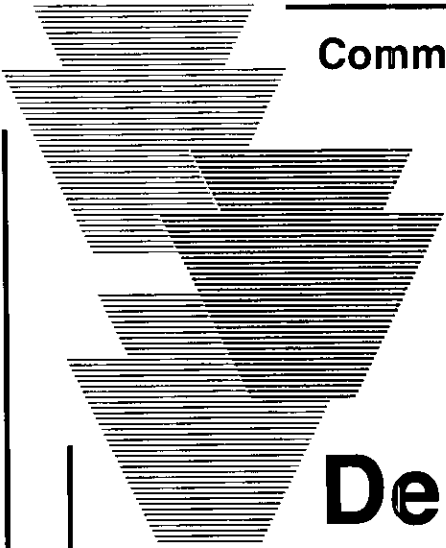
Program Recommendations:

This budget recommends the following changes in augmentations received from agency billings. (Dollar Amounts in Thousands)

General Government Operations	
\$ -199	—nonrecurring costs for Electronic Testing and Scoring, Teleprocessing Center, and Mini-Computer upgrade.
470	—to continue current program.
640	—for the administration of the Uniform Commercial Driving Examination.
<u>\$ 911</u>	<i>Augmentation Increase</i>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
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>



Commonwealth of Pennsylvania

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, flood plain management, planning and manpower training.

COMMUNITY AFFAIRS

Summary by Fund and Appropriation

GENERAL FUND	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL GOVERNMENT:			
General Government Operations	\$ 8,586	\$ 28,776	\$ 9,940
(F) ARC Planning — Administration	3	25	..
(F) LWCF — Administration	50	40	30
(F) SCDBG — Administration	1,073	963	921
(F) CSBG — Administration	640	609	689
(F) Operation Outreach	13	50	..
(F) Training Road and Street Maintenance	33	82	98
(F) Police Management	90	20	50
(F) Folk Arts	9	42	55
(F) Folklife Resource Survey .....	..	210	185
(F) LIHEABG — Administration .....	..	..	561
(A) Mobile and Industrialized Housing Act	157	219	212
(A) Training Course Registration	432	400	385
(A) Heritage Affairs Donation	3	104	92
(A) Energy Conservation Code Fees	245	298	323
(A) Distressed Communities	106	..	..
(A) Stock Room Reimbursement	25	25	25
(A) RIRA Reimbursement	173	191	202
(A) State Clearinghouse	140	140	140
(A) DER Recycling Training .....	..	..	45
Subtotal — General Government Operations	<u>\$ 11,778</u>	<u>\$ 32,194</u>	<u>\$ 13,953</u>
Hispanic Council	91	200	255
Subtotal — State Funds	<u>\$ 8,677</u>	<u>\$ 28,976</u>	<u>\$ 10,195</u>
Subtotal — Federal Funds	1,911	2,041	2,589
Subtotal — Augmentations	1,281	1,377	1,424
Total — General Government	<u>\$ 11,869</u>	<u>\$ 32,394</u>	<u>\$ 14,208</u>
GRANTS AND SUBSIDIES:			
Circuit Riders .....	..	\$ 250	\$ 250
Flood Plain Management	\$ 75	60	60
(F) FEMA — Technical Assistance	148	125	60
Total — Flood Plain Management	<u>\$ 223</u>	<u>\$ 185</u>	<u>\$ 120</u>
Community Conservation and Youth Employment	2,736	2,736	2,736
(F) Community Services Block Grant	16,419	18,990	16,000
Total — Community Conservation and Youth Employment	<u>\$ 19,155</u>	<u>\$ 21,726</u>	<u>\$ 18,736</u>
Housing and Redevelopment Assistance	45,000	37,000	20,000^a
(F) Small Communities Block Grant	64,842	65,000	65,000
(F) Temporary Housing — Superfund Cleanup	11	100	100
(F) DOE — Weatherization	10,747	13,000	10,573
(F) Centralia Recovery	1,639	3,625	3,500
(F) Emergency Shelter for the Homeless	225	1,808	1,600
(F) Permanent Housing For Disabled Homeless	408	1,000	2,154
(F) Centralia — Route 61 Relocation .....	..	975	..
(F) LIHEABG — Program .....	..	..	10,671
(A) Return of Unused Project Monies	2,338	4,000	3,000
Total — Housing and Redevelopment Assistance	<u>\$ 125,210</u>	<u>\$ 126,508</u>	<u>\$ 116,598</u>
Enterprise Development	\$ 7,250	\$ 7,250	..^b
(A) Return of Unused Project Monies	681	400	.. ^b
Total — Enterprise Development	<u>\$ 7,931</u>	<u>\$ 7,650</u>	<u>..</u>
Regional Councils	200	200	200
Planning Assistance	175	175	175

^aEconomic development setaside portion of program transferred to the Pennsylvania Economic Revitalization Fund (PERF).

^bProgram transferred to the Pennsylvania Economic Revitalization Fund (PERF).

COMMUNITY AFFAIRS

(Dollar Amounts in Thousands)

GENERAL FUND	1988-89 Actual	1989-90 Available	1990-91 Budget
GRANTS AND SUBSIDIES: (continued)			
We The People 200 .....	.....	\$ 500	.....
Community and Economic Development	\$ 10,818	.....	.....
Community Public Safety Projects	2,108	.....	.....
Heritage Parks .....	.....	550	.....^a
Distressed Communities Assistance .....	.....	3,750	\$ 500
Local Drug Enforcement and Control	50	.....	.....
Neighborhood Housing Services .....	.....	250	.....
Local Government Loan .....	.....	1,250	.....
William Telek Memorial Library .....	.....	500	.....
Subtotal — State Funds	\$ 68,412	\$ 54,471	\$ 23,921
Subtotal — Federal Funds	94,439	104,623	109,658
Subtotal — Augmentations	3,019	4,400	3,000
Total — Grants and Subsidies	\$ 165,870	\$ 163,494	\$ 136,579
STATE FUNDS	\$ 77,089	\$ 83,447	\$ 34,116
FEDERAL FUNDS	96,350	106,664	112,247
AUGMENTATIONS	4,300	5,777	4,424
GENERAL FUND TOTAL	\$ 177,739	\$ 195,888	\$ 150,787
ENERGY CONSERVATION AND ASSISTANCE FUND:			
Weatherization	\$ 21,431	\$ 18,500	.....
ECONOMIC REVITALIZATION FUND:			
Recreational Improvement and Rehabilitation	\$ 6,000	\$ 1,250	\$ 3,000
Reduction of State Match	1,500	.....	.....
Enterprise Development .....	.....^b	.....^b	7,250
(A) Return of Unused Project Monies .....	.....^b	.....^b	500
Heritage Parks .....	.....	.....^b	950
Housing and Redevelopment — Economic Development Setaside .....	.....^c	.....^c	17,000
STATE FUNDS	\$ 7,500	\$ 1,250	\$ 28,200
AUGMENTATIONS .....	.....	.....	500
ECONOMIC REVITALIZATION FUND TOTAL	\$ 7,500	\$ 1,250	\$ 28,700
OTHER FUNDS			
<i>GENERAL FUND:</i>			
ARC Revolving Loan Fund	\$ 150	\$ 100	\$ 100
<i>FINANCIALLY DISTRESSED MUNICIPALITIES REVOLVING AID FUND:</i>			
Distressed Community Assistance	\$ 490	\$ 163	\$ 3,500
OTHER FUNDS TOTAL	\$ 640	\$ 263	\$ 3,600
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 77,089	\$ 83,447	\$ 34,116
SPECIAL FUNDS	28,931	19,750	28,200
FEDERAL FUNDS	96,350	106,664	112,247
AUGMENTATIONS	4,300	5,777	4,924
OTHER FUNDS	640	263	3,600
TOTAL ALL FUNDS	\$ 207,310	\$ 215,901	\$ 183,087

^aProgram transferred to the Pennsylvania Economic Revitalization Fund (PERF).

^bProgram funded from the General Fund.

^cProgram funded from the General Fund and as part of a single Housing and Redevelopment appropriation totalling \$45 million in 1988-89 and \$37 million in 1989-90.

COMMUNITY AFFAIRS

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
COMMUNITY DEVELOPMENT AND CONSERVATION							
General Funds.....	\$ 76,889	\$ 77,997	\$ 33,166	\$ 33,532	\$ 33,912	\$ 34,306	\$ 34,713
Special Funds.....	27,431	19,750	28,200	28,200	28,200	28,200	28,200
Federal Funds.....	96,350	106,664	112,247	100,161	100,161	100,161	100,161
Other Funds.....	4,450	5,877	5,024	5,076	5,129	5,184	5,241
TOTAL.....	\$ 205,120	\$ 210,288	\$ 178,637	\$ 166,969	\$ 167,402	\$ 167,851	\$ 168,315
MUNICIPAL ADMINISTRATIVE SUPPORT							
General Funds.....	\$ 200	\$ 5,450	\$ 950	\$ 950	\$ 950	\$ 950	\$ 950
Special Funds.....	1,500	0	0	0	0	0	0
Other Funds.....	490	163	3,500	3,500	3,500	3,500	3,500
TOTAL.....	\$ 2,190	\$ 5,613	\$ 4,450	\$ 4,450	\$ 4,450	\$ 4,450	\$ 4,450
ALL PROGRAMS:							
GENERAL FUND.....	\$ 77,089	\$ 83,447	\$ 34,116	\$ 34,482	\$ 34,862	\$ 35,256	\$ 35,663
SPECIAL FUNDS.....	28,931	19,750	28,200	28,200	28,200	28,200	28,200
FEDERAL FUNDS.....	96,350	106,664	112,247	100,161	100,161	100,161	100,161
OTHER FUNDS.....	4,940	6,040	8,524	8,576	8,629	8,684	8,741
TOTAL.....	\$ 207,310	\$ 215,901	\$ 183,087	\$ 171,419	\$ 171,852	\$ 172,301	\$ 172,765

COMMUNITY AFFAIRS

PROGRAM OBJECTIVE: To enhance the total environment of Pennsylvania's communities through improvements in the areas of housing, community development, recreational facilities, job training and human services.

Program: Community Development and Conservation

The Department of Community Affairs' (DCA's) role in improving Pennsylvania's communities involves a wide range of both State and Federally funded activities. Program activities are provided under four related elements.

Program Element: Housing and Redevelopment

Housing and Redevelopment provides grants to communities, redevelopment authorities and nonprofit organizations to improve blighted neighborhoods through redevelopment, and the provision of low and moderate income housing through rehabilitation. Within this program, Downtown Assistance and Preservation funds help revitalize central business districts in aging communities.

The weatherization component of the element provides funds to weatherize existing housing stock through furnace retrofits as well as the installation of insulation, storm doors and windows in homes of persons who meet income eligibility standards developed by the Federal Government. Weatherization will be funded from Low-Income Home Energy Assistance Federal block grant (LIHEABG) and U.S. Department of Energy weatherization funds in 1990-91.

Program Element: Community Development

The Federal Small Communities Block Grant provides assistance in expanding low and moderate income housing opportunities, enhancing economic development and job opportunities for low and moderate income individuals, correcting public facilities such as water and sewer systems, and improving public facilities that affect public health and safety.

Similarly, Enterprise Development provides grants for locally-planned innovative projects which can stimulate private investment and create jobs in State-designated enterprise zones. These efforts are also supported by use of Enterprise Zone Tax Credits through the Neighborhood Assistance Act.

Planning Assistance funds help communities to develop strategies and plans for economic development, growth management, and environmental protection. DCA also regulates and assists municipalities in meeting the requirements of the State Flood Plain Management Act.

Through the Neighborhood Assistance Act, tax credits are provided to encourage private sector involvement in developing solutions to

problems that are prevalent in low-income communities. These tax credits are available to corporations that contribute funding of services to local organizations administering programs that provide community services education, job training, crime prevention and neighborhood revitalization for low-income residents of impoverished areas.

Program Element: Recreational Facilities

DCA administers Recreational Improvement and Rehabilitation Act (RIRA) grants and Federal Land and Water Conservation Fund monies to assist municipalities in acquiring and rehabilitating parks, open space, and community center buildings. RIRA's legislative authorization expires June 30, 1990. This Budget recommends reauthorization of RIRA, along with a restructuring of the program.

The Heritage Parks Program is an economic strategy that enables the Commonwealth's communities to comprehensively plan, develop, manage and market significant natural, recreational and historic resources to attract tourism into a region. The resources will be linked and focused on the industrial/transportation theme of Pennsylvania's heritage.

Program Element: Job Training and Human Services

Through the Neighborhood Assistance Act, State tax credits are used to encourage private sector support for solutions to problems in low-income communities. These tax credits are available to businesses which make contributions to local organizations that provide community services, education, job training, crime prevention, and neighborhood revitalization of impoverished areas.

The Community Conservation and Youth Employment Program provides General Fund monies to municipalities, community action agencies and non-profit sponsors for the development of employment opportunities and for community conservation activities.

Another Federal block grant, Community Services, provides funds for community-based programs that offer health, nutrition, housing and employment related services to improve the standard of living of low-income persons.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Housing and Redevelopment:							
State funded housing activities and programs:							
Rehabilitation of existing units	2,410	1,800	1,500	1,500	1,500	1,500	1,500
Jobs created	1,212	2,000	2,000	2,000	2,000	2,000	2,000
Homes weatherized	17,903	15,915	11,934	8,000	6,000	6,000	6,000
Community Development:							
Small Communities Block Grant:							
Jobs created and/or retained	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Housing units rehabilitated	1,197	1,197	1,200	1,200	1,200	1,200	1,200
Recreational Facilities:							
Recreation Improvement and Rehabilitation Act (RIRA) grants		170	90	90	90	90	90
RIRA job opportunities created		570	300	300	300	300	300

COMMUNITY AFFAIRS

Program: Community Development and Conservation (continued)

Program Measures (continued)

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Job Training and Human Services:							
Persons participating:							
Community conservation and youth employment	132,456	135,500	135,500	141,500	144,500	147,500	147,500
Community Service Block Grant	649,412	585,000	570,000	560,000	550,000	550,000	530,000
Employment related services and training projects	13,550	13,760	13,975	14,190	14,410	14,630	14,850
Job Placement Program:							
Persons placed	4,886	4,925	4,968	5,000	5,035	5,070	5,105

Three programs make up the Job Training measures with each requiring varying degrees of participation, resulting in fluctuating aggregate numbers from year to year. The homes weatherized data reflect the declining availability of funding. The program measures for RIRA for 1990-91 and future years assume the legislative authorization for the program which currently expires June 30, 1990, will be extended at the recommended revised funding level. The RIRA program measures for 1988-89 and 1989-90 reflect most of the funds appropriated in 1988-89 being contracted in 1989-90.

Program Recommendations:

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

<p>GENERAL FUND: General Government Operations \$ -19,465 —nonrecurring projects. 629 —to continue current program. \$ -18,836 <i>Appropriation Decrease</i></p> <p>Hispanic Council \$ 55 —to continue current program.</p> <p>Housing and Redevelopment \$ -17,000 —transfer of the economic development setaside portion of this program from the General Fund to PERF.</p> <p>Enterprise Development \$ -7,250 —program transferred from the General Fund to PERF.</p> <p>Heritage Parks \$ -550 —program transferred from the General Fund to PERF.</p> <p><i>All other General Fund appropriations are nonrecurring projects.</i></p>	<p>\$ 1,750</p> <p>\$ 17,000</p> <p>\$ 7,250</p> <p>\$ 550</p> <p>400</p> <p>\$ 950</p>	<p>ECONOMIC REVITALIZATION FUND: Recreational Improvements and Rehabilitation —to continue RIRA as a restructured \$3 million per year program.</p> <p>Housing and Redevelopment-Economic Development Setaside —transfer of economic development setaside portion of this program to PERF from the General Fund.</p> <p>Enterprise Development —program transferred to PERF from the General Fund.</p> <p>Heritage Parks —program transferred to PERF from the General Fund. —for further development of Heritage Parks. —Appropriation Increase</p> <p>ENERGY CONSERVATION AND ASSISTANCE FUND: Weatherization —program being continued with Low-Income Energy Assistance Block Grant (LIHEABG) funds.</p>
	<p>\$ 18,500</p>	

COMMUNITY AFFAIRS

Program: Community Development and Conservation (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operations	\$ 8,586	\$ 28,776	\$ 9,940	\$ 10,297	\$ 10,667	\$ 11,051	\$ 11,448
Hispanic Council	91	200	255	264	274	284	294
Flood Plain Management	75	60	60	60	60	60	60
Planning Assistance	175	175	175	175	175	175	175
Community Conservation and Youth							
Employment	2,736	2,736	2,736	2,736	2,736	2,736	2,736
Housing and Redevelopment	45,000	37,000	20,000	20,000	20,000	20,000	20,000
Enterprise Development	7,250	7,250	.....	.....	.....	.....	.....
We The People Celebration .....	.....	500	.....	.....	.....	.....	.....
Community and Economic Development ..	10,818	.....	.....	.....	.....	.....	.....
Community Public Safety Projects	2,108	.....	.....	.....	.....	.....	.....
Heritage Parks .....	.....	550	.....	.....	.....	.....	.....
Local Drug Enforcement and Control	50	.....	.....	.....	.....	.....	.....
Neighborhood Housing Services .....	.....	250	.....	.....	.....	.....	.....
William Telek Memorial Library .....	.....	500	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 76,889	\$ 77,997	\$ 33,166	\$ 33,532	\$ 33,912	\$ 34,306	\$ 34,713
ECONOMIC REVITALIZATION FUND:							
Recreational Improvements and Rehabilitation	\$ 6,000	\$ 1,250	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Housing and Redevelopment — Economic Development Setaside .....	.....	.....	17,000	17,000	17,000	17,000	17,000
Enterprise Development .....	.....	.....	7,250	7,250	7,250	7,250	7,250
Heritage Parks .....	.....	.....	950	950	950	950	950
TOTAL ECONOMIC REVITALIZATION FUND	\$ 6,000	\$ 1,250	\$ 28,200	\$ 28,200	\$ 28,200	\$ 28,200	\$ 28,200
ENERGY CONSERVATION AND ASSISTANCE FUND:							
Weatherization	\$ 21,431	\$ 18,500	.....	.....	.....	.....	.....

COMMUNITY AFFAIRS

PROGRAM OBJECTIVE: To improve local governments' ability to provide effective and economical municipal services.

Program: Municipal Administrative Support Capability

Efforts to improve provision of local government services are centered around a variety of activities within this program.

The department provides workshop training, consulting, and Peer-to-Peer assistance to local government officials and staff in the areas of municipal finance, personnel, police, fire department, codes administration, public works, environmental protection, community development, and general municipal management.

Distressed Community Emergency Aid provides assistance to identify and ameliorate fiscal distress of communities in the Commonwealth. These efforts include providing technical assistance, hiring community coordinators, obtaining other State agency resources, and providing loans or grants to address revenue shortfalls. In addition to the funds shown here, funding is also provided via the Financially

Distressed Municipalities Revolving Aid Fund.

The Regional Councils appropriation is used as an incentive to induce local governments to undertake inter-municipal cooperative efforts, thereby fostering increased efficiency and effectiveness of municipal functions. Community Affairs monitors nearly 500 municipalities, townships and boroughs providing intergovernmental services crossing jurisdictional boundaries. A variety of projects and services are involved such as joint police protection, regional airports and workmen compensation pools, all of which minimize cost and enhance the quality of services delivered.

Finally, the Circuit Rider Program provides for sharing of municipal officials possessing the expertise needed to professionally manage distressed and rural areas.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Distressed communities receiving assistance	393	378	378	378	378	378	378
Municipal officials/employees trained	30,688	25,000	25,500	26,000	26,000	26,000	26,000

Program Recommendations:

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

<p>GENERAL FUND: Distressed Communities Assistance \$ -3,250 —reduction in General Fund transfer is due to funds available from the Financially Distressed Municipalities Revolving Aid Fund.</p>	<p>Other programs are funded at current levels or are nonrecurring projects.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Regional Councils	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200
Distressed Communities Assistance		3,750	500	500	500	500	500
Circuit Riders		250	250	250	250	250	250
Local Government Loan		1,250					
TOTAL GENERAL FUND	\$ 200	\$ 5,450	\$ 950	\$ 950	\$ 950	\$ 950	\$ 950
ECONOMIC REVITALIZATION FUND:							
Reduction of State Match	\$ 1,500						



Commonwealth of Pennsylvania

Department of Corrections

The department maintains a State system for the custody and rehabilitation of convicted criminals. Included within this system are residential programs and pre-release programs to provide inmates with supervision, counseling and treatment to enable them to satisfactorily adjust to society.

CORRECTIONS

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1990-91 State Funds (in thousands)
GENERAL FUND		
Corrections Expansion and Improvements	State Correctional Institutions	\$ 22,468
<p>This Program Revision will enhance security, improve operations and provide for an increasing inmate population. A total of \$23 million is provided by this Program Revision across all departments.</p>		
Drug and Alcohol Program Expansion	State Correctional Institutions	\$ 549
<p>This Program Revision will provide additional drug and alcohol rehabilitation services to the inmate population. This is part of the \$62 million Drug and Alcohol Program Expansion. Please see the Executive Offices section for further details on this Program Revision.</p>		
DEPARTMENT TOTAL		<u>\$ 23,017</u>

CORRECTIONS

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
INSTITUTIONAL:			
State Correctional Institutions	\$ 269,169	\$ 333,342 ^a	\$ 369,211
PENNFREE — Drug and Alcohol Treatment .....	.....	212 ^b	.....
PENNFREE — Farview Conversion .....	.....	12,000 ^b	.....
(F) ADMSBG — Alcohol and Drug Services .....	.....	.....	1,063
(F) DCSI — Correctional Institutions .....	.....	.....	1,646
(F) Federal Inmates	125	125	140
(F) Mariel — Cuban Inmates	76	160	160
(F) Drug and Alcohol Inventory .....	.....	40	.....
(F) Veterans Training	40	40	10
(F) Library Services	50	30	25
(F) Community Center Training	23	.....	.....
(F) ADMSBG — Rehabilitation	110	110	110
(F) Therapeutic Communities	492	650	.....
(F) Drug and Alcohol Rehabilitation	31	30	53
(F) Narcotics Control Training .....	.....	54	.....
(F) Library Literacy	25	.....	.....
(F) Substance Abuse .....	.....	.....	60
(A) Institutional Reimbursements	413	400	405
(A) Community Service Centers	285	320	335
(A) Project Impact	46	.....	.....
STATE FUNDS	\$ 269,169	\$ 345,554	\$ 369,211
FEDERAL FUNDS	972	1,239	3,267
AUGMENTATIONS	744	720	740
GENERAL FUND TOTAL	\$ 270,885	\$ 347,513	\$ 373,218
 OTHER FUNDS			
MANUFACTURING FUND:			
General Operations	\$ 18,154	\$ 19,352	\$ 20,120
 DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 269,169	\$ 345,554	\$ 369,211
FEDERAL FUNDS	972	1,239	3,267
AUGMENTATIONS	744	720	740
OTHER FUNDS	18,154	19,352	20,120
TOTAL ALL FUNDS	\$ 289,039	\$ 366,865	\$ 393,338

^aIncludes recommended supplemental appropriation of \$29,150,000.

^bThis continuing appropriation will provide funds for both 1989-90 and 1990-91.

CORRECTIONS

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
INSTITUTIONALIZATION OF OFFENDERS							
General Funds.....	\$ 269,169	\$ 345,554	\$ 369,211	\$ 397,253	\$ 429,424	\$ 460,787	\$ 491,933
Federal Funds.....	972	1,239	3,267	3,267	3,267	3,267	3,267
Other Funds.....	18,898	20,072	20,860	21,611	22,388	23,194	24,028
TOTAL.....	\$ 289,039	\$ 366,865	\$ 393,338	\$ 422,131	\$ 455,079	\$ 487,248	\$ 519,228
ALL PROGRAMS:							
GENERAL FUND.....	\$ 269,169	\$ 345,554	\$ 369,211	\$ 397,253	\$ 429,424	\$ 460,787	\$ 491,933
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	972	1,239	3,267	3,267	3,267	3,267	3,267
OTHER FUNDS.....	18,898	20,072	20,860	21,611	22,388	23,194	24,028
TOTAL.....	\$ 289,039	\$ 366,865	\$ 393,338	\$ 422,131	\$ 455,079	\$ 487,248	\$ 519,228

CORRECTIONS

PROGRAM OBJECTIVE: To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.

Program: Institutionalization of Offenders

The State administered system includes 15 correctional institutions and 15 community service centers. During 1989 the following increases in institutional capacity occurred: 1) the opening of 480 cells at SCI Pittsburgh; 2) the Graterford expansion provided 569 new cells; 3) the Conversion of Fairview State Hospital to Waymart State Correctional Institution was initiated with 132 cells available by the end of 1989; and 4) modular units were purchased to provide 82 additional cells at SCI Muncy. There were 20,490 inmates housed in the State system at the end of December 1989.

In addition to providing the basic necessities of life, programs are available which enable inmates to leave prison better prepared to adjust to life in the community. These include educational services, vocational training, and behavior modification.

Educational programs provided by the Pennsylvania Department of Education offer inmates the opportunity to obtain high school diplomas or adult basic educational skills. Post secondary education, in

cooperation with nearby colleges, enables students to earn associate's or bachelor's degrees.

Vocational training is dedicated to the development of marketable job skills so that inmates are more employable upon their release. A variety of programs are offered which may lead to employment as plumbers, electricians, auto mechanics, sheet metalworkers, barbers or cosmeticians.

Counseling services are designed to modify social behavior to a more acceptable level. Mental health and sex offender units have been opened at many institutions. Alcohol and drug rehabilitation is also available.

Community service centers permit highly screened inmates, who meet established criteria, to live in halfway houses in the community. Here they receive 24 hour supervision and can utilize counseling services while working or attending school.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Inmates (December)	17,929	20,490	24,132	25,955	27,830	29,423	31,105
Prison Capacity (December)	12,972	13,825	16,799	19,149	20,799	20,799	20,799
Inmates Double Celled (December)	9,914	13,330	14,666	13,612	14,062	17,248	20,612
Inmates receiving high school diplomas (GED)	800	880	975	1,040	1,120	1,200	1,300
Inmates receiving vocational training	3,200	3,700	4,100	4,400	4,650	4,950	5,200
Inmates receiving other education training	6,044	6,340	6,630	6,900	7,100	7,400	7,700
Inmates receiving drug and alcohol treatment	4,500	5,200	11,000	15,650	15,650	15,650	15,650
Average annual cost per inmate	\$15,108	\$15,688	\$15,466	\$15,460	\$15,576	\$15,799	\$15,948

Population and Capacity

Institutions	Population Dec. 1989	Estimated Population Dec. 1990	Capacity Dec. 1989	Estimated Capacity Dec. 1990
Camp Hill	1,405	2,612	1,414	1,924
Cresson	798	1,143	499	789
Dallas	1,942	2,111	1,457	1,457
Frackville	935	967	540	660
Graterford	3,881	3,927	2,717	2,717
Greensburg	760	894	461	617
Huntingdon	1,955	1,955	1,347	1,347
Mercer	804	1,022	464	704
Muncy	713	850	422	586
Pittsburgh	2,165	2,341	1,620	1,620
Retreat	758	858	480	592
Rockview	1,946	1,946	1,250	1,310
Smithfield	735	1,185	484	818
Waymart	223	1,440	132	1,000
Waynesburg	216	385	146	266
Community Service Centers	368	392	392	392
Group Homes	88	104		
Federal Prison System	798			
TOTAL	20,490	24,132	13,825	16,799

CORRECTIONS

Program: Institutionalization of Offenders (continued)

Expenditures by Institution: (Dollar Amounts in Thousands)

	1988-89 Actual	1989-90 Available	1990-91 Budget		1988-89 Actual	1989-90 Available	1990-91 Budget
Camp Hill				Mercer			
State Funds	\$ 32,012	\$ 49,218 ^a	\$ 39,692	State Funds	\$ 10,967	\$ 12,422	\$ 13,940
Federal Funds			111	Federal Funds			47
Augmentations	131	115	115	Augmentations	2	4	5
TOTAL	\$ 32,143	\$ 49,333	\$ 39,918	TOTAL	\$ 10,969	\$ 12,426	\$ 13,992
Cresson				Muncy			
State Funds	\$ 12,974	\$ 14,743	\$ 16,545	State Funds	\$ 12,426	\$ 14,576	\$ 16,358
Federal Funds	5	384	107	Federal Funds	50	25	765
Augmentations				Augmentations	137	119	120
TOTAL	\$ 12,979	\$ 15,127	\$ 16,652	TOTAL	\$ 12,613	\$ 14,720	\$ 17,243
Dallas				Pittsburgh			
State Funds	\$ 23,993	\$ 26,789	\$ 30,064	State Funds	\$ 27,414	\$ 31,820	\$ 38,762
Federal Funds	5		47	Federal Funds			95
Augmentations	67	60	60	Augmentations			
TOTAL	\$ 24,065	\$ 26,849	\$ 30,171	TOTAL	\$ 27,414	\$ 31,820	\$ 38,857
Frackville				Retreat			
State Funds	\$ 12,355	\$ 13,838	\$ 15,530	State Funds	\$ 10,940	\$ 12,696	\$ 14,240
Federal Funds		5	16	Federal Funds		5	
Augmentations				Augmentations			
TOTAL	\$ 12,355	\$ 13,843	\$ 15,546	TOTAL	\$ 10,940	\$ 12,701	\$ 14,240
Graterford				Rockview			
State Funds	\$ 40,200	\$ 48,022	\$ 54,324	State Funds	\$ 22,606	\$ 25,523	\$ 28,343
Federal Funds	497	238	258	Federal Funds			63
Augmentations	35	35	36	Augmentations	56	55	56
TOTAL	\$ 40,732	\$ 48,295	\$ 54,618	TOTAL	\$ 22,662	\$ 25,578	\$ 28,462
Greensburg				Smithfield			
State Funds	\$ 12,427	\$ 13,880	\$ 15,576	State Funds	\$ 7,712	\$ 12,649	\$ 14,195
Federal Funds			32	Federal Funds			
Augmentations	2		1	Augmentations			
TOTAL	\$ 12,429	\$ 13,880	\$ 15,609	TOTAL	\$ 7,712	\$ 12,649	\$ 14,195
Huntingdon				Waymart			
State Funds	\$ 22,309	\$ 25,282	\$ 28,172	State Funds		7,900	\$ 15,990
Federal Funds			47	Federal Funds			222
Augmentations	12	10	10	Augmentations			
TOTAL	\$ 22,321	\$ 25,292	\$ 28,229	TOTAL		7,900	\$ 16,212
Community Service Centers				Waynesburg			
State Funds	\$ 6,839	\$ 7,667	\$ 8,658	State Funds	\$ 5,031	\$ 6,077	\$ 6,819
Federal Funds	23			Federal Funds	5	10	10
Augmentations	285	320	335	Augmentations	6	1	
TOTAL	\$ 7,147	\$ 7,987	\$ 8,993	TOTAL	\$ 5,042	6,088	6,829
			1988-89 Actual	1989-90 Available	1990-91 Budget		
Central Office							
State Funds	\$ 8,964	\$ 10,240	\$ 12,003				
Federal Funds	387	572	1,447				
Augmentations	11	-1	2				
TOTAL	\$ 9,362	\$ 10,813	\$ 13,452				

^aIncludes \$13,850,000 costs associated with October 1989 disturbance.

CORRECTIONS

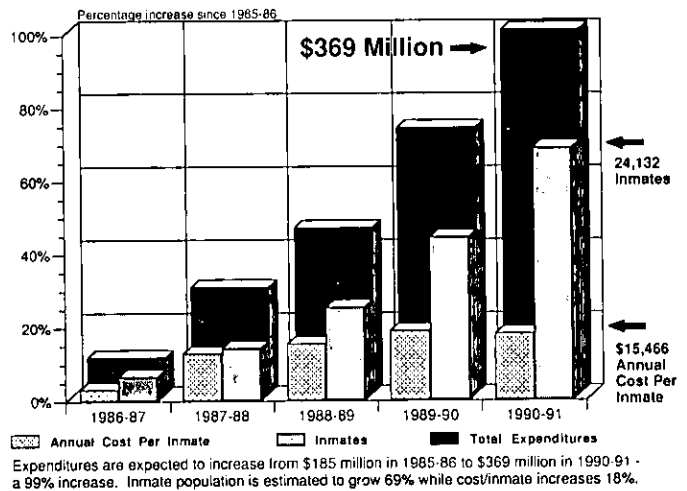
Program: Institutionalization of Offenders (continued)

Program Recommendations:

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

	State Correctional Institutions
\$ 22,468	—PRR — Corrections Expansion and Improvements. To enhance security and provide for a larger inmate population. See Program Revision following this program for further information.
549	—PRR — Part of the Drug and Alcohol Program Expansion. To provide additional drug and alcohol rehabilitation services to inmate population. See Program Revision in the Executive Offices section for further information.
7,093	—to provide additional funding for inmate health care, food, clothing and other operational items for a larger inmate population.
19,609	—to continue current program including corrections officer staffing to insure security of corrections systems.
-13,850	—nonrecurring costs as a result of disturbance at the Camp Hill State Correctional Institution.
<u>\$ 35,869</u>	<i>Appropriation Increase</i>

State Correctional Institutions
Five Year Growth Comparison



PENNFREE Drug and Alcohol Treatment Facility and PENNFREE Farview Conversion are nonrecurring, one-time State funded programs. See PENNFREE summary in section A for additional information.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
State Correctional Institutions	\$ 269,169	\$ 333,342	\$ 369,211	\$ 397,253	\$ 429,424	\$ 460,787	\$ 491,933
PENNFREE — Drug and Alcohol Treatment Facility		212					
PENNFREE — Farview Conversion		12,000					
TOTAL GENERAL FUND	<u>\$ 269,169</u>	<u>\$ 345,554</u>	<u>\$ 369,211</u>	<u>\$ 397,253</u>	<u>\$ 429,424</u>	<u>\$ 460,787</u>	<u>\$ 491,933</u>

Program Revision: Corrections Expansion and Improvements

The number of inmates in the State correctional system has more than doubled during the 1980s. The reasons for this increase include an increase in the number of 18 to 35 year olds in the population, an increase in drug-related crimes, longer sentences imposed by sentencing guidelines and mandatory sentencing legislation, and an increase in the number of parole violators returned to State correctional institutions.

Between January 1987 and October 1989, this Administration had already proposed the construction of 3,146 additional cells and had begun construction of 220 cells previously approved. This expansion included the conversion of Farview State Hospital to a 1,000 bed State correctional facility; a new 1,000 bed facility at South Mountain; a 650 bed facility near Chester City; 616 additional cells at SCI-Greensburg, SCI-Smithfield, SCI-Retreat, SCI-Rockview, SCI-Camp Hill and SCI-Muncy; and 100 beds in two modular units at SCI-Cresson and SCI-Graterford.

Since October 1989, the Administration has proposed adding 3,790 beds to the system. Two new 1,000 bed medium security facilities would be established in the eastern and western parts of the State. An additional 12 modular units containing 1,440 maximum security cells will also be added throughout the correctional system, including four modular units at SCI-Camp Hill. A new Community Service Center (CSC) and expansion at existing CSCs will add 100 beds to the correctional system. The department will establish a 200 bed drug and alcohol motivation camp for low risk offenders and a 50 bed drug and alcohol therapeutic community at SCI-Muncy during 1990-91. See the Program Revision entitled "Drug and Alcohol Program Expansion" under the Executive Offices for further details. Thus, this Administration has proposed or begun construction of 7,156 new beds in the State correctional system.

This Program Revision will provide funding to cover the cost of the expansion plan. Over \$4 million is provided to operate and staff the 1,440 modular cells that will open in 1990-91.

The Department of Corrections will assume control of a major portion of Farview State Hospital to renovate and use as the new 1,000 bed SCI-Waymart facility. This Program Revision provides \$7.3 million for additional corrections officers to staff the Phase II and Phase III openings, and for electrical improvements, heating fuel and other operating costs.

An additional \$3.8 million is provided for initiatives at SCI-Pittsburgh including improvements to the facility, elimination of double ceiling in most of the institution's housing areas, and to provide additional corrections officers and treatment staff.

This Program Revision will also provide over \$6.5 million for improvements at various institutions including asbestos removal and repairs to walls, windows, roofs and other miscellaneous repairs essential to the safety of the department's staff and inmates. The Community Service Centers Program will be expanded through the opening of a new center and additions to existing centers at a total cost of \$224,000.

An educational program is needed at the new SCI-Waymart. The proposed program includes basic skills instruction, special education instruction, vocational and academic counseling, job placement support, post-secondary programs and necessary administrative and clerical support. Approximately 400 inmates will be provided an opportunity to participate in this educational program at a cost of \$566,000.

Automated technology has played a significant role in enabling the department to efficiently manage the growing workload caused by the increase in the inmate population. This Program Revision provides \$573,000 to upgrade the department's automation of inmate records and other essential information. Additional storage capacity and improved computer software will enable the department to store more inmate records on-line and to permit the appropriate personnel to access the information in a more timely fashion. Additional information, available on a more timely basis will improve security by improving the department's knowledge of each inmate's status at any given time.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Prison capacity (June)							
Current	13,468	14,723	14,723	14,723	14,723	14,723	14,723
Program Revision			17,149	20,799	20,799	20,799	20,799

CORRECTIONS

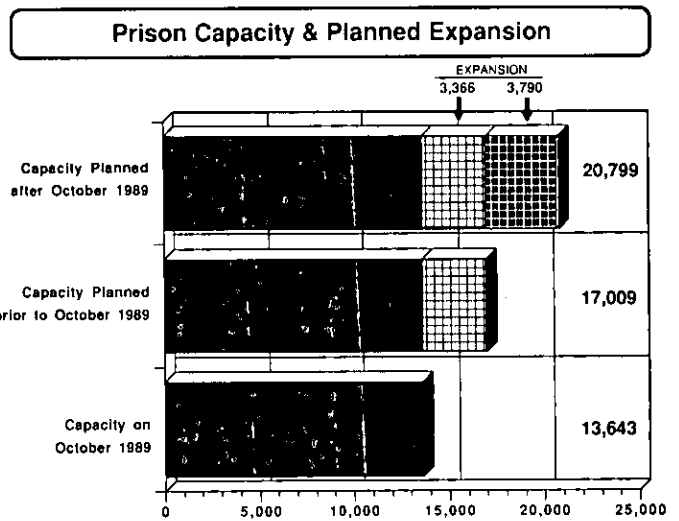
Program Revision: Corrections Expansion and Improvements (continued)

Program Revision Recommendations:

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

Corrections	
State Correctional Institutions	
\$ 7,300	—to operate and make improvements at the 1,000 bed facility at SCI-Waymart.
4,014	—to operate 1,440 new modular cells.
3,790	—to make improvements, provide additional correctional staff and eliminate most double celling at SCI-Pittsburgh.
6,567	—to remove asbestos, replace windows and walls, and repair roofs and other items at various State correctional institutions which are a health or safety hazard.
224	—to open a new Community Service Center and to expand existing centers.
573	—to provide additional computer hardware and software to enhance the accuracy and timeliness of inmate records thereby increasing security at correctional facilities.
<u>\$ 22,468</u>	<i>Appropriation Increase</i>

Education	
Correctional Institutions—Education	
\$ 566	—to provide an educational program for the inmates at SCI-Waymart.
<u>\$ 23,034</u>	<i>Program Revision Total</i>



An additional \$2.5 million in State and Federal funds has been provided to establish a 200 bed drug and alcohol motivation camp, a 50 bed drug and alcohol therapeutic community at SCI-Muncy and a 100 bed drug and alcohol services facility at SCI-Waymart. See the Program Revision entitled "Drug and Alcohol Program Expansion" under the Executive Offices for additional information.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
CORRECTIONS							
State Correctional Institutions			\$ 22,468	\$ 22,162	\$ 23,348	\$ 24,608	\$ 25,940
EDUCATION							
Correctional Institutions—Education			\$ 566	\$ 517	\$ 536	\$ 555	\$ 575
TOTAL GENERAL FUND			<u>\$ 23,034</u>	<u>\$ 22,679</u>	<u>\$ 23,884</u>	<u>\$ 25,163</u>	<u>\$ 26,515</u>



Commonwealth of Pennsylvania

Crime Commission

The Crime Commission conducts investigations into organized crime activities. Through its investigations the commission seeks to determine and combat causes of organized crime as well as prevent such criminal activities.

CRIME COMMISSION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
Crime Commission	\$ 2,501	\$ 2,536	\$ 2,559
(F) Leviticus Project	8	.....	.....
(F) LEAA — MAGLOCLEN	951	.....	.....
(F) Organized Crime Racketeering Seminar	12	.....	.....
(A) Prosecutors' Seminar	2	.....	.....
Decade Report on Organized Crime .....	.....	147	.....
Total — General Government	\$ 3,474	\$ 2,683	\$ 2,559
STATE FUNDS	\$ 2,501	\$ 2,683	\$ 2,559
FEDERAL FUNDS	971	.....	.....
AUGMENTATIONS	2	.....	.....
GENERAL FUND TOTAL	\$ 3,474	\$ 2,683	\$ 2,559

CRIME COMMISSION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
CRIMINAL LAW ENFORCEMENT							
General Funds.....	\$ 2,501	\$ 2,683	\$ 2,559	\$ 2,651	\$ 2,746	\$ 2,845	\$ 2,947
Federal Funds.....	971	0	0	0	0	0	0
Other Funds.....	2	0	0	0	0	0	0
TOTAL.....	\$ 3,474	\$ 2,683	\$ 2,559	\$ 2,651	\$ 2,746	\$ 2,845	\$ 2,947
ALL PROGRAMS:							
GENERAL FUND.....	\$ 2,501	\$ 2,683	\$ 2,559	\$ 2,651	\$ 2,746	\$ 2,845	\$ 2,947
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	971	0	0	0	0	0	0
OTHER FUNDS.....	2	0	0	0	0	0	0
TOTAL.....	\$ 3,474	\$ 2,683	\$ 2,559	\$ 2,651	\$ 2,746	\$ 2,845	\$ 2,947

CRIME COMMISSION

PROGRAM OBJECTIVE: To conduct investigations into organized crime activities and causes of such crime in order to reduce the crime rate.

Program: Criminal Law Enforcement

The commission is an independent State agency managed by five members. The Governor, President Pro Tempore of the Senate, the Speaker of the House, and Minority Leaders of the Senate and House appoint one member each.

The Pennsylvania Crime Commission's basic function is to

investigate organized crime, public corruption, and the persons engaged in those activities. Cooperation with other law enforcement agencies, especially through information exchange, is critical to the commission. In conducting those activities the commission utilizes subpoena power, surveillances and other investigative techniques.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Results from investigations or assistance rendered to other agencies:							
Arrests/indictments	33	15	15	15	15	15	15
Convictions	18	15	15	15	15	15	15
Subpoenas issued	216	300	200	200	200	200	200
Executive sessions	139	150	100	100	100	100	100
Public hearings	1	2	2	2	2	2	2
Immunity grants:							
Sought	4	3	3	3	3	3	3
Ordered	3	3	3	3	3	3	3
Appearance of commissioners and staff before legislative or regulatory bodies .	25	25	25	25	25	25	25


Program Recommendations:

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

<p>General Government Operations \$ 23 --to continue current program.</p>	<p>Decade Report on Organized Crime —report is prepared only at the end of each decade.</p>
--	--

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operations	\$ 2,501	\$ 2,536	\$ 2,559	\$ 2,651	\$ 2,746	\$ 2,845	\$ 2,947
Decade Report on Organized Crime		147					
TOTAL GENERAL FUND	\$ 2,501	\$ 2,683	\$ 2,559	\$ 2,651	\$ 2,746	\$ 2,845	\$ 2,947



Commonwealth of Pennsylvania

Economic Development Partnership

The Commonwealth economic development programs have been reorganized under the Economic Development Partnership, a public and private approach that provides the Commonwealth with the essential elements to be competitive with its resources and create employment for its residents. Through the partnership, Pennsylvania will be better equipped to respond to economic development issues as well as to target the Commonwealth's resources to the most critical areas.

ECONOMIC DEVELOPMENT PARTNERSHIP

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1990-91 State Funds (in thousands)
GENERAL FUND		
High Technology Enhancements	MAGLEV Study	\$ 300
ECONOMIC REVITALIZATION FUND		
High Technology Enhancements	Powdered Metallurgy Research and Technology	\$ 400
	Industrial Resource Centers	1,500
	Engineering School Equipment	2,000
	Lehigh Mountaintop Campus	1,000
	Ben Franklin Partnership	2,600
	Super Computer Center	1,000
	Subtotal	<u>\$ 8,500</u>
DEPARTMENT TOTAL		<u>\$ 8,800</u>

This Program Revision incorporates an array of investments in technology development. Included are a renewed venture capital seed grant program and an accelerated basic challenge grant program within the Ben Franklin Partnership, a renewed engineering equipment purchase program for the Commonwealth's 15 engineering schools, upgrading of the Cray super computer at the University of Pittsburgh and enhancements to Lehigh University's Mountaintop Campus, new support for the powdered metallurgy industry, an expanded Industrial Resource Centers program and a study of the feasibility of constructing a magnetic levitation train link between downtown Pittsburgh and the Greater Pittsburgh International Airport.

In addition for the above appropriations, the Institute for Advanced Science at the University of Pennsylvania will receive \$1 million of Redevelopment Assistance capital budget funds for development of a Center for Technology Transfer, bringing the total of this Program Revision to \$9,800,000.

ECONOMIC DEVELOPMENT PARTNERSHIP

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

GENERAL FUND	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL GOVERNMENT:			
General Government Operations	\$ 7,884	\$ 9,703	\$ 8,213
(F) ARC — Technical Assistance	307	450	450
(F) EDA — Planning Assistance	46	192	.
(F) JTPA — Occupational Information	118	130	130
(F) Economic Development Research and Training	150	.	.
(F) ARC — Response Team .....	.	60	.
(F) ARC — Export Partnership .....	.	300	.
(F) USSMA — Minority Export .....	.	940	450
(F) USAIDTAP — Minority Export .....	.	1,400	520
(F) ARC — Workers' Compensation Study .....	.	50	.
(F) Self-Employment Alternatives	300	300	.
(F) Economic Development Research and Training II	266	265	.
(F) PA Welfare Reform	300	300	.
(F) Hardwood Initiative .....	.	300	300
(F) High Speed Rail Commission	44	.	.
(F) ARC — Child Care .....	.	100	.
(F) ARC — Economic Development Research and Training III .....	.	365	.
(A) Minority Business Development Authority	438	634	640
(A) Nursing Home Loan	200	292	304
(A) Copy Center Services	219	232	235
(A) Pennsylvania Industrial Development Authority	652	910	920
(A) Pennsylvania Economic Development Financing Authority .....	.	185	190
(A) Pennsylvania Energy Development Authority	113	.	.
(A) Job Training Reimbursement .....	.	100	100
(A) Recycling Fund Reimbursement .....	.	53	100
(R) Small Business Advocate .....	.	503 ^a	483 ^a
Subtotal — General Government Operations	<u>\$ 11,037</u>	<u>\$ 16,793</u>	<u>\$ 12,542</u>
Marketing	9,000	10,500	10,500
Subtotal — State Funds	\$ 16,884	\$ 20,203	\$ 18,713
Subtotal — Federal Funds	1,531	5,152	1,850
Subtotal — Restricted Revenues .....	.	503	483
Subtotal — Augmentations	1,622	2,406	2,489
Total — General Government	<u>\$ 20,037</u>	<u>\$ 28,264</u>	<u>\$ 23,535</u>
GRANTS AND SUBSIDIES:			
Industrial Development Assistance	\$ 500	\$ 500	\$ 500
Pennsylvania Industrial Development Authority	12,500	12,500	.
Site Development	880	1,000	.
Local Development District Grants	850	850	850
Appalachian Regional Commission	347	350	350
Minority Business Development Authority	2,000	2,000	2,000
Community Facilities	6,494	7,500	.
Minority Business Technical Assistance	243	250	250
Small Business Development Centers .....	.	1,100	1,100
International City Project	100	100	.
Transfer to Economic Revitalization Fund	41,050	34,600	8,500
Ben Franklin Partnership	31,500	25,400	.
(A) Ben Franklin Job Initiative .....	.	500	.
Tourist Promotion Assistance	6,500	7,200	.
PENNPORTS	6,500	12,050	.
Super Computer Center	1,750	.	.
J & L Site Development	1,000	1,000	.

^aAppropriation from Restricted Revenue Account.

^bProgram transferred to the Pennsylvania Economic Revitalization Fund (PERF).

^cProgram transferred to PENNVEST.

ECONOMIC DEVELOPMENT PARTNERSHIP

(Dollar Amounts in Thousands)

GENERAL FUND	1988-89 Actual	1989-90 Available	1990-91 Budget
<i>GRANTS AND SUBSIDIES: (continued)</i>			
Economic Development Financing Authority	250	250	250
Federal Procurement	235	250	250
Community Economic Development Projects	1,410	.....	.....
Horticultural Society	150	200	.....
Hardwoods Research and Promotion	500	500	500
Music Theater Festival	100	100	.....
Industrial Communities Site Development and Action Program .....	.....	10,000	.....^b
Pittsburgh Center for the Arts .....	.....	100	.....
North Washington Economic Development .....	.....	100	.....
MAGLEV Study .....	.....	.....	300
Subtotal — State Funds	\$ 114,859	\$ 117,900	\$ 14,850
Subtotal — Augmentations .....	.....	500	.....
Total — Grants and Subsidies	\$ 114,859	\$ 118,400	\$ 14,850
STATE FUNDS	\$ 131,743	\$ 138,103	\$ 33,563
FEDERAL FUNDS	1,531	5,152	1,850
AUGMENTATIONS	1,622	2,906	2,489
RESTRICTED REVENUE .....	.....	503	483
GENERAL FUND TOTAL	\$ 134,896	\$ 146,664	\$ 38,385

ECONOMIC REVITALIZATION FUND

<i>GRANTS AND SUBSIDIES:</i>			
Engineering School Equipment .....	.....	.....	\$ 2,000
Business Infrastructure Development	\$ 21,313	\$ 17,850	14,000
Small Business Incubators — Loans	2,157	.....	.....
Employe Ownership — Technical Assistance	154	500	250
Capital Loan Fund	8,000	500	1,500
Beaver Valley Revitalization	1,000	1,000	1,000
Mon Valley Revitalization	2,000	2,000	2,000
Shenango Valley Revitalization	1,000	1,000	1,000
Community Economic Recovery	979	1,000	1,000
Industrial Resource Centers	10,000	5,000	6,500
Lehigh Mountaintop Campus	1,000	1,000	1,000
Johnstown Industrial Heritage	1,000	.....	.....
Butler-Lawrence Revitalization	500	500	.....
Alle-Kiski Valley Revitalization	250	500	.....
Machinery and Equipment Revolving Loan	3,000	3,000	3,000
AVTEX Site Development	300	.....	.....
Site Development .....	.....^a	.....^a	1,000
Ben Franklin Partnership .....	.....^a	.....^a	28,000
Super Computer Center .....	.....^a	.....	1,000
Industrial Communities Site Development and Action Program .....	.....	.....^a	10,500
(F) Industrial Communities Loans .....	.....	.....	1,500
Tourist Promotion Assistance .....	.....^a	.....^a	7,200
PENNPCENTS .....	.....^a	.....^a	12,050
Powdered Metallurgy Research and Development .....	.....	.....	400
Subtotal — State Funds	\$ 52,653	\$ 33,850	\$ 93,400
Subtotal — Federal Funds .....	.....	.....	1,500
ECONOMIC REVITALIZATION FUND TOTAL	\$ 52,653	\$ 33,850	\$ 94,900

^aProgram funded from the General Fund.

^bProgram transferred to the Pennsylvania Economic Revitalization Fund (PERF).

ECONOMIC DEVELOPMENT PARTNERSHIP

(Dollar Amounts in Thousands)

	1988-89 Actual	1989-90 Available	1990-91 Budget
OTHER FUNDS			
<i>SUNNY DAY FUND:</i>			
Epsilon Products, Inc.	\$ 3,000	. . . .	. . . .
Allegheny Ludlum, Inc.	3,750	. . . .	. . . .
Glass Adventures, Inc.	6,000	. . . .	. . . .
Alugas of Pennsylvania, Inc.	5,500	. . . .	. . . .
PPG Industries	3,750	. . . .	. . . .
Piper North, Inc. ....	. . . .	\$ 10,000	. . . .
	\$ 22,000	\$ 10,000	. . . .
SUNNY DAY FUND TOTAL	\$ 22,000	\$ 10,000	. . . .
OTHER FUNDS TOTAL	\$ 22,000	\$ 10,000	. . . .
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 131,743	\$ 138,103	\$ 33,563
SPECIAL FUNDS	52,653	33,850	93,400
FEDERAL FUNDS	1,531	5,152	3,350
RESTRICTED REVENUE .....	. . . .	503	483
AUGMENTATIONS	1,622	2,906	2,489
OTHER FUNDS	22,000	10,000	. . . .
TOTAL ALL FUNDS	\$ 209,549	\$ 190,514	\$ 133,285

ECONOMIC DEVELOPMENT PARTNERSHIP

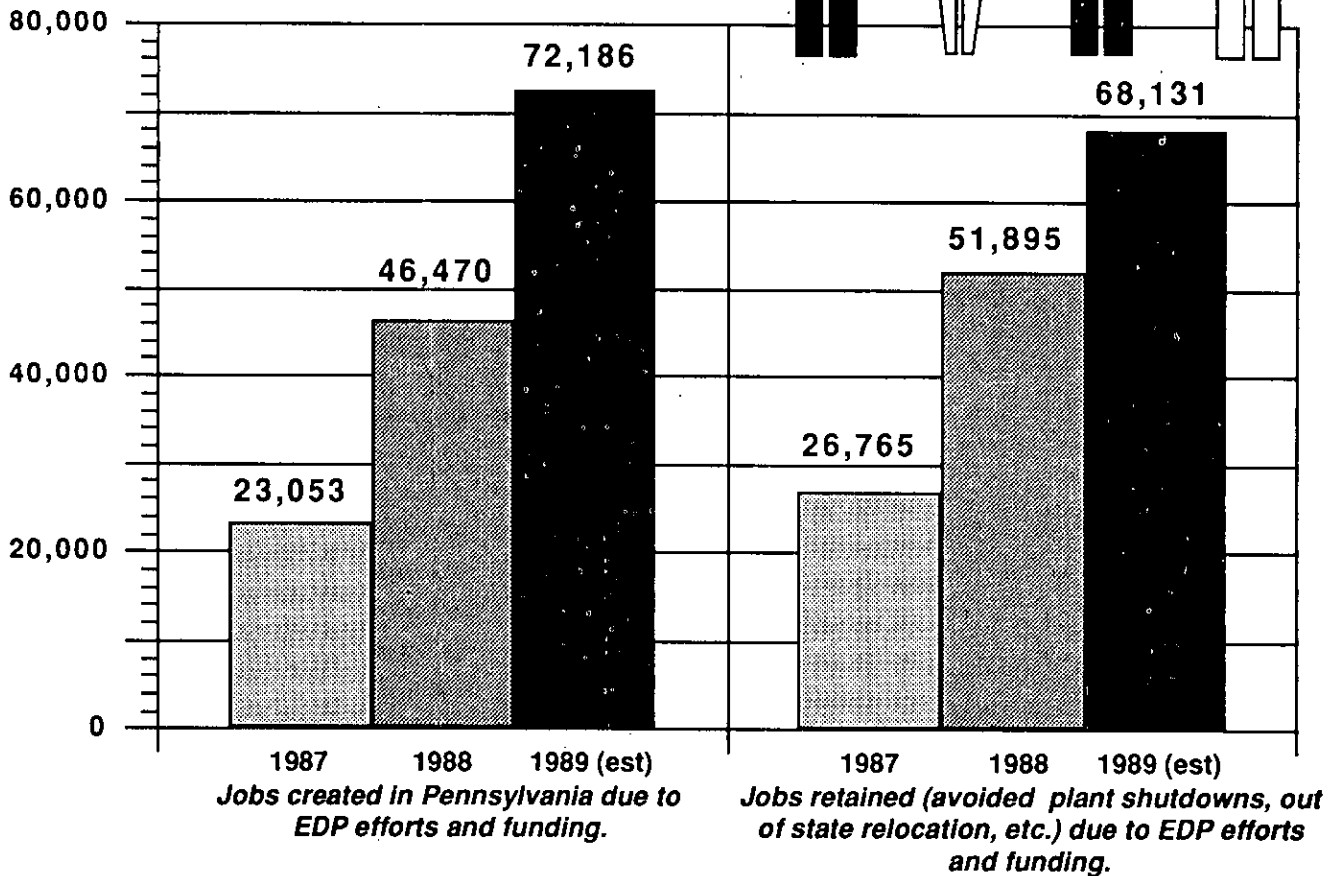
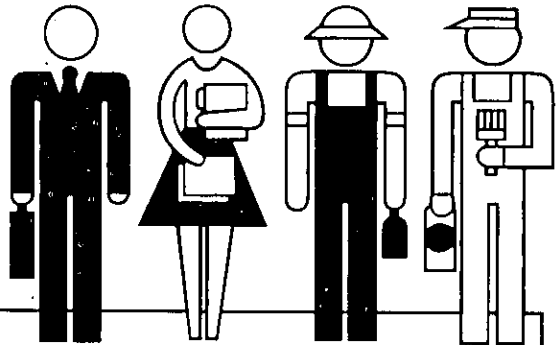
Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
MANAGEMENT AND POLICY							
General Funds.....	\$ 27,141	\$ 30,003	\$ 20,913	\$ 21,210	\$ 21,518	\$ 21,837	\$ 22,168
Special Funds.....	6,729	6,000	12,200	12,200	12,200	12,200	12,200
Federal Funds.....	1,531	5,052	1,850	1,850	1,850	1,850	1,850
Other Funds.....	1,622	2,724	2,782	2,882	2,986	3,095	3,206
TOTAL.....	\$ 37,023	\$ 43,779	\$ 37,745	\$ 38,142	\$ 38,554	\$ 38,982	\$ 39,424
INVESTMENT IN PRIVATE CAPITAL							
General Funds.....	\$ 16,428	\$ 27,550	\$ 3,850	\$ 16,350	\$ 16,350	\$ 16,350	\$ 16,350
Special Funds.....	13,311	4,000	15,250	16,750	16,750	16,750	16,750
Federal Funds.....	0	0	1,500	0	0	0	0
Other Funds.....	22,000	10,185	190	197	204	211	219
TOTAL.....	\$ 51,739	\$ 41,735	\$ 20,790	\$ 33,297	\$ 33,304	\$ 33,311	\$ 33,319
INVESTMENT IN TECHNOLOGICAL TRANSFER							
General Funds.....	\$ 33,250	\$ 25,400	\$ 300	\$ 0	\$ 0	\$ 0	\$ 0
Special Funds.....	11,000	6,000	38,900	33,400	32,400	33,900	31,400
Other Funds.....	0	500	0	0	0	0	0
TOTAL.....	\$ 44,250	\$ 31,900	\$ 39,200	\$ 33,400	\$ 32,400	\$ 33,900	\$ 31,400
INVESTMENT IN PUBLIC CAPITAL							
General Funds.....	\$ 54,924	\$ 55,150	\$ 8,500	\$ 122,000	\$ 120,500	\$ 121,000	\$ 117,500
Special Funds.....	21,613	17,850	27,050	27,050	27,050	27,050	27,050
Federal Funds.....	0	100	0	0	0	0	0
TOTAL.....	\$ 76,537	\$ 73,100	\$ 35,550	\$ 149,050	\$ 147,550	\$ 148,050	\$ 144,550
ALL PROGRAMS:							
GENERAL FUND.....	\$ 131,743	\$ 138,103	\$ 33,563	\$ 159,560	\$ 158,368	\$ 159,187	\$ 156,018
SPECIAL FUNDS.....	52,653	33,850	93,400	89,400	88,400	89,900	87,400
FEDERAL FUNDS.....	1,531	5,152	3,350	1,850	1,850	1,850	1,850
OTHER FUNDS.....	23,622	13,409	2,972	3,079	3,190	3,306	3,425
TOTAL.....	\$ 209,549	\$ 190,514	\$ 133,285	\$ 253,889	\$ 251,808	\$ 254,243	\$ 248,693

ECONOMIC DEVELOPMENT PARTNERSHIP

Jobs for Pennsylvanians

(Cumulative 1987-1989)



ECONOMIC DEVELOPMENT PARTNERSHIP

PROGRAM OBJECTIVE: To utilize State economic development resources in a cohesive and cost-effective manner in order to assist in the job creation and retention process within the Commonwealth.

Program: Management and Policy

This program is keyed toward the development of both Statewide and regional/local economic development strategies, it also seeks to ensure that the Commonwealth's economic development programs are managed and utilized in a targeted and cost-effective manner that maximizes their impact on business development.

A key function is the Governor's Response Team. The Response Team reacts immediately to key problems and opportunities related to economic development including major business locations, relocations, expansions or dislocations which require administration-wide, multi-departmental involvement.

Marketing and local planning assistance efforts further supplement the day to day operations of the Economic Development Partnership (EDP). Marketing plays an important role in two distinct areas: selling Pennsylvania to individuals as an attractive place to vacation in order to maximize Pennsylvania's share of the tourism dollar; and selling Pennsylvania to industry as possessing a good business climate, as well as being an excellent place to live and work. Toward these ends, the Partnership runs two separate extensive multi-media advertising campaigns, one targeting economic development and the other targeting tourism.

The economic development marketing component includes efforts to increase foreign and domestic investments in Pennsylvania, and to expand the markets for products of Pennsylvania firms overseas. A primary means available to assist export trade is to provide small businesses with support in overcoming the many legal, financial and logistical problems inherent in doing business internationally.

The tourism marketing component also involves the Tourist Promotion Assistance (TPA) grant program, which assists county and regional tourist promotion agencies in Pennsylvania by providing grants as matching assistance for advertising and promotion expenses. A key element of tourism marketing is the proper meshing of the Commonwealth's tourism program with the TPAs' efforts.

An important local assistance effort is Industrial Development Assistance, a program of State grants matched by local economic development agencies. These grants aid the local agencies in arranging financing packages, and in local marketing and promotion activities.

A second local assistance program involves grants to seven Local Development Districts covering 52 counties. These agencies provide direct managerial and technical assistance to small businesses along with packaging loan transactions.

The other major local assistance efforts of the Partnership involve the revitalization and community economic programs first authorized by the Legislature in June 1984 out of the Pennsylvania Economic Revitalization Fund (PERF). Funding is provided for economic development efforts in the Mon, Shenango and Beaver Valley areas, thereby targeting funds to three of the most distressed areas of the Commonwealth. Grants are available to help finance special planning and marketing efforts designed to be a part of a comprehensive local economic recovery strategy to retain existing jobs, to assist in business startups and expansions and to attract new industry. Similarly, the Community Economic Recovery Program provides grants for these same purposes to distressed areas of the State not included in the three revitalization programs.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Traveler expenditures (in millions)	\$13,300	\$15,600	\$17,160	\$18,876	\$20,760	\$21,800	\$22,890
Tourist Promotion Assistance:							
Public/private funds leveraged (in thousands)	\$22,300	\$23,400	\$23,400	\$23,400	\$23,400	\$23,400	\$23,400
Designated distressed communities assisted	405	405	405	405	405	405	405
Feasibility studies funded	24	28	28	28	28	28	28

The increase in traveler expenditures is due to both an increase in travel expenditures nationwide and an increase in Pennsylvania's market share. The increase in funds leveraged is a result of local tourist promotion agencies putting more matching funding into their programs than required.

ECONOMIC DEVELOPMENT PARTNERSHIP

Program: Management and Policy (continued)

Program Recommendations:

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

GENERAL FUND:			Tourist Promotion Assistance
General Government Operations		\$ -7,200	—program transferred from the General Fund to PERF.
\$ -1,911 —nonrecurring projects.			
371 —to continue current program.			
50 —to enhance trade with Canada.			
\$ -1,490 <i>Appropriation Decrease</i>		\$ 7,200	ECONOMIC REVITALIZATION FUND:
			Tourist Promotion Assistance
			—program transferred to PERF from the General Fund.

All other appropriations are recommended to be continued at current levels or reduced for nonrecurring projects.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operations	\$ 7,884	\$ 9,703	\$ 8,213	\$ 8,510	\$ 8,818	\$ 9,137	\$ 9,468
Marketing	9,000	10,500	10,500	10,500	10,500	10,500	10,500
Industrial Development Assistance	500	500	500	500	500	500	500
Local Development District Grants	850	850	850	850	850	850	850
Appalachian Regional Commission	347	350	350	350	350	350	350
Tourist Promotion Assistance	6,500	7,200	.....	.....	.....	.....	.....
Community Economic Development Projects	1,410	.....	.....	.....	.....	.....	.....
Pennsylvania Horticultural Society	150	200	.....	.....	.....	.....	.....
Hardwoods Research and Promotion	500	500	500	500	500	500	500
Pittsburgh Center for the Arts .....	.....	100	.....	.....	.....	.....	.....
North Washington Economic Development .....	.....	100	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 27,141	\$ 30,003	\$ 20,913	\$ 21,210	\$ 21,518	\$ 21,837	\$ 22,168
ECONOMIC REVITALIZATION FUND							
Mon Valley Revitalization	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Beaver Valley Revitalization	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Shenango Valley Revitalization	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Johnstown Industrial Heritage	1,000	.....	.....	.....	.....	.....	.....
Community Economic Recovery	979	1,000	1,000	1,000	1,000	1,000	1,000
Butler-Lawrence Revitalization	500	500	.....	.....	.....	.....	.....
Alle-Kiski Revitalization	250	500	.....	.....	.....	.....	.....
Tourist Promotion Assistance .....	.....	.....	7,200	7,200	7,200	7,200	7,200
TOTAL ECONOMIC REVITALIZATION FUND	\$ 6,729	\$ 6,000	\$ 12,200	\$ 12,200	\$ 12,200	\$ 12,200	\$ 12,200

ECONOMIC DEVELOPMENT PARTNERSHIP

PROGRAM OBJECTIVE: To ensure that the Commonwealth's public infrastructure promotes business expansion and relocation within the Commonwealth.

Program: Investment in Public Capital

Since most infrastructure improvement activities, such as water, sewer, highway and bridge improvements, fall under the purview of agencies other than the Economic Development Partnership (EDP), most EDP efforts in this area involve working with these other agencies to ensure that public infrastructure improvements meet the needs of both business and the public. Nonetheless, several important public infrastructure improvement programs are operated by the EDP.

The Community Facilities Program is aimed at developing local infrastructure in advance of industrial development. This program provides matching grants to small municipalities to improve their water, sewer and solid waste systems in an effort to make the areas more attractive to job producing private investment. Because these are essentially the same activities carried out by PENNVEST, this budget recommends moving the Community Facilities program to PENNVEST.

The Partnership also administers funds for the development of the Philadelphia, Erie, and Pittsburgh ports. PENNPORTS is a recently created agency that focuses on the economic enhancement of all three ports under one umbrella agency, including the newly created

Philadelphia Regional Port Authority. These funds are used to aid in capital development of these ports, which not only generate port and shipping related jobs, but also assist Pennsylvania firms in exporting their products. The Site Development Program provides funds for infrastructure improvements at sites where a business will locate or expand and create jobs. Eligible activities include sewer, water and access roads.

The Business Infrastructure Development (BID) Program, was established in 1984 within the Pennsylvania Economic Revitalization Fund (PERF) to make grants and loans to local sponsors for the installation of specific infrastructure improvements necessary to complement planned industrial investment by private companies. As with the Site Development and Community Facilities grants, BID is geared toward increasing Pennsylvania's share of domestic and international commerce and creating new jobs. In contrast to the other two programs, BID ties infrastructure grants to actual business development as opposed to anticipated business development.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Site Development BID:							
Jobs created/retained	4,008	3,687	3,000	3,000	3,000	3,000	3,000
Public/private funds leveraged (in thousands):	\$145,938	\$132,000	\$116,000	\$116,000	\$116,000	\$116,000	\$116,000
Projects/communities assisted in distressed areas:	42	38	33	33	33	33	33

Program measures have been consolidated to show totals from BID and Site Development rather than individual amounts from each program. This has been done because projects frequently receive funding assistance from more than one program, and assigning measures to individual components is often difficult and can also easily lead to double counting. Since Community Facilities is recommended to be transferred to PENNVEST beginning in 1990-91, program measures do not include Community Facilities data for any years.

Program Recommendations:

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

<p>GENERAL FUND</p> <p>Site Development</p> <p>\$ -1,000 —program transferred from the General Fund to PERF.</p> <p>Community Facilities</p> <p>\$ -7,500 —program transferred to PENNVEST.</p> <p>Transfer to PERF</p> <p>\$ -26,100 —PERF programs primarily being funded with remaining PERF bond authority.</p> <p>PENNPORTS</p> <p>\$ -12,050 —program transferred from the General Fund to PERF.</p>	<p>ECONOMIC REVITALIZATION FUND:</p> <p>Business Infrastructure Development</p> <p>\$ -3,850 —reduction based on estimated program needs.</p> <p>Site Development</p> <p>\$ 1,000 —program transferred to PERF from the General Fund.</p> <p>PENNPORTS</p> <p>\$ 12,050 —program transferred to PERF from the General Fund.</p>
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ECONOMIC DEVELOPMENT PARTNERSHIP

Program: Investment in Public Capital (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Site Development	\$ 880	\$ 1,000	.....	.....	.....	.....	.....
Community Facilities	6,494	7,500	.....	.....	.....	.....	.....
Transfer to PERF	41,050	34,600	\$ 8,500	\$ 122,000	\$ 120,500	\$ 121,000	\$ 117,500
PENNPORTS	6,500	12,050	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 54,924	\$ 55,150	\$ 8,500	\$ 122,000	\$ 120,500	\$ 121,000	\$ 117,500
 ECONOMIC REVITALIZATION FUND:							
Business Infrastructure Development	\$ 21,313	\$ 17,850	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000
AVTEX Site Development	300	.....	.....	.....	.....	.....	.....
Site Development .....	.....	.....	1,000	1,000	1,000	1,000	1,000
PENNPORTS .....	.....	.....	12,050	12,050	12,050	12,050	12,050
TOTAL ECONOMIC REVITALIZATION FUND	\$ 21,613	\$ 17,850	\$ 27,050	\$ 27,050	\$ 27,050	\$ 27,050	\$ 27,050

ECONOMIC DEVELOPMENT PARTNERSHIP

PROGRAM OBJECTIVE: To ensure that capital for the creation, location, retention and expansion of private business is available at each step of the business life cycle for all types and sizes of business, and to make possible lower capital costs as an attraction for businesses to invest or re-invest in Pennsylvania.

Program: Investment in Private Capital

The Partnership has a broad array of programs available to create the best possible climate for business development.

Program Element: Industrial Development

The Pennsylvania Industrial Development Authority (PIDA) was established in 1956 to make long-term, low-interest business loans to firms which are engaged in manufacturing or industrial enterprises. PIDA funds may be used for land and buildings. Current policy targets PIDA funds to small and advanced technology businesses and enterprise zones. A qualified business may receive up to \$1.5 million at interest rates ranging from 3.0 percent to 8.0 percent, depending upon the unemployment rate in the county where the project is located.

The Pennsylvania Capital Loan Fund (PCLF) makes low interest loans to small businesses for projects which will result in long-term net new employment opportunities. Loans may be used for the purchase of buildings and associated land, building renovation, the purchase of machinery and equipment and for working capital.

The Industrial Communities Action Program and the Industrial Communities Site Development Program help to restore underutilized land and facilities in distressed areas throughout the Commonwealth to productive use.

Program Element: Minority Business

The Pennsylvania Minority Business Development Authority (PMBDA) offers low-interest loans to minority-owned businesses for fixed asset financing and, recently, for working capital and other financing needs. These efforts can be particularly crucial given the difficulty minority entrepreneurs have in securing adequate funding, especially working capital.

This program also includes funds for technical assistance to minority business owners in the areas of management, accounting, personnel and other administrative details necessary to operate a business. PMBDA also provides funds for a bond guarantee program.

Program Element: Employee Ownership Assistance

The Employee Ownership Assistance Program (EOAP) is a Commonwealth effort to assist in establishing employe-owned enterprises in existing industries and industries which are experiencing layoffs or would otherwise close. Recent revisions to the program expand EOAP to include healthy firms, new firms and service firms.

Program Element: Pennsylvania Economic Development Financing Authority (PEDFA)

The Pennsylvania Economic Development Financing Authority (PEDFA) is a loan program with the ability to finance economic development projects through pooled bond issues, both taxable and tax-exempt. PEDFA can finance land, buildings, machinery and equipment. Applications must be submitted through an industrial development authority and are subject to the State Bond allocation formula for tax-exempt industrial or manufacturing projects.

Program Element: Federal Procurement

This program assists private industry in Pennsylvania to obtain increases in Federal contracts. Such assistance was previously provided sporadically at the local level. This program is targeted toward developing a comprehensive and coordinated Statewide effort to bring such contracts and resulting jobs to Pennsylvania that would otherwise be lost to states that actively pursue these Federal dollars.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Jobs created/retained:	30,059	35,900	35,900	35,900	35,900	35,900	35,900
Public/private funds leveraged (in thousands):	\$423,571	\$540,216	\$540,216	\$540,216	\$540,216	\$540,216	\$540,216
Businesses assisted	600	774	774	744	744	744	744

Program measures have been consolidated to show combined totals from PIDA, PMBDA, PCLF and PEDFA rather than individual amounts from each program. This change has been made because projects frequently receive funding assistance from more than one program, and assigning measures to individual components is difficult and can lead to double counting.

The increases from previous data shown for jobs and for funds leveraged is because only the minimum job-production and matching requirements for the programs were shown previously, while this revised data accumulates actual data from each individual project. Decreases from previous businesses assisted data result from, Employee Ownership and Small Business Incubators programs being dropped from the measures due to either the unreliability of the data available or the program in question no longer receiving State funding assistance.

The incubators measure has been dropped because all incubators are now self-sustaining and receive no State operating assistance.

ECONOMIC DEVELOPMENT PARTNERSHIP

Program: Investment in Private Capital (continued)

Program Recommendations:

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

GENERAL FUND:		ECONOMIC REVITALIZATION FUND:	
Pennsylvania Industrial Development Authority		Employe Ownership—Technical Assistance	
\$ -12,500 —PIDA cash balance is sufficient to maintain program without General Fund support.	\$ -250	—revised estimate of program requirements.	
		Capital Loan Fund	
		—to continue accelerated loan program.	\$ 1,000
J & L Site Development			
\$ -1,000 —1989-90 is final year of funding commitment.		Industrial Communities Site Development and Action Program	
		—program transferred from the General Fund to PERF.	\$ 10,000
		—to respond to increased program demands.	500
Industrial Communities Site Development and Action Program		<i>Appropriation Increase</i>	\$ 10,500
\$ -10,000 —program transferred from the General Fund to PERF.			

All other appropriations are recommended to be continued at current levels or reduced for nonrecurring projects

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Pennsylvania Industrial Development Authority							
Authority	\$ 12,500	\$ 12,500		\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500
Minority Business Development Authority	2,000	2,000	\$ 2,000	2,000	2,000	2,000	2,000
Minority Business Technical Assistance	243	250	250	250	250	250	250
International City Project	100	100					
Music Theatre Festival — SE	100	100					
J & L Site Development	1,000	1,000					
Pennsylvania Economic Development							
Financing Authority	250	250	250	250	250	250	250
Federal Procurement	235	250	250	250	250	250	250
Industrial Communities Site Development and Action Program		10,000					
Small Business Development Centers		1,100	1,100	1,100	1,100	1,100	1,100
TOTAL GENERAL FUND	\$ 16,428	\$ 27,550	\$ 3,850	\$ 16,350	\$ 16,350	\$ 16,350	\$ 16,350
ECONOMIC REVITALIZATION FUND:							
Small Business Incubators-Loans	\$ 2,157						
Employe Ownership-Technical Assistance	154	\$ 500	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250
Capital Loan Fund	8,000	500	1,500	3,000	3,000	3,000	3,000
Machinery and Equipment Revolving Loan Fund	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Industrial Communities Site Development and Action Program			10,500	10,500	10,500	10,500	10,500
TOTAL ECONOMIC REVITALIZATION FUND	\$ 13,311	\$ 4,000	\$ 15,250	\$ 16,750	\$ 16,750	\$ 16,750	\$ 16,750

ECONOMIC DEVELOPMENT PARTNERSHIP

PROGRAM OBJECTIVE: To promote the use of advanced technology in order to help Pennsylvania industries compete successfully in the national and international market places; to encourage research and development of new products and processes that will foster the start-up of new business within the Commonwealth; and to fund research centers that will provide an incentive for indigenous business formation, as well as serving to attract investment in Pennsylvania.

Program: Investment in Technology Transfer

Recognizing the instrumental role that technology development can play in Pennsylvania's effort to remain competitive, the Commonwealth has established a number of transfer programs geared to provide the necessary resources to stimulate greater utilization of advanced technology.

The Ben Franklin Partnership (BFP) has been the Commonwealth's major technology development and transfer program. BFP programs promote advanced technology in an effort to make traditional industries more competitive in the marketplace and to spin off new small businesses on the leading edge of technological innovation. Businesses and non-profit agencies that participate in a joint venture project with an educational institution in Pennsylvania are eligible to apply. The Ben Franklin Partnership supports a wide range of initiatives and programs to help create new advanced technology companies, to improve the competitive ability of young, small technology oriented firms and to develop a technology skilled workforce for Pennsylvania.

Pennsylvania has initiated an Industrial Resource Centers Program, another significant commitment to technology transfer. These centers are designed to improve the competitive ability of Pennsylvania's traditional and emerging manufacturing firms by helping them to understand and implement modern manufacturing techniques and

technologies. The centers are operated as non-profit corporations with significant direction from a board comprised of a majority of private sector representatives. A 1:1 matching requirement of State dollars is currently in effect.

An ongoing effort in technology transfer is the Commonwealth's commitment to the Super Computer Center. These funds supplement a joint effort with University of Pittsburgh, Carnegie Mellon University and Westinghouse Electric Corporation that first established and will now upgrade a National Super Computer Center which will eventually serve as the hub of a national communication network for related research facilities.

As a support effort keyed to enhancing Pennsylvania's capability to attract and retain talented scientific minds, an ongoing Engineering School Equipment Program was created in the Pennsylvania Economic Revitalization Fund (PERF) in 1984. Additional funding was provided via a 1987-88 continuing appropriation from PERF for engineering equipment to be used in instructing engineering students and this budget recommends a third infusion of funding via a \$2 million, 3-year continuing appropriation. This funding is available to each of Pennsylvania's 15 accredited engineering colleges and universities provided these universities can raise the required private match.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Jobs created/retained (cumulative)	665	1,115	1,675	2,735	4,295	5,855	7,915
Public/private funds leveraged (in thousands)	\$ 115,000	\$ 134,000	\$ 146,700	\$ 142,700	\$ 142,700	\$ 146,700	\$ 142,700
Businesses assisted	1,010	1,265	1,428	1,428	1,428	1,428	1,428

Program measures have been consolidated to show combined totals from the Ben Franklin Partnership (BFP), the Industrial Resource Centers (IRCs), the Engineering School Equipment and the Powdered Metallurgy Research and Development programs rather than individual amounts from each program. This change has been made because projects frequently receive funding assistance from more than one program, and assigning measures to individual components often is difficult and can easily lead to double counting.

The data declines from that shown in previous budget documents for jobs created/retained (cumulative). This occurs because 1988-89 rather than the inception of BFP is being used as the starting point for the accumulation of data. The lower number of jobs retained annually is due to jobs created through third party assistance (e.g. Small Business Development Centers, small business incubators) and through entrepreneurial assistance not being included unless created directly as a result of State assistance as documented in writing by the company creating the job.

The increase in funds leveraged in the available year over the actual year is due to the IRCs being fully on-line for the first time, while the increase from previous projections in businesses assisted is because the IRCs are assisting more businesses than originally projected.

ECONOMIC DEVELOPMENT PARTNERSHIP

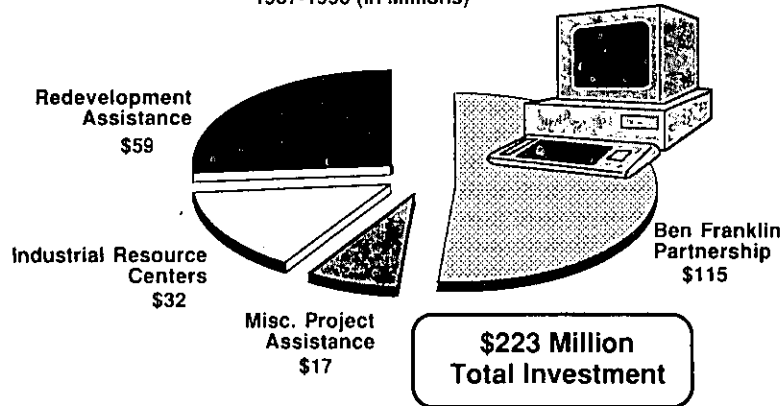
Program: Investment in Technology Transfer (continued)

Investment in High Technology

By

The Economic Development Partnership

1987-1990 (in Millions)



Program Recommendations:

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

GENERAL FUND:		Powdered Metallurgy Research and Development	
\$ -25,400	Ben Franklin Partnership —program transferred from the General Fund to PERF.	\$ 400	—PRR-High Technology Enhancements. To provide support for research and development of powdered metals. See the Program Revision following this program for further information.
\$ 300	MAGLEV Study —PRR-High Technology Enhancements. For a study evaluating engineering design and cost factors for a magnetic levitation train link between downtown Pittsburgh and Greater Pittsburgh Airport. See the Program Revision following this program for further information.	\$ 25,400	Ben Franklin Partnership —program transferred to PERF from the General Fund.
		1,500	—PRR-High Technology Enhancements. To provide funding for venture capital seed grants. See Program Revision following this program for further information.
		1,100	—PRR-High Technology Enhancements. To provide increased challenge grants. See Program Revision following this program for further information.
		<u>\$ 28,000</u>	
	ECONOMIC REVITALIZATION FUND:		
\$ 2,000	Engineering School Equipment —PRR-High Technology Enhancements. To assist Pennsylvania's 15 engineering schools in acquiring the latest in technical equipment so that the technical talent needed in industry will be available. See the Program Revision following this program for further information.		
\$ 1,500	Industrial Resource Centers —PRR-High Technology Enhancements. To assist manufacturers in better utilizing existing technologies to increase production and aggressively attract new customers. See the Program Revision following this program for further information.		
\$ 1,000	Super Computer Center —PRR-High Technology Enhancements. To provide support for upgrading the CRAY Super Computer. See the Program Revision following this program for further information.		

In addition to the amounts shown, this budget recommends \$1 million in Capital Redevelopment Assistance Funds for the University of Pennsylvania's Institute for Advanced Science and Technology.

ECONOMIC DEVELOPMENT PARTNERSHIP

Program: Investment in Technology Transfer (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Ben Franklin Partnership	\$ 31,500	\$ 25,400	.....	.....	.....	.....	.....
Super Computer Center	1,750	.....	.....	.....	.....	.....	.....
MAGLEV Study .....	.....	.....	\$ 300	.....	.....	.....	.....
TOTAL GENERAL FUND	<u>\$ 33,250</u>	<u>\$ 25,400</u>	<u>\$ 300</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
ECONOMIC REVITALIZATION FUND:							
Engineering School Equipment .....	.....	.....	\$ 2,000	.....	.....	\$ 2,000	.....
Industrial Resource Centers	\$ 10,000	\$ 5,000	6,500	\$ 5,000	\$ 4,000	3,500	\$ 3,000
Lehigh Mountaintop Campus	1,000	1,000	1,000	.....	.....	.....	.....
Super Computer Center .....	.....	.....	1,000	.....	.....	.....	.....
Powdered Metallurgy Research and Development .....	.....	.....	400	400	400	400	400
Ben Franklin Partnership .....	.....	.....	28,000	28,000	28,000	28,000	28,000
TOTAL ECONOMIC REVITALIZATION FUND	<u>\$ 11,000</u>	<u>\$ 6,000</u>	<u>\$ 38,900</u>	<u>\$ 33,400</u>	<u>\$ 32,400</u>	<u>\$ 33,900</u>	<u>\$ 31,400</u>

ECONOMIC DEVELOPMENT PARTNERSHIP

Program Revision: High Technology Enhancements

Technology development is imperative to boost productivity, manage information, and produce the specialized and high value-added products and services that increase the business community's competitiveness. Over the past three years, the Commonwealth has made an unprecedented investment in technology development and is accelerating that support with this Program Revision.

The best protection against shifting global markets is a broad-based economy. The Ben Franklin Partnership (BFP) achieves this by bringing new ideas from the laboratory to the marketplace, thereby creating new markets, new companies and new jobs. This Program Revision will provide \$1.5 million in venture capital seed funds to provide equity capital to high technology businesses, plus an additional \$1.1 million for BFP challenge grants. By encouraging growth in the high technology sector, the Commonwealth's economy is further diversified and strengthened.

In addition to encouraging the development of new ideas, fostering the productive use of ideas already in the marketplace is an important State investment. The Commonwealth's network of nine Industrial Resource Centers (IRCs) offer a competitive advantage to small and medium-sized manufacturers by helping them utilize existing technologies, thereby improving productivity and expanding product development. This Program Revision includes \$1.5 million to allow the IRCs to further promote flexible manufacturing practices by providing extended consulting services that assist manufacturers to both aggressively attract new customers and substantially upgrade their manufacturing techniques.

A recent report completed for the Economic Development Partnership identified powdered metallurgy as an industrial sector in Pennsylvania with excellent growth potential. Powdered metallurgy technology is the use of metals that are mined in powdered form and then transformed into metal components which, due to their ability to adhere to lubricants, are used in high friction applications. Manufacturers of tools and dies, automobiles, machinery and equipment often use powdered metals during production. Approximately 30 percent of the nation's powdered metals industry is located in Pennsylvania. Many of these companies have limited capital resources and have difficulty investing in research and development. The \$400,000 included in this Program Revision, in concert with \$3 million being provided by the Federal Government, will address start-up research and development costs at a Center for Powdered Metallurgy Technology in Johnstown. This center will encourage growth of Pennsylvania's powdered metals industry by insuring that it remains technologically competitive and able to meet the challenges of foreign competition. It will also place Pennsylvania at the forefront of this emerging technology area.

Competing in a world which is rapidly changing due to technological innovation is challenging. Pennsylvania's engineering schools have traditionally been a leading source of technical talent both in Pennsylvania and nationally. To continue to meet the need for trained engineers, the Commonwealth's 15 engineering schools need the most current technical equipment available for undergraduate teaching. Engineering School Equipment grants may leverage many times their amount in private support, while facilitating a partnership between the Commonwealth and private industrial sponsors in the allocation of resources to this vital area. The State's \$2 million investment will result in at least \$4 million in private matching funds generated by colleges and universities.

Technology-related companies rely heavily on computer resources. The Super Computer Center has allowed the technology rich Pittsburgh area to become even more attractive to technology-related companies. This Program Revision will provide \$1 million to continue the upgrade of the Super Computer Center to guarantee access to the most high powered commercial computers and most up-to-date research information for Pennsylvania's universities and companies.

In another key component of this Program Revision, the Commonwealth will provide \$300,000 towards a \$1.5 million study to evaluate engineering design and cost factors for a magnetic levitation train link between downtown Pittsburgh and the Greater Pittsburgh International Airport. Magnetic levitation technology has been extremely successful in Europe and has the potential to be a significant economic development and regional transportation factor in this country.

At Lehigh University, the former Homer Research Laboratory of Bethlehem Steel was acquired using \$10 million in Commonwealth funds. These facilities, including the Lee Iacocca Institute for Competitiveness, complement the highly successful advanced technology research and development efforts of the North East Tier Ben Franklin Advanced Technology Center based at Lehigh. With an additional \$1 million provided this year, the Commonwealth continues to enhance this facility's capabilities leading to technology development and job creation in the eastern region of the Commonwealth.

In addition to these appropriations, the University of Pennsylvania's Institute for Advanced Science and Technology will receive \$1 million in Redevelopment Assistance capital funds for the development of the Center for Technology Transfer, which will strengthen research linkages between the University and private corporations. This center will increase funding for academic research and encourage the timely transfer of academic research to commercial applications.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Ben Franklin Partnership (seed funds):							
Private investment generated (in thousands)							
Current							
Program Revision			\$4,500	\$4,500	\$4,500	\$4,500	\$4,500
Firms receiving venture capital seed funds							
Current							
Program Revision			18	18	18	18	18

ECONOMIC DEVELOPMENT PARTNERSHIP

Program Revision: High Technology Enhancements

Program Measures Continued:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Ben Franklin Partnership (challenge grants):							
Additional private investment generated (in thousands)							
Program Revision			\$2,700	\$2,700	\$2,700	\$2,700	\$2,700
Additional companies assisted							
Program Revision			30	30	30	30	30
Industrial Resource Centers:							
Additional private investment generated (in thousands)							
Program Revision			\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Additional companies assisted							
Program Revision			115	115	115	115	115
Powdered Metallurgy Research and Development							
Additional jobs created							
Program Revision				500	1000	1000	1500
Engineering School Equipment							
Private investment generated (in thousands)							
Current							
Program Revision			\$4,000			\$4,000	

Program Revision Recommendations:

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

<p>Ben Franklin Partnership</p> <p>\$ 1,500 —to provide venture capital seed funds.</p> <p>1,100 —to provide additional challenge grants.</p> <p><u>\$ 2,600</u> <i>Appropriation Increase</i></p>	<p>Industrial Resource Centers</p> <p>\$ 1,500 —to enable the IRCs to provide additional consulting services to manufacturers.</p>	<p>Powdered Metallurgy Research and Development</p> <p>\$ 400 —to help cover start-up costs for a new Center for Powdered Metallurgy Technology in Johnstown.</p>	<p>Engineering School Equipment</p> <p>\$ 2,000 —to provide grants to engineering schools for equipment used in teaching and research.</p>	<p>MAGLEV Study</p> <p>\$ 300 —to help fund a study on the use of magnetic levitation technology in the Pittsburgh area.</p>	<p>Super Computer Center</p> <p>\$ 1,000 —to continue the upgrade of the Cray super computer.</p>	<p>Lehigh Mountaintop Campus</p> <p>\$ 1,000 —to enhance the research and development capabilities of the Lehigh Mountaintop Campus.</p>	<p><u>\$ 8,800</u> <i>Program Revision Total</i></p>
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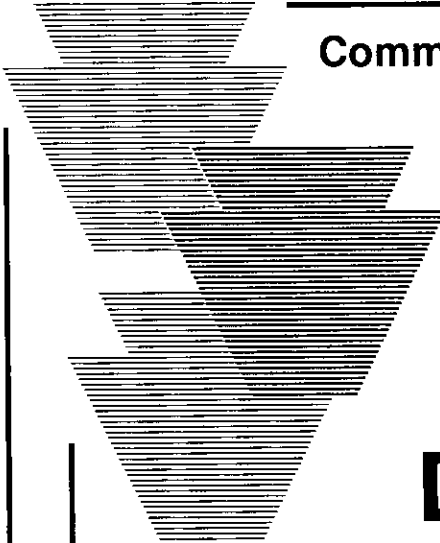
In addition to the above appropriations, the Institute for Advanced Science and Technology at the University of Pennsylvania will receive \$1 million of Redevelopment Assistance capital budget funds for development of a Center for Technology Transfer.

ECONOMIC DEVELOPMENT PARTNERSHIP

Program Revision: High Technology Enhancements

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
MAGLEV Study	\$ 300	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 300	.....	.....	.....	.....
ECONOMIC REVITALIZATION FUND:							
Super Computer Center	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Ben Franklin Partnership	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600
Industrial Resource Centers	1,500	1,500	1,500	1,500	1,500
Powdered Metallurgy Research and Development	400	400	400	400	400
Engineering School Equipment	2,000	.....	.....	2,000	.....
Lehigh Mountaintop Campus	1,000	.....	.....	.....	.....
TOTAL ECONOMIC REVITALIZATION FUND	\$ 8,500	\$ 5,500	\$ 5,500	\$ 7,500	\$ 5,500
TOTAL ALL FUNDS	\$ 8,800	\$ 5,500	\$ 5,500	\$ 7,500	\$ 5,500



Commonwealth of Pennsylvania

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 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 and guidance services; and provides consultant and data collection services on higher education. The bulk of the department's budget consists of subsidies for basic and higher education.

EDUCATION

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1990-91 State Funds (in thousands)
GENERAL FUND		
Improving Special Education	Special Education	\$ 31,660
	Instructional Support Teams	5,000
	Subtotal	<u>\$ 36,660</u>

This Program Revision will revise the payment method for school district operated special education programs and begin to establish instructional support teams. In addition, Federal Medical Assistance reimbursements estimated at \$3 million will be generated as a reimbursement for health-related services.

Improving Access to Higher Education	Tuition Challenge	\$ 15,226
	State System of Higher Education	15,003
	State System of Higher Education — Recruitment of the Disadvantaged	50
	State System of Higher Education — Affirmative Action	815
	The Pennsylvania State University — Educational and General	7,252
	The Pennsylvania State University — Recruitment of Disadvantaged	50
	University of Pittsburgh — Educational and General	4,970
	University of Pittsburgh — Recruitment of Disadvantaged	50
	Temple University — Educational and General	5,445
	Temple University — Recruitment of Disadvantaged	50
	Lincoln University — Educational and General	400
Lincoln University — Recruitment of Disadvantaged	50	
Subtotal	<u>\$ 49,361</u>	

This Program Revision will improve access to higher education through the Tuition Challenge, which offers public universities \$100 for each undergraduate resident student to hold tuition increases to that level. In addition, Educational and General operating funds for public universities are increased. Affirmative action funds, including special funds for recruitment and retention of minority students and faculty, are increased by over \$1 million.

Dropout Prevention	Dropout Prevention	\$ 250
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This Program Revision will expand the Dropout Prevention Program to an additional 4,000 students in 10 school districts. In addition to the increased State funding, \$750,000 in Federal DFSC — Special Programs funds will be provided. Funding for this Program Revision is also included in Drug and Alcohol Expansion Program shown in the Executive Offices.

EDUCATION

Title	Appropriation	1990-91 State Funds <small>(in thousands)</small>
GENERAL FUND		
Teacher Salary Increase	Equalized Subsidy for Basic Education .....	.....
<p style="margin-left: 40px;">This Program Revision proposes to raise the minimum starting salary for teachers from \$18,500 to \$21,000 effective July 1, 1990. Funding will be provided as a reimbursement in 1991-92.</p>		
Corrections Expansion and Improvement	Corrections Education	\$ 566
<p style="margin-left: 40px;">This Program Revision will establish education programs at Waymart Correctional Insitution. This is part of the \$23 million Corrections Expansion and Improvements. Please see the Department of Corrections for further details on this Program Revision.</p>		
MOTOR LICENSE FUND		
Commercial Driver Safety and Licensing	Commercial Driver Licensing Test Preparation	\$ 3,000
<p style="margin-left: 40px;">This Program Revision will provide a testing preparation for commercial drivers. This is part of the \$4.3 million Commercial Driver Safety and Licensing. Please see the Department of Transportation for further details on this Program Revision.</p>		
DEPARTMENT TOTAL		\$ 89,271

EDUCATION

Summary by Fund and Appropriation

GENERAL FUND	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL GOVERNMENT:			
General Government Operations	\$ 16,763	\$ 19,762	\$ 18,188
Vocational Student Organizations	195	.....	.....
(F) Adult Basic Education	638	680	776
(F) Education of Exceptional Children	2,773	3,591	3,700
(F) ECIA Chapter (I)	1,998	2,289	2,000
(F) State Approving Agency (VA)	543	710	750
(F) Food and Nutrition Service	2,202	3,000	3,000
(F) Migrant Education — Administration	236	290	325
(F) Emergency Immigrant Education	1	5	5
(F) Civil Rights Technical Assistance	694	820	700
(F) Vocational Education	3,424	4,647	4,394
(F) Transition for Refugee Children	5	9	6
(F) Parental Involvement .....	.....	300	.....
(F) Math and Science Teacher Training	298	750	499
(F) Recruitment of Migrants	152	100	56
(F) Removal of Architectural Barriers	7	90	.....
(F) Special Education Evaluation	26	.....	.....
(F) AIDS Demonstration/Training	130	404	400
(F) Byrd Scholarships	18	54	50
(F) Project Learning Tree .....	.....	4	4
(F) DFSC — Administration	452	1,409	1,500
(F) DFSC — Special Programs	2,782	6,510	9,000
(F) JTPA — Linkage	538	1,089	858
(F) ECIBG — Administration	2,308	2,907	3,900
(F) Highway Safety	325	495	500
(F) Addiction Prevention	203	325	283
(F) Developmental Disabilities — Public Relations	27	38	28
(F) NOICC	26	80	.....
(F) Homeless Assistance	173	424	240
(F) Homeless Assistance — Administration	46	125	61
(F) Asbestos Plan Assistance	987	990	.....
(F) Dropout Prevention — Appalachia	300	323	.....
(F) Workplace Literacy	436	749	1,036
(F) Preschool Grant .....	.....	850	500
(F) National Security Credit Exchange .....	.....	350	.....
(F) Family/Schools Partnership .....	.....	250	.....
(F) State Legalization Impact Assistance	263	1,428	649
(A) EDP Services	60	66	66
(A) Air Force	51	57	60
(A) Environmental Education	83	94	75
(A) PennSERVE	200	200	200
(A) Approved Private Schools	70	80	75
(A) Chief School Officers	40	.....	.....
(A) School Cooperative Conference	2	2	2
(A) National Center for Statistics	4	.....	.....
(A) Columbus Quincentennial	30	.....	.....
(A) Model Day Care	1,000	1,000	1,000
(A) Name the Orbiter .....	.....	2	.....
(A) Crayola .....	.....	113	.....
Subtotal — State Funds	\$ 16,958	\$ 19,762	\$ 18,188
Subtotal — Federal Funds	22,011	36,085	35,220
Subtotal — Augmentations	1,540	1,614	1,478
Total — General Government Operations	\$ 40,509	\$ 57,461	\$ 54,886
State Library	\$ 2,773	\$ 2,928	\$ 2,980
(F) LSCA I	948	1,051	1,081
(F) Nuclear Regulatory Commission Document	8	13	9
(F) National Endowment for the Humanities Newspaper Project	250	189	51

EDUCATION

GENERAL FUND	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL GOVERNMENT: (continued)			
General Government Operations (continued)			
State Library (continued)			
(A) Penalties and Reimbursements	\$ 12	\$ 12	\$ 12
(A) LEXIS	2	2	2
(A) Newspaper Project	12	10	.....
Subtotal — State Funds	\$ 2,773	\$ 2,928	\$ 2,980
Subtotal — Federal Funds	1,206	1,253	1,141
Subtotal — Augmentations	26	24	14
Total — State Library	\$ 4,005	\$ 4,205	\$ 4,135
Subtotal — State Funds	\$ 19,731	\$ 22,690	\$ 21,168
Subtotal — Federal Funds	23,217	37,338	36,361
Subtotal — Augmentations	1,566	1,638	1,492
Total — General Government	\$ 44,514	\$ 61,666	\$ 59,021
Institutional:			
Youth Development Centers Education	\$ 4,540	\$ 4,852	\$ 5,234
Correctional Institutions Education	6,296	6,887	7,436
(F) Correctional Education	737	1,245	1,300
(F) JTPA Corrections	504	840	890
(A) Adult Literacy	69	.....	.....
Total — Correctional Institutions Education	\$ 7,606	\$ 8,972	\$ 9,626
Scranton State School for the Deaf	\$ 3,664	\$ 3,981	\$ 4,181
(F) ESEA — Education for the Handicapped	59	59	58
(F) School Milk Lunch	30	30	30
(F) Life Long Learning .....	.....	11	11
(F) Adult Basic Education	4	10	10
(A) Cafeteria	72	64	64
Total — Scranton State School for the Deaf	\$ 3,829	\$ 4,155	\$ 4,354
Scotland School for Veterans' Children	\$ 7,595	\$ 8,731	\$ 8,659
(F) ESEA — Education for the Disadvantaged	386	500	500
(F) School Milk Lunch	229	250	250
(A) Cafeteria Fees	69	74	74
Total — Scotland School for Veterans' Children	\$ 8,279	\$ 9,555	\$ 9,483
Thaddeus Stevens State School of Technology	\$ 3,874	\$ 4,333	\$ 4,449
(F) Vocational Education	410	50	350
(A) Tuition and Fees	722	741	710
Total — Thaddeus Stevens State School	\$ 5,006	\$ 5,124	\$ 5,509
Subtotal — State Funds	\$ 25,969	\$ 28,784	\$ 29,959
Subtotal — Federal Funds	2,359	2,995	3,399
Subtotal — Augmentations	932	879	848
Total — Institutional	\$ 29,260	\$ 32,658	\$ 34,206
GRANTS AND SUBSIDIES:			
Support of Public Schools:			
Equalized Subsidy for Basic Education	\$ 2,507,279	\$ 2,661,268	\$ 2,745,327
PENNFREE — Community and School Based Drug			
Prevention .....	.....	6,000	.....
(F) DFSC — School Districts	5,702	8,016	13,500
School Performance Incentives	5,000	5,000	5,300
Agenda for Excellence	26,000	17,251	.....
For the Improvement of Teaching	2,000	1,500	2,300
Adult Literacy	6,957	7,000	7,000
Vocational Education	37,221	35,785	35,722
Authority Rentals and Sinking Fund Requirements	134,000	142,800	142,800
Pupil Transportation	208,650	212,900	223,545
Nonpublic Pupil Transportation	12,725	12,950	13,200
Special Education	326,000	348,340 ^a	380,000
Special Education Supplemental .....	.....	99,000 ^a	.....

^aActually appropriated as \$447,340,000 for Special Education.

EDUCATION

(Dollar Amounts in Thousands)

GENERAL FUND	1988-89 Actual	1989-90 Available	1990-91 Budget
<i>GRANTS AND SUBSIDIES: (continued)</i>			
<i>Support of Public Schools (continued)</i>			
Instructional Support Teams .....	.....	.....	\$ 5,000
Early Intervention—Handicapped Children	8,258	\$ 14,800	\$ 24,338
Homebound Instruction	495	475	475
Tuition for Orphans and Children Placed in Private Homes	14,600	16,000	19,500
Payments in Lieu of Taxes	80	80	80
Education of Migrant Laborers' Children	194	200	210
(A) Migrant Education .....	.....	630	.....
Education of the Disadvantaged	1,000	1,000	1,000
Special Education—Approved Private Schools	58,500	56,100	58,344
Private Residential Rehabilitative Institutions	500	500	500
Higher Education of Blind or Deaf Students	50	50	50
Intermediate Units	13,400	13,500	14,175
School Food Services	10,844	11,738	11,920
School Employees' Social Security	187,000	200,823	221,907
(A) School Employees' Social Security	4,500	.....	.....
School Employees' Retirement Fund Transfer	481,968	541,266	570,858
School Annuitants Supplement	8,669	.....	.....
School District Payments—Racing	3,500	3,500	3,500
Education of Indigent Children	100	100	105
(F) ECIBG — School Districts	17,676	18,968	18,943
(F) ECIBG — Discretionary	1,020	1,868	.....
Subtotal — State Funds	\$ 4,054,990	\$ 4,409,926	\$ 4,487,156
Subtotal — Federal Funds	24,398	28,852	32,443
Subtotal — Augmentations	4,500	630	.....
Total — Support of Public Schools	\$ 4,083,888	\$ 4,439,408	\$ 4,519,599
<i>Other Grants and Subsidies:</i>			
Customized Job Training	\$ 11,710	\$ 15,500	\$ 11,500
JTPA — Matching Funds	5,600	5,400	5,400
(F) JTPA — Educational Training	6,428	6,457	5,700
Services to Nonpublic Schools	46,059	48,859	50,422
Textbooks for Nonpublic School	8,869	9,408	9,709
Student Supplies for Nonpublic Schools	5,228	5,545	5,722
Teen Pregnancy and Parenthood	828	928	928
Comprehensive Reading	278	300	300
Dropout Prevention	750	1,000	1,250
Improvement of Library Services	21,500	22,145	22,809
Library Services for Blind and Handicapped	1,789	1,939	2,036
Library Access	3,000	5,000	5,000
School Library Catalog	500	500	500
College of Physicians	100	100	.....
Educational Radio and Television Grants	175	175	175
Conservatory Leadership School	30	30	30
Ethnic Heritage	200	200	200
Governor's Schools for Excellence	955	936	1,049
Educational and Institutional Assistance	1,904	.....	.....
Subtotal — State Funds	\$ 109,475	\$ 117,965	\$ 117,030
Subtotal — Federal Funds	6,428	6,457	5,700
Subtotal — Other Grants and Subsidies	\$ 115,903	\$ 124,422	\$ 122,730
<i>Higher Education — Other Grants and Subsidies:</i>			
Community Colleges	\$ 103,103 ^a	\$ 110,268	\$ 124,071
Higher Education of the Disadvantaged	6,397	7,175	7,534
Rural Initiatives	1,245	375	254
Higher Education Equipment	14,100	6,602	.....
Annenberg Center .....	.....	150	.....
Tuition Challenge .....	.....	12,873 ^b	28,099
Subtotal — Higher Education — Other Grants and Subsidies	\$ 124,845	137,443	159,958

^aActually appropriated as \$113,350,000, including Williamsport Area Community College, now the Pennsylvania College of Technology.

^bActually appropriated separately as: State System of Higher Education — \$5,090,000; The Pennsylvania State University — \$3,313,000; University of Pittsburgh — \$2,124,000; Temple University — \$2,251,000; and Lincoln University — \$95,000.

EDUCATION

GENERAL FUND	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GRANTS AND SUBSIDIES: (continued)			
Other Grants and Subsidies: (continued)			
State System of Higher Education:			
State System of Higher Education	\$ 311,594	\$ 333,406	\$ 348,409
Recruitment of the Disadvantaged	200	250	300
Deferred Maintenance	3,800	3,800	3,800
Cheyney Enhancement	1,750	935	.....
McKeever Center	250	250	.....
Teaching Academy	500	500	500
Library Enhancement	1,500	750	.....
Affirmative Action .....	.....	300	1,115
Subtotal — State System of Higher Education	\$ 319,594	\$ 340,191	\$ 354,124
State-Related Universities:			
The Pennsylvania State University:			
Educational and General	\$ 150,615	\$ 161,158	\$ 168,410 ^a
Research	13,164	14,085	14,719 ^a
Medical Programs	4,188	4,481	4,615 ^a
Agricultural Research	15,668	18,765	17,268 ^a
Agricultural Extension Services	17,901	19,154	19,729 ^a
Recruitment of the Disadvantaged	200	250	300
Elizabethtown Hospital	4,411	4,720	4,862 ^a
Biotechnology	1,500	750	.....
Psychiatric Education	1,375	1,500	1,375 ^a
Pennsylvania College of Technology	7,238 ^b	8,887	9,287
Pennsylvania College of Technology — Debt Service	3,009 ^b	3,009	2,902
Subtotal — Pennsylvania State University	\$ 219,269	\$ 236,759	\$ 243,467
University of Pittsburgh:			
Educational and General	\$ 103,216	\$ 110,441	\$ 115,411
Medical Programs	5,907	6,320	6,510
Dental Clinics	997	1,067	1,067
Titusville Campus	793	849	887
Recruitment of the Disadvantaged	200	250	300
Applied Research Center	1,500	750	.....
Western Psychiatric Institute ^c .....	.....	7,629	7,972
Western Teen Suicide Center ^c .....	.....	515	515
Bradford Campus .....	.....	1,170	805
Subtotal — University of Pittsburgh	\$ 112,613	\$ 128,991	\$ 133,467
Temple University:			
Educational and General	\$ 113,084	\$ 121,000	\$ 126,445
Medical Programs	7,863	8,413	8,665
Dental Clinics	997	1,067	1,067
Technology Programs	1,500	750	.....
Recruitment of the Disadvantaged	200	250	300
Maxillofacial Prosthodontics .....	.....	100	100
Subtotal — Temple University	\$ 123,644	\$ 131,580	\$ 136,577
Lincoln University:			
Educational and General	\$ 8,314	\$ 8,896	\$ 9,296
Recruitment of the Disadvantaged	200	250	300
International Affairs	300	300	300
Subtotal — Lincoln University	\$ 8,814	\$ 9,446	\$ 9,896
Non-State-Related Universities and Colleges:			
Delaware Valley College of Science and Agriculture	\$ 438	\$ 424	\$ 424
James Mitchner Arts Center .....	.....	200	200
Drexel University	5,466	5,849	5,466

^aAppropriation legislation for 1990-91 will be prepared showing line items combined as follows: Educational and General will include Educational and General and Research; Agricultural Research and Extension will include Agricultural Research and Agricultural Extension Services; Medical Education will include Medical Programs, Elizabethtown Hospital and Psychiatric Education.

^bActually appropriated in the line item Community Colleges.

^cAppropriated in 1988-89 and prior year to the Department of Public Welfare.

EDUCATION

GENERAL FUND

(Dollar Amounts in Thousands)

	1988-89 Actual	1989-90 Available	1990-91 Budget
GRANTS AND SUBSIDIES: (continued)			
<i>Non-State-Related Universities and Colleges: (continued)</i>			
Hahnemann Medical College:			
Medical Programs	\$ 4,869	\$ 5,210	\$ 4,869
Allied Health Programs	702	851	702
Subtotal — Hahnemann Medical College	\$ 5,571	\$ 6,061	\$ 5,571
Thomas Jefferson University:			
Medical Programs	\$ 5,797	\$ 6,303	\$ 5,797
Operations and Maintenance	4,128	4,417	4,128
Subtotal — Thomas Jefferson University	\$ 9,925	\$ 10,720	\$ 9,925
The Medical College of Pennsylvania:			
Medical Programs	\$ 2,881	\$ 3,233	\$ 2,881
Allied Health Programs	915	979	915
Subtotal — The Medical College of Pennsylvania	\$ 3,796	\$ 4,212	\$ 3,796
University of Pennsylvania:			
Instruction	\$ 15,545	\$ 16,633	\$ 15,545
Dental Clinics	997	1,067	997
Medical Programs	4,295	4,596	4,295
School of Veterinary Medicine	7,481	8,005	8,005
New Bolton	3,509	3,755	3,755
Food and Animal Clinics	1,890	2,022	2,022
Center for Animal Health and Productivity	1,153	1,234	1,234
Dairy Cattle Teaching and Research Facility	322	.....	.....
Biohazard Incineration	400	.....	.....
Subtotal — University of Pennsylvania	\$ 35,592	\$ 37,312	\$ 35,853
Pennsylvania College of Podiatric Medicine	\$ 1,191	\$ 1,269	\$ 1,191
Pennsylvania College of Optometry	1,553	1,662	1,553
Philadelphia University of the Arts	1,047	1,120	1,047
Philadelphia College of Textiles and Science	522	559	522
Philadelphia College of Osteopathic Medicine	5,240	5,607	5,240
Subtotal Non-State-Related Universities and Colleges	\$ 70,341	\$ 74,995	\$ 70,788
Non-State-Related Institutions:			
Berean:			
Maintenance	\$ 927	\$ 1,092	\$ 927
Rental Payments	95	102	102
Subtotal — Berean	\$ 1,022	\$ 1,194	\$ 1,029
Downingtown			
Rental	\$ 906	\$ 969	\$ 906
Special Projects	81	81	81
Subtotal — Downingtown	\$ 1,041	\$ 1,104	\$ 1,041
Johnson Technical Institute			
Subtotal — Johnson Technical Institute	\$ 195	\$ 209	\$ 195
Williamson Free School of Mechanical Trades			
Subtotal — Williamson Free School of Mechanical Trades	97	76	76
Subtotal — Non-State-Related Institutions	\$ 2,355	\$ 2,583	\$ 2,341
Subtotal — Higher Education Subsidies	\$ 981,475	\$ 1,061,988	\$ 1,110,618
Total—Grants and Subsidies	\$ 5,145,940	\$ 5,589,879	\$ 5,714,804
STATE FUNDS	\$ 5,191,640	\$ 5,641,353	\$ 5,765,931
FEDERAL FUNDS	56,402	75,642	77,903
AUGMENTATIONS	6,998	3,147	2,340
GENERAL FUND TOTAL	\$ 5,255,040	\$ 5,720,142	\$ 5,846,174

EDUCATION

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
MOTOR LICENSE FUND			
<i>GENERAL GOVERNMENT:</i>			
Commercial Driver Licensing Test Preparation .....	.....	.....	\$ 3,000
<i>GRANTS AND SUBSIDIES:</i>			
Safe Driving Course	\$ 1,910	\$ 2,300	\$ 2,197
MOTOR LICENSE FUND TOTAL	<u>\$ 1,910</u>	<u>\$ 2,300</u>	<u>\$ 5,197</u>
 OTHER FUNDS			
<i>GENERAL FUND:</i>			
Vocational Education Act	\$ 40,497	\$ 44,926	\$ 40,860
Education Consolidation and Improvement Act:			
Education of Children of Low-Income Families —			
Title I	205,358	205,197	273,000
Adult Basic Education	5,052	5,549	8,449
Education of Handicapped	74,147	78,511	79,357
Food Nutrition Services	139,153	139,886	147,400
Library Services — Extension, Development, and			
Improvement	4,016	3,425	4,425
Pennsylvania State University — Land Grant Aid	50	50	50
Transition Program — Refugee Children	1,152	902	430
Emergency Immigrant Assistance	285	286	177
Math and Science Teacher Training	2,823	8,289	9,918
Removal of Architectural Barriers	216	105	59
Surety Bond Proceeds	9	25	25
Tax Sheltered Annuities	9,051	8,700	8,900
Training Personnel for Education of Handicapped	74	76	183
Byrd Scholarships	341	354	330
Homeless Adult Assistance	267	700	1,006
Temporary Special Aid	3,431	1,376	1,500
Severely Handicapped Program .....	.....	.....	187
Private Licensed Schools .....	.....	707	360
GENERAL FUND TOTAL	<u>\$ 485,922</u>	<u>\$ 499,064</u>	<u>\$ 576,616</u>
 <i>SCHOOL EMPLOYES RETIREMENT FUND:</i>			
Administration	\$ 12,640	\$ 13,757	\$ 14,385
OTHER FUNDS TOTAL	<u>\$ 498,562</u>	<u>\$ 512,821</u>	<u>\$ 591,001</u>
 DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 5,191,640	\$ 5,641,353	\$ 5,765,931
SPECIAL FUNDS	1,910	2,300	5,197
FEDERAL FUNDS	56,402	75,642	77,903
AUGMENTATIONS	6,998	3,147	2,340
OTHER FUNDS	498,562	512,821	591,001
TOTAL ALL FUNDS	<u>\$ 5,755,512</u>	<u>\$ 6,235,263</u>	<u>\$ 6,442,372</u>

EDUCATION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
EDUCATION SUPPORT SERVICES							
General Funds.....	\$ 16,958	\$ 19,762	\$ 18,188	\$ 18,843	\$ 19,521	\$ 20,224	\$ 20,952
Federal Funds.....	22,011	36,085	35,220	35,220	35,220	35,220	35,220
Other Funds.....	10,591	10,314	10,378	10,305	10,307	10,310	10,313
TOTAL.....	\$ 49,560	\$ 66,161	\$ 63,786	\$ 64,368	\$ 65,048	\$ 65,754	\$ 66,485
BASIC EDUCATION							
General Funds.....	\$ 4,143,352	\$ 4,502,812	\$ 4,583,442	\$ 4,745,398	\$ 4,839,466	\$ 4,946,616	\$ 5,062,915
Special Funds.....	1,910	2,300	5,197	2,197	2,197	2,197	2,197
Federal Funds.....	26,347	31,797	35,492	35,492	35,492	35,492	35,492
Other Funds.....	490,155	501,414	577,764	578,259	578,801	579,357	579,933
TOTAL.....	\$ 4,661,764	\$ 5,038,323	\$ 5,201,895	\$ 5,361,346	\$ 5,455,956	\$ 5,563,662	\$ 5,680,537
JOB TRAINING							
General Funds.....	\$ 22,498	\$ 26,712	\$ 22,649	\$ 22,842	\$ 23,011	\$ 23,187	\$ 23,369
Federal Funds.....	6,838	6,507	6,050	6,050	6,050	6,050	6,050
Other Funds.....	722	741	710	724	739	739	739
TOTAL.....	\$ 30,058	\$ 33,960	\$ 29,409	\$ 29,616	\$ 29,800	\$ 29,976	\$ 30,158
LIBRARY SERVICES							
General Funds.....	\$ 29,662	\$ 32,612	\$ 33,325	\$ 33,432	\$ 33,543	\$ 33,658	\$ 33,777
Federal Funds.....	1,206	1,253	1,141	1,090	1,090	1,090	1,090
Other Funds.....	4,042	3,449	4,439	4,439	4,439	4,439	4,439
TOTAL.....	\$ 34,910	\$ 37,314	\$ 38,905	\$ 38,961	\$ 39,072	\$ 39,187	\$ 39,306
HIGHER EDUCATION							
General Funds.....	\$ 979,170	\$ 1,059,455	\$ 1,108,327	\$ 1,108,327	\$ 1,108,327	\$ 1,108,327	\$ 1,108,312
Other Funds.....	50	50	50	50	50	50	50
TOTAL.....	\$ 979,220	\$ 1,059,505	\$ 1,108,377	\$ 1,108,377	\$ 1,108,377	\$ 1,108,377	\$ 1,108,362
ALL PROGRAMS:							
GENERAL FUND.....	\$ 5,191,640	\$ 5,641,353	\$ 5,765,931	\$ 5,928,842	\$ 6,023,868	\$ 6,132,012	\$ 6,249,325
SPECIAL FUNDS.....	1,910	2,300	5,197	2,197	2,197	2,197	2,197
FEDERAL FUNDS.....	56,402	75,642	77,903	77,852	77,852	77,852	77,852
OTHER FUNDS.....	505,560	515,968	593,341	593,777	594,336	594,895	595,474
TOTAL.....	\$ 5,755,512	\$ 6,235,263	\$ 6,442,372	\$ 6,602,668	\$ 6,698,253	\$ 6,806,956	\$ 6,924,848

EDUCATION

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

Program: Education Support Services

Education Support Services 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 services provided.

In addition to including the executive offices of the Department of Education, 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, and the Professional Standards and Practices Commission.

The funds from the School Employees' Retirement Fund used for administration of the School Employees' Retirement System are also included as other funds in this program. Administration of the School Employees' Retirement System includes provision of benefits for retired school employees and counseling and information services for active employees. The system currently provides benefits to over 90,000 annuitants.

Program Recommendations:

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

	General Government Operations
\$ -2,321	—nonrecurring projects.
747	—to continue current program.
<u>\$ -1,574</u>	<i>Appropriation Decrease</i>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operations	\$ 16,763	\$ 19,762	\$ 18,188	\$ 18,843	\$ 19,521	\$ 20,224	\$ 20,952
Vocational Student Organization	195						
TOTAL GENERAL FUND	<u>\$ 16,958</u>	<u>\$ 19,762</u>	<u>\$ 18,188</u>	<u>\$ 18,843</u>	<u>\$ 19,521</u>	<u>\$ 20,224</u>	<u>\$ 20,952</u>

PROGRAM OBJECTIVE: To provide students with the skills, attitudes and abilities needed for effective living in our complex society.

Program: Basic Education

Program Element: Basic Education

This program element includes funding for the instructional cost at public schools. In addition to funding the Equalized Subsidy for Basic Education, the element includes funds for programs of remediation in mathematics and reading, for the improvement of teaching, vocational education, school based teen pregnancy and dropout prevention, adult literacy, and the Governor's Schools of Excellence. Funds are also provided for the State operated Scotland School for Veterans' Children, Scranton State School for the Deaf and the Downingtown Industrial and Agricultural School.

The Equalized Subsidy for Basic Education (ESBE) was established by Act 73 of 1983 to distribute the basic education subsidy beginning in the 1983-84 payable year. ESBE was altered slightly by Act 93 of 1984, Act 31 of 1985, Act 117 of 1986, Act 50 of 1987, Act 110 of 1988 and most recently by Act 43 of 1989. However, over its eight years of existence, ESBE has contained three primary components: a base subsidy to account for instructional expense, an economic supplement to account for pupils in low-income families and an economic supplement to account for local tax effort and population per square mile. An augmentation to the subsidy system designed to provide additional assistance to small school districts was included in Act 31 of 1985 and a second augmentation entitled School Supplement was added by Act 117 of 1986 and rescinded by Act 50 of 1987.

The basic subsidy to account for instructional expense is determined by multiplying a school district's Weighted Average Daily Membership (WADM) by the Factor for Educational Expense (FEE) and the district's market value/personal income aid ratio. The FEE is a dollar amount set each fiscal year.

The economic supplement to account for children in low-income families is determined by the number of Aid to Families with Dependent Children (AFDC) pupils in the district. At least eight percent of the pupils in average daily attendance must be from AFDC families receiving \$2,000 or more in assistance per year to qualify. Depending on the percentage of AFDC pupils in average daily attendance, a district can qualify for a grant equal to 6, 16, or 27 percent of the factor for educational expenses per AFDC child under current law.

The economic supplement to account for local tax effort and population per square mile is provided to districts which are levying local taxes equal to or in excess of the Statewide median tax effort, as measured by the State median equalized mills on market value or a district, the majority of whose population is drawn from a city of the first through third class, which levies and collects local taxes for municipal purposes equal to or about the municipal median equalized millage. The amount of the supplement is determined by the population per square mile of the district. The more persons per square mile, the greater the supplement. The supplement is either one, three, or five percent of the actual instructional cost. Those districts with a population per square mile of 5,950 or more persons and a student population in excess of 35,000 Weighted Average Daily Memberships (WADM's), receive a supplement equal to 19 percent of their actual instruction expense.

A district qualifies for Small District Assistance when the average daily membership is 1,500 or less and the market value/personal income ratio is .5000 or greater. The amount of assistance is a flat dollar amount times the average daily membership.

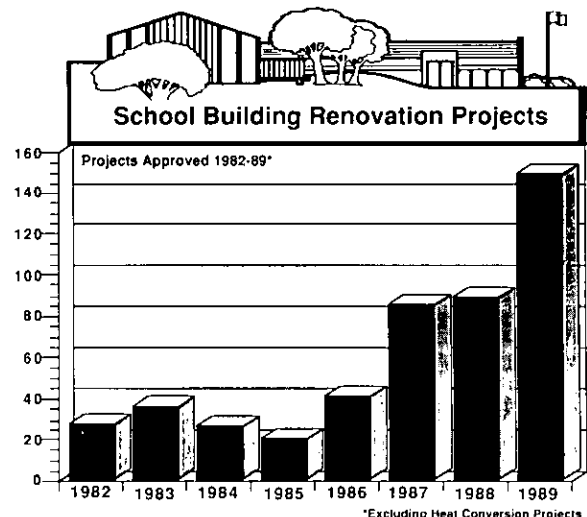
The School Performance Incentives Program was implemented in 1988-89. This program financially rewards individual schools that show significant improvement in measures of achievement. These measures include improvement in achievement test results, increases in the number of students graduating from high school, and other post-

secondary activity which includes college attendance and training related job placement. The criteria used to award these rewards is based upon improvement in an individual school's achievements and not as a comparison with other school's results. Therefore, all schools have an equal opportunity to be rewarded regardless of their financial status, student enrollment or geographic location.

During fiscal year 1989-90 the School Performance Incentive Program awarded 234 awards to 171 school districts based upon the aforementioned eligibility criteria. The average award per school was \$21,367.

Program Element: Educational Support

The activities included in this element are those which support basic education programs, but are not directly involved with their implementation. These programs include: payments to school districts to cover the State share of payroll costs for Social Security and retirement, authority rental and sinking fund payments for school infrastructure, pupil transportation, school food service subsidy, intermediate units, payments in lieu of taxes, and school district in lieu of Racing Fund revenues.



Over one-third of the school buildings in the Commonwealth were constructed prior to 1930. As a response to the aging of school buildings, Act 50 of 1987 raised the reimbursement rates for school building construction and renovation projects.

Program Element: Basic Education-Nonpublic Schools

The Commonwealth provides aid to nonprofit nonpublic schools through this element. Appropriations are for services, textbooks, student supplies, and transportation to nonpublic schools.

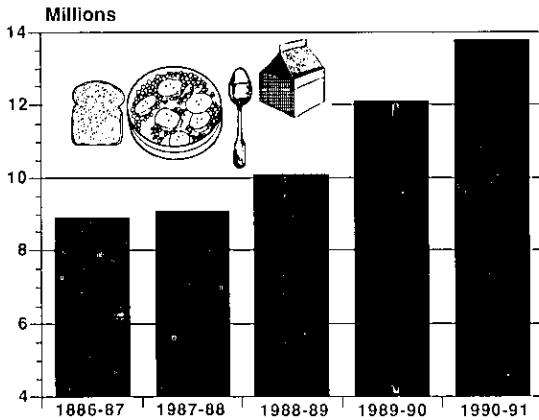
Services provided include guidance, counseling, testing, psychological services, speech and hearing services, remedial reading, remedial math, and services for exceptional children. Textbooks are loaned to children in nonpublic schools under a program established by Act 195 of 1972. Act 90 of 1975 authorizes instructional materials to be loaned to nonpublic schools. Finally, transportation is provided to nonpublic school students under the Public School Code of 1949.

EDUCATION

PROGRAM OBJECTIVE: To provide students with the skills, attitudes and abilities needed for effective living in our complex society.

Program: Basic Education (continued)

School Breakfasts Served



The Commonwealth's Youth Development Centers house minors adjudicated from the court system. These centers provide rehabilitation and education for these incarcerated juveniles.

A substantial basic education program is provided to adults at the Commonwealth's fourteen correctional institutions. Adults who are incarcerated in the institutions are provided the opportunity to participate in an education program which includes: an assessment component that diagnoses the academic achievement levels of each inmate entering an educational program; a basic education curriculum with instruction geared to preparation for the General Education Development diploma; remedial instruction in reading and mathematics; and vocational education and training with emphasis on providing entry level employment skills. There are also opportunities to obtain college level instruction and job placement services throughout the State system.

Program Element: Special Education

Special education, in partnership with basic education, is serving about 280,000 school aged students in Pennsylvania school districts, intermediate units, approved private schools, private residential facilities and State schools and hospitals.

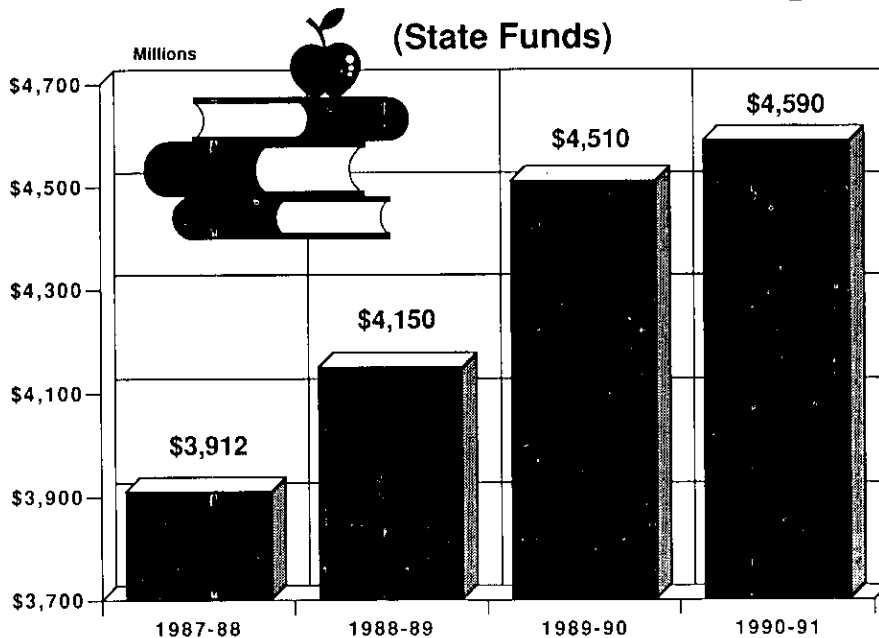
The major special education appropriation provides monetary support for programs for exceptional children served by the public schools of the Commonwealth. Public school special education programs are operated by all 29 intermediate units and approximately 410 public school districts. When appropriate public education is not available, students are assigned to department approved private schools.

Program Element: Basic Education-Adjudicated Youth and Incarcerated Adults

This element includes educational services for those in rehabilitative or correctional facilities. The appropriations within this element are the Commonwealth's Youth Development Centers and Correctional Education programs.

Basic Education Funding

(State Funds)



Includes funding from PHEAA for Computer Purchases and Computer Training.

EDUCATION

Program: Basic Education (continued)

Program Measures

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Basic Education							
Public school enrollments (K-12)	1,658,335	1,654,480	1,666,294	1,687,170	1,713,680	1,743,230	1,780,050
Median instructional cost per public school pupil	\$2,950	\$3,185	\$3,440	\$3,715	\$4,010	\$4,330	\$4,675
High school graduation rates	82.0	83.2	83.8	84.4	85.0	85.6	86.2
Graduates enrolling in business, technical or college programs	73,300	69,200	64,650	64,400	64,350	64,650	65,900
Vocational education enrollments	130,860	123,700	120,000	118,600	120,300	122,300	126,400
Vocational education students placed in jobs	34,500	32,200	31,200	30,800	31,250	31,800	32,870
Percent of Students passing Testing for Essential Learning Skills	70.2%	71.0%	72.3%	73.1%	74.0%	74.2%	75.0%
Students served by dropout prevention programs	5,616	6,616	10,600	10,600	10,600	10,600	10,600
Students served by teen parenting programs	3,000	3,260	4,000	4,000	4,000	4,000	4,000
Total General Educational Development diplomas	18,941	20,000	21,000	22,000	23,000	23,000	23,000
Enrollment in adult basic education	85,000	87,000	87,000	87,000	88,000	89,000	89,000
Scotland School for Veterans' Children enrollment	380	380	380	380	380	380	380
Downingtown Industrial and Agricultural School enrollment	75	70	75	75	80	85	90

Public school enrollments include special education and vocational education.

Students served by dropout prevention programs have increased substantially due to correction and refinement of data for this relatively new program.

Enrollment number has increased in the adult basic education area due to a new method of calculating number of students served.

Basic Education-Nonpublic Schools

Nonpublic school enrollment	350,064	341,770	336,240	332,100	328,800	326,250	324,570
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Basic Education-Adjudicated Youth and Incarcerated Adults

Youth Development Centers							
Total youths served	1,068	1,230	1,230	1,230	1,230	1,230	1,230
Corrections Education							
Enrollments in institutional programs	4,632	5,310	5,636	5,876	6,002	6,192	6,395
Classes presented	235	286	310	310	310	310	310
General Educational Development diplomas (GED's) issued	503	650	675	675	675	675	675
Inmates placed in jobs through job placement programs	200	300	450	500	500	500	500

General Educational Development diplomas (GED's) issued has decreased due to new method of calculating data. The old estimates reflect number of tests taken, while the new measure reflects the actual number of tests passed resulting in the issuance of a GED.

Special Education

Pupils enrolled in programs for the physically and mentally handicapped	202,595	202,600	202,600	201,600	199,600	197,100	194,100
Pupils enrolled in programs for the gifted and talented	80,011	80,100	80,125	80,175	80,200	80,225	80,250
Scranton School for the Deaf enrollments	95	97	100	104	104	104	104
Students in approved vocational education programs	12,600	11,900	11,500	11,400	11,500	11,700	12,100
Students in approved vocational education programs placed in jobs	1,600	1,500	1,450	1,430	1,450	1,470	1,520

Pupils enrolled in programs for the physically and mentally handicapped in the future years assumes promulgation of revised standards and regulations for special education programs.

Number of students in approved vocational education programs and students placed in jobs have changed due to under estimating.

EDUCATION

Program Recommendations:

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

GENERAL FUND:			
Scranton State School for the Deaf			Early Intervention
\$ 158	—to continue current program.	\$ 4,538	—to continue current program.
\$ 42	—to expand intensive services for emotionally disturbed deaf children.	5,000	—to replace Federal funds.
		\$ 9,538	<i>Appropriation Increase</i>
\$ 200	<i>Appropriation Increase</i>		Tuition for Orphans and Children in Private Homes
	Scotland School for Veterans' Children		—to continue current program.
\$ -385	—nonrecurring projects.	\$ 3,500	
313	—to continue current program.		Education of Migrant Laborers' Children
\$ -72	<i>Appropriation Decrease</i>	\$ 10	—to continue current program.
	Youth Development Centers — Education		Special Education-Approved Private Schools
\$ 242	—to continue current program.	\$ 2,244	—to continue current program.
140	—for educational services at Southeast Service Treatment Unit, Youth Development Center.		School Food Services
\$ 382	<i>Appropriation Increase</i>	\$ 182	—to continue current program.
	Intermediate Units	\$ 21,084	School Employees' Social Security
\$ 675	—to continue current program.		—to meet employers' share.
	Correction Education	\$ 29,592	School Employees' Retirement Fund Transfer
\$ -300	—nonrecurring projects.		—to meet employers' share.
283	—to continue current program.	\$ 250	Dropout Prevention
566	—PRR — Part of the Corrections Expansion and Improvements. To establish education programs at Waymart Correctional Institution. See Program Revision in Department of Corrections.		—PRR — Dropout Prevention. To add new programs and increase funding for current dropout prevention program. See the Program Revision following this program for further information.
\$ 549	<i>Appropriation Increase</i>	\$ 1,563	Services to Nonpublic Schools
	Equalized Subsidy for Basic Education		—to provide an increase equivalent to that for the Equalized Subsidy for Basic Education.
\$ 84,059	—to increase the Factor for Educational Expense (FEE) to \$2,380.	\$ 301	Textbooks for Nonpublic Schools
	Instructional Support Team		—to provide an increase equivalent to that for the Equalized Subsidy for Basic Education.
\$ 5,000	—PRR — Improving Special Education. To provide training for teachers enabling them to work with special education students. See the Program Revisions following this program for further information.	\$ 177	Student Supplies for Nonpublic Schools
	School Performance Incentives	\$ 5	—to provide an increase equivalent to that for the Equalized Subsidy for Basic Education.
\$ 300	—to increase the number of performance grants.	\$ 113	Education of Indigent Children
	For the Improvement of Teaching		—to continue current program.
\$ 800	—to continue current program.		Governor's School of Excellence
	Vocational Education	\$ -103	—to continue current program.
\$ -63	—to continue current program.		MOTOR LICENSE FUND:
	Pupil Transportation	\$ 3,000	Safe Driving Program
\$ 10,645	—to continue current program.		—to continue current program.
	Nonpublic Pupil Transportation		Commercial Driver Licensing Test Preparation
\$ 250	—to continue current program.		—PRR — Part of the Commercial Driver Safety and Licensing Program Revision. To provide a testing preparation program for commercial drivers. See the Program Revision in the Department of Transportation for further information.
	Special Education		
\$ 31,660	—PRR — Improving Special Education. For new reimbursement method of funding school operated programs. See the Program Revisions following this program for further information.		

PENNFREE — Community and School Based Drug Prevention was a nonrecurring one-time appropriation. See Section A for additional information.

EDUCATION

Program: Basic Education (continued) Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Scranton State School for the Deaf	\$ 3,664	\$ 3,981	\$ 4,181	\$ 4,370	\$ 4,529	\$ 4,695	\$ 4,866
Scotland School for Veterans' Children	7,595	8,731	8,659	8,971	9,294	9,629	9,976
Youth Development Centers	4,540	4,852	5,234	5,422	5,617	5,819	6,028
Correctional Education	6,296	6,887	7,436	7,620	7,898	8,186	8,485
Equalized Subsidy for Basic Education	2,507,279	2,661,268	2,745,327	2,752,380	2,754,407	2,754,407	2,754,407
PENNFREE Community and School							
Based Drug Prevention		6,000					
Instructional Support Team			5,000	10,000	10,000	10,000	10,000
School Performance Incentives	5,000	5,000	5,300	5,300	5,300	5,300	5,300
Agenda for Excellence	26,000	17,251					
For the Improvement of Teaching	2,000	1,500	2,300	2,300	2,300	2,300	2,300
Adult Literacy	6,957	7,000	7,000	7,000	7,000	7,000	7,000
Vocational Education	37,221	35,785	35,722	35,722	35,722	35,722	35,722
Authority Rentals and Sinking Fund	134,000	142,800	142,800	148,512	154,452	160,631	167,056
Pupil Transportation	208,650	212,900	223,545	240,236	241,786	251,458	261,516
Nonpublic Pupil Transportation	12,725	12,950	13,200	13,394	13,930	14,487	15,067
Special Education	326,000	348,340	380,000	476,000	513,000	555,000	604,000
Special Education—Supplemental		99,000					
Early Intervention	8,258	14,800	24,338	25,312	26,324	27,377	28,472
Homebound Instruction	495	475	475	475	475	475	475
Tuition for Orphans and Children Placed in Private Homes	14,600	16,000	19,500	17,472	18,171	18,898	19,654
Payments in Lieu of Taxes	80	80	80	80	80	80	80
Education of Migrants' Children	194	200	210	210	210	210	210
Education of Disadvantaged	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Special Education — Approved Private Schools	58,500	56,100	58,344	60,678	63,105	65,629	68,254
Private Residential Rehabilitative Institutions	500	500	500	500	500	500	500
Intermediate Units	13,400	13,500	14,175	14,175	14,175	14,175	14,175
School Food Services	10,844	11,738	11,920	12,278	12,646	13,025	13,416
School Employees' Social Security	187,000	200,823	221,907	233,541	245,373	257,641	270,524
School Retirement	481,968	541,266	570,858	588,019	617,741	648,541	680,001
School Annuity's Supplement	8,669						
School District Payments — Racing	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Education of Indigent Children	100	100	105	105	105	105	105
Services to Nonpublic School	46,059	48,859	50,422	50,422	50,422	50,422	50,422
Textbooks for Nonpublic Schools	8,869	9,408	9,709	9,709	9,709	9,709	9,709
Student Supplies for Nonpublic Schools	5,228	5,545	5,722	5,722	5,722	5,722	5,722
Teen Pregnancy and Parenting	828	928	928	928	928	928	928
Comprehensive Reading	278	300	300	300	300	300	300
Dropout Prevention	750	1,000	1,250	1,250	1,250	1,250	1,250
Education Radio and Television	175	175	175	175	175	175	175
Ethnic Heritage Studies	200	200	200	200	200	200	200
Governor's Schools of Excellence	955	936	1,049	1,049	1,049	1,049	1,049
Conservatory Leadership School	30	30	30	30	30	30	30
Educational and Institutional Assistance Projects	1,904						
Downingtown Industrial and Agricultural School — Maintenance	906	969	906	906	906	906	906
Downingtown Industrial and Agricultural School — Rental	81	81	81	81	81	81	81
Downingtown Special Projects	54	54	54	54	54	54	54
TOTAL GENERAL FUND	\$ 4,143,352	\$ 4,502,812	\$ 4,583,442	\$ 4,745,398	\$ 4,839,466	\$ 4,946,616	\$ 5,062,915
MOTOR LICENSE FUND							
Safe Driving Program	\$ 1,910	\$ 2,300	\$ 2,197	\$ 2,197	\$ 2,197	\$ 2,197	\$ 2,197
Commercial Driver Licensing Test Preparation			3,000				
TOTAL MOTOR LICENSE FUND	\$ 1,910	\$ 2,300	\$ 5,197	\$ 2,197	\$ 2,197	\$ 2,197	\$ 2,197

Program Revision: Improving Special Education

For years, school districts and intermediate units have been spending more for special education than has been appropriated by the General Assembly. Through 1988-89, this overspending amounted to almost \$100 million. The Commonwealth paid \$99 million to school districts in 1989-90 as part of an effort to address the financial problems in the special education system.

Pursuant to Act 43 of 1989, the Commonwealth will soon revise special education regulations and standards to improve special education programs and services and to provide for more prudent management and fiscal accountability. Nonetheless, if the State is to establish a more predictable growth rate for this program which is more comparable to the growth rate of basic education, changes must be made in the statutes which provide for special education funding.

Under current law, the Commonwealth funds school district special education costs on a two-year payment cycle. School districts receive advance payments during the operating year based on estimated expenditures. Each school district's actual earned reimbursement for that year is not calculated until the following year when actual expenditure and child accounting data are reported. School districts that earn reimbursements greater than their advance payments receive a reconciliation payment in the next year. This payment cycle creates confusion in estimating reimbursements, calculating actual reimbursements, and matching costs with corresponding payments.

This Program Revision recommends that for 1990-91, school district special education excess costs be funded on a reimbursement basis, paralleling the Equalized Subsidy for Basic Education (ESBE) reimbursement process used for regular basic education funding. In 1990-91, intermediate units will continue to be paid their approved special education budgets during the operating year. The method of calculating each school district's earned reimbursement will not change.

Changing to a reimbursement-based payment system will assure timely, stable and predictable State special education subsidy payments. It will also improve school district and State-level planning, reporting and budgeting and provide a more predictable and understandable mechanism for funding special education. In 1990-91, the Special Education appropriation will increase to \$380 million, an increase of \$31.6 million over the 1989-90 funding level, to implement this change. In addition, a revised special education funding formula to begin in 1991-92 will soon be presented. This proposal, built on the reimbursement system, will focus accountability for special education on school districts while providing increased annual funding for special education.

Recent changes to Federal law make Federal Medicaid matching funds available for the cost of "health-related services" for school aged

children. School districts and intermediate units presently use State funds to provide health-related services as required in each child's individualized education plan. These funds can be designated as State matching funds for the purpose of claiming Federal reimbursement for health-related services provided to Medical Assistance eligible handicapped children. Through an interagency agreement between the Departments of Education and Public Welfare, school districts and intermediate units will be able to enroll as Medical Assistance providers and submit claims to the Department of Public Welfare for Federal reimbursement.

A Medical Assistance reimbursement system should be established to make these funds available for special education services such as improved instruction in integrated environments, Instructional Support Teams in school districts and additional related services for students with special needs. Since reimbursements are based on the Medical Assistance eligibility of students, the program will be self equalizing by providing the most funds to the school districts and intermediate units with the greatest need. Current estimates indicate that Medical Assistance reimbursements from health-related services provided to approximately 35,000 special education students in 411 school districts and 29 intermediate units will be \$3 million in 1990-91 and could reach \$14 million annually by 1994-95.

Finally, steps must be taken to ensure that all children receive educational services appropriate to their needs and abilities. Prior to the adoption of the new regulations and standards, many students who needed only remedial instruction were placed in special education programs because regular education programs did not include a system for controlling referrals nor alternative services to meet the students' needs.

Additional support is needed for regular teachers to provide improved remedial services to nonspecial education students. Additional resources to assist teachers will be provided through "Instructional Support Teams" (ISTs) designated by the school districts. The ISTs will help teachers adapt their instruction to assist students who are exhibiting problems in learning. Additional funding will be provided to train teachers and implement the IST concept. To facilitate the training, participating school districts will receive reimbursement for costs associated with hiring a full-time substitute teacher to temporarily replace the permanent teacher who will be trained in the IST concept. Fifty percent of the cost will be provided to the participating school districts in the year of training and the balance will be reimbursed in the following year. To ensure that all schools receive proper training in an orderly fashion, training will be provided over a five-year period.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Federal reimbursement for health-related services (in thousands)							
Current							
Program Revision			\$3,000	\$8,000	\$10,000	\$12,000	\$14,000
Additional school buildings with Instructional Support Teams (ISTs)							
Current							
Program Revision			430	430	430	430	430
Students eligible for service from ISTs (cumulative)							
Current							
Program Revision			180,000	360,000	540,000	720,000	900,000

EDUCATION

Program Revision: Improving Special Education (continued)

Program Measures (continued):

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Additional school districts receiving IST training							
Current							
Program Revision			100	100	100	100	100

Program Revision Recommendations:

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

- Special Education**
- \$ 31,660 —to fund on a reimbursement basis special education excess costs in school district operated programs.
- Instructional Support Teams**
- \$ 5,000 —to provide additional educational support for remedial services.
-
- \$ 36,660 *Program Revision Total*

In addition, \$3 million will be available for special education services from Federal reimbursements for health-related services. These funds will be appropriated as part of the Federal Medical Assistance-Outpatient appropriation.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Special Education			\$ 31,660	\$ 96,000	\$ 37,000	\$ 42,000	\$ 49,000
Instructional Support Teams			5,000	10,000	10,000	10,000	10,000
TOTAL GENERAL FUND			\$ 36,660	\$ 106,000	\$ 47,000	\$ 52,000	\$ 59,000

Program Revision: Dropout Prevention

Every year thousands of children in our nation drop out of school. A Commonwealth-wide school dropout report shows that 23,605 students dropped out of Pennsylvania's public schools in 1987-88, an increase of 1,341 or six percent over the previous school year. The annual Statewide dropout rate for students in grades seven through twelve increased from 2.8 percent to 3.1 percent during the same period. In order to reduce the number of school dropouts, the Successful Student Partnerships Program was started in 1987. This program, funded through competitive grants, enables school districts to provide school and community services to potential dropouts. These services include personal and career counseling, job placement, health coordination and academic support. Other components of the program include interdisciplinary teams, parent involvement and community advisory

councils. These services allow the schools to place special emphasis on helping young people who are at risk of falling prey to drug abuse.

The primary goals of the program are to improve attendance and academic achievement, and to decrease discipline referrals. In the 27 school districts which participated in the program during the 1988-89 school year, 95 percent of the high risk students remained in school, 19 percent improved attendance records, 30 percent showed improvement in their grade point average, and out-of-school disciplinary suspensions dropped by 22 percent.

This Program Revision will double the size of the program by providing an additional \$1 million in State funds and Federal Drug Free Schools and Communities Act funds to increase the number of school districts offering on-site coordinated services.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
School districts with dropout prevention programs							
Current	22	30	30	30	30	30	30
Program Revision .....	.....	.....	40	40	40	40	40
Students receiving services							
Current	5,616	6,616	6,616	6,616	6,616	6,616	6,616
Program Revision .....	.....	.....	10,600	10,600	10,600	10,600	10,600

Program Revision Recommendations:

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

Dropout Prevention

\$ 250 —to increase school dropout prevention services.

In addition, \$750,000 of Federal Drug Free Schools and Communities-Special Program funds will be available to provide dropout prevention services.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Dropout Prevention	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250

Program Revision: Teacher Salary Increase

Economic studies of the teaching profession find that teachers typically reach their top pay scale early in their careers. By their mid-thirties, teachers experience little or no salary growth in real terms, while their peers in other professions are just beginning to enter their prime earning years. The Carnegie Report on Education cites this as a major reason why half of all new teachers leave teaching within seven years and why the caliber of new teachers does not compare favorably with college graduates entering other professions.

Prior year initiatives to increase minimum teacher salaries to \$18,500, and to provide performance incentives and encourage teacher development have done much to improve the quality of education in Pennsylvania. Over the last two years, nearly all school districts have taken action to initiate an \$18,500 starting teacher salary. This Program Revision continues efforts to attract and retain teachers of the highest quality by providing funding to raise minimum teacher salaries for all

teachers to \$21,000. This increase in the minimum salary should encourage higher salaries for experienced teachers as well.

Funding for this salary increase will be provided on a reimbursement basis through the Equalized Subsidy for Basic Education (ESBE) appropriation starting in 1991-92. All school districts, vocational-technical schools and intermediate units which take action in the 1990-1991 school year to raise minimum teacher salaries to \$21,000 will be reimbursed in 1991-92 for the cost of these salary increases. In addition to paying the salary costs in 1991-92, the Commonwealth will pay the entire employer's share of social security and retirement costs related to the salary increase. In future years, continued support for the salary increase will be included in school districts' ESBE funding base.

This salary increase initiative will continue efforts to improve Pennsylvania's educational system by encouraging qualified college graduates to enter the teaching profession.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Teachers making less than \$21,000 per year							
Current	5,770	5,250	4,770	4,290	3,810	3,330	2,850
Program Revision			1,590	1,000			

Program Revision Recommendations:

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

No funding impact in 1990-91. All school districts, vocational-technical schools and intermediate units which take action in the 1990-1991 school year to raise minimum teacher salaries to \$21,000 will be reimbursed in 1991-92 for the costs of these salary increases.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Equalized Subsidy for Basic Education ..				\$ 4,053	\$ 6,080	\$ 6,080	\$ 6,080
School Employees' Social Security				310	465	465	465
School Employees' Retirement Fund				777	1,166	1,166	1,166
TOTAL GENERAL FUND				\$ 5,140	\$ 7,711	\$ 7,711	\$ 7,711

EDUCATION

PROGRAM OBJECTIVE: To improve the employment capabilities of those persons in the Commonwealth who are unemployed or underemployed.

Program: Job Training

This program includes funding for the Job Training Partnership, Customized Job Training Program, and programs offered through Thaddeus Stevens State School of Technology, Berean Training and Industrial School, Johnson Technical Institute, and Williamson Free School of Mechanical Trades.

Under the Federal Job Training Partnership Act, State Government, local government and the private sector work cooperatively in the development, planning and implementation of programs. Eight percent of funds under Title II-A of the act are earmarked for involvement of the education community in providing vocational skills training, counseling and remedial services to participants with matching funds provided from State and local sources. Up to 20 percent of the education funds can be used for coordination and linkage activities between education

institutions and entities responsible for local administration of employment and training services.

The Customized Job Training Program supplies firms with workers specifically trained for available jobs as well as training current employees in the use of new technologies. Customized Job Training plays an important role in creating and fostering an environment suitable to economic growth.

Thaddeus Stevens State School of Technology provides post-secondary vocational training to indigent youths at State expense. Berean Training and Industrial School offers one and two year post secondary trade and technical training. Johnson Technical Institute and Williamson Free School of Mechanical Trades provide secondary three year technical programs.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Providers offering economic development training plans	275	275	275	275	275	275	275
Trainees enrolled in economic development training programs	28,590	24,596	27,500	27,500	27,500	27,500	27,500
Trainees completing instruction	17,239	12,600	17,000	17,000	17,000	17,000	17,000
Trainees placed in jobs	11,858	9,460	12,825	12,800	12,800	12,800	12,800
Stevens enrollments	330	396	430	430	430	430	430
Berean enrollments	125	146	150	150	150	150	150
Johnson enrollments	423	344	415	450	470	490	515
Williamson enrollments	210	211	220	225	230	235	240

Program data for the measures trainees enrolled in economic development training programs, trainees completing instruction and trainees placed in jobs has decreased substantially from data estimated in the 1989-90 Governor's Executive Budget. This is due to training emphasis being refocused on new job training rather than retraining, job training projects of longer duration at increased costs and the use of JTPA funds for Summer Training and Employment Program (STEP) and Jobs for American Graduates (JAG) job training Programs in the Department of Labor and Industry.

Program Recommendations:

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

	Thaddeus Stevens State School of Technology		Customized Job Training
		\$ -4,000	—revised estimate of program requirements.
\$ 81	—to maintain current program.		
35	—to provide for additional staff required to meet Middle States Post Secondary Education Institution accreditation requirements.	\$ -179	State-aided Institutions
			—to maintain programs.
\$ 116	—Appropriation Increase		

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
JTPA—Matching Funds	\$ 5,600	\$ 5,400	\$ 5,400	\$ 5,400	\$ 5,400	\$ 5,400	\$ 5,400
Customized Job Training	11,710	15,500	11,500	11,500	11,500	11,500	11,500
Thaddeus Stevens State School of Technology	3,874	4,333	4,449	4,642	4,811	4,987	5,169
State-aided Institutions	1,314	1,479	1,300	1,300	1,300	1,300	1,300
TOTAL GENERAL FUND	\$ 22,498	\$ 26,712	\$ 22,649	\$ 22,842	\$ 23,011	\$ 23,187	\$ 23,369

PROGRAM OBJECTIVE: To provide and improve library services to citizens of the Commonwealth, special libraries, and agencies and employes of government.

Program: Library Services

This program includes funding to support and improve State and local library services and to insure access to these services by citizens of the Commonwealth. The program includes: the State Library, Library Projects, Improvement of Library Services, Library Services for the Blind and Handicapped, Library Access, and the School Library Catalog.

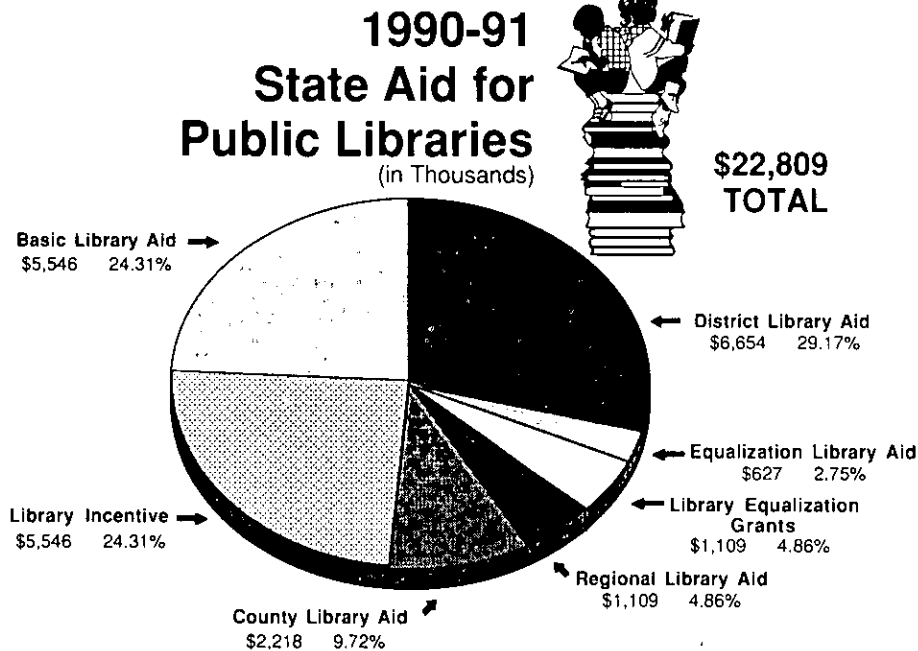
The State Library is the agency of the Commonwealth charged with developing, improving and coordinating library services and systems in the State. It provides Statewide leadership in the development of libraries as essential contributors to cultural and economic well being of Pennsylvania communities.

The appropriation for Improvement of Library Services encourages local libraries to meet the information, education, and recreation needs of the Commonwealth. These funds assist in supporting 28 district libraries making their resources and services available to all residents of their respective areas on behalf of the Commonwealth. In addition, they support four regional resource center libraries, which are designated by State law to acquire research collections, and make them available to all residents.

Library Services for the Blind and Physically Handicapped provides operating funds to Pennsylvania's regional libraries for direct mail services to Pennsylvania residents who are blind and physically handicapped and cannot utilize regular print materials. Seventy percent of the users of this program are elderly persons who are often homebound and isolated with no other access to the world of books. The service is provided through contracts with the Carnegie Library of Pittsburgh and the Free Library of Philadelphia.

The Library Access Program allows people to use any participating public library no matter where they live. Libraries are reimbursed for the cost of lending books to people living outside their service area.

The School Library Catalog Program provides students and teachers with information about library holdings across the Commonwealth. It provides students and teachers with access to books, journals, and other information held by any participating school, college or university. The program's objective is to increase access to educational materials and to automate the time consuming management functions of Pennsylvania school libraries.



EDUCATION

Program: Library Services (continued)

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Percentage of State population served by State-aided libraries	96%	96%	96%	96%	96.5%	96.5%	97%
Items lent (in thousands)	45,580	46,000	46,200	46,300	46,400	46,500	46,600
Titles in State Library collection listed in machine readable catalog data base ..	514,459	550,000	575,000	600,000	625,000	650,000	675,000
Patron queries handled by State Library staff	131,993	138,000	138,000	138,000	138,000	138,000	138,000
Items loaned under the Statewide library card system	6,200	6,300	6,400	6,500	6,600	6,700	6,700
Citizens served by Access Pennsylvania database	188,340	243,090	316,090	389,090	462,090	535,090	608,090

In the 1989-90 budget document, the number of patron queries handled by the State Library staff was over estimated for 1988-89 since a major component of the program, Dial Access, was implemented for only six months of the fiscal year being measured rather than a full year.

Also, the database estimates for citizens served by Access Pennsylvania was originally based on the number of enrolled students in a school linked to the system, but new numbers reflect the actual number of students using the system in the linked schools.

Program Recommendations:

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

<p>State Library \$ 52 —to continue current program.</p> <p>Improvement of Library Services \$ 664 —to continue current program.</p>	<p>Library Services for the Blind and Handicapped \$ 97 —to continue current program.</p> <p>College of Physicians \$ -100 —nonrecurring project.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
State Library	\$ 2,773	\$ 2,928	\$ 2,980	\$ 3,087	\$ 3,198	\$ 3,313	\$ 3,432
Improvement of Library Services	21,500	22,145	22,809	22,809	22,809	22,809	22,809
Library Services for the Blind and Handicapped	1,789	1,939	2,036	2,036	2,036	2,036	2,036
Library Access	3,000	5,000	5,000	5,000	5,000	5,000	5,000
School Library Catalog	500	500	500	500	500	500	500
College of Physicians	100	100					
TOTAL GENERAL FUND	\$ 29,662	\$ 32,612	\$ 33,325	\$ 33,432	\$ 33,543	\$ 33,658	\$ 33,777

PROGRAM OBJECTIVE: To fulfill Pennsylvania's requirements for graduates of higher education programs, to respond to the demands of students for higher education and to support the public institutions providing those programs.

Program: Higher Education

Higher education in Pennsylvania is provided through 243 degree granting institutions which include the State System of Higher Education, the four State-related universities, 11 State-aided colleges and universities, the community colleges, and the Commonwealth's independent colleges, universities, and specialized degree granting institutions.

Funding for these institutions is through the direct grant appropriations and, for most of the independent sector, through the Institutional Assistance Grants and student support programs of the Higher Education Assistance Agency.

Table 1
Full-Time Equivalent Enrollments at State-Supported Institutions of Higher Education, Actual and Projected*

Institutional Category	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
State System of Higher Education	86,089	88,135	89,272	89,315	90,214	90,968	91,611
State-related Universities	124,331	124,346	124,342	124,237	124,183	124,408	124,848
Community Colleges	61,589	67,933	69,165	71,046	73,132	74,629	73,900
State-aided Institutions	39,199	39,367	39,582	39,631	39,904	40,188	40,424
TOTAL	311,208	319,781	322,361	324,229	327,433	330,193	330,783

*The enrollment data in Table I reflects transfer of Williamsport Area Community College from the Community College category to the State-related category due to affiliation with the Pennsylvania State University as the Pennsylvania College of Technology.

Program Element: State System of Higher Education

Funding for the fourteen universities of the State System of Higher Education is distributed through the Chancellor's office to the individual universities in accordance with a formula which considers the enrollment and programs of the school and the cost of operating and maintaining the individual campuses. The universities provide a broad liberal arts curriculum but each has a specific mission: some in health sciences, others in technologies or teacher education. Most offer the master's degree level in some of their programs. The system has established the Academy for the Profession of Teaching to provide research in teaching methods and a forum for discussion of teaching methods and issues.

Program Element: Community Colleges

Funding for the community colleges is shared by the sponsoring counties or school districts, the students through tuition payments and the Commonwealth. Commonwealth appropriations are based on a formula which considers the number of students enrolled, the number in each of several technical programs for which additional stipends are paid to recognize the high cost of those programs and the capital costs of the college. The colleges offer two-year liberal arts curricula for transfer to other institutions and two-year programs in technologies or other vocational areas which culminate in an associate degree or certificate. Effective July 1, 1989, the Williamsport Area Community College and the Pennsylvania State University affiliated. The successor to the Community College, now called the Pennsylvania College of Technology, is shown in this budget as a new State-related entity for the budget year. Funding is continued through the Department of Education for capital obligations of the Commonwealth on college properties.

Program Element: State-related Universities

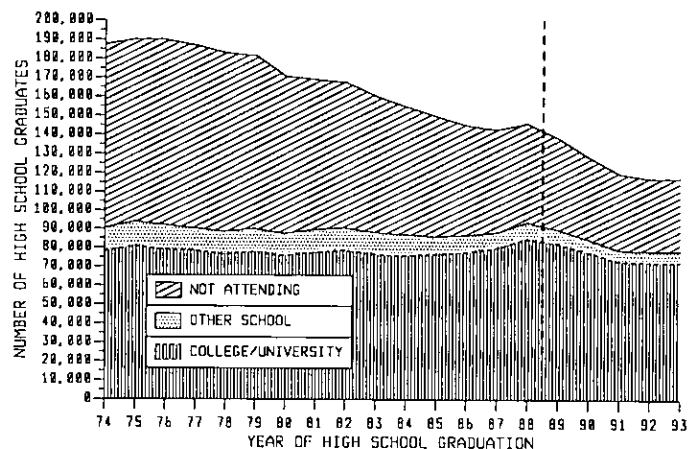
Funding for the four State-related universities—The Pennsylvania State University, the University of Pittsburgh, Temple University, and Lincoln University provides basic support for the educational program. The first three, generally grouped as the Commonwealth Universities,

are major research universities; they provide programs to the doctoral level in the arts and sciences and professional schools in medical and legal fields.

Program Element: State-aided Colleges and Universities

Aid to the eleven State-aided colleges and universities provides support for a varied group of programs in agriculture, medicine, physical sciences, technology and the arts. The University of Pennsylvania is a major research university and is supported by a variety of appropriations supporting its general programs, medical fields, which include the only veterinary science school in the State and others.

Figure 1
High School Postgraduate Activity
1974 to 1988 with Projections for
1989 Through 1992



EDUCATION

Program: Higher Education (continued)

Enrollment and Degree Programs:

Enrollment in State-supported institutions is expected to increase by slightly more than three percent over the next five years but that trend differs from one sector to another. The enrollment is affected by two factors: the population of college age students continues its decline but the impact of the decrease is offset by increases in attendance of older students and part-time students.

There is concern about the number of Pennsylvania high school graduates who choose not to attend college. In 1989, it is projected that of 138,450 high school graduates only 82,600, or 60 percent, will attend college and another five percent will be involved in other postsecondary

education. This is a substantial improvement over 1985 when only 51 percent of high school graduates attended college. The chart shows that while there is cause for concern in the numbers of graduates not attending postsecondary education, the statistics have improved steadily over the past ten years.

The Pennsylvania Association of Colleges and Universities (PACU), the Higher Education Assistance Agency, and the Department of Education are all working with school districts to disseminate information to students and their parents about the importance of postsecondary education, the choices available to students, the financial aid available and the high school preparation required.

Table 2
State-Supported Institutions FTE Enrollments by Subject Area

Subject Area	Number and Percent of Total	1988-89 Actual	1989-90 Projected	1990-91 Projected	1991-92 Projected	1992-93 Projected	1993-94 Projected	1994-95 Projected	Percent Change
Agricultural and Natural Resources	# %	2,988 0.96	2,988 0.93	2,992 0.93	2,994 0.92	2,999 0.92	3,021 0.91	3,044 0.92	1.87
Arts and Letters	# %	43,840 14.09	45,520 14.23	45,950 14.25	46,410 14.31	46,867 14.31	47,342 14.34	47,370 14.32	8.05
Business, Management, Data Processing	# %	66,132 21.25	68,323 21.37	69,299 21.50	69,683 21.49	70,636 21.57	71,265 21.58	71,540 21.63	8.18
Communications and Related Technologies	# %	10,259 3.30	10,432 3.26	10,516 3.26	10,581 3.26	10,622 3.24	10,662 3.23	10,684 3.23	4.14
Computer and Information Sciences	# %	7,240 2.33	7,349 2.30	7,454 2.31	7,450 2.30	7,544 2.30	7,622 2.31	7,682 2.32	6.10
Education	# %	37,939 12.19	39,098 12.23	39,335 12.20	39,583 12.21	39,839 12.17	40,085 12.14	40,290 12.18	6.20
Engineering, Architecture and Environmental Design	# %	20,757 6.67	20,819 6.51	20,887 6.48	20,832 6.43	20,842 6.37	20,944 6.34	21,057 6.37	1.45
Engineering and Related Technologies	# %	7,384 2.37	7,710 2.41	7,839 2.43	7,997 2.47	8,168 2.49	8,356 2.53	8,456 2.56	14.52
Health Professions, Health Sciences and Biological Sciences	# %	37,829 12.16	38,823 12.14	39,119 12.14	39,459 12.17	39,888 12.18	40,210 12.18	40,225 12.16	6.33
Home Economics, Human Services and Public Affairs	# %	14,530 4.67	14,950 4.68	15,032 4.66	15,099 4.66	15,249 4.66	15,365 4.65	15,395 4.65	5.95
Industrial, Repair, Construction and Transport Technologies	# %	2,386 0.77	2,532 0.79	2,628 0.82	2,805 0.87	3,011 0.92	3,126 0.95	3,183 0.96	33.40
Law	# %	3,468 1.11	3,470 1.09	3,591 1.11	3,604 1.11	3,573 1.09	3,585 1.09	3,582 1.08	3.29
Physical Sciences, Mathematics and Related Technologies	# %	14,472 4.65	14,587 4.56	14,677 4.55	14,639 4.52	14,712 4.49	14,780 4.48	14,808 4.48	2.32
Social Sciences, Psychology, Area Studies and Foreign Languages	# %	29,597 9.51	29,749 9.30	29,949 9.29	29,779 9.18	29,880 9.13	29,943 9.07	30,023 9.08	1.44
Multi-Interdisciplinary Studies/Military Sciences	# %	12,387 3.98	13,431 4.20	13,093 4.06	13,314 4.11	13,603 4.15	13,887 4.21	13,444 4.06	8.53
TOTAL	# %	311,208 100.00	319,781 100.00	322,361 100.00	324,229 100.00	327,433 100.00	330,193 100.00	330,783 100.00	6.29

Program: Higher Education (continued)

Along with higher education enrollment size, the mix of enrollments by discipline will shape the future of higher education. Table 2 shows the projections of enrollment in the State-supported institutions from 1988-89 through 1994-95. It reflects the increased choices of job-oriented disciplines with good employment rates such as the health professions, engineering and business. Enrollment in education degree programs is rising more quickly than was anticipated in the past.

A review of fields in which degrees are awarded shows the greatest numbers of four-year degrees are in business including marketing,

education, engineering with emphasis on electrical and mechanical engineering, health sciences including medicine and nursing, the social sciences including political science and economics, and the arts and letters programs.

The publicly funded sector institutions in Pennsylvania graduate over 64,000 students annually with degrees ranging from the two-year Associate Degree to doctoral and professional levels. Total Pennsylvania degree graduates from the public and private sector total over 90,000 annually.

Table 3
Higher Education Degrees Awarded by State-Supported Institutions of Higher Education, Actual and Projected

Institutional Category	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
State System of Higher Education	15,732	16,340	16,678	16,875	17,205	17,521	17,861
State-related Universities	27,311	27,460	27,562	27,707	27,808	27,911	28,028
Community Colleges	9,258	9,912	10,256	10,548	10,909	11,169	11,139
State-aided Institutions	10,186	10,214	10,504	10,448	10,458	10,544	10,616
TOTAL	62,487	63,926	65,000	65,578	66,380	67,145	67,644

Table 3 reflects transfer of Williamsport Area Community College from the Community College category to the State-related category due to affiliation with The Pennsylvania State University as the Pennsylvania College of Technology.

Figure 2

Associate And Baccalaureate Degrees Awarded By Higher Education Institutions With Projections For 1988-89 To 1992-93

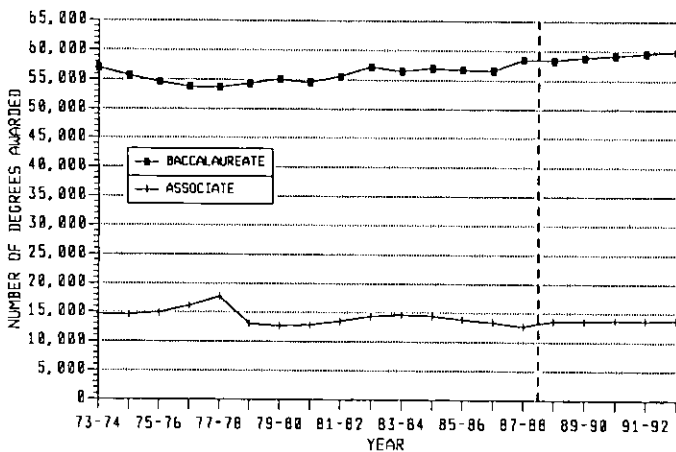
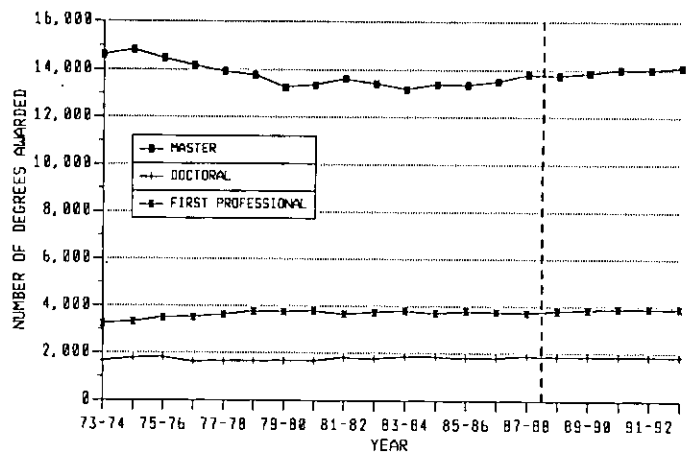


Figure 3

Degrees Awarded Above the Baccalaureate By Higher Education Institutions with Projections For 1988-89 To 1992-93



Program: Higher Education (continued)

Program Element: Support for Educationally Disadvantaged and Minority Students

The Higher Education Equal Opportunity Program provides grants to colleges for tutorial and counseling services for economically and educationally disadvantaged students to aid them in succeeding in college.

The 1983 agreement between the Department of Education and the Federal Office of Civil Rights provided a five-year plan to enhance Cheyney and Lincoln Universities and increase minority enrollment at the other State system and State-related universities. While that agreement has ended, the budget continues the initiative it began. Funding is included to continue to help the major systems with the cost of recruiting and retaining minority students. Funds for the enhancement of Lincoln are continued as part of its education and general appropriation. Funds are provided for an affirmative action program at the State System of Higher Education.

Program Element: Research

An essential ingredient for a healthy economy and the creation of new jobs in any region is the existence of vigorous research universities. Regions with the most dynamic economies are those where research and development investments have been heavy. The research university not only provides new ideas, technologies and products to industry but also educates and motivates graduates to turn those ideas, technologies and products into industry and jobs.

The Pennsylvania State University is the primary recipient of direct research funds designated by the Commonwealth to support research in agriculture, engineering, biological and physical sciences, earth and mineral sciences, health and human services and others. Penn State

is the Commonwealth's Federally designated land-grant university and as such has received funds designated for agricultural research since 1901.

The continued State support for organized research is a means of promoting a responsive position on the ever changing needs of the Commonwealth. In this regard, colleges and universities can play a major role in the economic development of the Commonwealth through the creation of a climate which will attract new high technology industries to the State.

Program Element: Community Service

Public and community services are provided by all sectors of higher education and include short-term courses and workshops and programs in the arts. The bulk of Commonwealth funding in this area supports the Cooperative Extension Service of Penn State. The service offers consultation to any State resident on agricultural or environmental issues. It operates the Agricultural Extension Computer Network which, with a computer in every county extension office, offers a Statewide network of information linked to the resources of the main campus.

Program Element: Support Services

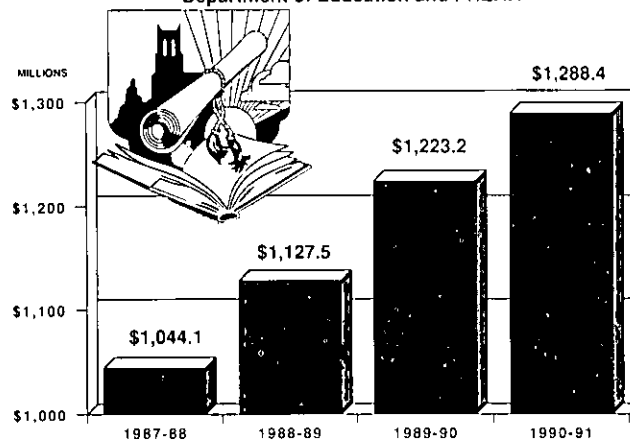
The Department of Education provides leadership and support services to all sectors of higher education. Responsibilities include liaison with the national accrediting agencies, the State Board of Education and other governing boards, policy review and development based on comprehensive planning and research and implementation of the higher education master plan and the Commonwealth of Pennsylvania plan for equal education opportunity. The agency also provides certificates to those seeking teaching certification in Pennsylvania.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Office of Civil Rights reviews of institutional plans	32	31	31	31	31	31	32
Teacher certifications	24,835	25,000	25,000	25,000	25,000	25,000	25,000
Tests administered for certification	11,283	11,500	11,500	12,000	12,500	12,700	12,700
Programs evaluated	682	682	715	730	760	800	840
Minority enrollments at public institutions	27,808	28,364	28,931	29,510	30,100	30,300	30,300
Students served by Act 101 programs ...	12,600	13,000	13,300	14,000	14,500	15,000	15,000

Higher Education Funding

Department of Education and PHEAA



EDUCATION

Program: Higher Education (continued)

Program Recommendations:

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

<p>Community Colleges</p> <p>\$ 11,766 —to fund formula driven portions of the subsidy.</p> <p>2,037 —to increase nonmandated capital funding.</p> <p>\$ 13,803 <i>Appropriation Increase</i></p> <p>Higher Education for the Disadvantaged</p> <p>\$ 359 —to provide a five percent increase in the existing program.</p> <p>Rural Initiatives</p> <p>\$ -121 —nonrecurring projects.</p> <p>Tuition Challenge</p> <p>\$ 15,226 —PRR — Improving Access to Higher Education. Will provide a grant of \$100 per full-time resident student to public universities if tuition increases are held at or below \$100. See the Program Revision following this program for further information.</p> <p>State System of Higher Education Educational and General</p> <p>\$ 15,003 —PRR — Improving Access to Higher Education. Provides a 4.5% increase in funds. See the Program Revision following this program for further information.</p> <p>State System of Higher Education Affirmative Action and Recruitment of the Disadvantaged</p> <p>\$ 865 —PRR — Improving Access to Higher Education. Provides for expanded minority recruitment and retention efforts. See the Program Revision following this program for further information.</p> <p>The Pennsylvania State University Educational and General</p> <p>\$ 7,252 —PRR — Improving Access to Higher Education. Provides a 4.5% increase in funding. See the Program Revision following this program for further information.</p> <p>The Pennsylvania State University Recruitment of the Disadvantaged</p> <p>\$ 50 —PRR — Improving Access to Higher Education. Provides for expanded minority recruitment and retention efforts. See the Program Revision following this program for further information.</p>	<p>The Pennsylvania State University Agricultural Research:</p> <p>\$ -2,000 —nonrecurring projects.</p> <p>503 —to continue current program.</p> <p>\$ -1,497 <i>Appropriation Decrease</i></p> <p>The Pennsylvania State University</p> <p>To continue current programs:</p> <p>\$ 634 —Research.</p> <p>134 —Medical programs.</p> <p>575 —Agricultural extension services.</p> <p>142 —Elizabethtown Hospital.</p> <p>The Pennsylvania State University Psychiatric Education</p> <p>\$ -125 —nonrecurring project.</p> <p>The Pennsylvania State University Pennsylvania College of Technology</p> <p>To continue current program.</p> <p>\$ 400 —operations.</p> <p>\$ -107 —Debt service requirement.</p> <p>University of Pittsburgh Educational and General</p> <p>\$ 4,970 —PRR — Improving Access to Higher Education. Provides for expanded minority recruitment and retention efforts. See the Program Revision following this program for further information.</p> <p>University of Pittsburgh Recruitment of the Disadvantaged</p> <p>\$ 50 —PRR — Improving Access to Higher Education. Provides for expanded minority recruitment and retention efforts. See the Program Revision following this program for further information.</p> <p>University of Pittsburgh</p> <p>To continue current programs:</p> <p>\$ 190 —Medical programs.</p> <p>343 —Western Psychiatric Institute.</p>
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EDUCATION

Program: Higher Education (continued)
Program Recommendations: (continued)

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

<p>University of Pittsburgh Titusville Campus</p> <p>\$ 38 —to increase funding by 4.5% percent.</p> <p>University of Pittsburgh Bradford Campus</p> <p>\$ -400 —nonrecurring projects. 35 —to continue current program.</p> <p>\$ -365 <i>Appropriation Decrease</i></p> <p>Temple University Educational and General</p> <p>\$ 5,445 —PRR — Improving Access to Higher Education. Provides a 4.5% increase in funding. See the Program Revision following this program for further information.</p> <p>Temple University Medical Programs</p> <p>\$ 252 —to continue current program.</p> <p>Temple University Recruitment of the Disadvantaged</p> <p>\$ 50 —PRR — Improving Access to Higher Education. Provides for expanded minority recruitment and retention efforts. See the Program Revision following this program for further information.</p>	<p>Lincoln University Educational and General</p> <p>\$ 400 —PRR — Improving Access to Higher Education. Provides 4.5% increase in funding. See the Program Revision following this program for further information.</p> <p>Lincoln University Educational and General</p> <p>\$ 50 —PRR — Improving Access to Higher Education. Provides for expanded minority recruitment and retention efforts. See the Program Revision following this program for further information.</p> <p>State-aided Universities</p> <p>\$ -4,207 —to maintain program.</p>
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Other appropriations in this program are nonrecurring or continued at current year levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Higher Education of the Blind and Deaf ..	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Community Colleges	103,103	110,268	124,071	124,071	124,071	124,071	124,071
Higher Education for the Disadvantaged ..	6,397	7,175	7,534	7,534	7,534	7,534	7,534
Rural Initiatives	1,245	375	254	254	254	254	254
Higher Education Equipment	14,100	6,602	.....	.....	.....	.....	.....
Annenberg Center .....	.....	150	.....	.....	.....	.....	.....
Tuition Challenge .....	.....	12,873	28,099	28,099	28,009	28,009	28,009
State System of Higher Education (SSHE)	319,594	340,191	354,124	354,124	354,124	354,124	354,124
The Pennsylvania State University	219,269	236,759	243,467	243,467	243,467	243,467	243,452
University of Pittsburgh	112,613	128,991	133,467	133,467	133,467	133,467	133,467
Temple University	123,644	131,580	136,577	136,577	136,577	136,577	136,577
Lincoln University	8,814	9,446	9,896	9,896	9,896	9,896	9,896
State-aided Colleges and Universities.....	70,341	74,995	70,788	70,788	70,788	70,788	70,788
TOTAL GENERAL FUND	\$ 979,170	\$ 1,059,455	\$ 1,108,327	\$ 1,108,327	\$ 1,108,327	\$ 1,108,327	\$ 1,108,312

Program Revision: Improving Access to Higher Education

Although the State's college attendance rate has increased from 50 percent in 1986 to 58 percent in 1988, more needs to be done. Those students who choose to continue their education are having difficulty affording the expense. Many who graduate face the prospect of paying off significant education debts. At Pennsylvania's public universities, tuition rates have been increasing annually at an average of nearly 10 percent over the last decade. In order to begin controlling higher education costs in Pennsylvania's public universities, a \$13 million tuition challenge grant program was implemented in 1989. In exchange for limiting their tuition increases to the greater of four percent or \$100, the Commonwealth provided special grants to each institution.

This Program Revision provides additional funds to improve access to higher education. An additional \$15 million, for a total of \$28 million, will be provided to the Department of Education to be allotted to the State System of Higher Education and the State-related universities: The Pennsylvania State University, the University of Pittsburgh, Temple University and Lincoln University. Each university will be granted \$100 for each resident undergraduate student if its annual tuition increase for Pennsylvania students is limited to no more than \$100. Those institutions exceeding the \$100 tuition increase cap will not receive funds from the challenge grant.

An increase of more than \$33 million is recommended in 1990-91 for the general education operating programs of the State System of Higher Education and the State-related universities. The increase proposed for educational and general expenses for each university plus the funds available from the challenge grant for each institution provides reasonable increases to cover institutional expenses while limiting tuition increases so that more Pennsylvanians are able to obtain an affordable education.

Students who are members of minority groups represent 15 percent of Pennsylvania's high school population, but only 7 percent of the college students. This Program Revision will increase State funding for the State System of Higher Education and the State-related universities for programs to recruit and retain disadvantaged students. Retention programs will be expanded to assist these students in obtaining their degrees by providing counseling, tutoring and summer employment.

This Program Revision also encourages the universities to provide programs to initiate doctoral study and post-doctoral programs for the disadvantaged that will identify and nurture professional growth for entry into the college teaching profession.

Program Measures:

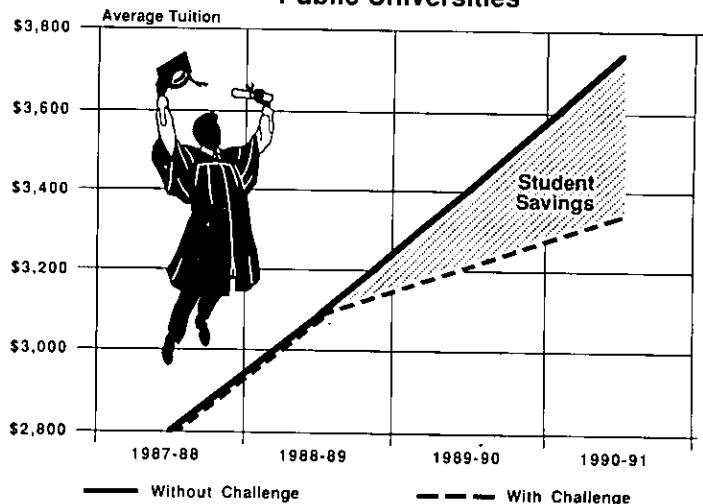
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Students benefitting from the tuition cap							
Current	.....	151,696	.....	.....	.....	.....	.....
Program Revision	.....	.....	152,260	.....	.....	.....	.....
Minority enrollments at public institutions							
Current	17,472	17,821	18,177	18,541	18,912	19,044	19,044
Program Revision	.....	.....	18,541	18,912	19,290	19,425	19,450

Program Revision Recommendations:

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

- Education Tuition Challenge**
 \$ 15,226 —to provide a challenge grant of \$100 per resident undergraduate student to the State System of Higher Education and the State-related universities.
- State System of Higher Education Educational and General**
 \$ 15,003 —to provide a 4.5 percent increase for instructional and operating expenses.
- Affirmative Action**
 \$ 815 —to increase funds for recruitment and retention of minority students and faculty.
- Recruitment of Disadvantaged**
 \$ 50 —to increase funds for recruitment and retention programs for the disadvantaged.

Tuition Challenge Public Universities



EDUCATION


Program Revision: Improving Access to Higher Education: (continued)

Program Revision Recommendations: (continued)

\$ 7,252	Pennsylvania State University Educational and General —to provide a 4.5 percent increase for instructional and operating expenses.	\$ 5,445	Temple University Educational and General —to provide a 4.5 percent increase for instructional and operating expenses.
\$ 50	Recruitment of Disadvantaged —to increase funds for recruitment and retention programs for the disadvantaged.	\$ 50	Recruitment of Disadvantaged —to increase funds for recruitment and retention programs for the disadvantaged.
\$ 4,970	University of Pittsburgh Educational and General —to provide a 4.5 percent increase for instructional and operating expenses.	\$ 400	Lincoln University Educational and General —to provide a 4.5 percent increase for instructional and operating expenses.
\$ 50	Recruitment of Disadvantaged — to increase funds for recruitment and retention programs for the disadvantaged.	\$ 50	Recruitment of Disadvantaged —to increase funds for recruitment and retention programs for the disadvantaged.
		\$ 49,361	<i>Program Revision Total</i>

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
EDUCATION							
Tuition Challenge			\$ 15,226	\$ 15,226	\$ 15,226	\$ 15,226	\$ 15,226
STATE SYSTEM OF HIGHER EDUCATION							
State Universities			15,003	15,003	15,003	15,003	15,003
Affirmative Action			815	815	815	815	815
Recruitment of Disadvantaged			50	50	50	50	50
PENNSYLVANIA STATE UNIVERSITY							
Educational and General			7,252	7,252	7,252	7,252	7,252
Recruitment of Disadvantaged			50	50	50	50	50
UNIVERSITY OF PITTSBURGH							
Educational and General			4,970	4,970	4,970	4,970	4,970
Recruitment of Disadvantaged			50	50	50	50	50
TEMPLE UNIVERSITY							
Educational and General			5,445	5,445	5,445	5,445	5,445
Recruitment of Disadvantaged			50	50	50	50	50
LINCOLN UNIVERSITY							
Educational and General			400	400	400	400	400
Recruitment of Disadvantaged			50	50	50	50	50
TOTAL GENERAL FUND			\$ 49,361	\$ 49,361	\$ 49,361	\$ 49,361	\$ 49,361



Commonwealth of Pennsylvania

Emergency Management Agency

The Pennsylvania Emergency Management Agency 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 and man-made disasters. The agency also provides loans to volunteer fire, ambulance and rescue companies, and coordinates State fire services.

EMERGENCY MANAGEMENT AGENCY

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 2,456	\$ 3,527	\$ 3,048
(F) Civil Preparedness	1,824	2,200	2,500
(F) Flash Flood Project — Warning System	309	300	300
(A) Nuclear Facility	95	100	100
Total — General Government Operations	\$ 4,684	\$ 6,127	\$ 5,948
Office of Fire Safety	887	911	914
(F) Fire Prevention	3	.	.
(A) Arson Fines	2	2	2
Total — Office of Fire Safety	\$ 892	\$ 913	\$ 916
Subtotal — State Funds	3,343	4,438	3,962
Subtotal — Federal Funds	2,136	2,500	2,800
Subtotal — Augmentations	97	102	102
Total — General Government	\$ 5,576	\$ 7,040	\$ 6,864
GRANTS AND SUBSIDIES:			
Local Government Costs .....	.	\$ 290 ^a	.
STATE FUNDS	\$ 3,343	\$ 4,728	\$ 3,962
FEDERAL FUNDS	2,136	2,500	2,800
AUGMENTATIONS	97	102	102
GENERAL FUND TOTAL	\$ 5,576	\$ 7,330	\$ 6,864
OTHER FUNDS			
GENERAL FUND:			
Disaster Relief Assistance	\$ 478	\$ 50	\$ 50
Contributions for Civil Defense	39	50	2
Emergency Management and Disaster Assistance	2,704	4,000	4,000
Radiological Emergency Response Planning	187	539	491
Radiation Emergency Response Fund	494	583	499
Radiation Transportation Emergency Response Fund	1	114	147
Metropolitan Edison — TMI Plea Agreement	34	.	.
OTHER FUNDS TOTAL	\$ 3,937	\$ 5,336	\$ 5,189
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUNDS	\$ 3,343	\$ 4,728	\$ 3,962
FEDERAL FUNDS	2,136	2,500	2,800
AUGMENTATIONS	97	102	102
OTHER FUNDS	3,937	5,336	5,189
TOTAL — ALL FUNDS	\$ 9,513	\$ 12,666	\$ 12,053

^aRecommended Supplemental.

EMERGENCY MANAGEMENT AGENCY

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
EMERGENCY MANAGEMENT							
General Funds.....	\$ 2,456	\$ 3,817	\$ 3,048	\$ 3,158	\$ 3,272	\$ 3,390	\$ 3,512
Federal Funds.....	2,133	2,500	2,800	2,000	1,950	1,900	1,850
Other Funds.....	4,032	5,436	5,289	5,143	5,133	5,133	5,133
TOTAL.....	\$ 8,621	\$ 11,753	\$ 11,137	\$ 10,301	\$ 10,355	\$ 10,423	\$ 10,495
FIRE PREVENTION AND SAFETY							
General Funds.....	\$ 887	\$ 911	\$ 914	\$ 947	\$ 981	\$ 1,016	\$ 1,053
Federal Funds.....	3	0	0	0	0	0	0
Other Funds.....	2	2	2	2	2	2	2
TOTAL.....	\$ 892	\$ 913	\$ 916	\$ 949	\$ 983	\$ 1,018	\$ 1,055
ALL PROGRAMS:							
GENERAL FUND.....	\$ 3,343	\$ 4,728	\$ 3,962	\$ 4,105	\$ 4,253	\$ 4,406	\$ 4,565
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	2,136	2,500	2,800	2,000	1,950	1,900	1,850
OTHER FUNDS.....	4,034	5,438	5,291	5,145	5,135	5,135	5,135
TOTAL.....	\$ 9,513	\$ 12,666	\$ 12,053	\$ 11,250	\$ 11,338	\$ 11,441	\$ 11,550

EMERGENCY MANAGEMENT AGENCY

PROGRAM OBJECTIVE: To develop and maintain a Statewide emergency force capable of immediate and effective action in event of natural disasters and rapid organizational expansion to cope with technological emergencies.

Program: Emergency Management

This program provides essential services and facilities during emergencies, coordinates State, county and local activities associated with emergency services and coordinates Pennsylvania's civil defense operations with those of other states through the Federal Emergency Management Program.

The Pennsylvania Emergency Management Agency (PEMA) has developed a basic organization designed on the National Governors' Association model of comprehensive emergency management. A multi-agency training program is designed to develop and maintain a Statewide emergency force composed of State, county and local units jointly capable of: (a) prompt and effective action aimed at the protection of life and property and the alleviation of human suffering and hardship resulting from natural and man-made disasters, and (b) rapid organizational expansion required for civil defense.

The Commonwealth's civil preparedness and response capability in the event of emergencies is provided through the maintenance of a Statewide assessment, planning, warning, training and education, communications and radiation-monitoring network and the nucleus of an organization to facilitate deployment of resources to protect life and property. Federal, State, county and local emergency management

activities and training are coordinated through this program. PEMA is responsible for county, municipal and State planning and response around nuclear power plants. This program involves 49 counties.

Counties are required to have an approved emergency program plan consisting of: (1) a statement of accomplishments; (2) required financial needs; (3) hazard vulnerability; and (4) goals indicating projected activity. The Federal Emergency Management Agency (FEMA) now requires an annual review and update of emergency operations plans.

Requirements of the Environmental Protection Agency under the Federal Superfund Amendments and Reauthorization Act (SARA Title III) involve upgrading chemical emergency preparedness plans. Responsibilities for preparedness involve PEMA, county governments and chemical manufacturers.

Another area included in this program is that of readiness training at the county and local level as measured through a comprehensive exercise program. With the development of a much more extensive and integrated program of training, exercises and tests, the ability of the county and local forces to provide a comprehensive and coordinated first line response to emergency conditions has been greatly enhanced at a relatively low cost.

Program Recommendations:

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

<p>General Government Operations</p> <p>\$ -825 —nonrecurring projects including the purchase of an emergency communications satellite system.</p> <p>260 —to continue current program.</p> <p>86 —satellite maintenance system contract.</p> <p><u>\$ -479</u> <i>Appropriation Decrease</i></p>	<p>Local Government Costs</p> <p>\$ -290 —nonrecurring reimbursement to local governments for costs incurred during the Camp Hill prison disturbance.</p>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operations	\$ 2,456	\$ 3,527	\$ 3,048	\$ 3,158	\$ 3,272	\$ 3,390	\$ 3,512
Local Government Costs . . . . .	. . . . .	290	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL GENERAL FUND	<u>\$ 2,456</u>	<u>\$ 3,817</u>	<u>\$ 3,048</u>	<u>\$ 3,158</u>	<u>\$ 3,272</u>	<u>\$ 3,390</u>	<u>\$ 3,512</u>

EMERGENCY MANAGEMENT AGENCY

PROGRAM OBJECTIVE: To minimize the loss of life and property due to fire by developing and maintaining Statewide municipal fire and emergency service capability.

Program: Fire Prevention and Safety

This program provides for the administration and operation of the Volunteer Company Loan Program which provides low interest loans to rescue and fire companies and units; the administration and operation of the Lewistown Fire Academy which provides training classes to professional as well as volunteer fire and ambulance personnel; and operating funds for the Fire Commissioner to coordinate and organize all fire safety functions.

The State Fire Commissioner is responsible for coordinating Federal, State and private fire safety funds in Pennsylvania; assisting State agencies in the development of plans related to fire safety; reviewing existing or proposed rules and regulations affecting the safety of Commonwealth citizens; and providing a cost-effective fire loss management system for the Commonwealth.

Through its contacts with government agencies, the business community, consumers and the fire service, the Fire Commissioner's Office renders technical assistance, collects, reviews and disseminates pertinent information about fire death data and fire prevention and control techniques, and conducts Statewide fire safety educational programs

for the entire fire community.

The State Fire Academy at Lewistown is the catalyst for fire training delivery. The academy provides advanced professional development for fire service officers, command personnel, instructors and other specialists engaged in fire prevention and suppression activities; acts as the educational hub for all other fire and emergency services training in Pennsylvania; and serves the Commonwealth's fire community.

Another area of assistance to the fire fighting and prevention community is the Volunteer Company Loan Fund. The purpose of the fund is to improve the capabilities of volunteer fire companies, ambulance services and rescue squads through the provision of low interest loans for establishing or modernizing facilities to house fire fighting apparatus, purchasing new apparatus or equipment for firefighting, protective services, communications and accessory equipment. Priority is given to replacement of outmoded or unsafe equipment and provision of additional equipment needed to meet unusual demand. Interest is two percent per annum for a maximum of ten years. Loans of \$10,000 or less are limited to five years.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Local fire training graduates	48,500	53,350	58,685	61,600	65,000	67,500	68,500
Fire school graduates	800	1,000	1,100	1,200	1,300	1,400	1,500
Volunteer loans granted (in thousands) ..	\$9,000	\$11,000	\$11,000	\$12,000	\$12,000	\$12,000	\$12,000

The increase in the number of local fire training graduates is a result of hazardous materials training requirements and increased local fire department training needs. The increase in the number of fire school graduates is due to new resident classes that have been instituted at the Fire Academy.

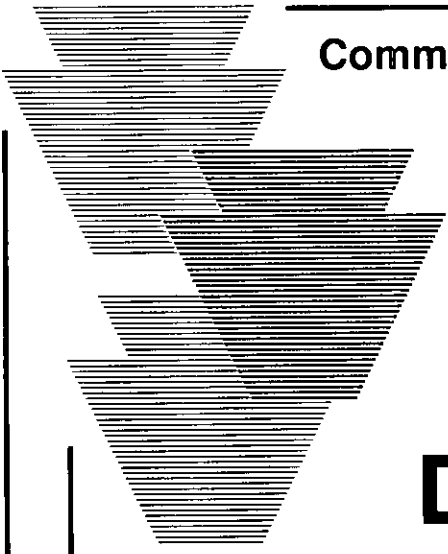
Program Recommendations:

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

	Office of Fire Safety	
\$ -14	—nonrecurring projects.	
17	—to continue current program.	
<u>\$ 3</u>	<i>Appropriation Increase</i>	

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Office of Fire Safety	<u>\$ 887</u>	<u>\$ 911</u>	<u>\$ 914</u>	<u>\$ 947</u>	<u>\$ 981</u>	<u>\$ 1,016</u>	<u>\$ 1,053</u>



Commonwealth of Pennsylvania

Department of Environmental Resources

The Department of Environmental Resources is responsible for managing the State's natural resources, enforcing laws and regulations to prevent environmental pollution and degradation and acting as a trustee to guarantee the rights of all Pennsylvanians, including future generations, to a clean environment.

The department's presentation 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, the State Board for Certification of Sewage Treatment and Waterworks Operators and the Water Facilities Loan Board.

ENVIRONMENTAL RESOURCES

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
GENERAL FUND	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL GOVERNMENT:			
General Government Operations	\$ 7,454	\$ 9,041	\$ 9,006
(F) Surface Mine Conservation	754	1,045	1,119
(F) EPA Planning Grant	218	300	317
(F) Construction Management — Administration	337	375	394
(F) Safe Drinking Water Act — Administration	53	85	85
(A) Department Services	9	10	10
(A) Computer Services	35	35	35
(A) Clean Air Fund	50	50	50
(A) Solid Waste Abatement Fund	115	115	115
(A) Clean Water Fund	56	57	57
Subtotal — Federal Funds	\$ 1,362	\$ 1,805	\$ 1,915
Subtotal — Augmentations	265	267	267
Total — General Government Operations	\$ 9,081	\$ 11,113	\$ 11,188
Environmental Hearing Board	767^a	1,171	1,243
(F) Surface Mine Conservation .....	.....	40	40
(A) Reimbursement for services .....	.....	10	10
Total — Environmental Hearing Board	\$ 767	\$ 1,221	\$ 1,293
EDP Support	1,986	2,827	3,000
Water Quality Testing Laboratories	319	380	365
Office of Resources Management	16,731	18,325	19,251
(F) Coastal Zone Management	1,199	1,800	1,800
(F) Water Resources Management Act .....	.....	10	10
(F) Land and Water Conservation Fund	933	1,500	1,500
(F) National Water Use Data System	8	10	10
(F) Bituminous Demonstration Project .....	.....	35	20
(F) Surface Mining Control and Reclamation	238	272	272
(F) Upper Delaware National Scenic River .....	.....	10	10
(F) Topographic and Geologic Survey Grants	22	75	75
(F) Bituminous Coal Resources	7	75	75
(F) Surface Mine Conservation	165	195	195
(F) Bond Forfeiture	267	600	350
(F) Delaware River Estuary Management Conference	23	300	425
(F) Butler Mine Tunnel Site .....	.....	100	.....
(F) State 404 Program Assumption Study	21	.....	.....
(F) ARC — Abandoned Mine Restoration Research	77	78	10
(F) Emergency Disaster Relief .....	.....	200	200
(F) Abandoned Mine Reclamation	45,421	60,000	60,000
(F) Centralia Mine Fire Recovery .....	.....	15	15
(A) Water Well Drillers Act Receipts	52	55	60
(A) Topographic and Geological Services	4	5	10
(A) Wild Resources Conservation Fund	148	250	250
(A) Payments for Department Services	118	120	130
(A) Sale of Vehicles	3	5	5
Subtotal — Federal Funds	48,381	65,275	64,967
Subtotal — Augmentations	325	435	455
Total — Office of Resources Management	\$ 65,437	\$ 84,035	\$ 84,673

^aActually appropriated as part of General Government Operations.

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GENERAL GOVERNMENT: (continued)			
Chesapeake Bay Agricultural Source Abatement	\$ 2,622	\$ 2,909	\$ 3,035
(F) Chesapeake Bay Pollution Abatement	1,507	3,500	3,500
Total — Chesapeake Bay Preservation	\$ 4,129	\$ 6,409	\$ 6,535
Deep Mine Safety	3,560	3,871	3,912
(F) Training and Education of Underground Coal Miners	339	450	450
(F) Office of Surface Mining — Deep Mine Safety	96	107	150
Total — Deep Mine Safety	\$ 3,995	\$ 4,428	\$ 4,512
Office of Environmental Protection	47,309	57,487	61,821
(F) EPA — Planning Grant - Administration	4,004	4,597	4,700
(F) Water Pollution Control Grants	3,265	4,000	3,008
(F) Water Pollution Control — NPDES	3,616	2,432	671
(F) Air Pollution Control Grants	2,976	4,150	3,500
(F) Radiation Regulation and Monitoring	80	92	96
(F) Surface Mine Control and Reclamation	8,570	10,966	11,000
(F) Diagnostic X-Ray Equipment — Testing	24	29	30
(F) Surface Mine Control and Reclamation — Laboratories	206	458	465
(F) Rural Clean Water	157	298	281
(F) Water Quality Outreach Training	20	100	100
(F) Water Quality Management Planning Grants	1,282	1,800	1,500
(F) Construction Management Assistance Grants	2,314	3,045	2,750
(F) Safe Drinking Water Act	1,558	2,375	2,375
(F) Underground Storage Tanks	129	250	.. . .
(F) Lake Wallenpaupack — Phase II	213	300	300
(F) Lake Nockamixon	226	300	300
(F) Harvey's Lake .....	.. . .	35	.. . .
(F) Indoor Radon Abatement .....	.. . .	1,000	500
(F) PHHSBG — Vector Control	1,630	1,800	1,800
(F) PHHSBG — Administration	74	180	180
(F) Small Operators Assistance Program	1,271	1,600	1,600
(F) Non-Point Source Pollution	89	1,000	1,000
(F) Leaking Storage Tank Trust Fund	108	2,200	.. . .
(F) Pollution Protection .....	.. . .	240	.. . .
(F) Permit Compliance System	94	30	.. . .
(A) Safe Drinking Water Account .....	.. . .	83	.. . .
(A) Sale of Vehicles	16	16	10
(A) Clean Air Fund	628	1,105	2,944
(A) Reimbursement — Laboratory Services	913	913	590
(A) Clean Water Fund	846	1,171	1,915
(A) Department Services	55	50	50
(A) Natural Gas Policy Act Filing Fees	98	98	98
(A) Solid Waste Abatement Fund	303	653	696
(A) Food Site Inspection	17	19	20
(A) Ashland Oil Spill	4	.. . .	.. . .
(A) Reimbursement — PENNVEST	831	1,894	1,294
Subtotal — Federal Funds	\$ 31,906	\$ 43,277	\$ 36,156
Subtotal — Augmentations	3,711	6,002	7,617
Total — Office of Environmental Protection	\$ 82,926	\$ 106,766	\$ 105,594

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
GENERAL FUND	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL GOVERNMENT: (continued)			
Seasonal Farm Worker Camp Inspections	\$ 226	\$ 296	\$ 296
(F) State Legalization Impact .....	.....	80	.....
Total — Seasonal Farm Worker Camp Inspections	\$ 226	\$ 376	\$ 296
Radon Testing	1,080	1,300	1,251
School District Asbestos Removal Plan	144	.....	.....
State Forestry Operations	12,445	13,286	11,609
(F) Forest Fire Prevention and Control	280	315	315
(F) Forestry Incentives and Agricultural Conservation	2	30	30
(F) Watershed Protection and Flood Prevention .....	.....	10	10
(F) Resources Conservation and Development .....	.....	8	8
(F) Forest Management and Processing	51	215	215
(F) Renewable Resources Evaluations .....	.....	25	25
(F) Cooperative Forest Insect and Disease Control	500	500	500
(A) Services to State Parks	175	175	175
(A) Sale of Forest Products	7,855	7,900	10,150
(A) Forest Fire Control	70	75	75
(A) Sale of Vehicles	16	10	10
(A) Departmental Services	249	105	105
(A) Private Donations	8	15	15
Subtotal — Federal Funds	833	1,103	1,103
Subtotal — Augmentations	8,373	8,280	10,530
Total — State Forestry Operations	\$ 21,651	\$ 22,669	\$ 23,242
Gypsy Moth and Other Insect Control	3,114	3,395	3,536
(F) Forest Insect and Disease Control	782	2,100	2,100
(A) Reimbursement from Counties	310	300	300
Total — Gypsy Moth and Other Insect Control	\$ 4,206	\$ 5,795	\$ 5,936
Black Fly Control and Research	2,442	2,495	1,812
(A) County Contributions	278	500	500
Total — Black Fly Control and Research	\$ 2,720	\$ 2,995	\$ 2,312
State Parks	32,732	37,097	38,607
(F) Forest Insect and Disease Control	3	4	4
(A) Sewage Systems Use	110	75	75
(A) Use of King's Gap	28	25	25
(A) State Park User Fees	5,575	6,874	7,102
(A) Private Donations	22	25	25
(A) Sale of Vehicles	5	15	15
(A) Concessions	1	2	2
(A) Prior Year Revenues	590	.....	.....
(A) Recycled Materials	1	.....	.....
Subtotal — Federal Funds	3	4	4
Subtotal — Augmentations	6,332	7,016	7,244
Total — State Parks	\$ 39,067	\$ 44,117	\$ 45,855
Subtotal — State Funds	\$ 132,931	\$ 153,880	\$ 158,744
Subtotal — Federal Funds	85,209	117,741	110,385
Subtotal — Augmentations	19,594	22,810	26,923
Total — General Government	\$ 237,734	\$ 294,431	\$ 296,052

ENVIRONMENTAL RESOURCES

GENERAL FUND	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GRANTS AND SUBSIDIES:			
<i>Low Level Radioactive Waste Control</i>	\$ 736	\$ 736	\$ 950
(F) <i>Low Level Radiation Waste</i>	822	2,400	2,400
Total — <i>Low Level Radioactive Waste Control</i>	\$ 1,558	\$ 3,136	\$ 3,350
Hazardous Waste Control	15,926	15,926	15,926
(F) <i>Superfund Projects</i>	2,820	10,000	.....
Total — <i>Hazardous Waste Control</i>	\$ 18,746	\$ 25,926	\$ 15,926
Flood Control Projects	\$ 1,104	\$ 1,325	\$ 1,000
Flood Plain Renovation	1,000	1,000	.....
Environmental Protection Projects	779	.....	.....
Storm Water Management	550	977^a	650
Sewage Facilities Planning Grants	499	500	1,000
Sewage Facilities Enforcement Grants	1,707	1,600	1,450
Sewage Treatment Plant Operations Grants	21,135	22,500	25,300
Solid Waste Disposal Planning Grants	678	.....	.....
Delaware River Master	53	63	66
Ohio River Basin Commission	5	8	8
Susquehanna River Basin Commission	262	276	290
Interstate Commission on the Potomac River	26	26	30
Delaware River Basin Commission	807	880	880
Ohio River Valley Water Sanitation Commission	97	109	114
Chesapeake Bay Commission	150	175	175
Great Lakes Protection Fund .....	.....	500	500
Small Watershed Projects	32	.....	.....
Local Soil and Water District Assistance	1,500	1,500	1,500
Interstate Mining Commission	10	10	10
Abandoned Surface Mine Reclamation	2,000	2,000	2,000
Anthracite Emergency Bond Fund	50	50	.....
Annual Fixed Charges — Flood Lands	23	23	23
Annual Fixed Charges — Project 70	12	17	18
Annual Fixed Charges — Forest Lands	1,197	1,225	1,225
Vector Control	493	500	500
Appalachian States Waste Compact	2	200	200
Marianna Borough Cleanup	200	200	.....
Wernersville State Hospital Utilities	700	.....	184
Center for Hazardous Materials Research .....	.....	500	.....
Schuylkill River Dredging .....	.....	850	.....
Subtotal — State Funds	\$ 51,733	\$ 53,676	\$ 53,999
Subtotal — Federal Funds	3,642	12,400	2,400
Total — Grants and Subsidies	\$ 55,375	\$ 66,076	\$ 56,399
STATE FUNDS	\$ 184,664	\$ 207,556	\$ 212,743
FEDERAL FUNDS	88,851	130,141	112,785
AUGMENTATIONS	19,594	22,810	26,923
GENERAL FUND TOTAL	\$ 293,109	\$ 360,507	\$ 352,451

^aIncludes recommended supplemental of \$327,000.

ENVIRONMENTAL RESOURCES

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Available	1990-91 Budget
OTHER FUNDS			
<i>GENERAL FUND:</i>			
Safe Drinking Water Account	\$ 910	\$ 492	\$ 734
Radiation Protection Fund	2,945	2,960	3,067
Clean Water Fund	3,907	2,837	4,364
Snowmobile Regulation	405	535	598
Clean Air Act	2,216	1,944	3,477
Solid Waste Abatement Fund	1,476	1,500	2,427
Well Plugging Account	450	800	560
GENERAL FUND TOTAL	\$ 12,309	\$ 11,068	\$ 15,227
 <i>OIL AND GAS LEASE FUND:</i>			
General Operations	\$ 8,072	\$ 8,536	\$ 7,000
OIL AND GAS LEASE FUND TOTAL	\$ 8,072	\$ 8,536	\$ 7,000
 <i>SURFACE MINING CONSERVATION AND RECLAMATION FUND:</i>			
General Operations (EA)	\$ 2,317	\$ 3,500	\$ 3,500
SURFACE MINING CONSERVATION AND RECLAMATION FUND TOTAL	\$ 2,317	\$ 3,500	\$ 3,500
 <i>NON-COAL SURFACE MINING CONSERVATION AND RECLAMATION FUND:</i>			
General Operations (EA)	\$ 3	\$ 150	\$ 150
NON-COAL SURFACE MINING CONSERVATION AND RECLAMATION FUND TOTAL	\$ 3	\$ 150	\$ 150
 <i>COAL AND CLAY SUBSIDENCE INSURANCE FUND</i>			
General Operations (EA)	\$ 916	\$ 1,188	\$ 1,179
Payment of Claims (EA)	2,000	2,000	2,000
COAL AND CLAY SUBSIDENCE INSURANCE FUND TOTAL	\$ 2,916	\$ 3,188	\$ 3,179

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
WILD RESOURCE CONSERVATION FUND:			
General Operations (EA)	\$ 689	\$ 600	\$ 750
WILD RESOURCE CONSERVATION FUND TOTAL	\$ 689	\$ 600	\$ 750
LOW LEVEL WASTE FUND:			
General Operations (EA)	\$ 1,251	\$ 1,404	\$ 1,489
LOW LEVEL WASTE FUND TOTAL	\$ 1,251	\$ 1,404	\$ 1,489
HAZARDOUS SITES CLEANUP FUND:			
General Operations (EA)	\$ 907	\$ 15,157	\$ 14,075
Transfer from General Fund .....	.....^b	.....^b	.....^b
Hazardous Sites Cleanup	3	47,862	46,632
Recycling Grants .....	.....	2,000	2,000
Host Municipality Grants .....	.....	2,850	2,650
Federal Superfund Contributions .....	.....	10,000	10,000
HAZARDOUS SITES CLEANUP FUND TOTAL	\$ 910	\$ 77,869	\$ 75,357
RECYCLING FUND:			
Recycling Coordinator Reimbursement	\$ 31	\$ 600	\$ 800
Reimbursement for Municipal Inspection .....	.....	1,200	1,200
Reimbursement for Host Municipality Review of Permit Application .....	.....	400	500
Administration of Recycling Program	62	720	750
County Planning Grants	249	2,262	2,000
Municipal Planning Grants .....	.....	13,500	16,000
Municipal Recycling Performance Program .....	.....	3,370	5,000
Public Education/Technical Assistance .....	.....	4,000	3,500
RECYCLING FUND TOTAL	\$ 342	\$ 26,052	\$ 29,750
STORAGE TANK FUND:			
General Operations .....	.....	\$ 918	\$ 3,211
Federal Grant — UST .....	.....	.....	200
Federal Grant — LUST .....	.....	.....	2,305
Transfer to Tank Loan Program .....	.....	.....	225
STORAGE TANK FUND TOTAL	\$ 918	\$ 918	\$ 5,941
OTHER FUNDS TOTAL	\$ 28,809	\$ 133,285	\$ 142,343
DEPARTMENT TOTAL — ALL FUND			
GENERAL FUND	\$ 184,664	\$ 207,556	\$ 212,743
FEDERAL FUNDS	88,851	130,141	112,785
AUGMENTATIONS	19,594	22,810	26,923
OTHER FUNDS	28,809	133,285	142,343
TOTAL ALL FUNDS	\$ 321,918	\$ 493,792	\$ 494,794

^bTransfer amounts are shown as General Fund appropriations and are not shown here to avoid double-counting: \$15,926,000 in 1988-89, 1989-90 and 1990-91.

ENVIRONMENTAL RESOURCES

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
	ACTUAL	AVAILABLE	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED
ENVIRONMENTAL SUPPORT SERVICES							
General Funds.....	\$ 10,207	\$ 13,039	\$ 13,249	\$ 13,618	\$ 14,000	\$ 14,396	\$ 14,807
Federal Funds.....	1,362	1,845	1,955	1,845	1,845	1,845	1,845
Other Funds.....	265	277	277	287	287	287	287
TOTAL.....	\$ 11,834	\$ 15,161	\$ 15,481	\$ 15,750	\$ 16,132	\$ 16,528	\$ 16,939
ENVIRONMENTAL MANAGEMENT AND PROTECTION							
General Funds.....	\$ 95,295	\$ 106,724	\$ 113,190	\$ 120,728	\$ 124,660	\$ 128,937	\$ 133,316
Federal Funds.....	35,161	53,914	36,756	37,166	36,748	37,118	37,537
Other Funds.....	14,200	118,914	130,727	120,803	125,265	125,164	128,727
TOTAL.....	\$ 144,656	\$ 279,552	\$ 280,673	\$ 278,697	\$ 286,673	\$ 291,219	\$ 299,580
RADIATION PROTECTION							
General Funds.....	\$ 1,818	\$ 2,236	\$ 2,401	\$ 2,301	\$ 2,373	\$ 2,443	\$ 2,557
Federal Funds.....	822	2,400	2,400	0	1,500	0	0
Other Funds.....	4,196	4,364	4,556	4,720	4,890	5,066	5,249
TOTAL.....	\$ 6,836	\$ 9,000	\$ 9,357	\$ 7,021	\$ 8,763	\$ 7,509	\$ 7,806
FOREST RESOURCES MANAGEMENT							
General Funds.....	\$ 16,756	\$ 17,906	\$ 16,370	\$ 18,987	\$ 19,626	\$ 20,289	\$ 20,976
Federal Funds.....	1,615	3,203	3,203	3,203	3,203	3,203	3,203
Other Funds.....	9,372	9,180	11,580	9,330	9,330	9,330	9,330
TOTAL.....	\$ 27,743	\$ 30,289	\$ 31,153	\$ 31,520	\$ 32,159	\$ 32,822	\$ 33,509
WATER AND MINERAL RESOURCES MANAGEMENT							
General Funds.....	\$ 27,821	\$ 30,514	\$ 28,885	\$ 29,687	\$ 30,518	\$ 31,379	\$ 32,271
Federal Funds.....	49,888	68,775	68,467	57,620	47,155	46,905	46,905
Other Funds.....	13,633	15,809	14,284	11,933	11,562	11,710	11,837
TOTAL.....	\$ 91,342	\$ 115,098	\$ 111,636	\$ 99,240	\$ 89,235	\$ 89,994	\$ 91,013
RECREATION AREAS AND FACILITIES MANAGEMENT							
General Funds.....	\$ 32,767	\$ 37,137	\$ 38,648	\$ 40,038	\$ 41,478	\$ 42,969	\$ 44,515
Federal Funds.....	3	4	4	0	0	0	0
Other Funds.....	6,737	7,551	7,842	8,089	8,089	8,089	8,089
TOTAL.....	\$ 39,507	\$ 44,692	\$ 46,494	\$ 48,127	\$ 49,567	\$ 51,058	\$ 52,604

ENVIRONMENTAL RESOURCES

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
ALL PROGRAMS:							
GENERAL FUND.....	\$ 184,664	\$ 207,556	\$ 212,743	\$ 225,359	\$ 232,655	\$ 240,413	\$ 248,442
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	88,851	130,141	112,785	99,834	90,451	89,071	89,490
OTHER FUNDS.....	48,403	156,095	169,266	155,162	159,423	159,646	163,519
TOTAL.....	\$ 321,918	\$ 493,792	\$ 494,794	\$ 480,355	\$ 482,529	\$ 489,130	\$ 501,451

ENVIRONMENTAL RESOURCES

PROGRAM OBJECTIVE: To provide administrative and technical support for the Commonwealth's environmental protection and resources management programs.

Program: Environmental Support Services

This program provides the administrative and overhead systems which control and support the department's programs. Included are the executive and administrative offices, the Office of Chief Counsel, information and data processing systems, the Citizens Advisory Council,

and the Environmental Quality Board. The Environmental Hearing Board was separated from the Department of Environmental Resources by Act 94 of 1988. It is included here for presentation purposes.

Program Recommendations:

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

<p>General Government Operations</p> <p>\$ -1,016 —nonrecurring projects.</p> <p style="padding-left: 20px;">981 —to continue current programs.</p> <p>\$ -35 <i>Appropriation Decrease</i></p>	<p>Electronic Data Processing Support</p> <p>\$ 173 —to continue current program.</p> <p>Environmental Hearing Board</p> <p>\$ 72 —to continue current program.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operations	\$ 7,454	\$ 9,041	\$ 9,006	\$ 9,330	\$ 9,666	\$ 10,014	\$ 10,375
Electronic Data Processing Support	1,986	2,827	3,000	3,000	3,000	3,000	3,000
Environmental Hearing Board	767	1,171	1,243	1,288	1,334	1,382	1,432
TOTAL GENERAL FUND	\$ 10,207	\$ 13,039	\$ 13,249	\$ 13,618	\$ 14,000	\$ 14,396	\$ 14,807

ENVIRONMENTAL RESOURCES

PROGRAM OBJECTIVE: To provide, or assist in, effective management of forest lands and to reduce plant loss and damage caused by insects, disease and forest fires.

Program: Forest Resources Management

This program is responsible for the management of two million acres of State forest lands. These forest lands offer many social and recreational opportunities. Hiking, camping, hunting, fishing, cross-country skiing, canoeing and snowmobiling are examples of the diverse activities in State forests. Properly managed, forests yield economic benefits such as the promotion of tourism. In addition, there is the harvest of timber for wood products, the protection of groundwater for municipal and other uses, and the production and underground storage of natural gas. This program also provides management assistance to the more than 490,000 owners of private forest lands, and oversees fire, insect and disease control activities affecting Pennsylvania's forests.

The gypsy moth continues to be the major forest pest problem in Pennsylvania as well as the northeastern United States. Unfortunately, an increase in the number of acres defoliated in the Commonwealth occurred in 1989, when approximately 1.5 million acres were affected.

The other major threat to the Commonwealth's forests is fire. Through aggressive prevention and extinction activities, the size of the average forest fire has been held to less than six acres.

This program also maintains the Pennsylvania National Diversity Inventory. This computerized data base contains location information for rare, unique and unusual features of the Commonwealth.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Forest fires	1,850	1,250	1,250	1,250	1,250	1,250	1,250
Acres of private timber land affected by professional assistance	95,000	95,000	95,000	95,000	95,000	95,000	95,000
Acres receiving insect suppression treatment	195,766	225,000	225,000	250,000	250,000	250,000	250,000

The program measure showing the number of acres receiving insect suppression treatment reflects the higher acreage defoliated by the gypsy moth. The higher number of forest fires results from the dry summer and fall of 1988.

Program Recommendations:

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

<p>State Forestry Operations \$ -1,677 —to continue current program. The 1990-91 recommended amount includes the use of an additional \$2 million from the Timber Sales Restricted account.</p>	<p>Gypsy Moth and Other Insect Control \$ 141 —to continue current program.</p>
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The Annual Fixed Charges - Forest Lands appropriation is continued at the current level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
State Forestry Operations	\$ 12,445	\$ 13,286	\$ 11,609	\$ 14,099	\$ 14,606	\$ 15,132	\$ 15,677
Gypsy Moth and Other Insect Control ...	3,114	3,395	3,536	3,663	3,795	3,932	4,074
Annual Fixed Charges — Forest Lands ...	1,197	1,225	1,225	1,225	1,225	1,225	1,225
TOTAL GENERAL FUND	\$ 16,756	\$ 17,906	\$ 16,370	\$ 18,987	\$ 19,626	\$ 20,289	\$ 20,976

ENVIRONMENTAL RESOURCES

PROGRAM OBJECTIVE: To manage water and mineral resources in a way which insures against their undue destruction and depletion while allowing economic benefits from their use.

Program: Water and Mineral Resources Management

The Commonwealth's water and mineral resources are managed through comprehensive planning, regulatory activities, and project development. A wide variety of activities are included in this program.

The management of water resources begins with the development of long range plans for multi-purpose water use, insuring adequate supplies for drinking as well as industrial, agricultural and commercial activities. This includes active participation in a number of organizations and commissions involving the major river basins which lie within the Commonwealth and the Chesapeake Bay.

The Storm Water Management Program administers Act 167 of 1978 which requires county and municipal governments to develop and implement plans to control storm water runoff, to control erosion and sedimentations, and to protect groundwater recharge areas. The Flood Plain Management Program is a companion program, administering Act 166 of 1978 which authorizes the regulation of flood plains. Together these two programs address the threat to lives and property posed by storm runoff and flooding by advance planning and controlling construction and development in flood plains and in areas which contribute to devastating storm runoff.

The Dam Safety Program regulates dams and reservoirs in the Commonwealth. Existing dams are inspected for health and safety hazards. Remedial actions are ordered on those determined to be extremely hazardous. New and proposed dam construction is regulated with permit applications, design review and field inspections.

Closely linked with the management of water resources is the management of soil resources. Not only is valuable topsoil lost, but sedimentation from erosion and nutrients from farm lands are major non-point sources of water pollution, especially to the Chesapeake Bay.

Another aspect of this program is planning and design work to resolve environmental degradation and health and safety problems resulting from inactive and abandoned coal mines. This includes the reclamation of abandoned mines, abatement of acid mine drainage, control of underground mine fires and refuse bank fires, and control of surface subsidence from abandoned deep mines.

Contributing to these programs, as well as the department's environmental protection programs, is topographic and geologic surveying. The program gathers, analyzes, interprets and disseminates information about the surface and subsurface geology, mineral resources, groundwater and topography of the Commonwealth.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Abandoned mine sites designated as potential safety problems	1,785	1,735	1,635	1,545	1,475	1,405	1,335
Earth disturbance permits issued	150	200	200	200	200	200	200
Dam inspections	1,683	1,880	1,880	1,880	1,880	1,880	1,880

The program measure showing abandoned mine sites designated as potential safety problems has increased compared to the one in last year's budget due to the completion of a new and enlarged inventory of sites. The program measure showing earth disturbance permits issued increases because of last year's increase in program funding and the implementation of new regulations.

Program Recommendations:

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

<p>Office of Resources Management</p> <p>\$ 619 —to continue current programs.</p> <p>307 —to annualize 1989-90 initiatives for improving and protecting water quality and reducing delays in processing permits.</p> <hr/> <p>\$ 926 <i>Appropriation Increase</i></p> <p>Flood Control Project</p> <p>\$ -325 —nonrecurring project.</p> <p>Chesapeake Bay Agricultural Source Abatement</p> <p>\$ 126 —to continue current program.</p>	<p>Delaware River Master</p> <p>\$ 3 —to continue current level of participation.</p> <p>Susquehanna River Basin Commission</p> <p>\$ 14 —to continue current level of participation.</p> <p>Interstate Commission on the Potomac River</p> <p>\$ 4 —to continue current level of participation.</p> <p>Storm Water Management Grants</p> <p>\$ -327 —projected return to prior year level of activity.</p>
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All other appropriations in this program are either recommended at current program levels or are nonrecurring programs.

ENVIRONMENTAL RESOURCES

Program: Water and Mineral Resources Management (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Office of Resources Management	\$ 16,731	\$ 18,325	\$ 19,251	\$ 19,944	\$ 20,662	\$ 21,406	\$ 22,177
Chesapeake Bay Agricultural Source							
Abatement	2,622	2,909	3,035	3,144	3,257	3,374	3,495
Abandoned Surface Mine Reclamation ...	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Flood Control Projects	1,104	1,325	1,000	1,000	1,000	1,000	1,000
Environmental Protection Projects	779	.....	.....	.....	.....	.....	.....
Flood Plain Renovations	1,000	1,000	.....	.....	.....	.....	.....
Delaware River Master	53	63	66	66	66	66	66
Ohio River Basin Commission	5	8	8	8	8	8	8
Susquehanna River Basin Commission ..	262	276	290	290	290	290	290
Interstate Commission on the Potomac							
River	26	26	30	30	30	30	30
Delaware River Basin Commission	807	880	880	880	880	880	880
Small Watershed Projects	32	.....	.....	.....	.....	.....	.....
Conservation Districts	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Storm Water Management Grants	550	977	650	650	650	650	650
Chesapeake Bay Commission	150	175	175	175	175	175	175
Marianna Borough Cleanup	200	200	.....	.....	.....	.....	.....
Schuylkill River Dredging .....	.....	850	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 27,821	\$ 30,514	\$ 28,885	\$ 29,687	\$ 30,518	\$ 31,379	\$ 32,271

ENVIRONMENTAL RESOURCES

PROGRAM OBJECTIVE: To protect and improve the quality of the air, water and environment for the health and safety of the citizens of the Commonwealth.

Program: Environmental Management and Protection

This program encompasses several major program elements which protect the health and safety of the citizens of the Commonwealth as well as the quality of their environment. While protection of citizens and the environment is the highest priority, the Commonwealth's economic health and development are also major concerns.

Program Element: Air Pollution Control

Emissions of air contaminants from existing and future sources must be closely monitored and controlled by the Department of Environmental Resources in order to improve air quality as mandated by the Federal Clean Air Act of 1970. The goal of the program is to achieve the best air quality and meet State implementation requirements while providing for industrial growth and environmentally sound energy utilization.

Monitoring air quality occurs at two levels. Ambient monitoring measures overall air quality in an area. Source monitoring, by both operators and by mobile teams from the department, is used to check individual sources of emissions. In addition, certain large facilities are required to have instruments installed which continuously monitor emissions, minimizing the risk of accidental release of large amounts of pollutants.

Permits and inspections are the primary regulatory means for ensuring that sources of emissions are designed, constructed and operated within standards. This means that plans for new construction, or modification, of a source of emission must be reviewed and approved by the department. Inspections are part of the application process for new and renewed operating permits. These inspections assure that the facility has been constructed and operated as designed. In addition, on-site inspections are made when investigating complaints and emergencies. The department uses compliance agreements and abatement orders to correct violations of air emission standards.

Also a part of this element is the program controlling the removal of asbestos from public buildings. As required by Federal regulations, the department reviews plans for the removal of asbestos from schools and other buildings, certifies and regulates companies doing removal work, and oversees the safe disposal of the asbestos.

Program Element: Water Quality Management

Chronic surface and groundwater pollution problems in Pennsylvania originate from a variety of sources and are classified into two general categories: point and non-point sources. Point sources are those in which the polluting substances are conveyed into a body of water by a pipe or channel, most commonly sewage discharges, industrial waste discharges, and storm or combined sewage drainage. Non-point sources are generally diffused discharges, such as polluted groundwater, drainage from abandoned mines, and agricultural runoff. A third, more acute, source of water pollution are the spills and accidents most often related to the storage and transportation of various materials.

Through its planning, permitting, surveillance and monitoring, enforcement, and grants administration activities, this program carries out its duties and responsibilities for developing water quality standards for surface and ground water, regulating water pollution control facilities, and maintaining a Statewide surface and groundwater quality monitoring program. In addition, the National Pollutant Discharge Elimination System (NPDES), a Federal program under the Clean Water Act, has increased the responsibilities of the Commonwealth to monitor industrial pretreatment. This requires that industries remove hazardous and toxic materials from their waste water before release into municipal treatment

plants. The program also reviews plans for facilities and assists local governments in accommodating growth and development. The storage tank program for both underground and above ground tanks is also part of this element. The department registers and inspects these storage tanks, and certifies those companies who install tanks.

Program Element: Community Environmental Management

The major portion of this program element is concerned with providing the citizens of the Commonwealth with safe, clean drinking water by regulating public water systems. These systems provide drinking water to the majority of citizens of the Commonwealth. There are approximately 2,500 community water supplies in the Commonwealth serving 10 million residents and 8,000 non-community water systems generally serving restaurants, industries, schools and motels which must comply with standards. The department also provides some consultative services and inspections for the 700,000 domestic water supplies in Pennsylvania. Approximately one-half of the community water systems and two-thirds of the private water supplies have deteriorated to where many people are at risk of being served unsafe water. Regulatory activities involve permitting and compliance, contaminant investigation and control, public education, and consultative services and inspections. The implementation of Federal and State statutes for the removal of lead from drinking water is also in this element.

In addition to regulating public drinking water systems, this program also inspects food establishments, public bathing places, schools, and seasonal farm labor camps for sanitary conditions. The Vector Control Program addresses insect and rodent problems in urban areas. The Black Fly Control Program, by treating bodies of water in participating counties, reduces the black fly population and gives relief to the citizens and visitors of the Commonwealth.

The Emergency Management and Response Program is also part of this program element. It provides support and training to local firefighters and other emergency personnel at accidents and spills of hazardous and toxic materials.

Program Element: Municipal and Residual Waste

Over 95 percent of the 9 million tons of municipal solid waste is dumped in sanitary landfills; four percent is incinerated and one percent is recycled. Many current sites are reaching capacity and, due to public concern and opposition, new landfills are not being established. As a result, local governments are having great difficulty in finding landfills to accept their trash and are experiencing escalating costs for this method of disposal. This reliance on landfills for municipal waste disposal, plus the critical lack of landfill capacity over much of the Commonwealth, demands that alternatives to landfills be used. Act 101 of 1988, the Municipal Waste Planning, Recycling and Waste Reduction Act, addresses these problems. Counties must adopt waste management plans. Municipalities must adopt recycling and waste reduction plans. Communities in which landfills or waste-to-energy facilities are located have an active role in permitting and inspecting landfills and facilities to assure that these are being operated in a proper manner. In addition, the host community receives money from a tipping fee to use in any way it wishes. The department regulates new and existing landfills to ensure that they are designed, constructed and operated with minimal risk to nearby residents and to the environment.

ENVIRONMENTAL RESOURCES

Program: Environmental Management and Protection (continued)

Act 93 of 1988 requires the department to develop a program to regulate and control the disposal of infectious (hospital) wastes. To do this, a manifest system to track waste until disposal is planned. In addition, a system of inspections is being developed to assure proper handling of infectious waste. Overall management will be guided by revised regulations and a Statewide plan to address present and future needs for incineration and disposal.

Residual waste is non-hazardous materials from industrial, mining, commercial and other similar operations. About 25 million tons are generated each year. A comprehensive set of new regulations for residual waste disposal sites has been completed. These regulations will require the approximately 1,300 residual waste facilities to be permitted or re-permitted. Some will close, requiring the department to inspect these to assure that closures are done in an environmentally sound manner. This program will encourage proper disposal and waste reduction to conserve resources and protect the environment.

Program Element: Hazardous Waste

Act 108 of 1988, the Hazardous Sites Cleanup Act, establishes a State program to cleanup hazardous waste sites not covered by the Federal Superfund Program. This program has two major parts. First is the identification, assessment and cleanup of existing sites where, in the past, hazardous wastes have been disposed in a manner which is a threat to the citizens and the environment. The identification and assessment of these sites has been completed. Actual cleanup will begin as soon as possible with funding coming from several possible sources. First, the department will try to identify the parties responsible for the situation and actively pursue legal actions to recover cleanup costs. Secondly, for those sites which are dangerous enough to qualify for the Federal Superfund Program, Federal funds will be used. The department will continue to accelerate the rate of Federally funded projects, not only to speed remediation, but also to ensure that the Commonwealth receives its share of Superfund monies. The third source of cleanup funding is from several State sources. The Capital Stock Franchise Tax Surcharge will generate approximately \$30 million per year. Another \$4.5 million is being generated from a hazardous waste fee system. A General Fund appropriation for \$15.9 million is also included in this budget. This will allow a cleanup program separate from the Federal Superfund, addressing the cleanup of sites which do not qualify for the Federal program and the emergency cleanup of sites posing immediate health and safety hazards.

In addition to site cleanup, this program also controls the generation, storage, transportation and proper disposal of hazardous wastes in Pennsylvania. Pennsylvania is one of the leading producers of hazardous waste. The Commonwealth's industries annually generate one million tons of hazardous waste, of which 878,000 tons are transported from the generating facility for disposal elsewhere.

Of major importance to economic development is the siting of hazardous waste disposal facilities in the Commonwealth. The proposed program to site two hazardous waste disposal facilities contains incentives to communities which agree to host such facilities. This is important not only to the health and safety of citizens, but also to the economic health of the Commonwealth.

Program Element: Regulation of Mining

The purpose of this program is to minimize adverse environmental impacts of active mining operations. This includes surface and deep coal mines, oil and gas well drilling, and mines for minerals other than coal.

Focusing on the important coal industry, regulatory activities are designed to assure proper land reclamation, prevent water and air pollution and protect the health and safety of the public. In the 1977 Federal Surface Mine Control and Reclamation Act, Congress recognized the national importance of an adequate program to control the adverse environmental impacts of mining. This legislation established a new set of standards for controlling subsidence, coal refuse disposal and surface effects of both underground and surface mines. To foster a strong State role in this regulatory effort, the act provided for delegation by the Federal Government of primary enforcement responsibility (primacy). On July 31, 1982, Pennsylvania was delegated primary enforcement responsibility.

In addition to the environmental regulatory, inspection and compliance activities, this program element is also concerned with mine safety, both the safety of mine operations and the safety training of miners. The Bureau of Deep Mine Safety has, for several years, been engaged in conducting mine safety training programs to minimize the number of accidents. Certification requirements for underground mine workers are also managed by this program thereby directly influencing the type and degree of expertise of personnel working in responsible positions underground.

The Bureau of Oil and Gas Management is responsible for administering laws and regulations covering the oil and gas industry in Pennsylvania. Through a permitting system for drilling activity, inspecting drilling and storage sites, and monitoring and enforcement actions, the program works toward protecting the environment and balancing conflicting interests of the oil, gas and coal industries.

Another activity of the mining program is the offering of mine subsidence insurance to residential and small commercial owners of property and private structures. This insurance program is directed by the Coal and Clay Mine Subsidence Insurance Board. A special fund is administered by the board in which premium and investment income are deposited and from which insurance claims and costs are paid. The growth in the number and value of policies has steadily increased since the beginning of the fund. With increasing property values and public awareness, this trend is expected to continue. A cash flow statement for this fund is included in the appendix to this budget.

Program Element: Technical Support Services

This program encompasses the technical and administrative support to environmental protection activities. The Bureau of Laboratories is the major component, providing analytical data which determines and identifies pollution levels in samples from any part of the environment. Samples from streams and lakes, solid wastes, drinking water, industrial wastes and fish are analyzed for toxic chemicals. Milk, food, water and air are examined for radiation; water from supply systems, beaches and sewage treatment plants for bacteria; and water from homeowners for potability.

Program Measures

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Air Pollution Control							
Air emission operating permits in effect	5,951	6,250	6,550	6,900	7,300	7,700	8,100
Air emission inspections performed	9,712	11,400	11,750	12,150	12,400	12,650	12,900

The program measure showing air emission operating permits in effect increases as newly constructed or expanded emitters become operational. The program measure for air emission inspections performed also reflects additional facilities plus inspection of asbestos removal projects.

ENVIRONMENTAL RESOURCES

Program: Environmental Management and Protection (continued)

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Water Quality Management							
Sewage and industrial waste discharge inspections	5,330	6,000	6,000	6,000	6,000	6,000	6,000
Permits issued for water pollution control facilities	1,955	1,500	1,500	1,500	1,500	1,500	1,500
Enforcement actions	325	325	350	350	350	350	350

The program measure showing the number of enforcement actions has increased, reflecting the program expansion in the previous budget.

Community Environmental Management

Annual permits issued — seasonal farm labor camps	260	280	300	300	300	300	300
Inspections of food establishments	12,314	9,800	15,000	16,000	16,500	17,500	17,000
Residents of areas in Black Fly Suppression Program	2,000,000	2,250,000	2,351,000	2,351,000	2,351,000	2,351,000	2,351,000
Inspections of public drinking water supplies	5,377	5,400	5,800	5,800	5,800	5,800	5,800

The increase in the program measure showing inspections of public drinking water supplies reflects the implementation of the PENNVEST program and changes in Federal standards.

Municipal and Residual Waste

Municipal and residual waste facilities permitted	317	341	394	394	394	394	394
Percent of municipal waste disposed by alternate methods to landfills	3%	7%	12%	20%	30%	35%	35%

Hazardous Waste

Sites assessed for possible hazardous waste contamination	81	37	25	25	25	25	25
Completions of remedial or response actions on hazardous waste sites	7	14	14	20	20	25	25
Hazardous waste inspections performed	1,670	1,715	1,715	1,715	1,715	1,715	1,715
Hazardous waste sites permitted and licensed under Act 97	129	120	120	120	120	120	120

The number of sites assessed for possible hazardous waste decreases as the inventory of sites is completed. The increase in completion of actions reflects the provisions of Act 108 of 1988, and the associated program expansion.

Regulation of Mining

Mine permit actions:							
Coal	839	850	825	800	775	750	725
Non-coal	148	150	150	150	150	150	150
Inspections:							
Complete coal inspections	14,226	14,000	14,000	14,000	13,750	13,500	13,250
Partial coal inspections	22,481	22,500	22,500	22,000	21,750	21,500	21,250
Non-coal inspections	2,853	2,900	2,900	2,900	2,900	2,900	2,900
Oil and gas field inspections	13,213	13,200	15,200	15,200	15,200	15,200	15,200
Mining enforcement orders issued	1,154	1,200	1,200	1,200	1,200	1,200	1,200
Mine subsidence insurance policies in effect							
	37,556	41,100	45,200	49,200	54,200	60,200	65,000
Employees trained in mine safety	7,546	7,500	7,500	7,500	7,500	7,500	7,500

The program measure showing mine permit actions decreases, reflecting the declining number of active coal mines in the Commonwealth. The program measure showing the number of oil and gas field inspections increases, reflecting the program expansion in the previous budget.

Technical Support Services

Inorganic analysis	823,747	850,000	900,000	900,000	900,000	900,000	900,000
Organic samples	11,505	12,500	14,000	14,000	14,000	14,000	14,000
Bacteriological analysis	32,547	35,000	35,000	35,000	35,000	35,000	35,000
Radiological samples	3,966	4,000	4,000	4,000	4,000	4,000	4,000

ENVIRONMENTAL RESOURCES

Program: Environmental Management and Protection (continued)

Program Recommendations:

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

<p>Office of Protection</p> <p>\$ -1,873 —nonrecurring items.</p> <p>2,495 —to continue current program. Anticipates an additional \$3 million from the Clean Air Fund, Clean Water Fund and the Solid Waste Abatement Fund.</p> <p>1,900 —to annualize prior year initiatives to improve and protect water quality, to expand solid waste and residual waste programs, to control infectious hospital waste, to improve response to accidental spills of toxic materials, to regulate removal of asbestos from schools and public buildings, to better regulate oil and gas wells, and to minimize delays in processing permits. In addition, \$200,000 will be provided from the Clean Air Fund to expand enforcement of air quality regulations and standards.</p> <p>1,812 —to replace decreasing Federal funds in safe drinking water program.</p> <p><u>\$ 4,334</u> —<i>Appropriation Increase</i></p>	<p>Sewage Facilities Enforcement Grants</p> <p>\$ -150 —reduction in requests from local governments.</p> <p>Sewage Treatment Plant Operations Grants</p> <p>\$ 2,800 —increase for new and expanded facilities.</p> <p>Ohio River Valley Sanitation Commission</p> <p>\$ 5 —to continue current program.</p> <p>Wernersville State Hospital Utilities</p> <p>\$ 184 —to complete State contribution.</p> <p>Water Quality Testing Laboratory</p> <p>\$ -15 —to continue current program.</p> <p>Black Fly Control</p> <p>\$ -683 —to continue current program.</p> <p>Deep Mine Safety</p> <p>\$ -150 —nonrecurring items</p> <p>191 —to continue current program.</p> <p><u>\$ 41</u></p>
<p>Sewage Facilities Planning Grants</p> <p>\$ 500 —increased local government planning activity due to PENNVEST requirement to have approved plans prior to filing applications.</p>	

All other appropriations are recommended at current program levels or are nonrecurring projects.

ENVIRONMENTAL RESOURCES

Program: Environmental Management and Protection (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Office of Protection	\$ 47,309	\$ 57,487	\$ 61,821	\$ 67,155	\$ 69,573	\$ 72,078	\$ 74,673
Sewage Facilities Planning Grants	499	500	1,000	1,250	1,500	1,500	1,500
Sewage Facilities Enforcement Grants ...	1,707	1,600	1,450	1,450	1,450	1,450	1,450
Sewage Treatment Plant Operations Grants	21,135	22,500	25,300	26,500	28,000	29,500	31,000
Ohio River Valley Sanitation Commission ..	97	109	114	114	114	114	114
Great Lakes Protection Fund	700	500	500	500	.....	.....	.....
Wernersville State Hospital Utilities	319	380	365	378	392	406	421
Water Quality Testing Laboratory	2,442	2,495	1,812	2,585	2,678	2,774	2,874
Black Fly Control	493	500	500	500	500	500	500
Vector Control	226	296	296	307	318	329	341
Seasonal Farm Worker Camp Inspection ..	15,926	15,926	15,926	15,926	15,926	15,926	15,926
Hazardous Waste Control	678	.....	.....	.....	.....	.....	.....
Solid Waste Disposal Planning Grants ...	3,560	3,871	3,912	4,053	4,199	4,350	4,507
Deep Mine Safety Inspection	10	10	10	10	10	10	10
Interstate Mining Commission	50	50	.....	.....	.....	.....	.....
Anthracite Bond Fund	144	.....	.....	.....	.....	.....	.....
School Asbestos Removal Plan .....	.....	500	.....	.....	.....	.....	.....
Center for Hazardous Materials Research .....	.....	.....	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 95,295	\$ 106,724	113,190	\$ 120,728	\$ 124,660	\$ 128,937	\$ 133,316

ENVIRONMENTAL RESOURCES

PROGRAM OBJECTIVE: To protect the people from dangerous or unnecessary radiation from natural and man-made sources, including occupational and medical exposure.

Program: Radiation Protection

The program utilizes several means to protect citizens from exposure to dangerous levels of radiation. One is the regulation, licensing and inspection of radiation source users. This involves registration of radiation producing equipment, licensing of users of radioactive materials and inspection of facilities to assure compliance with regulations.

The department also monitors the environment for radiation. This is done primarily in the vicinity of major users of radioactive materials, such as nuclear power plants. Ambient air is sampled continuously while milk produced on local farms and surface waters are sampled monthly and vegetation, fish and silt samples are collected at least annually. The radon surveillance and action program is also part of this activity, measuring levels in private dwellings, advising owners on remedial actions they can take, and conducting research for effective solutions. The department certifies radon testing and mitigation firms to protect the public from inaccurate test results and ineffective construction or remedial techniques.

Another protection activity is the routine inspection and oversight of nuclear power generating facilities in the Commonwealth. These are: Beaver Valley Power Station, Limerick Generating Station, Peach Bottom Atomic Power Station, Susquehanna Steam Electric Station and Three

Mile Island Nuclear Station. An agreement with the U.S. Nuclear Regulatory Commission (NRC) allows State nuclear engineers to review and evaluate plant design and operations, participate in any NRC hearings and participate in routine NRC inspections.

The program also involves planning and emergency preparedness to protect citizens of the Commonwealth in the event of accidents involving radioactive materials at power plants and other facilities utilizing radioactive materials.

Safe disposal of low-level radioactive waste, that is the disposal of such items as contaminated filters, gloves and clothing from hospitals, industries, and university research centers, is also a part of this program. (Spent nuclear fuel and similar highly radioactive materials are not included.) Since the Commonwealth is a major generator of these materials, a disposal site will be established within its borders. The Appalachian Low-Level Radioactive Waste Compact (Act 120 of 1985) committed Pennsylvania to establish a low-level radioactive waste disposal site for the four states in the compact — Delaware, Maryland, West Virginia and Pennsylvania. The Low-Level Radioactive Waste Disposal Act (Act 12 of 1988) establishes the criteria for the selection of a site, operation of a facility and transportation of wastes to the site.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Radiation user inspections performed	1,884	1,820	1,960	1,960	1,960	1,960	1,960
Users brought into compliance through inspections	459	450	500	500	500	500	500
Nuclear plant off-site samples	3,124	3,124	3,124	3,124	3,124	3,124	3,124
Cubic feet of low-level radioactive waste generated in Pennsylvania	190,000	200,000	200,000	200,000	200,000	200,000	200,000

Program Recommendations:

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

Radon Testing	Low-Level Radioactive Waste
\$ -49 —to continue current program.	\$ 214 —to begin site evaluation process.

The Appalachian States Low-Level Waste Compact appropriation is continued at the current level of participation.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Radon Testing	\$ 1,080	\$ 1,300	\$ 1,251	1,296	1,343	1,391	1,441
Appalachian States Low-Level Waste Compact	2	200	200	200	200	200	200
Low-Level Radioactive Waste Program	736	736	950	805	830	852	916
TOTAL GENERAL FUND	\$ 1,818	\$ 2,236	\$ 2,401	\$ 2,301	\$ 2,373	\$ 2,443	\$ 2,557

ENVIRONMENTAL RESOURCES

PROGRAM OBJECTIVE: To provide and manage outdoor recreation facilities and open space areas for citizens of the Commonwealth and out-of-state visitors.

Program: Recreation Areas and Facilities Management

Currently there are 114 State parks and recreation areas encompassing 276,300 acres. In 1988-89, almost 47 million visitor days were recorded at these facilities. An estimated 15 percent of these visitors were from out of state, significantly contributing to the Commonwealth's tourist industry. In addition to managing these facilities, this program also maintains and restores the State parks and adds new facilities where needed. User fees and concession charges are used to support the

maintenance and operation of the park system.

In addition, the Pennsylvania Conservation Corps has been involved with rehabilitation and construction projects in State parks, in other State-owned facilities and, through grants, in projects operated by county and municipal governments. The corps meets its dual objectives of improving public recreational facilities while providing work training opportunities and job skills to youths.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
State park attendance in visitor days (in thousands)	46,777	46,759	46,759	46,759	46,759	46,759	46,759
Major maintenance or restoration projects completed	225	225	225	225	225	225	225

The program measure showing major maintenance or restoration projects completed has increased from last year's budget, reflecting additional funds available for the work.

Program Recommendations:


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

State Parks	Annual Fixed Charges—Project 70
\$ 1,510 —to continue current program.	\$ 1 —to continue current programs.

The Annual Fixed Charges - Flood Lands appropriation is continued at the current program level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
State Parks	\$ 32,732	\$ 37,097	\$ 38,607	\$ 39,997	\$ 41,437	\$ 42,928	\$ 44,474
Annual Fixed Charges—Flood Lands	23	23	23	23	23	23	23
Annual Fixed Charges—Project 70	12	17	18	18	18	18	18
TOTAL GENERAL FUND	\$ 32,767	\$ 37,137	\$ 38,648	\$ 40,038	\$ 41,478	\$ 42,969	\$ 44,515



Commonwealth of Pennsylvania

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)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
<i>GRANTS AND SUBSIDIES:</i>			
Atlantic States Marine Fisheries Commission	\$ 7	\$ 9	\$ 9
BOAT FUND			
<i>GENERAL GOVERNMENT:</i>			
General Operations (EA)	\$ 3,864	\$ 4,442	\$ 4,729
(F) U.S. Coast Guard Grant — Boating Safety	398	600	600
(F) Sport Fish Restoration	234	207	291
(A) Sale of Vehicles	2	10	10
STATE FUNDS	\$ 3,864	\$ 4,442	\$ 4,729
FEDERAL FUNDS	632	807	891
AUGMENTATIONS	2	10	10
BOAT FUND TOTAL	\$ 4,498	\$ 5,259	\$ 5,630
FISH FUND			
<i>GENERAL GOVERNMENT:</i>			
General Operations (EA)	\$ 16,381	\$ 18,076	\$ 19,193
(F) Fish and Wildlife Restoration Act	3,880	3,305	3,658
(A) Sale of Vehicles	45	50	50
(A) Reimbursement for Services — Boat Fund	^a	^a	^a
(A) Pennsylvania Conservation Corps	49	100	100
STATE FUNDS	\$ 16,381	\$ 18,076	\$ 19,193
FEDERAL FUNDS	3,880	3,305	3,658
AUGMENTATIONS	94	150	150
FISH FUND TOTAL	\$ 20,355	\$ 21,531	\$ 23,001
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 7	\$ 9	\$ 9
SPECIAL FUNDS	20,245	22,518	23,922
FEDERAL FUNDS	4,512	4,112	4,549
AUGMENTATIONS	96	160	160
TOTAL ALL FUNDS	\$ 24,860	\$ 26,799	\$ 28,640

^aNot added to avoid double counting: 1988-89 Actual is \$4,498,000, 1989-90 Available is \$5,259,000 and 1990-91 Budget is \$5,630,000.

FISH COMMISSION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
RECREATIONAL FISHING AND BOATING							
General Funds..... \$	7 \$	9 \$	9 \$	9 \$	9 \$	9 \$	9
Special Funds.....	20,245	22,518	23,922	24,518	25,142	25,793	26,301
Federal Funds.....	4,512	4,112	4,549	4,710	4,772	4,895	5,021
Other Funds.....	96	160	160	160	160	160	160
TOTAL..... \$	24,860 \$	26,799 \$	28,640 \$	29,397 \$	30,083 \$	30,857 \$	31,491
ALL PROGRAMS:							
GENERAL FUND..... \$	7 \$	9 \$	9 \$	9 \$	9 \$	9 \$	9
SPECIAL FUNDS.....	20,245	22,518	23,922	24,518	25,142	25,793	26,301
FEDERAL FUNDS.....	4,512	4,112	4,549	4,710	4,772	4,895	5,021
OTHER FUNDS.....	96	160	160	160	160	160	160
TOTAL..... \$	24,860 \$	26,799 \$	28,640 \$	29,397 \$	30,083 \$	30,857 \$	31,491

FISH COMMISSION

PROGRAM OBJECTIVE: To establish habitats and environments which will sustain fish and wildlife population for recreational uses and for perpetuation of species, and to provide a satisfactory variety of opportunities for fishing and boating on Commonwealth waters.

Program: Recreational Fishing and Boating

The Fish Commission is responsible for the enforcement of the fishing and boating laws and regulations, registration of boats, the State boating and water safety education programs, and the management and promotion of recreational boating. The Boating Advisory Board, a group of knowledgeable boaters appointed by the Governor, advises the commission on boating matters.

In addition to recreational boating, the commission is responsible for recreational fishing in the Commonwealth. This includes fish

propagation, stocking, fisheries environmental services, the cooperative nurseries program, research and fish management. The commission also provides for the development, improvement and maintenance of facilities for lake and access areas. As water quality is a major factor in aquatic recreation, the commission responds to the need for environmental safeguards, and closely monitors the water quality of many streams, lakes and rivers in the Commonwealth.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Fishing licenses sold	1,123,603	1,124,000	1,141,000	1,154,000	1,166,000	1,177,000	1,198,000
Pounds of fish stocked in Commonwealth streams and lakes	2,559,969	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000
Boats registered	266,000	278,000	292,000	307,000	322,000	338,000	355,000

Program Recommendations:


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

<p>BOAT FUND: General Government Operations \$ 287 —to continue current programs.</p>	<p>FISH FUND: General Government Operations \$ 986 —to continue current programs. 131 —for new Waterways Conservation Officer training class. \$ 1,117 <i>Executive Authorization Increase</i></p>
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The Atlantic State Marine Fisheries Commission appropriation is continued at the current level of participation.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Atlantic States Marine Fisheries Commission	\$ 7	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9
BOAT FUND:							
General Operations	\$ 3,864	\$ 4,442	\$ 4,729	\$ 4,634	\$ 4,542	\$ 4,451	\$ 4,189
FISH FUND:							
General Operations	\$ 16,381	\$ 18,076	\$ 19,193	\$ 19,884	\$ 20,600	\$ 21,342	\$ 22,110



Commonwealth of Pennsylvania

Game Commission

The Game Commission administers and enforces the game laws of the Commonwealth and provides for the protection and propagation of wildlife.

GAME COMMISSION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89	1989-90	1990-91
GAME FUND	Actual	Available	Budget
GENERAL GOVERNMENT:			
General Operations	\$ 37,448	\$ 41,941	\$ 40,091
(F) Pittman-Robinson Act Reimbursements	3,768	4,500	4,100
(F) Endangered Species	10	36	35
(F) Surface Mine Regulatory Program	49	40	50
(F) Stream Bank Fencing	20	20	20
(A) Sale of Vehicles	244	225	250
(A) Sharecrop and Agricultural Leases	12	12	20
(A) Pennsylvania Conservation Corps	205	200	200
(A) Donations	98	50	50
(A) Hunter Trapper Education Camp	8	10	10
(A) Youth Shooting Sports	5	3	3
STATE FUNDS	\$ 37,448	\$ 41,941	\$ 40,091
FEDERAL FUNDS	3,847	4,596	4,205
AUGMENTATIONS	560	500	533
GAME FUND TOTAL	\$ 41,855	\$ 47,037	\$ 44,829

GAME COMMISSION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
WILDLIFE MANAGEMENT							
Special Funds.....	\$ 37,448	\$ 41,941	\$ 40,091	\$ 41,534	\$ 43,029	\$ 44,578	\$ 46,032
Federal Funds.....	3,847	4,596	4,205	4,220	4,170	4,120	4,046
Other Funds.....	560	500	533	280	330	380	454
TOTAL.....	\$ 41,855	\$ 47,037	\$ 44,829	\$ 46,034	\$ 47,529	\$ 49,078	\$ 50,532
ALL PROGRAMS:							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SPECIAL FUNDS.....	37,448	41,941	40,091	41,534	43,029	44,578	46,032
FEDERAL FUNDS.....	3,847	4,596	4,205	4,220	4,170	4,120	4,046
OTHER FUNDS.....	560	500	533	280	330	380	454
TOTAL.....	\$ 41,855	\$ 47,037	\$ 44,829	\$ 46,034	\$ 47,529	\$ 49,078	\$ 50,532

GAME COMMISSION

PROGRAM OBJECTIVE: To establish habitats and environments which will sustain wildlife populations for recreational uses and for the perpetuation of species.

Program: Wildlife Management

The main responsibility of the Game Commission is the perpetuation of the species of wildlife found in Pennsylvania. While those species considered game animals, such as deer, turkey and bear, receive the most attention, others (river otters, osprey, peregrine falcons and eagles, both bald and golden) are also the focus of programs for endangered and threatened species. More common species are not ignored; they receive the protection mandated in the Game and Wildlife Code and are recognized as part of the natural balance.

Enforcement of the provisions of this code is critical; however, the primary means of ensuring the propagation and preservation of wildlife is properly managed land and game habitat. Currently the commission administers over 1.3 million acres of public property, the State Game Lands, and is judiciously acquiring additional lands, focusing on critically important wetlands. The commission also has cooperative programs to encourage good land management and habitat improvement by private landowners; thereby stimulating hunting on private lands.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Hunting licenses sold	1,205,777	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Deer taken	195,399	180,000	180,000	180,000	180,000	180,000	180,000
Arrests for violation of game laws	8,268	8,500	8,500	8,500	8,500	8,500	8,500

The program measure showing deer taken has increased over last year's Governor's Budget. A record number were killed in 1988-89 because of a larger deer population, a trend which is projected to continue.

Program Recommendations:

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

General Government Operations	
\$ -375	—nonrecurring items.
-2,530	—nonrecurring radio upgrade.
1,055	—to continue current programs.
-2,510	—first installment for acquisition of wetlands in Erie, Lackawanna, Monroe and Wayne Counties.
2,510	—second installment for acquisition of wetlands in Erie, Lackawanna, Monroe and Wayne Counties.
<u>\$ -1,850</u>	<i>Executive Authorization Decrease</i>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GAME FUND:							
General Operations	<u>\$ 37,448</u>	<u>\$ 41,941</u>	<u>\$ 40,091</u>	<u>\$ 41,534</u>	<u>\$ 43,029</u>	<u>\$ 44,578</u>	<u>\$ 46,183</u>



Commonwealth of Pennsylvania

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.

GENERAL SERVICES

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 43,971^a	\$ 45,925	\$ 40,822
(F) <i>Appalachian Entrepreneurial Exchange Program</i>	50	20	50
(A) <i>Employes Group Life Insurance</i>	50	50	50
(A) <i>Federal Surplus Property</i>	285	330	342
(A) <i>State Buildings Use</i>	1,302	1,227	1,227
(A) <i>Sound Equipment</i>	35	10	10
(A) <i>Employee Liability Self Insurance Program</i>	107	52	56
(A) <i>Information Center — Centrix</i>	163	136	160
(A) <i>Newsroom Services</i>	14	49	49
(A) <i>Computer Services</i>	276	166	96
(A) <i>Plans Forfeiture</i>	28	36	36
(A) <i>Media Center Reimbursements</i>	623	714	774
(A) <i>Recycling Program</i>	80	259	259
(A) <i>GSA Fiscal Function</i>	80	100	50
(A) <i>Services Provided Other Agencies</i> .....	.....	194	.....
Total — General Government Operations	\$ 46,984	\$ 49,268	\$ 43,931
Legal Services — Capitol East Wing	300	.....	.....
Capitol Police Operations	4,211	4,438	4,395
(A) <i>Capitol Police Services</i>	68	75	75
Utility Costs	9,300	9,140	10,140
Harristown Rental Charges	7,300	6,489	6,485
Harristown Utility and Municipal Charges	6,064	6,064	6,064
Printing the Pennsylvania Manual	178	.....	178
Asbestos Response	800	800	800
Subtotal — State Funds	\$ 72,124	\$ 72,856	\$ 68,884
Subtotal — Federal Funds	50	20	.....
Subtotal — Augmentations	3,031	3,398	3,184
Total — General Government	\$ 75,205	\$ 76,274	\$ 72,068
GRANTS AND SUBSIDIES:			
Excess Insurance Coverage .....	.....	.....	\$ 505
Capitol Fire Protection	\$ 550	\$ 550	550
Federal Surplus Pilot Project — Luzerne County .....	.....	250	250
Total — Grants and Subsidies	\$ 550	\$ 800	\$ 1,305
STATE FUNDS	\$ 72,674	\$ 73,656	\$ 70,189
FEDERAL FUNDS	50	20	.....
AUGMENTATIONS	3,031	3,398	3,184
GENERAL FUND TOTAL	\$ 75,755	\$ 77,074	\$ 73,373

^aAmount includes \$86,000 appropriated for Minority Contractors Information Center.

GENERAL SERVICES

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
MOTOR LICENSE FUND			
<i>GENERAL GOVERNMENT:</i>			
Asbestos Response	\$ 500	\$ 500	.....
<i>GRANTS AND SUBSIDIES:</i>			
Tort Claim Payments	14,159	26,500	\$ 26,500
 	<hr/>	<hr/>	<hr/>
MOTOR LICENSE FUND TOTAL	<u>\$ 14,659</u>	<u>\$ 27,000</u>	<u>\$ 26,500</u>
BANKING DEPARTMENT FUND			
<i>GENERAL GOVERNMENT:</i>			
Harristown Rental Charges	\$ 163	\$ 146	\$ 146
Harristown Utility and Municipal Charges	131	137	137
 	<hr/>	<hr/>	<hr/>
BANKING DEPARTMENT FUND TOTAL	<u>\$ 294</u>	<u>\$ 283</u>	<u>\$ 283</u>
LOTTERY FUND			
<i>GENERAL GOVERNMENT:</i>			
Harristown Rental Charges	\$ 95	\$ 86	\$ 86
Harristown Utility and Municipal Charges	89	94	94
 	<hr/>	<hr/>	<hr/>
LOTTERY FUND TOTAL	<u>\$ 184</u>	<u>\$ 180</u>	<u>\$ 180</u>
OTHER FUNDS			
<i>REVENUE SHARING TRUST FUND:</i>			
Moving and Relocation Expenses	\$ 200	\$ 200	\$ 111
 	<hr/>	<hr/>	<hr/>
OTHER FUNDS TOTAL	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 111</u>
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 72,674	\$ 73,656	\$ 70,189
SPECIAL FUNDS	15,137	27,463	26,963
FEDERAL FUNDS	50	20	.....
AUGMENTATIONS	3,031	3,398	3,184
OTHER FUNDS	200	200	111
 	<hr/>	<hr/>	<hr/>
TOTAL ALL FUNDS	<u>\$ 91,902</u>	<u>\$ 104,737</u>	<u>\$ 100,447</u>

GENERAL SERVICES

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
FACILITY, PROPERTY AND COMMODITY MANAGEMENT							
General Funds.....	\$ 72,674	\$ 73,656	\$ 70,189	\$ 78,911	\$ 81,633	\$ 83,287	\$ 86,192
Special Funds.....	15,137	27,463	26,963	26,971	26,979	26,988	26,997
Federal Funds.....	50	20	0	0	0	0	0
Other Funds.....	3,231	3,598	3,295	3,345	3,512	3,678	3,868
TOTAL.....	\$ 91,092	\$ 104,737	\$ 100,447	\$ 109,227	\$ 112,124	\$ 113,953	\$ 117,057
ALL PROGRAMS:							
GENERAL FUND.....	\$ 72,674	\$ 73,656	\$ 70,189	\$ 78,911	\$ 81,633	\$ 83,287	\$ 86,192
SPECIAL FUNDS.....	15,137	27,463	26,963	26,971	26,979	26,988	26,997
FEDERAL FUNDS.....	50	20	0	0	0	0	0
OTHER FUNDS.....	3,231	3,598	3,295	3,345	3,512	3,678	3,868
TOTAL.....	\$ 91,092	\$ 104,737	\$ 100,447	\$ 109,227	\$ 112,124	\$ 113,953	\$ 117,057

GENERAL SERVICES

PROGRAM OBJECTIVE: To maintain the Commonwealth's real property and facilities; to provide Commonwealth agencies with quality commodities in a timely manner; and to settle tort claims in an equitable manner while reducing risks.

Program: Facility, Property and Commodity Management

This program provides for management of the buildings and grounds including police services for the Capitol Complex in Harrisburg and the State office buildings in Philadelphia, Pittsburgh, Scranton, and Reading. The department also manages the acquisition and utilization of space and facilities by State agencies and provides agencies with commodities that conform to accepted standards of quality.

This program is also responsible for preparing plans, designs, surveys, and specifications for all State construction projects. All projects are closely monitored to ensure compliance with State laws and building codes.

This program handles tort claims, in conjunction with the Attorney General's Office, brought against the Commonwealth, its officials, and employees. Act 152 of 1978 reaffirmed the Commonwealth's use of sovereign immunity as a defense against tort claims, but established

criteria for limited amounts of liability in eight specific areas: vehicle liability; medical professional liability; personal property; Commonwealth real estate; potholes and other dangerous conditions; care, custody and control of domestic animals; liquor store sales; and National Guard activities. Claims in the pre-litigation stage are investigated by the department, while the Office of Attorney General defends those claims in litigation.

The assessment of the asbestos danger in Commonwealth-owned buildings will be continued in 1990-91, the third year of a five year program. The hazard potential for areas where asbestos is present will be calculated, and abatement costs estimated.

This program also provides funding to purchase catastrophic property insurance on Commonwealth-owned buildings.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Value of Federal surplus property (in thousands):							
Available	\$2,387	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Distributed	\$8,996	\$9,500	\$9,500	\$10,000	\$10,500	\$11,000	\$11,000
Capital facilities projects in design and/or construction:							
Number	488	495	500	475	450	425	450
Value (in thousands)	\$800,000	\$825,000	\$850,000	\$725,000	\$675,000	\$600,000	\$625,000
Tort claims filed	6,788	9,500	10,300	11,200	12,200	13,400	14,600
Tort claims closed (includes settlements, judgements and denials)	7,743	7,700	8,300	9,100	9,900	10,800	11,700
Tort claims pending	7,743	9,543	11,543	13,643	15,943	18,543	21,443
Amount of claims pending (in thousands)	\$403,600	\$468,000	\$529,000	\$597,000	\$675,000	\$763,000	\$862,000

The number of tort claims filed was less than expected in 1988-89 primarily because of fewer automobile related tort claims. The rate of automobile tort claims is highly correlated with severe weather. The last few winters were relatively mild which apparently caused a decline in claims.

Program Recommendations:

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


<p>General Government Operations</p> <p>\$ -472 —nonrecurring projects.</p> <p>2,069 —to continue current program.</p> <p>-6,700 —administrative costs charged to the Capital Facilities Fund.</p> <hr/> <p>\$ -5,103 <i>Appropriation Decrease</i></p> <p>Capitol Police Operations</p> <p>\$ -43 —to continue current program.</p> <p>Utility Costs</p> <p>\$ 1,000 —to continue current program.</p>	<p>Harristown Rental Charges</p> <p>\$ -4 —for lease charges.</p> <p>Pennsylvania Manual</p> <p>\$ 178 —manual is printed every two years.</p> <p>Excess Insurance Coverage</p> <p>\$ 505 —to provide insurance for losses in excess of \$1 million on Commonwealth owned property.</p> <p>All other programs are recommended to be continued at the current levels.</p>
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GENERAL SERVICES

Program: Facility, Property, and Commodity Management (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operations	\$ 43,971	\$ 45,925	\$ 40,822	\$ 49,232	\$ 51,005	\$ 52,841	\$ 54,743
Legal Services — East Wing of the Capitol	300						
Capitol Police Operations	4,211	4,438	4,395	4,553	4,717	4,887	5,063
Utility Costs	9,300	9,140	10,140	10,505	10,883	11,275	11,681
Harristown Rental Charges	7,300	6,489	6,485	6,484	6,487	6,487	6,487
Harristown Utility and Municipal Charges ..	6,064	6,064	6,064	6,282	6,508	6,742	6,985
Pennsylvania Manual	178		178		178		178
Excess Insurance Coverage			505	505	505	505	505
Capitol Fire Protection	550	550	550	550	550	550	550
Federal Surplus Pilot Project — Luzerne County		250	250				
Asbestos Response Program	800	800	800	800	800		
TOTAL GENERAL FUND	\$ 72,674	\$ 73,656	\$ 70,189	\$ 78,911	\$ 81,663	\$ 83,287	\$ 86,192
BANKING DEPARTMENT FUND							
Harristown Rental Charges	\$ 163	\$ 146	\$ 146	\$ 146	\$ 146	\$ 146	\$ 146
Harristown Municipal and Utility Costs ...	131	137	137	142	147	152	157
TOTAL BANKING DEPARTMENT FUND	\$ 294	\$ 283	\$ 283	\$ 288	\$ 293	\$ 298	\$ 303
STATE LOTTERY FUND							
Harristown Rental Charges	\$ 95	\$ 86	\$ 86	\$ 86	\$ 86	\$ 86	\$ 86
Harristown Utility and Municipal Charges ..	89	94	94	97	100	104	108
TOTAL STATE LOTTERY FUND	\$ 184	\$ 180	\$ 180	\$ 183	\$ 186	\$ 190	\$ 194
MOTOR LICENSE FUND							
Tort Claim Payments	\$ 14,159	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500
Asbestos Response Program	500	500					
TOTAL MOTOR LICENSE FUND	\$ 14,659	\$ 27,000	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500



Commonwealth of Pennsylvania

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 Drug Policy Council, the Advisory Committee for Clinical Laboratories, the Statewide Health Coordinating Council, and the Advisory Council on Drug and Alcohol Abuse.

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

**1990-91
State
Funds**
(In thousands)

Title

Appropriation

GENERAL FUND

Drug and Alcohol Program Expansion

This Program Revision provides \$10,677,000 in State funds and \$51,037,000 in Federal funds to expand drug and alcohol services. It focuses on the use of new Federal drug funds to supplement and expand drug and alcohol initiatives started under PENNFREE.

A total of almost \$23 million is recommended from various Department of Health Federal appropriations to support this Program Revision.

Total Funding is provided through nine State agencies. See the Program Revision entitled "Drug and Alcohol Program Expansion" under Executive Offices for additional information.

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 10,370	\$ 11,150	\$ 11,176
(F) SSA (XVI) D & A Referral/Monitoring	39	57	46
(F) PHHSBG — Administration	346	307	317
(F) National Health Service Corps	92	166	.....
(F) ADMSBG — Administration	1,324	1,550	1,750
(F) MCHSBG — Administration	1,812	2,000	2,255
(F) ADA — Substance Abuse — Administration	149	225	.....
(F) Health Assessment .....	.....	300	373
(F) State Legalization Impact Assistance Grant .....	.....	115	.....
(F) Highway Safety Initiative .....	.....	98	370
(A) Data Center Services	2,311	3,223	2,912
(A) Drug and Alcohol Conference Fees	85	50	50
(A) Pennsylvania State University/Hershey Medical Center — Elizabethtown Hospital	5,724	6,194	6,640
(A) Departmental Services	794	822	908
Subtotal — Federal Funds	<u>\$ 3,762</u>	<u>\$ 4,818</u>	<u>\$ 5,111</u>
Subtotal — Augmentations	<u>8,914</u>	<u>10,289</u>	<u>10,510</u>
Total — General Government Operations	<u>\$ 23,046</u>	<u>\$ 26,257</u>	<u>\$ 26,797</u>
TMI — Health Studies	282	290	318
Quality Assurance	3,605	4,116	4,122
(F) Medicare — Health Service Agency Certification	2,900	4,200	4,300
(F) Medicaid Certification	1,927	3,350	4,583
(A) Inpatient Psychiatric Unit Surveys	26	37	37
(A) Publication Fees	7	7	7
(A) ICF/MR Reviews	197	378	378
Subtotal — Federal Funds	<u>\$ 4,827</u>	<u>\$ 7,550</u>	<u>\$ 8,883</u>
Subtotal — Augmentations	<u>230</u>	<u>422</u>	<u>422</u>
Total — Quality Assurance	<u>\$ 8,662</u>	<u>\$ 12,088</u>	<u>\$ 13,427</u>
Vital Statistics	4,568	4,866	5,230
(F) Cooperative Health Statistics	466	727	845
(F) Drake Health Registry	168	178	178
(A) Reimbursement for Microfilming	48	52	52
Total — Vital Statistics	<u>\$ 5,250</u>	<u>\$ 5,823</u>	<u>\$ 6,305</u>
State Laboratory	2,904	3,025	3,227
(F) Medicare — Health Services Agency Certification	220	185	207
(A) Licensure of Clinical Laboratories	316	315	315
(A) Blood Lead Testing	74	84	84
(A) Low Volume Proficiency Testing	138	118	118
(A) Lab Personnel Registry	2	1	1
(A) Drug Abuse Proficiency	52	52	52
Subtotal — Augmentations	<u>\$ 582</u>	<u>\$ 570</u>	<u>\$ 570</u>
Total — State Laboratory	<u>\$ 3,706</u>	<u>\$ 3,780</u>	<u>\$ 4,004</u>

HEALTH

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GENERAL GOVERNMENT: (continued)			
State Health Care Centers	\$ 12,970	\$ 13,882	\$ 14,549
(F) Indochinese Refugees	71	77	55
(F) Disease Control Immunization	371	641	739
(F) PHHSBG — Health Education and Prevention	464	700	700
(F) PHHSBG — Hypertension Services	1,023	1,217	1,375
(F) PHHSBG — Fluoridation	59	60	60
(F) Medical Assistance — SHCC	9	28	28
(F) Injury Surveillance .....	.....	200	.....
(F) Chronic Disease Prevention and Control .....	.....	130	130
(A) Early Periodic Screening, Diagnosis, Treatment	25	20	20
(A) Medical Assistance — SHCC	6	20	20
(A) Departmental Services	5	6	6
Subtotal — Federal Funds	<u>\$ 1,997</u>	<u>\$ 3,053</u>	<u>\$ 3,087</u>
Subtotal — Augmentations	36	46	46
Total — State Health Care Centers	<u>\$ 15,003</u>	<u>\$ 16,981</u>	<u>\$ 17,682</u>
Vietnam Veterans Health Initiative Commission	161	219	237
Diabetes Task Force	360	413	436
(F) Diabetes Control	160	224	177
(F) PHHSBG — Diabetes Task Force	217	218	218
Total — Diabetes Task Force	<u>\$ 737</u>	<u>\$ 855</u>	<u>\$ 831</u>
AIDS Programs	1,684	2,750	2,883
PENNFREE — Aids Outreach .....	.....	1,000^a	.....
PENNFREE — Aids Programs .....	.....	1,500	.....
(F) PHHSBG — AIDS	375	.....	.....
(F) AIDS Health Education	5,891	7,500	7,500
(F) AIDS/HIV Surveillance .....	.....	201	.....
Subtotal — Federal Funds	<u>\$ 6,266</u>	<u>\$ 7,701</u>	<u>\$ 7,500</u>
Total — AIDS Program	<u>\$ 7,950</u>	<u>\$ 12,951</u>	<u>\$ 10,383</u>
Cancer Registry	853	986	1,038
Arthritis Task Force	124	178	161
Subtotal — State Funds	<u>\$ 37,881</u>	<u>\$ 44,375</u>	<u>\$ 43,377</u>
Subtotal — Federal Funds	18,083	24,654	26,206
Subtotal — Augmentations	9,810	11,379	11,600
Total — General Government	<u>\$ 65,774</u>	<u>\$ 80,408</u>	<u>\$ 81,183</u>
GRANTS AND SUBSIDIES:			
School Health Examinations	\$ 18,186	\$ 17,525	\$ 17,500
Local Health Departments	18,411	18,400	21,750
Local Health — Environmental	6,551	6,577	6,617
WIC—State Supplement	13,000	15,000	15,000
(F) Women, Infants and Children (WIC)	76,228	87,332	96,010
Maternal and Child Health	1,687	1,733	1,786
(F) Genetic Screening and Education	33	24	.....
(F) MCHSBG — Crippled Children	6,277	6,600	7,620
(F) MCHSBG — Maternal Services	12,369	15,211	14,211
(F) Expanding Genetic Services	6	5	5
(F) MCHSBG — SSI Disabled Children	950	950	950
(F) Childhood Lead Poisoning Prevention .....	.....	1,688	1,688
(F) Injury Control .....	.....	300	289
(F) SPRANS (Newborn Screening) .....	.....	105	105
Subtotal — Federal Funds	<u>\$ 19,635</u>	<u>\$ 24,883</u>	<u>\$ 24,868</u>
Total — Maternal and Child Health	<u>\$ 21,322</u>	<u>\$ 26,616</u>	<u>\$ 26,654</u>

^aThis continuing appropriation will provide funds for both 1989-90 and 1990-91.

HEALTH

(Dollar Amounts in Thousands)

GENERAL FUND

GRANTS AND SUBSIDIES: (continued)

	1988-89 Actual	1989-90 Available	1990-91 Budget
Cancer Control and Prevention	\$ 3,805	\$ 4,000	\$ 4,000
(F) Data-Based intervention Research		168	201
Pittsburgh Cancer Institute	500	500	500
University of Pennsylvania Cancer Center	500	250	250
Assistance to Drug and Alcohol Programs	32,067	32,127	32,127
PENNFREE — Residential Drug Treatment		3,300 ^a	
PENNFREE — Assistance to D&A Programs		6,000 ^a	
PENNFREE — Student Assistance Program		4,500 ^a	
PENNFREE — D&A Facilities Improvements		750 ^a	
(F) High Risk Pilot	171		
(F) ADMSBG — Alcohol Services	4,308	11,000	26,000
(F) ADMSBG — Drug Services	6,362	14,500	34,500
(F) ADA — Substance Abuse	10,004	4,000	
(F) Uniform Data Collection System		150	200
(F) Drug Abuse Treatment Time		3,500	3,000
(F) Community Youth Demonstration		500	400
(F) Community Youth Drug Program		69	40
(F) ADA — TASC/SCI Pre/Post Release	28		
(F) DFSC — Special Programs — Student Assistance Program	1,000	1,035	1,000
(A) State Stores Fund Transfer	423	469	395
Subtotal — Federal Funds	\$ 21,873	34,754	65,140
Total — Assistance to Drug and Alcohol Programs	\$ 54,363	\$ 81,900	\$ 97,662
Renal Dialysis	5,786	6,520	6,520
Pennsylvania AWARE	225		
Emergency Medical Services	1,500	1,500	1,500
(F) EMS — Accident Research	20		
Total — Emergency Medical Services	\$ 1,520	\$ 1,500	\$ 1,500
Spina Bifida	951	1,055	1,055
Home Ventilators	650	700	735
(F) MA Home Ventilator	650	1,120	1,140
(A) Medical Assistance — Ventilators	401	880	860
Total — Home Ventilators	\$ 1,701	\$ 2,700	\$ 2,735
Coal Workers Pneumoconiosis Services	321	550	600
(F) Black Lung Clinic	431	720	720
Total — Coal Workers Pneumoconiosis Services	\$ 752	\$ 1,270	\$ 1,320
Centerville Clinic		75	
Adult Cystic Fibrosis	191	217	224
VD Screening and Treatment	380	741	827
(F) VD Survey and Follow-up	731	837	1,100
Total — VD Screening and Treatment	\$ 1,111	\$ 1,578	\$ 1,927
Cooley's Anemia	205	205	205
Screening and Treatment — TB	500	540	576
(F) Tuberculosis Control Program	87	253	254
(F) PHHSBG — Tuberculosis	468	569	569
Total — Screening and Treatment - TB	\$ 1,055	\$ 1,362	\$ 1,399
Hemophilia	1,307	2,300	2,300
Sickle Cell Anemia	788	1,062	812
Sickle Cell Camps	35	36	36
Lupus Disease Research	80	85	85
Health Care Services NW	195	195	195
Keystone State Games	200	200	200
Tourette Syndrome	100	100	
Worksite Wellness	125		

^aThis continuing appropriation will provide funds for both 1989-90 and 1990-91. See PENNFREE Summary in Section A for additional information.

HEALTH

(Dollar Amounts in Thousands)

GENERAL FUND

GRANTS AND SUBSIDIES: (continued)

	1988-89 Actual	1989-90 Available	1990-91 Budget
<i>HIB Vaccine</i>	280	290	290
<i>Poison Control Center SW</i>	375		
<i>Poison Control Center SE</i>	200		
<i>Regional Poison Control Centers</i>		1,575	
<i>American Trauma Society</i>	150	150	
<i>Fox Chase Institute for Cancer Research</i>	725	800	800
<i>Wistar Institute — Research</i>	239	246	246
<i>Wistar Institute-AIDS</i>	103	106	106
<i>Cardiovascular Studies — University of Pennsylvania</i>	133	137	137
<i>Cardiovascular Studies — St. Francis Hospital</i>	133	137	137
<i>Central Pennsylvania Oncology Group</i>	141	148	148
<i>Burn Foundation of Greater Delaware Valley</i>	368	379	379
<i>Cerebral Palsy — St. Christopher's Hospital—Operation and Maintenance</i>	796	820	820
<i>Home for Crippled Children, Pittsburgh</i>	775	798	798
<i>Cerebral Palsy — St. Christopher's Hospital — Handicapped Children's Clinic</i>	106	146	146
<i>Cleft Palate Clinic — Lancaster</i>	56	58	58
<i>Cleft Palate Clinic — Pittsburgh</i>	56	58	58
<i>Tay Sachs Disease — Jefferson Medical College</i>	56	58	58
Subtotal — State Funds	\$ 112,938	\$ 132,649	\$ 119,581
Subtotal — Federal Funds	120,123	150,636	190,002
Subtotal — Augmentations	824	1,349	1,255
Total — Grants and Subsidies	\$ 233,885	\$ 284,634	\$ 310,838
STATE FUNDS	\$ 150,819	\$ 177,024	\$ 162,958
FEDERAL FUNDS	138,206	175,290	216,208
AUGMENTATION	10,634	12,728	12,855
GENERAL FUND TOTAL	\$ 299,659	\$ 365,042	\$ 392,021

OTHER FUNDS

EMERGENCY MEDICAL SERVICES OPERATING FUND:

Emergency Medical Services	\$ 6,000	\$ 6,000	\$ 6,000
Catastrophic Medical and Rehabilitation	531	2,000	2,000
OTHER FUNDS TOTAL	\$ 6,531	\$ 8,000	\$ 8,000

DEPARTMENT TOTAL — ALL FUNDS

GENERAL FUND	\$ 150,819	\$ 177,024	\$ 162,958
FEDERAL FUNDS	138,206	175,290	216,208
AUGMENTATIONS	10,634	12,728	12,855
OTHER FUNDS	6,531	8,000	8,000
TOTAL ALL FUNDS	\$ 306,190	\$ 373,042	\$ 400,021

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
HEALTH SERVICES SUPPORT							
General Funds.....	\$ 16,879	\$ 18,291	\$ 18,525	\$ 19,420	\$ 20,119	\$ 20,844	\$ 21,594
Federal Funds.....	8,809	12,553	14,201	14,534	14,879	15,236	15,606
Other Funds.....	9,726	11,281	11,502	11,916	12,345	12,790	13,250
TOTAL.....	\$ 35,414	\$ 42,125	\$ 44,228	\$ 45,870	\$ 47,343	\$ 48,870	\$ 50,450
HEALTH RESEARCH							
General Funds.....	\$ 8,902	\$ 9,361	\$ 9,829	\$ 9,740	\$ 10,003	\$ 10,276	\$ 10,559
Federal Funds.....	1,011	1,347	1,418	1,418	1,418	1,418	1,418
Other Funds.....	48	52	52	54	56	58	60
TOTAL.....	\$ 9,961	\$ 10,760	\$ 11,299	\$ 11,212	\$ 11,477	\$ 11,752	\$ 12,037
PREVENTIVE HEALTH							
General Funds.....	\$ 77,835	\$ 84,196	\$ 86,036	\$ 89,664	\$ 90,315	\$ 90,988	\$ 91,685
Federal Funds.....	105,412	124,796	133,589	133,589	133,589	133,589	133,589
Other Funds.....	36	46	46	48	50	52	54
TOTAL.....	\$ 183,283	\$ 209,038	\$ 219,671	\$ 223,301	\$ 223,954	\$ 224,629	\$ 225,328
HEALTH TREATMENT SERVICES							
General Funds.....	\$ 14,911	\$ 18,499	\$ 16,441	\$ 16,441	\$ 16,441	\$ 16,441	\$ 16,441
Federal Funds.....	1,101	1,840	1,860	1,860	1,860	1,860	1,860
Other Funds.....	6,932	8,880	8,860	8,860	8,860	8,860	8,860
TOTAL.....	\$ 22,944	\$ 29,219	\$ 27,161	\$ 27,161	\$ 27,161	\$ 27,161	\$ 27,161
DRUG AND ALCOHOL ABUSE PREVENTION AND TREATMENT							
General Funds.....	\$ 32,292	\$ 46,677	\$ 32,127	\$ 32,127	\$ 32,127	\$ 32,127	\$ 32,127
Federal Funds.....	21,873	34,754	65,140	41,450	41,450	41,450	41,450
Other Funds.....	423	469	395	395	395	395	395
TOTAL.....	\$ 54,588	\$ 81,900	\$ 97,662	\$ 73,972	\$ 73,972	\$ 73,972	\$ 73,972
ALL PROGRAMS:							
GENERAL FUND.....	\$ 150,819	\$ 177,024	\$ 162,958	\$ 167,392	\$ 169,005	\$ 170,676	\$ 172,406
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	138,206	175,290	216,208	192,851	193,196	193,553	193,923
OTHER FUNDS.....	17,165	20,728	20,855	21,273	21,706	22,155	22,619
TOTAL.....	\$ 306,190	\$ 373,042	\$ 400,021	\$ 381,516	\$ 383,907	\$ 386,384	\$ 388,948

PROGRAM OBJECTIVE: To provide effective administration and support systems through which the substantive programs of the health delivery system and the department can be achieved.

Program: Health Support Services

Health support services include personnel, office services, budget, management and EDP functions. Also included in this program are Quality Assurance activities. The department operates a State laboratory for disease testing and analysis and also operates the State Public Health Laboratory.

The Quality Assurance Program conducts surveys of hospitals, nursing homes, home health agencies, primary care providers, and intermediate care facilities for the mentally retarded. The surveys determine compliance with standards for sanitation, fire safety, health and level of care required for Medicare and Medicaid certification and a State license. The department requests from the health care facility a plan for correction of deficiencies noted in the survey. The department's capability to accomplish additional duties related to Federal nursing home reform legislation has been strengthened through the inclusion of additional personnel in the Quality Assurance Program. During 1988-89 this program was expanded to eliminate a backlog in the

licensing/certification of hospitals, nursing homes and intermediate care facilities for the mentally retarded. In addition, the program investigates patient complaints.

The number of facilities required to be licensed is continuing to increase and additional duties relating to Federal legislation in nursing homes, hospitals and home health agencies have been added. The 1990-91 Budget, therefore, has been increased to provide the staff and equipment necessary to accomplish these extended tasks.

The State laboratory performs approximately 17,000 tests for diseases including HIV, rabies, hypothyroidism, blood lead and phenylketonuria. The State Public Health Laboratory also supports disease prevention through the provision of testing services for both infectious and non-infectious diseases such as rabies, AIDS, Lyme Disease, hypothyroidism, phenylketonuria, and lead poisoning. In addition, it establishes and monitors the performance standards for 6,000 clinical and physician office laboratories in the Commonwealth.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Health care facilities in Pennsylvania percent of required surveys completed:							
Hospitals (biennially)	69%	50%	75%	75%	75%	75%	65%
Skilled and intermediate care nursing homes	80%	90%	80%	80%	75%	75%	70%
Intermediate care facilities/MR	60%	90%	80%	75%	70%	70%	70%
Home health agencies	42%	63%	75%	70%	70%	70%	70%
Psychiatric hospitals	100%	100%	100%	100%	100%	100%	100%

Program Recommendations:

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

General Government Operations		Quality Assurance	
\$ -200	—for nonrecurring costs.	\$ -327	—for nonrecurring computer hardware costs.
184	—to continue current program.	305	—to expand nursing home certification program to meet OBRA requirements.
42	—to lease purchase computer software.	28	—to continue current program.
<u>\$ 26</u>	<i>Appropriation Increase</i>	<u>\$ 6</u>	<i>Appropriation Increase</i>
State Laboratories			
\$ 103	—to continue current program.		
99	—to provide testing for rabies and pap smears.		
<u>\$ 202</u>	<i>Appropriation Increase</i>		

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operations	\$ 10,370	\$ 11,150	\$ 11,176	\$ 11,578	\$ 11,995	\$ 12,427	\$ 12,874
State Laboratories	2,904	3,025	3,227	3,343	3,463	3,588	3,717
Quality Assurance	3,605	4,116	4,122	4,499	4,661	4,829	5,003
TOTAL GENERAL FUND	<u>\$ 16,879</u>	<u>\$ 18,291</u>	<u>\$ 18,525</u>	<u>19,420</u>	<u>20,119</u>	<u>20,844</u>	<u>21,594</u>

PROGRAM OBJECTIVE: To develop basic scientific knowledge of the nature of disease, illness, and environmental factors to improve the use of existing and new health resources and information.

Program: Health Research

The State Health Data Center, a designated State center for health statistics under P.L. 94-623, serves as the focal point in Pennsylvania for coordinating the collection, analysis and dissemination of health statistics and information. The center maintains statistical information on the health status of the population, including leading causes of death, life expectancy, and infant mortality. The center handles about 3,500 requests for services each year. The Data Center conducts an annual survey of all hospitals, nursing homes and ambulatory supply centers in Pennsylvania to support the need for information on health resources and health services availability, utilization, staffing and patient characteristics.

The State Health Data Center's Vital Records Division is the repository for all records of births, deaths, fetal deaths, marriages and divorces which occurred to Pennsylvania residents.

An initiative funded in the Bureau of Vital Statistics will complete the automation of the birth and death records project that began in 1988-89. All death records will be completed as well as the remaining years, 1947 through 1958, of birth records.

The Department of Health administers diverse research projects and studies related to the etiology, distribution, and trend of major diseases. The department also provides epidemiologic assessment of health problems that include environmental-occupational hazards, health risk behavior and life style of the general public or selected populations, and provides professional consultation and technical support for other agencies, county health departments and local municipalities.

The Pennsylvania Cancer Registry was established in fiscal year 1982-83 and is now operational Statewide with all hospitals reporting to the system. The registry serves as the focal point for definitive information concerning the manner in which cancer is affecting residents in Pennsylvania.

The department has initiated annual Statewide cancer incidence reports as well as selected reports on various types of cancers and population groups within the State. Data are now made available to cancer and health services researchers statewide.

Act 67 of 1987 created the Vietnam Veterans Health Initiative Commission in the Department of Health. The commission has three primary duties: the determination of what medical, administrative and social assistance is needed for veterans as a result of their Vietnam service; an outreach program; and finally to disseminate information to Vietnam veterans and their families.

The TMI Health Research Program continues to assess effects upon the local population of the low-level radiation incident of March 1979. These efforts include the following: a special study of pregnancy outcome within a ten mile radius of TMI; annual updates for TMI population registry and TMI mother/child registry; design of special analysis of morbidity and mortality continuous epidemiologic surveillance around all nuclear plants in Pennsylvania.

The Diabetes Task Force with the Department of Health has responsibility for assessing programs and resources for diabetes and making recommendations relating to program needs. The Department's Advisory Board on Arthritis advises on clinical research on Arthritis and Lupus supported by the Department, as well as health services research to provide enhanced diagnostic and self-help programs throughout the Commonwealth.

In addition, the department funds research on cancer, rabies, AIDS, and Lupus disease.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Vital events (births, deaths, fetal deaths, marriages and divorces):							
Registered and processed	425,500	426,000	426,500	428,000	429,000	430,500	432,500
Percent registered and processed within 30 days	40%	41%	42%	42%	43%	44%	44%
Applications for certified copies of birth and death records:							
Filled	501,000	504,000	506,000	508,000	510,000	512,000	514,000
Percent filled within 10 days	77%	85%	99%	99%	99%	99%	99%
Cancer Registry:							
Abstracts received	76,500	78,200	80,150	82,150	84,200	86,300	88,400
Percent coded and keyed	75%	95%	100%	100%	100%	100%	100%
Prior year abstract backlog	156,000	70,000					

Program: Health Research (continued)

Program Recommendations:

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

<p>TMI — Health Studies</p> <p>\$ 28 —to continue current program</p> <p>Vital Statistics</p> <p>\$ -257 —nonrecurring computer hardware and data entry contract costs.</p> <p>360 —to complete final phase of the automated birth and death records retrieval system initiated in 1988-89.</p> <p>261 —to continue current program.</p> <p><u>\$ 364</u> <i>Appropriation Increase</i></p>	<p>Vietnam Veterans Health Commission</p> <p>\$ 15 —to expand program and develop a registry-based survey of health needs among Vietnam Veterans.</p> <p>3 —to continue current program.</p> <p><u>\$ 18</u> <i>Appropriation Increase</i></p> <p>Cancer Registry</p> <p>\$ 52 —to continue current program.</p> <p>Arthritis Task Force</p> <p>\$ -17 —decrease in operational costs.</p> <p>Diabetes Task Force</p> <p>\$ 23 —to provide for operating increases.</p>
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Other appropriations in this subcategory are recommended at the current funding level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
TMI-Health Studies	\$ 282	\$ 290	\$ 318	\$ 329	\$ 341	\$ 353	\$ 366
Vital Statistics	4,568	4,866	5,230	5,045	5,226	5,414	5,609
Vietnam Veterans Health Commission	161	219	237	263	272	282	292
Fox Chase — Cancer Research	725	800	800	800	800	800	800
Wister Institute — Research	239	246	246	246	246	246	246
Wister Institute — AIDS Research	103	106	106	106	106	106	106
Lupus Disease	80	85	85	85	85	85	85
Cardiovascular Studies — Philadelphia	133	137	137	137	137	137	137
Cardiovascular Studies — Pittsburgh	133	137	137	137	137	137	137
Cancer Registry	853	986	1,038	1,075	1,114	1,154	1,196
University of Pennsylvania Cancer Center	500	250	250	250	250	250	250
Arthritis Task Force	124	178	161	167	173	179	185
Diabetes Task Force	360	413	436	452	468	485	502
Pittsburgh Cancer Institute	500	500	500	500	500	500	500
Central Penn Oncology	141	148	148	148	148	148	148
TOTAL GENERAL FUND	<u>\$ 8,902</u>	<u>\$ 9,361</u>	<u>\$ 9,829</u>	<u>\$ 9,740</u>	<u>\$ 10,003</u>	<u>\$ 10,276</u>	<u>\$ 10,559</u>

PROGRAM OBJECTIVE: To reduce morbidity and mortality through the early detection of disease and health defects and the promotion of sound health practices and remedial care

Program: Preventive Health

Women and Children's Programs

The prevention of disease has always been the primary mission of the Department of Health. The department provides comprehensive maternity services, with emphasis on outreach and early enrollment into care. Maternity service includes education to promote healthy maternal behavior; screening, early detection, and appropriate timely medical intervention for preventable maternal/fetal complications; and psychosocial support services for childbearing women.

The Maternity Program encompasses both the Maternity Services Projects, which are supported by the State funded High Risk Maternity Program and the Federal Title V, Maternal and Child Health (MCH) Block Grant, and the Title V, Teenage Pregnancy and Parenting Project (TAPP).

The Department of Health administers the Federally funded Special Supplemental Food Program for Women, Infants and Children (WIC) utilizing State and Federal funds. The program provides food supplements and nutrition education to pregnant or nursing women and children who are at nutritional risk due to poor health, inadequate diet and low income. An infant formula rebate program, initiated in 1988-89, will provide expanded funds enabling an additional 45,000 persons per month to receive WIC services when fully implemented.

The High Risk Infant Follow-up System focuses special support for follow-up of high risk infants. The goal of this system is to ensure that each high risk infant receives timely assessments and treatment for vision, hearing and other factors that can contribute to his or her optimal development.

The Sudden Infant Death Syndrome (SIDS) Program provides supportive services to families following a sudden infant death. The program identifies infants considered at risk for SIDS, refers them for evaluation and provides follow-up services. Education regarding SIDS is provided to health professionals and others who normally impact on families following such a death.

Approximately four percent of the babies born in this country have a serious genetic condition. The Genetic Program seeks to improve public knowledge about genetic disease and public access to genetic services by supporting educational programs for both health professionals and citizens groups and by providing selected genetic services for low income patients.

The department operates a newborn screening program that tests all infants for phenylketonuria (PKU) and hypothyroidism so that diagnosis and treatment can be initiated in time to avert mental retardation.

Family planning services help women who seek, but have difficulty achieving pregnancy and help others delay pregnancy until there is the best chance for having a healthy baby born to a healthy mother. The department participates with the Department of Public Welfare in an integrated multi-agency health service delivery system serving more than 250,000 high risk, low income women throughout the Commonwealth.

The new CHAPS (Children's Access to Primary Services) demonstration program, initiated on April 1, 1989, provides preventative health services to low income uninsured children served through eleven participating health providers in the Commonwealth.

The Childhood Lead Poisoning Prevention Program provides screening for lead toxicity/undue lead absorption as well as educational, medical and environmental follow-up to prevent subsequent impairment in behavior and school performance resulting from lead exposure. In calendar year 1988, 26,354 children residing in eleven high-risk Pennsylvania municipalities were screened, 604 were confirmed with elevated blood lead levels and provided with appropriate treatment and follow-up.

Other Promotion and Disease Prevention Programs

Reported cases of communicable diseases are investigated by the department to determine the source of the infection, mode of transmission,

control measures to prevent additional cases and to evaluate short and long-term trends needing public health interventions. A few of the diseases investigated include giardiasis, hepatitis, salmonellosis shigellosis, toxic shock syndrome, trichinosis, rabies and Lyme Disease.

Acquired Immune Deficiency Syndrome (AIDS) presents major medical, legal, ethical and psychosocial problems to the Commonwealth and nation. The department has responded to the epidemic by forming a Bureau of HIV/AIDS with three distinct program divisions.

The Division of Education and Training is responsible for the development and implementation of educational programs and contracts. In addition, they are a repository of written and audio-visual material, operate a toll free AIDS Factline and interact with Community Based Organizations throughout the State.

The Division of AIDS Epidemiology confirms new cases of AIDS in order to assess risk factors, identify trends and project future trends.

The Division of Intervention and Care is responsible for voluntary, confidential, and in some places, anonymous HIV counseling, blood testing, and partner follow-up services which are provided at over 130 locations Statewide.

The leading causes of premature death and disability in Pennsylvania are heart disease, stroke, cancer, accidents, influenza, arthritis, diabetes, and cirrhosis. Contributing to these conditions are demographic characteristics and environmental and behavioral risk factors such as smoking, alcohol abuse, high fat diets, physical inactivity and stress.

Risk reduction programs use methods such as incentives, health risk appraisals, risk factor screening, self-help kits, group discussion, and individual counseling to help people stop smoking, eat properly, exercise, adhere to hypertensive regimens and reduce other chronic disease risks. The department supports community risk reduction projects and comprehensive school health education programs.

Two major disease specific prevention programs include the Cancer Control Program and Cardiovascular Risk Reduction Program. The Cancer Program has a primary emphasis on cancer prevention, screening and early detection. Cardiovascular risk factors in high risk populations are assessed and intervention prompted through blood pressure and blood cholesterol screening and educational approaches to reducing cardiovascular risks.

Public health programs are administered in part through a field structure consisting of six district offices and a network of 63 health centers which serve all but five counties within the State. The remaining five counties and three municipalities are served by local health departments receiving grants from the department. The District Offices and State Health Care Centers also provide health maintenance services.

The Sexually Transmissible Disease Program provides clinical services for the diagnosis and treatment of sexually transmitted disease. These services are provided to insure that patients with suspected disease have access to diagnostic and treatment services, and also provide diagnosis and treatment to those who have been exposed to a sexually transmitted infection.

The Tuberculosis Control Program utilizes chest clinics that provide a complete program of services for persons with tuberculosis disease. This consists of bacteriological studies, periodic x-ray examinations, physician and nursing evaluations.

The School Health Program administers a Statewide program that provides health services for all school age children who are attending an elementary, grade or high school, either public or private, and children who are attending a kindergarten which is an integral part of a local school district. The program reimburses 501 school districts and 7 vocational technical schools for a portion of the costs associated with providing medical, dental and nursing services.

Program: Preventive Health (continued)

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Women and Children's Programs:							
Percent low birth weight live births	6.4%	6.9%	7.0%	7.0%	7.0%	7.0%	7.0%
High risk pregnant women in maternity care projects	27,408	28,512	28,512	28,512	28,512	28,512	28,512
Percent of Statewide pregnant teens served in maternity programs	16%	16%	16%	16%	16%	16%	16%
Average persons participating in women, infants and children programs each month	193,271	216,165	231,000	231,000	231,000	231,000	231,000
Other communicable disease programs:							
HIV tests at publically funded sites . . .	22,800	24,000	25,800	26,400	27,600	28,800	29,900
Percent of women screened found to have gonorrhea	1%	1%	1%	1%	1%	1%	1%
Communicable disease incidences reported:							
Gonorrhea	32,277	31,000	30,000	29,500	29,500	29,000	28,500
Infectious Syphilis	1,462	2,000	2,200	2,000	1,800	1,600	1,400
AIDS	1,028	1,236	1,522	1,826	2,100	2,400	2,700
Others (less animal bites)	6,445	10,000	12,000	12,000	12,000	12,000	12,000

Program Recommendations:

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

<p>State Health Care Centers \$ 667 —to continue current program.</p> <p>AIDS Programs \$ 133 —to continue current program.</p> <p>School Health Examinations \$ -25 —decrease in estimated school enrollments.</p> <p>Local Health Departments \$ 3,350 —to provide for a 75 cent increase per capita in the reimbursement.</p> <p>Local Health — Environmental \$ 40 —to provide for increase based on population increases.</p> <p>Maternal and Child Health \$ 53 —to continue current program.</p>	<p>Screening and Treatment — TB \$ 42 —to provide for increased cost of anti-TB medications and TB testing proteins. -6 —to continue current program. \$ 36 <i>Appropriation Increase</i></p> <p>VD Screening and Treatment \$ 46 —to provide for syphilis testing in the third trimester of pregnancy. 40 —to continue current program. \$ 86 <i>Appropriation Increase</i></p> <p>Women, Infants and Children State Supplement —an \$8.7 million increase in Federal funds plus the Infant Formula Rebate Program will provide for a 6.7% increase in WIC participants.</p>
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PENNFREE — AIDS Outreach was a two year continuing appropriation. \$500,000 from this continuing appropriation will be available to provide funding in 1990-91. See the PENNFREE Summary in section A of this Budget and the Drug and Alcohol Program Expansion PRR in the Executive Offices.

PENNFREE — AIDS Programs was a one-time, nonrecurring appropriation. A total of \$1.43 million in Federal ADMSBG funds is recommended to continue this initiative in 1990-91. See the PENNFREE Summary in section A of this Budget.

Other appropriations in this subcategory are recommended at the current funding level or are discontinued.

Program: Preventive Health (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
State Health Care Centers	\$ 12,970	\$ 13,882	\$ 14,549	\$ 15,073	\$ 15,616	\$ 16,178	\$ 16,760
AIDS Programs	1,684	2,750	2,883	2,987	3,095	3,206	3,321
PENNFREE — AIDS Outreach		1,000					
PENNFREE — AIDS Programs		1,500					
School Health Exams	18,186	17,525	17,500	17,500	17,500	17,500	17,500
Local Health Departments	18,411	18,400	21,750	24,750	24,750	24,750	24,750
Local Health — Environmental	6,551	6,577	6,617	6,617	6,617	6,617	6,617
Maternal and Child Health	1,687	1,733	1,786	1,786	1,786	1,786	1,786
Worksite Wellness	125						
Screening and Treatment—TB	500	540	576	576	576	576	576
Screening and Treatment—VD	380	741	827	827	827	827	827
Keystone State Games	200	200	200	200	200	200	200
HIB Vaccine	280	290	290	290	290	290	290
Tay Sachs Disease	56	58	58	58	58	58	58
WIC — State Supplement	13,000	15,000	15,000	15,000	15,000	15,000	15,000
Cancer Control, Prevention and Research	3,805	4,000	4,000	4,000	4,000	4,000	4,000
TOTAL GENERAL FUND	\$ 77,835	\$ 84,196	\$ 86,036	\$ 89,664	\$ 90,315	\$ 90,988	\$ 91,685

PROGRAM OBJECTIVE: *To reduce morbidity and mortality due to disease and health defects by restoring the ill to the highest possible level of health with minimum involvement with the health care system.*

Program: Health Treatment Services

Program Element: Inpatient Services

One of the principal concerns of patient management is to provide treatment services at the least expensive level of care that is consistent with standards of good medical practice. Inpatient hospital and nursing care is provided for only the most acute medical conditions that require the facilities and services available in an inpatient setting. Because inpatient care is very expensive, programs providing this type of care have imposed strict controls on admissions and, where possible, are using outpatient services to avoid hospital admissions. These controls and the implementation of the Diagnostic Related Group (DRG) payment mechanism account for fewer patients in the inpatient setting.

Some of the programs operated by the department which provide inpatient care are tuberculosis control, children's cardiac surgery, cleft palate, cystic fibrosis, orthopedic, speech, hearing, spina bifida, and other disabling conditions of children. The department's children's cardiac inpatient program provides intensive diagnostic procedures such as cardiac catheterization and echocardiograms.

Program Element: Outpatient Services

Outpatient treatment services are more economical and cost-effective than inpatient care and are utilized whenever possible to provide needed treatment services for chronic respiratory diseases, physical rehabilitation and reconstruction, chronic diseases other than respiratory, catastrophic blood disorders and acute conditions.

The department provides extensive outpatient support services to persons with chronic respiratory diseases. The Coal Workers' Chronic Respiratory Disease Program provides screening, diagnostic, rehabilitative, educational, referral and follow-up care to all miners ill with pulmonary disease within the Commonwealth.

A Home Ventilator Program for children with chronic respiratory failure is administered by the Children's Hospital of Philadelphia. This program permits 36 children with chronic respiratory problems to have life support equipment and nursing care in their homes at about one-third the cost of inpatient care.

The Orthopedic Program provides outpatient care to children suffering from orthopedic conditions, amputations, and other related conditions. Services include: prosthetics, orthotics, orthopedic shoes, therapeutic and support services.

The Cleft Palate Program provides comprehensive services which include but are not limited to pediatrics, plastic surgery, general dentistry, orthodontia, prosthodontics, etc., to children under 21 years of age.

The Spina Bifida Program assists patients and their families with some of the health care costs not covered by insurance or other third party resources. The Hemophilia Program consists of eight specialized centers which offer comprehensive evaluation, rehabilitation services and blood products for hospital, outpatients or home use. Patients must be registered with a program to receive these benefits and insure their third party resources are used before State program funds are expended.

Sickle Cell Anemia is a genetically determined red blood cell disorder which affects approximately 2 percent of the black population in Pennsylvania. Patients receive medical and psycho-social services at six Sickle Cell centers.

Cooley's Anemia is found predominantly in individuals of Mediterranean ancestry. While the incidence of Cooley's Anemia cannot be estimated, currently there are 46 patients receiving care under this program.

The Chronic Renal Disease Program provides chronic dialysis, renal transplantation, drugs including cyclosporine, certain physician fees, medical supplies and transportation services to persons having chronic renal failure. During 1987-88 a program was initiated to reimburse renal transplant patients for the cost of cyclosporine retroactively effective to January 1987. The Renal Disease program also supports an organ donor program that promotes transplantation which is less expensive than dialysis and improves the quality of life of kidney patients.

The department provides comprehensive treatment services to diagnosed phenylketonuria (PKU) infants.

The Department of Health administers a program for planning, developing, and upgrading Emergency Medical Services (EMS) Systems throughout the Commonwealth, including the licensing of ambulance services. Funding is made available through the Emergency Medical Services Operating Fund and General Fund Appropriations.

Clinical services are offered in a variety of settings, including State and community health centers, family planning clinics and practicing physicians' offices. This also allows minors to seek and receive care under the Commonwealth's Minor Treatment Law.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Inpatient Services							
Persons receiving inpatient hospital care from department programs	790	785	785	790	790	796	1,004
Outpatient Services							
Children and adults receiving outpatient treatment through department supported programs:							
Cardiac	3,125	3,145	3,160	3,175	3,190	3,205	3,215
Cleft palate	3,200	3,200	3,200	3,200	3,200	3,200	3,200
Cystic fibrosis	1,053	1,124	1,195	1,263	1,333	1,411	1,480
Hemophilia	955	960	975	990	1,000	1,015	1,050

Program: Health Treatment Services (continued)

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Children and adults receiving outpatient treatment through department supported programs: (continued)							
Speech and hearing	19,900	19,900	19,900	19,900	19,900	19,900	19,900
Orthopedic	5,100	5,100	5,100	5,100	5,100	5,100	5,100
Phenylketonuria	515	520	525	530	535	540	540
Epilepsy	365	370	375	380	385	385	385
Renal Disease	9,231	10,031	10,831	11,631	12,431	13,231	14,031
Cooley's Anemia	43	44	46	48	50	52	54
Sickle Cell Anemia	1,427	1,450	1,500	1,550	1,600	1,650	1,700
Spina Bifida	1,586	1,620	1,660	1,700	1,700	1,700	1,700
Home Ventilators	33	34	36	36	37	38	38
Chronic respiratory disease	2,508	4,000	5,000	5,000	5,000	5,000	5,000

Program Recommendations:

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

<p>Coalworkers Pneumoconiosis</p> <p>\$ 50 —to expand outreach services.</p> <p>Home Ventilators</p> <p>\$ 35 —to provide for increased patient costs.</p>	<p>Adult Cystic Fibrosis</p> <p>\$ 7 —to continue current program.</p>
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Other appropriations in this subcategory are recommended at the current funding level, received incremental changes, or are discontinued.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Cerebral Palsy — Handicapped							
Children's Clinic	\$ 106	\$ 146	\$ 146	\$ 146	\$ 146	\$ 146	\$ 146
Home for Crippled Children	775	798	798	798	798	798	798
Emergency Health Services	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Burn Foundation	368	379	379	379	379	379	379
Sickle Cell Camps	35	36	36	36	36	36	36
Poison Control Center SW	375						
Poison Control Center SE	200						
Regional Poison Control Centers		1,575					
American Trauma Society	150	150					
Tourette Syndrome	100	100					
Hemophilia Treatment	1,307	2,300	2,300	2,300	2,300	2,300	2,300
Sickle Cell Anemia	788	1,062	812	812	812	812	812
Renal Dialysis	5,786	6,520	6,520	6,520	6,520	6,520	6,520
Home Ventilators	650	700	735	735	735	735	735
Coalworkers Pneumoconiosis	321	550	600	600	600	600	600
Spina Bifida	951	1,055	1,055	1,055	1,055	1,055	1,055
Adult Cystic Fibrosis	191	217	224	224	224	224	224
Health Care Services NW	195	195	195	195	195	195	195
Cerebral Palsy — St. Christopher's							
Hospital	796	820	820	820	820	820	820
Cleft Palate — Lancaster	56	58	58	58	58	58	58
Cleft Palate — Pittsburgh	56	58	58	58	58	58	58
Cooley's Anemia	205	205	205	205	205	205	205
Centerville Clinic		75					
TOTAL GENERAL FUND	\$ 14,911	\$ 18,499	\$ 16,441	\$ 16,441	\$ 16,441	\$ 16,441	\$ 16,441

PROGRAM OBJECTIVE: To provide educational, intervention, and treatment programs to reduce drug and alcohol abuse and dependency.

Program: Drug and Alcohol Abuse Prevention and Treatment

This program provides counties with funding to purchase drug and alcohol services. Single County Authorities (SCA) prepare prevention, intervention and treatment plans tailored to the needs within their respective geographic locale. The department approves these plans and formulates a Statewide program.

Prevention activities provide current information on the effects of drugs and alcohol. The prevention program's goal is to assist individuals in developing or improving skills that will enable them to choose a lifestyle free of substance abuse. This is done through educational sessions, workshops, media presentations, and an information clearing house, ENCORE, operated by the department. Primary emphasis has been given to youth, and a special curriculum is now used in most school districts to address the drug and alcohol problem.

Intervention services provide support to those individuals affected by drug or alcohol problems. Services include information hotlines, drop-in centers, alcohol safety programs, and occupational programs. The department operates the State Employees Assistance Program, and offers technical assistance to private sector employers interested in

providing this type of service. The Student Assistance Program (SAP) provides school personnel with the knowledge and skills needed to identify students using alcohol or drugs. Students are referred to professional evaluators and, if needed, receive treatment services. Also made available are special services designed to divert certain criminal offenders into rehabilitation programs.

Treatment services are funded in hospitals, prisons, shelters, residential units, day care and outpatient programs. Treatment often consists of short-term detoxification followed by a longer term rehabilitation. Most inpatient services are rendered in a non-hospital setting. Outpatient services may follow discharge from a residential program; however many persons are initially treated in the outpatient modality. Typically, admissions to treatment are approximately 48 percent drug related and 52 percent alcohol related. Males represent 73 percent of all treatment admissions, and women account for the remaining 27 percent. After alcohol, the second most predominant drug abuse problem is cocaine use. Multiple drug use is also a problem.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Prevention Services:							
School personnel trained by Student Assistance Program	4,248	6,216	7,776	9,336	10,896	12,456	14,016
School districts participating in Student Assistance Program	354	440	500	500	500	500	500
Students referred for assessment by Student Assistance Programs	1,827	3,660	4,000	4,500	5,000	5,500	6,000
The program measures for the Student Assistance Program represent those school districts with a drug and alcohol program.							
Treatment Services:							
Residential programs licensed/approved	154	258	284	292	292	292	292
Outpatient programs licensed/approved	371	367	390	419	425	425	425
Patients enrolled in treatment:							
Male	49,374	49,305	50,875	51,456	51,476	51,476	51,476
Female	18,400	18,469	19,383	19,791	19,791	19,791	19,791
Admissions with primary diagnosis:							
Drug abuse	32,637	32,774	35,129	35,622	35,622	35,622	35,622
Alcohol abuse	35,137	35,000	35,129	35,621	35,621	35,621	35,621
Percent of admissions completing treatment	35.0%	37.3%	37.5%	37.8%	38.0%	38.3%	38.5%

Program Recommendations:

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

Assistance to Drug and Alcohol Program


The PENNFREE Drug and Alcohol Programs appropriations were one-time continuing appropriations. See PENNFREE Summary in Section A for more information. For 1990-91, Federal Funds available for Drug and Alcohol Abuse Prevention and Treatment services will increase by \$30.4 million over 1989-90. For more information refer to the Drug and Alcohol Program Expansion PRR under the Executive Offices.

Program: Drug and Alcohol Abuse Prevention and Treatment (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Assistance to Drug and Alcohol Programs	\$ 32,067	\$ 32,127	\$ 32,127	\$ 32,127	\$ 32,127	\$ 32,127	\$ 32,127
PENNFREE — Residential Drug Treatment .....	.....	3,300 ^a	.....	.....	.....	.....	.....
PENNFREE — Assistance to D&A Programs .....	.....	6,000 ^a	.....	.....	.....	.....	.....
PENNFREE — Student Assistance Program .....	.....	4,500 ^a	.....	.....	.....	.....	.....
PENNFREE — D&A Facilities Improvements .....	.....	750 ^a	.....	.....	.....	.....	.....
Pennsylvania AWARE	225	.....	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 32,292	\$ 46,677	\$ 32,127	\$ 32,127	\$ 32,127	\$ 32,127	\$ 32,127

^aThis continuing appropriation will provide funds for both 1989-90 and 1990-91. See PENNFREE Summary in Section A of this Budget.



Commonwealth of Pennsylvania

Higher Education Assistance Agency

The Higher Education Assistance Agency provides financial aid to higher education students in the form of grants, loans, and employment opportunities through the coordination of State and Federal aid programs. In addition the agency provides institutional assistance grants to private institutions enrolling students who participate in the grant program and administers the Information Technology Education program.

HIGHER EDUCATION ASSISTANCE AGENCY

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1990-91 State Funds (in thousands)
GENERAL FUND		
Aid to Students	Grants to Full-Time Students	\$ 12,778
	Institutional Assistance Grants	2,645
	DEPARTMENT TOTAL	<u>\$ 15,423</u>

This Program Revision will continue the commitment to improving access to higher education by increasing student aid grant funds and helping independent institutions to keep tuition increases to a minimum.

HIGHER EDUCATION ASSISTANCE AGENCY

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
<i>GRANTS AND SUBSIDIES:</i>			
Grants to Full-Time Students	\$ 116,160	\$ 127,780	\$ 140,558
College Work Study	6,350	6,350	6,350
Institutional Assistance Grants	24,043	26,447	29,092
Equal Opportunity Professional Education	750	750	750
Loan Forgiveness	1,000	2,049	3,315
Loan Forgiveness — Supplemental .....	.....	327	.....
Computer Training	2,769	2,880	2,880
Computer Purchases	3,750	3,900	3,900
GENERAL FUND TOTAL	<u>\$ 154,822</u>	<u>\$ 170,483</u>	<u>\$ 186,845</u>
OTHER FUNDS			
<i>HIGHER EDUCATION ASSISTANCE FUND:^a</i>			
Reserve for Losses on Guaranteed Loans	\$ 62,764	\$ 63,392	\$ 64,026
State/Federal Administration Augmentations	57,017	57,587	58,163
Parent Loan Reserve	1,119	1,130	1,141
Contract Servicing	39,328	41,844	45,794
Paul Douglas Teacher Scholarship	941	844	844
State Student Incentive Grant	3,196	3,157	3,157
Transfers and Interest Augmenting State Appropriations	8,501	8,798	9,150
Supplemental Loan Account	26,232	1,037	.....
Loan Sale Discount Account	791	877	.....
Administration Augmentations	44,061	52,241	61,064
OTHER FUNDS TOTAL	<u>\$ 243,950</u>	<u>\$ 230,907</u>	<u>\$ 243,339</u>
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 154,822	\$ 170,483	\$ 186,845
OTHER FUNDS	<u>243,950</u>	<u>230,907</u>	<u>243,339</u>
TOTAL ALL FUNDS	<u>\$ 398,772</u>	<u>\$ 401,390</u>	<u>\$ 430,184</u>

^aThese Other Funds are presented in a format which differs from previous years. The amounts for the actual year are now consistent with the Special Funds Status of Appropriations for June 30, 1989 as opposed to the selected items traditionally presented in previous years.

HIGHER EDUCATION ASSISTANCE AGENCY

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
FINANCIAL ASSISTANCE TO STUDENTS							
General Funds.....	\$ 124,260	\$ 137,256	\$ 150,973	\$ 150,973	\$ 150,973	\$ 150,973	\$ 150,973
Other Funds.....	243,950	230,907	243,339	243,339	243,339	243,339	243,339
TOTAL.....	\$ 368,210	\$ 368,163	\$ 394,312	\$ 394,312	\$ 394,312	\$ 394,312	\$ 394,312
FINANCIAL ASSISTANCE TO INSTITUTIONS							
General Funds.....	\$ 24,043	\$ 26,447	\$ 29,092	\$ 29,092	\$ 29,092	\$ 29,092	\$ 29,092
TOTAL.....	\$ 24,043	\$ 26,447	\$ 29,092	\$ 29,092	\$ 29,092	\$ 29,092	\$ 29,092
INFORMATION TECHNOLOGY EDUCATION							
General Funds.....	\$ 6,519	\$ 6,780	\$ 6,780	\$ 6,780	\$ 6,780	\$ 6,780	\$ 6,780
TOTAL.....	\$ 6,519	\$ 6,780	\$ 6,780	\$ 6,780	\$ 6,780	\$ 6,780	\$ 6,780
ALL PROGRAMS:							
GENERAL FUND.....	\$ 154,822	\$ 170,483	\$ 186,845	\$ 186,845	\$ 186,845	\$ 186,845	\$ 186,845
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	243,950	230,907	243,339	243,339	243,339	243,339	243,339
TOTAL.....	\$ 398,772	\$ 401,390	\$ 430,184	\$ 430,184	\$ 430,184	\$ 430,184	\$ 430,184

HIGHER EDUCATION ASSISTANCE AGENCY

PROGRAM OBJECTIVE: To provide financial assistance to Commonwealth residents in order to promote access to institutions of higher education.

Program: Financial Assistance to Students

The Pennsylvania Higher Education Assistance Agency (PHEAA) provides three kinds of financial assistance to students in the form of grants, work study awards, and guaranteed student loans. Funds for the various financial assistance programs flow through the Higher Education Assistance Fund.

Direct grants to students are funded by an annual appropriation from the General Fund and interest earnings from the deposit of that appropriation in the PHEAA Fund. The PHEAA Board annually determines by regulation the distribution of funds to applicants on criteria including family income, family size, and the cost of the institution the student will be attending.

The objective of the program is to remove financial barriers and thereby provide access to higher education for all Commonwealth residents and, within the limits of the resources available, help to provide freedom of choice between public colleges and universities and private universities, colleges and postsecondary schools.

The Guaranteed Student Loan Program, established by the Federal Government and administered by PHEAA, enables students to secure long-term loans from lending institutions. Act 330 of 1982, amended by

Act 5 of 1983, authorized the issuance of tax-exempt bonds to fund a supplemental student loan program for students who need additional assistance. PHEAA includes in this program funds for parents to obtain loans for the education of their children and a special loan program for students in the health professions.

The College Work Study Program provides funds to match Federal funds for work study awards which students earn through several on-campus and off-campus job opportunities. The on-campus programs generally provide employment in campus services; off-campus programs place students in work related to the course of study. The program also funds professional development of financial aid personnel.

The Equal Opportunity Professional Education Program provides grants to minority graduates of Lincoln and Cheyney Universities to enter graduate programs of the Commonwealth Universities.

The Loan Forgiveness Program provides loan forgiveness to graduating students who agree to teach in underserved urban and rural areas. The loans can be forgiven in amounts up to \$2,500 each year for four years.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Grants to Full-Time Students:							
Applications for grants	256,161	275,950	275,950	275,950	275,950	275,950	275,950
Applications for grants processed	185,378	196,735	200,416	200,416	200,416	200,416	200,416
Applicants enrolled full-time eligible for and receiving grants	119,118	125,025	129,610	129,610	129,610	129,610	129,610
Percent of applicants assisted	64.3%	63.5%	64.7%	64.7%	64.7%	64.7%	64.7%
Grants as percent of educational costs	14.5%	14.7%	15.2%	15.2%	15.2%	15.2%	15.2%
College Work Study:							
Students assisted by Federal college based student aid (matching fund) programs	94,115	103,098	104,000	105,340	108,183	111,154	112,800
College work study jobs made available by off-campus employers	5,000	5,500	5,500	5,500	5,500	5,500	5,500
Students work study earnings (in millions)	\$3.1	\$3.1	\$3.5	\$3.7	\$3.7	\$3.7	\$3.7
Student Loans:							
Students receiving guaranteed loans	354,378	361,000	374,915	379,314	383,821	388,438	393,170

The measure for students assisted by college work study has been revised to represent more precise estimates.
The measure for students receiving guaranteed loans has been revised to reflect data revisions.

Program Recommendations:

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

Grants to Full-Time Students
\$ 12,778 —PRR — Aid to Students. Fourth year commitment to increase student grant funds by 10 percent annually. See the Program Revision following this program for further information.

Loan Forgiveness
\$ 939 —to fully implement the Loan Forgiveness Program.

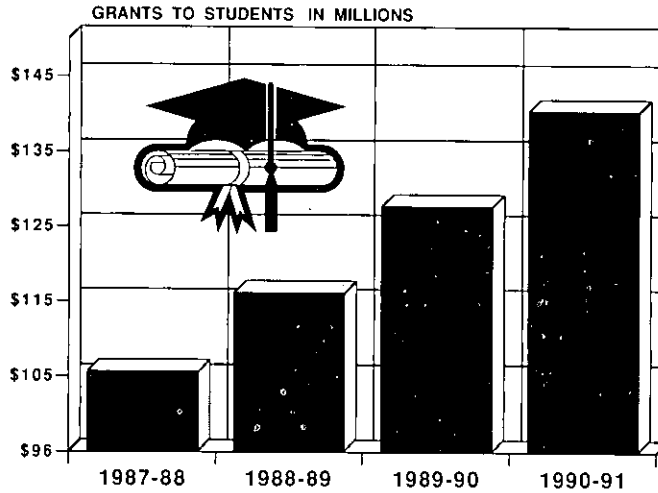
Other appropriations in this program are continued at current year levels.

HIGHER EDUCATION ASSISTANCE AGENCY

Program: Financial Assistance to Students (continued)

Student Aid

Higher Education Assistance Agency



Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Grants to Full-Time Students	\$ 116,160	\$ 127,780	\$ 140,558	\$ 140,558	\$ 140,558	\$ 140,558	\$ 140,558
College Work Study	6,350	6,350	6,350	6,350	6,350	6,350	6,350
Equal Opportunity Professional Education	750	750	750	750	750	750	750
Loan Forgiveness	1,000	2,376	3,315	3,315	3,315	3,315	3,315
TOTAL GENERAL FUND	\$ 124,260	\$ 137,256	\$ 150,973	\$ 150,973	\$ 150,973	\$ 150,973	\$ 150,973

HIGHER EDUCATION ASSISTANCE AGENCY

PROGRAM OBJECTIVE: To assist independent postsecondary institutions to maintain enrollments and stabilize their educational costs thereby promoting access to institutions in all sectors for Pennsylvania students.

Program: Financial Aid to Institutions

The Institutional Assistance Grants Program, which was begun in 1974, provides grants to assist independent postsecondary institutions which are nonprofit, nondenominational, and not recipients of direct State appropriations.

The appropriated funds provide equal per capita grants to the schools based on the number of student grant recipients enrolled during the academic year.

The program helps to preserve and develop the diverse system of higher education in Pennsylvania by allowing private colleges and universities to stabilize their educational costs and maintain enrollments. It recognizes the desirability of helping independent institutions remain fiscally sound and serves to promote full student access to institutions in all sectors by assisting student attendance at Pennsylvania independent colleges and universities.

Program Measures:

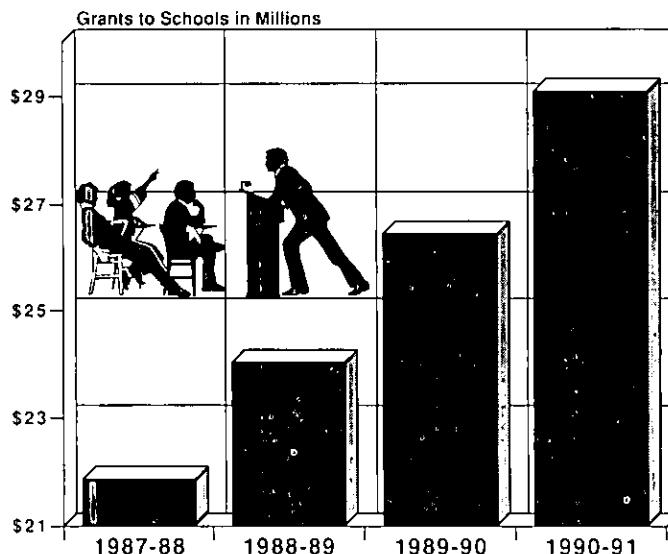
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Grant recipients enrolled at eligible independent institutions	29,317	31,181	31,149	31,149	31,149	31,149	31,149
Per capita grant	\$825	\$852	\$936	\$1,039	\$1,133	\$1,246	\$1,370
Eligible institutions	90	88	88	87	87	87	87

Program Recommendations:

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

- Institutional Assistance Grants**
- \$ 2,645 —PRR — Aid to Students. Fourth year of commitment to increase institutional assistance grants annually by 10 percent. See the Program Revision following this program for further information.

**Higher Education Assistance Agency
Institutional Assistance Grants**



HIGHER EDUCATION ASSISTANCE AGENCY

Program: Financial Aid to Institutions

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Institutional Assistance Grants	<u>\$ 24,043</u>	<u>\$ 26,447</u>	<u>\$ 29,092</u>	<u>\$ 29,092</u>	<u>\$ 29,092</u>	<u>\$ 29,092</u>	<u>\$ 29,092</u>

HIGHER EDUCATION ASSISTANCE AGENCY

Program Revision: Aid to Students

Increasing higher education costs make it difficult for many students to obtain postsecondary education. The Pennsylvania Higher Education Assistance Agency (PHEAA) provides grants to needy Pennsylvania residents who are pursuing postsecondary education on a full-time basis and who, without such aid, might not be able to continue their postsecondary study. The grant program provides financial assistance to needy students thereby providing access to higher education and, within the limits of the resources available, helps to allow a choice of colleges, universities and other postsecondary institutions so as to ensure access to all types of institutions.

This Program Revision will increase funding for the Grants to Full-Time Students Program by more than \$12 million, a ten percent increase over the current year. The increased funding will enable PHEAA to: increase the maximum grant to \$2,200, a \$100 increase over the

maximum grant amount for the 1989-90 academic year, which will result in an average State grant for all recipients of approximately \$1,400; improve program access for middle income family applicants; and change other eligibility standards, thus providing grants to more students.

The Institutional Assistance Grants (IAG) Program recognizes the need to help independent institutions which are nonprofit, nondenominational, and not recipients of direct State appropriations. The IAG Program provides equal per capita grants to the 88 eligible institutions based on the number of State student grant recipients certified as enrolled at the institutions. These grants provide financial assistance to the State's independent postsecondary institutions to assist in the effort to stabilize their educational costs. This Program Revision will allow a per capita grant of approximately \$936 per grant recipient which is an \$84 increase over the current year.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Full-time student applications							
Current	256,161	253,545	253,545	253,545	253,545	253,545	253,545
Program Revision .....	.....	.....	275,950	275,950	275,950	275,950	275,950
Applicants eligible for grants							
Current	119,118	125,025	125,025	125,025	125,025	125,025	125,025
Program Revision .....	.....	.....	129,610	129,610	129,610	129,610	129,610
IAG per capita							
Current	\$825	\$852	\$852	\$852	\$852	\$852	\$852
Program Revision .....	.....	.....	\$936	\$936	\$936	\$936	\$936

Program Revision Recommendations:

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

	Grants to Full-Time Students
\$ 12,778	—to increase the maximum grant amount by \$100 and the number of recipients by 4,500.
	Institutional Assistance Grants
\$ 2,645	—to stabilize tuition costs at independent postsecondary institutions by increasing the per capita grant by \$84.
<hr/>	
\$ 15,423	<i>Program Revision Total</i>

HIGHER EDUCATION ASSISTANCE AGENCY

Program Revision: Aid to Students (continued)

Recommended Program Revision Costs by Appropriation: _____

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Grants to Full-Time Students	\$ 12,778	\$ 12,778	\$ 12,778	\$ 12,778	\$ 12,778
Institutional Assistance Grants	2,645	2,645	2,645	2,645	2,645
TOTAL GENERAL FUND	\$ 15,423	\$ 15,423	\$ 15,423	\$ 15,423	\$ 15,423

HIGHER EDUCATION ASSISTANCE AGENCY

PROGRAM OBJECTIVE: To provide teacher training and computer equipment to elementary and secondary schools.

Program: Information Technology Education

The Information Technology Education Act of 1984 established a teacher education and computer purchase program designed to strengthen the computer skills of teachers and students in the Commonwealth's elementary and secondary schools.

Fourteen regional computer resource centers and four outreach sites reflecting the Commonwealth's demography provide access to teachers from all areas of the State. Teachers are trained at these sites in the classroom use of computers and on available software; in addition new software is reviewed and made available at the centers for periodic review by teachers in the area. Staff in the program also aid schools by

designing computer oriented elementary and secondary school curricula.

Schools in need of computer hardware and software submit requests to the Pennsylvania Higher Education Assistance Agency (PHEAA) which are reviewed in terms of the comprehensive plan developed by the district for equipment and course materials, the equipment currently available to the district, and the district aid ratio. Equipment is then purchased with funds appropriated for the program. For districts who are purchasing equipment with their own funds, the staff provides aid in selecting and coordinating equipment. Equipment is also purchased for loan to nonpublic schools.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Teachers trained in microcomputer education	3,170	3,480	3,500	3,500	3,500	3,500	3,500
New classrooms using microcomputers ..	81	81	90	95	100	105	110
Teachers using program hardware and courseware	38,500	41,000	42,500	43,000	44,000	45,000	46,000

The measure of teachers using program hardware and courseware shows the sum of all teachers who have received training through this program in how to use the computer and its use in the classroom and those teachers who have attended software demonstrations at the training and outreach sites to select courseware for their classrooms. The number of teachers making use of these services continues to grow as classroom computer use becomes more common and more kinds of software are available for review by educators.


Program Recommendations:

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

These programs are continued at current year level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Computer Training	\$ 2,769	\$ 2,880	\$ 2,880	\$ 2,880	\$ 2,880	\$ 2,880	\$ 2,880
Computer Purchases	3,750	3,900	3,900	3,900	3,900	3,900	3,900
TOTAL GENERAL FUND	\$ 6,519	\$ 6,780	\$ 6,780	\$ 6,780	\$ 6,780	\$ 6,780	\$ 6,780



Commonwealth of Pennsylvania

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 Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 11,379	\$ 13,429	\$ 12,469
(F) Historic Preservation	449	700	850
(F) National Endowment for the Humanities	29		
(F) Penn Central Railroad Historical Records	64	100	
(F) State Historical Records Program	5	5	
(F) Land Records Microfilming			100
(F) Records Preservation			100
(F) Surface Mining Study	5	25	25
(F) Land and Water	51		
(F) Coastal Zone Management	42	42	
(A) Hope Lodge Fund	40	35	30
(A) Historical Preservation Fund	436	390	400
(A) Land Records	14	20	20
(A) Rental of Historic Sites and Properties		50	50
Columbus Day Celebration		300	150
Maintenance Program	825	1,500	825
Subtotal — State Funds	\$ 12,204	\$ 15,229	\$ 13,444
Subtotal — Federal Funds	645	872	1,075
Subtotal — Augmentations	490	495	500
Total — General Government	<u>\$ 13,339</u>	<u>\$ 16,596</u>	<u>\$ 15,019</u>
GRANTS AND SUBSIDIES:			
Museum Assistance	\$ 770	\$ 725	\$ 725
Museum Assistance Projects	1,186		
Humanities Council	100	100	100
University of Pennsylvania Museum	185	190	190
Carnegie Museum	185	190	190
Franklin Institute	558	625	575
Academy of Natural Sciences	341	351	351
Buhl Science Center	185	190	190
Museum of Philadelphia Civic Center	185	190	190
Afro-American Historical and Cultural Museum	164	169	169
Everhart Museum	34	35	35
Governor Printz Park — Morton Homestead	500		
Mercer Museum			150
Morris Arboretum	400	400	
Total — Grants and Subsidies	<u>\$ 4,793</u>	<u>\$ 3,165</u>	<u>\$ 2,865</u>
STATE FUNDS	\$ 16,997	\$ 18,394	\$ 16,309
FEDERAL FUNDS	645	872	1,075
AUGMENTATIONS	490	495	500
GENERAL FUND TOTAL	<u><u>\$ 18,132</u></u>	<u><u>\$ 19,761</u></u>	<u><u>\$ 17,884</u></u>
OTHER FUNDS			
GENERAL FUND:			
Preservation of Historic Sites and Properties	\$ 279	\$ 125	\$ 150
Hope Lodge	40	45	30
OTHER FUNDS TOTAL	<u>\$ 319</u>	<u>\$ 170</u>	<u>\$ 180</u>
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUNDS	\$ 16,997	\$ 18,394	\$ 16,309
FEDERAL FUNDS	645	872	1,075
AUGMENTATIONS	490	495	500
OTHER FUNDS	319	170	180
TOTAL ALL FUNDS	<u><u>\$ 18,451</u></u>	<u><u>\$ 19,931</u></u>	<u><u>\$ 18,064</u></u>

HISTORICAL AND MUSEUM COMMISSION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
STATE HISTORIC PRESERVATION							
General Funds.....	\$ 12,304	\$ 15,329	\$ 13,544	\$ 13,993	\$ 14,308	\$ 14,790	\$ 15,289
Federal Funds.....	645	872	1,075	1,025	1,025	1,225	1,225
Other Funds.....	809	665	680	685	685	695	695
TOTAL.....	\$ 13,758	\$ 16,866	\$ 15,299	\$ 15,703	\$ 16,018	\$ 16,710	\$ 17,209
MUSEUM DEVELOPMENT AND OPERATION							
General Funds.....	\$ 4,693	\$ 3,065	\$ 2,765	\$ 2,765	\$ 2,765	\$ 2,765	\$ 2,765
TOTAL.....	\$ 4,693	\$ 3,065	\$ 2,765	\$ 2,765	\$ 2,765	\$ 2,765	\$ 2,765
ALL PROGRAMS:							
GENERAL FUND.....	\$ 16,997	\$ 18,394	\$ 16,309	\$ 16,758	\$ 17,073	\$ 17,555	\$ 18,054
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	645	872	1,075	1,025	1,025	1,225	1,225
OTHER FUNDS.....	809	665	680	685	685	695	695
TOTAL.....	\$ 18,451	\$ 19,931	\$ 18,064	\$ 18,468	\$ 18,783	\$ 19,475	\$ 19,974

HISTORICAL AND MUSEUM COMMISSION

PROGRAM OBJECTIVE: To manage and safeguard Pennsylvania's historic resources through a comprehensive history and museum program to educate, and to interpret, research and preserve all areas of Pennsylvania history.

Program: State Historic Preservation

The State Historical Preservation Program administered by the Historical and Museum Commission is comprised of five major elements. These elements include: Executive Direction and Administration; Pennsylvania State and Local Records; Historic Site and Museum Operations; Historic Preservation; and Professional History and Museum Support Services.

Program Element: Executive Direction and Administration

This element provides general policy and direction for administering the commission's operations. It includes personnel management, procurement, financial grant administration, fiscal and revenue management, and other services. In addition, it serves to administer a Property Management and Lease Program through cooperative agreements with management groups or profit and non-profit organizations to operate, maintain and utilize alternative use historic sites, buildings and agriculture lands under the custody of the commission.

Program Element: State and Local Records

This element is supported by the State Archives and Land Office. The State Archives is responsible for: the evaluation of State and political subdivision records of the Commonwealth to determine administrative, legal or historical value; records disposition requests and the development of appropriate records management and archival programs; accessing of records, manuscripts and materials deemed appropriate for placement in the State Archives. The commission's archival program also provides information, microfilms, photographs and other materials, and makes available finding aids and guides for researchers and the general public. The Land Office maintains and preserves the records of the first titles acquired by the proprietaries and the Commonwealth to all the lands within Pennsylvania's boundaries, the conveyances and purchasers of the land; papers relating to the surveys of the State boundary lines; maps and other papers pertaining to the colonial history of Pennsylvania.

Program Element: Historic Site and Museum Operations

This element supports the operation of twenty-eight (28) historic

sites and museums throughout the Commonwealth. This program is managed through a regionalized system and provides educational, collections and exhibition programs for interpreting Pennsylvania history. Cooperative initiatives with associate organizations on educational and public events and programs presenting rural and urban life along with lectures and seminars, curatorial methods and ethnic studies are also utilized. A Mobile Museum Program which brings Pennsylvania history to the people is administered by the State Museum. This element is also responsible for administration of museum assistance grants.

Program Element: Historic Preservation

This element is responsible for the identification, protection and enhancement of buildings, structures and districts of historic and architectural significance within the Commonwealth. It provides for the infusion of Federal funds from the Department of the Interior to enhance the economic base of many communities in Pennsylvania; a survey and a National Register nomination program; the maintenance and information network providing direction and assistance to local preservation organizations; the administration of an archaeological program to improve policies and procedures and provide direction to the professional and advocational community; and, to preserve and protect endangered historic public and private buildings, structures and landmarks through a non-profit, Statewide revolving fund.

Program Element: Professional History and Museum Support Services

This element is responsible for providing a comprehensive program of support services. This element serves to coordinate and implement an historic collections inventory system, exhibition program, sales and publications program, and development and implementation of a marketing strategy, as they relate to history. Through historic sites and museums, the commission provides architectural and design services to support a major program of preservation maintenance for all buildings and structures assigned to the commission's custody. This element is also responsible for developing professional policies, procedures and standards to ensure that the commission's programs are carried out in the best interests of the Commonwealth.

HISTORICAL AND MUSEUM COMMISSION

Program: State Historic Preservation (continued)

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
State and Local Records							
Pages of archives and historical manuscripts (in thousands).....	94,497	95,000	97,000	100,000	102,000	105,000	108,000
Service request responses History, Archives and Land Records.....	72,888	73,500	74,000	75,000	76,000	77,000	78,000
Historic Site and Museum Operations							
Annual visitations to commission historical sites and museums (in thousands).....	1,785	2,005	2,050	2,100	2,100	2,200	2,200
Historic markers.....	1,504	1,510	1,521	1,527	1,533	1,539	1,545
Historic Preservation							
Evaluations for the National Register of Historic Properties.....	368	375	375	375	375	375	375
Historic properties reviewed for tax credit.....	688	700	710	725	735	750	775
Professional History and Museum Support Services							
Objects maintained and conserved (in thousands).....	1,297	1,299	1,300	1,301	1,302	1,303	1,304
Commission buildings undergoing improvement.....	341	375	375	375	375	375	375

Program Recommendations:

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

<p>General Government Operations</p> <p>\$ 405 —to continue current program.</p> <p>-1,365 —nonrecurring projects.</p> <p>\$ -960 <i>Appropriation Decrease</i></p>	<p>Columbus Day Celebration</p> <p>\$ -150 —nonrecurring projects.</p>	<p>Maintenance Program</p> <p>\$ -675 —nonrecurring projects.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operations.....	\$ 11,379	\$ 13,429	\$ 12,469	\$ 12,918	\$ 13,383	\$ 13,865	\$ 14,364
Columbus Day Celebration.....		300	150	150			
Maintenance Program.....	825	1,500	825	825	825	825	825
Humanities Council.....	100	100	100	100	100	100	100
TOTAL GENERAL FUND.....	\$ 12,304	\$ 15,329	\$ 13,544	\$ 13,993	\$ 14,308	\$ 14,790	\$ 15,289

HISTORICAL AND MUSEUM COMMISSION

PROGRAM OBJECTIVE: To assure provision of representative artifacts, specimens of history, art, and science for all citizens through the support of museums within the Commonwealth.

Program: Museum Assistance

This program is comprised of two major components, the Museum Assistance Program and Museum Assistance General Operating Support. Both programs provide a source of financial assistance designed to enhance the quality of history and museum activities in Pennsylvania.

The Museum Assistance and Local History Grant Program, established in 1985, is a competitive financial assistance process available to all qualified history related institutions within Pennsylvania. Through the established grant categories (Special Project Support, Technical Assistance, Local History, Local History General Operating and others) organizations may apply to the Historical and Museum Commission for projects ranging from the research of an historic event to a comprehensive exhibit plan and program having significant Statewide impact. Special Project Support Grants and Local History

General Operating, the largest of the financial award categories, requires the successful grantee to provide dollar-for-dollar matching funds. All other categories are non-matching, but grantees are encouraged to provide in-kind support where possible.

The Museum Assistance General Operating Program provides support to major history and cultural related institutions in the Commonwealth. Organizations which currently receive funding from the commission through this program include: the University of Pennsylvania, Carnegie Museum of Natural History, Franklin Institute Science Museum, Academy of Natural Sciences, Buhl Science Center, Museum of the Philadelphia Civic Center, Afro-American Historical and Cultural Museum and the Everhart Museum. Financial assistance to these institutions supports a portion of their general operating budget.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Museum Assistance Program grants awarded	115	130	125	130	135	140	145
Museum Assistance General Operating Support Grants	5	5	6	6	7	7	7

Program Recommendations:


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

General Operating Support-Museums	
\$ -400	—Morris Arboretum — nonrecurring project.
-50	—Franklin Museum — nonrecurring project.
150	—Mercer Museum.
<u>\$ -300</u>	<i>Total Decrease</i>

All other appropriations are recommended at the current year level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Museum Assistance	\$ 770	\$ 725	\$ 725	\$ 725	\$ 725	\$ 725	\$ 725
Museum Assistance Projects	1,186						
University of Pennsylvania Museum	185	190	190	190	190	190	190
Carnegie Museum	185	190	190	190	190	190	190
Franklin Institute	558	625	575	575	575	575	575
Academy of Natural Sciences	341	351	351	351	351	351	351
Buhl Science Center	185	190	190	190	190	190	190
Museum of Philadelphia Civic Center	185	190	190	190	190	190	190
Afro-American Historical and Cultural Museum	164	169	169	169	169	169	169
Everhart Museum	34	35	35	35	35	35	35
Governor Printz Park-Morton Homestead	500						
Mercer Museum			150	150	150	150	150
Morris Arboretum	400	400					
TOTAL GENERAL FUND	\$ 4,693	\$ 3,065	\$ 2,765	\$ 2,765	\$ 2,765	\$ 2,765	\$ 2,765



Commonwealth of Pennsylvania

Housing Finance Agency

The Housing Finance Agency provides funding for construction and substantial rehabilitation of multi-family housing and purchase, rehabilitation, home improvement and energy conservation for single family homes.

A Homeowner's Emergency Assistance Program also provides assistance through the provision of temporary mortgage assistance payments to those threatened with loss of their home due to financial hardship.

HOUSING FINANCE AGENCY

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
<i>GRANTS AND SUBSIDIES:</i>			
Homeowners Emergency Mortgage Assistance	\$ 11,700	\$ 10,000	\$ 7,500
GENERAL FUND TOTAL	<u>\$ 11,700</u>	<u>\$ 10,000</u>	<u>\$ 7,500</u>

HOUSING FINANCE AGENCY

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
COMMUNITY DEVELOPMENT AND CONSERVATION							
General Funds.....	\$ 11,700	\$ 10,000	\$ 7,500	\$ 7,500	\$ 3,750	\$ 0	0
TOTAL.....	\$ 11,700	\$ 10,000	\$ 7,500	\$ 7,500	\$ 3,750	\$ 0	0
ALL PROGRAMS:							
GENERAL FUND.....	\$ 11,700	\$ 10,000	\$ 7,500	\$ 7,500	\$ 3,750	\$ 0	0
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
TOTAL.....	\$ 11,700	\$ 10,000	\$ 7,500	\$ 7,500	\$ 3,750	\$ 0	0

HOUSING FINANCE AGENCY

PROGRAM OBJECTIVE: To provide and maintain adequate, affordable and safe housing for Commonwealth citizens.

Program: Community Development and Conservation

The Pennsylvania Housing Finance Agency (PHFA) operates two programs to increase the supply of decent, safe and affordable housing: The HOMES Program (Housing Opportunities Make Economic Sense) and the Single Family Homeownership Program; and one program to protect distressed homeowners from foreclosure, the Homeowners Emergency Mortgage Assistance Program.

The HOMES Program and the Single Family Homeownership Program are both financed with proceeds from the sale of securities to private investors. The Homeowners Emergency Mortgage Assistance Program is supported by an annual General Fund appropriation.

The Single Family Homeownership program offers below market rate mortgage loans to first time home buyers. Funds to operate the program come from the sale of mortgage revenue bonds. During the current year, \$155 million in tax-exempt bonds were sold to provide approximately 3,800 mortgages to first time home buyers throughout Pennsylvania.

The HOMES Program provides multi-family apartment developers with permanent financing for the construction or rehabilitation of rental housing. Under the HOMES Program, PHFA concentrates resources and efforts to help create housing for the homeless and other low-income families.

The HOMES Program has been subsidized through 1989 with \$36 million from PHFA's reserve funds. These funds are provided as deferred second loans. This helps lower development costs and directly reduces rents.

Since 1987, PHFA has financed 2,300 rental units for the homeless

and other low-income people. PHFA's funds are combined with a wide variety of public and private sources to make the low-income projects feasible.

The Governor has requested that the Board commit an additional \$14 million to the program through the spring of 1991. The Governor is proposing that more HOMES money be devoted to bridge housing and special needs housing. HOMES funding for bridge housing and special needs housing will be targeted to families with children, women in crisis, and the handicapped.

The Homeowners Emergency Mortgage Assistance Program (HEMAP) was established by Act 91 of 1983. It is designed to protect citizens who, through no fault of their own, are in danger of losing their homes to foreclosure. In accomplishing this mandate, the program achieves the added benefit of preventing homelessness. Eligible applicants receive assistance in an amount sufficient to bring mortgage payments current and may also receive continuing assistance for up to 36 months. HEMAP payments are loans upon which repayment begins and interest starts to accrue when the recipient is financially able to pay.

Act 91 originally had a three year life, with an expiration date of December 23, 1986. The program has been extended twice, first through December 23, 1989 under provisions of Act 189 of 1986 and subsequently through December 23, 1992 by Act 79 of 1989.

Since its creation in 1972, PHFA has financed 32,000 apartment units and 30,000 single family homes through the sale of over \$2 billion of tax-exempt bonds. It has channelled over \$108 million of General Fund monies into the HEMAP Program to save 10,000 homes from foreclosure.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Persons eligible for HEMAP loans	1,400	1,300	1,300	1,300	650	. . . .	. . . .
Approved mortgage assistance loans	1,348	1,300	1,300	1,300	650	. . . .	. . . .
Dollar value of assistance loans recorded (in thousands)	\$16,979	\$16,375	\$10,920	\$10,900	\$5,450	. . . .	. . . .
Average mortgage assistance loan	\$8,428	\$8,400	\$8,400	\$8,400	\$8,400	. . . .	. . . .
Mortgage assistance loans qualifying for repayment	2,758	3,600	4,200	4,800	4,800	4,800	4,800
Outstanding principal balance of mortgage assistance loans qualifying for repayment (in thousands)	\$23,531	\$30,600	\$35,280	\$40,320	\$40,320	\$40,320	\$40,320

HOUSING FINANCE AGENCY

Program: Community Development and Conservation (continued)

Program Recommendations: _____

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

Homeowners Emergency Mortgage Assistance

\$ -2,500 —to continue current program based on estimated needs.

Appropriations within this Program: _____

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Homeowners Emergency Mortgage Assistance	\$ 11,700	\$ 10,000	\$ 7,500	\$ 7,500	\$ 3,750	.....	.....



Commonwealth of Pennsylvania

Infrastructure Investment Authority

The Pennsylvania Infrastructure Investment Authority administers the PENNVEST program authorized in Act 16 of 1988. This program provides financial assistance, in the form of loans and grants, to municipal authorities and private owners for improving community drinking water supply systems and sewage treatment facilities.

INFRASTRUCTURE INVESTMENT AUTHORITY

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GRANTS AND SUBSIDIES:			
PENNVEST	\$ 15,000 ^a	\$ 11,500 ^a	\$ 11,000 ^a
<i>(F) Sewage Projects Revolving Loan Fund</i> .....	.....	22,800	20,000
GENERAL FUND TOTAL	<u>\$ 15,000</u>	<u>\$ 34,300</u>	<u>\$ 31,000</u>
PENNVEST FUNDS			
PENNVEST Operations	\$ 1,543	\$ 3,556	\$ 4,128
Grants — Bond Proceeds	6,353	5,655	.....
Grants — Other Revenue Sources	4,253	18,383	16,000
PENNVEST Water Pollution Control Revolving Fund .....	.....	7,392	23,400
PENNVEST Revolving Fund	\$ 31,789	120,866	144,225
PENNVEST Nonrevolving Fund .....	.....	.....	2,000
PENNVEST FUNDS TOTAL	<u>\$ 43,938</u>	<u>\$ 155,852</u>	<u>\$ 189,753</u>
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 15,000	\$ 11,500	\$ 11,000
FEDERAL FUNDS .....	.....	22,800	20,000
OTHER FUNDS	43,938	155,852	189,753
TOTAL — ALL FUNDS	<u>\$ 58,938</u>	<u>\$ 190,152</u>	<u>\$ 220,753</u>

^aGeneral Fund appropriations are transferred to the PENNVEST Fund. These appropriations are deposited into the PENNVEST Fund with other sources of revenue such as interest earnings and loan repayments. See detail on next page.

INFRASTRUCTURE INVESTMENT AUTHORITY

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
	ACTUAL	AVAILABLE	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED
ENVIRONMENTAL INFRASTRUCTURE							
General Funds.....	\$ 15,000	\$ 11,500	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000
Federal Funds.....	0	22,800	20,000	20,000	20,000	20,000	20,000
Other Funds.....	43,938	155,852	189,753	176,677	176,831	176,991	177,156
TOTAL.....	\$ 58,938	\$ 190,152	\$ 220,753	\$ 207,677	\$ 207,831	\$ 207,991	\$ 208,156
ALL PROGRAMS:							
GENERAL FUND.....	\$ 15,000	\$ 11,500	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	22,800	20,000	20,000	20,000	20,000	20,000
OTHER FUNDS.....	43,938	155,852	189,753	176,677	176,831	176,991	177,156
TOTAL.....	\$ 58,938	\$ 190,152	\$ 220,753	\$ 207,677	\$ 207,831	\$ 207,991	\$ 208,156

INFRASTRUCTURE INVESTMENT AUTHORITY

PROGRAM OBJECTIVE: To promote public health and a clean environment and to further economic development in the Commonwealth by providing a financing program, technical assistance, and administrative support for community drinking water systems and municipal sewage treatment facilities.

Program: PENNVEST

The PENNVEST program authorized in Act 16 of 1988 provides an investment pool of capital to rebuild and expand community drinking water systems and municipal sewage treatment facilities in the Commonwealth. These systems and facilities are essential for the protection of public health and the promotion of economic development. Many systems and facilities need to be repaired, upgraded or expanded to meet environmental standards and economic development goals. Funding these needed improvements has often proved difficult, especially for small communities.

Initial funding for the PENNVEST Fund comes from several sources: direct appropriation from the General Fund, the \$300 million bond issue approved by voter referendum, the balance of approved Water Facilities Loan Fund bonds, Federal seed money for a sewage treatment facilities revolving loan fund, and some available Capital Facilities bonds. Added to this will be interest earnings on the fund's cash flow, and interest payments made on loans.

PENNVEST funds are used for loans, loan guarantees and grants to municipalities, municipal authorities and private firms to improve water and sewage systems they own. Also, the Pennsylvania Infrastructure Investment Authority, supported by the Department of Environmental

Resources, helps owners apply for funding, provides assistance in planning and designing funded projects, and, if necessary, reviews the applicant's operations to improve efficiency.

The budget merges the Community Facilities program formerly with the Economic Development Partnership with the similar grant program administered by the Infrastructure Investment Authority. These additional funds will be used to provide matching grants to small municipalities to improve their water and sewer systems.

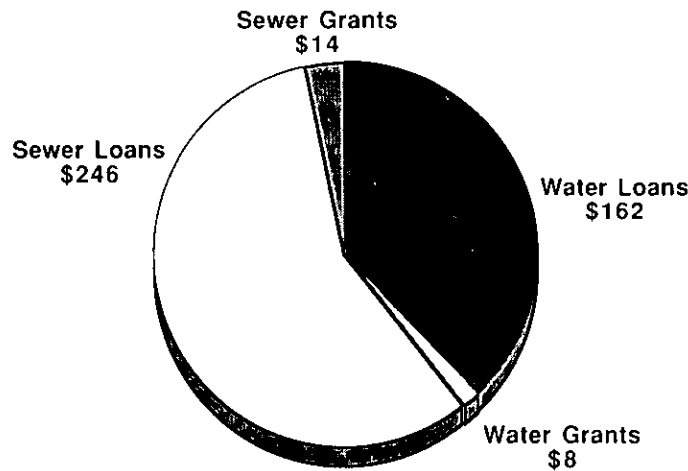
To facilitate fund management and accounting, several separate funds have been established. The PENNVEST Fund serves as the repository of appropriated General Fund moneys, interest and investment income, and loan repayments. In addition to loans and grants, administrative costs are paid from this fund. The Water Pollution Control Revolving Fund combines the Federal seed money, and the Commonwealth's required matching funds, to create a revolving loan fund for sewage treatment facilities construction. The PENNVEST Revolving Fund and the PENNVEST Non-Revolving Fund receive the proceeds from the sale of bonds mentioned above and segregate revolving and non-revolving loans.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
PENNVEST projects implemented	62	140	120	120	120	120	120

This program measure shows a higher number in 1989-90 because of an initial surge in applications.

LOANS AND GRANTS APPROVED
through December 1989 (millions of dollars)



\$430 Million Total

INFRASTRUCTURE INVESTMENT AUTHORITY

Program: PENNVEST

Program Recommendations: _____

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

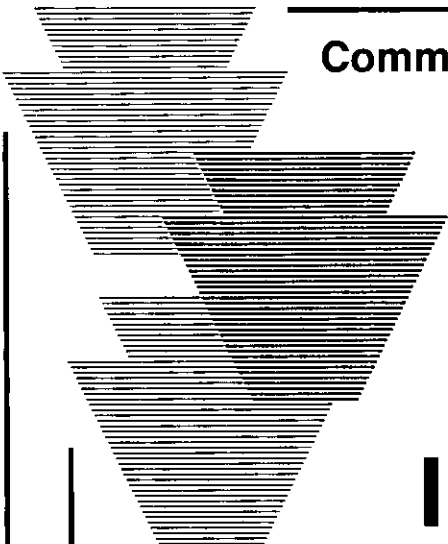
PENNVEST	
\$ -4,500	—reduction permitted by increased interest earnings.
4,000	—for community grants for water and sewage facilities.
\$ -500	<i>Appropriation Decrease</i>

Appropriations within this Program: _____

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
PENNVEST	<u>\$ 15,000</u>	<u>\$ 11,500</u>	<u>\$ 11,000</u>	<u>\$ 11,000</u>	<u>\$ 11,000</u>	<u>\$ 11,000</u>	<u>\$ 11,000</u>

Funds Available for Grants and Administrative Expenses: _____

GENERAL FUND:							
PENNVEST	\$ 15,000	\$ 11,500	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000
PENNVEST FUND:							
Interest Earnings	1,245	7,229	4,900	4,900	4,900	4,900	4,900
Investment Income	<u> </u>	<u>1,000</u>	<u>1,540</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>
TOTAL ALL FUNDS	<u>\$ 16,245</u>	<u>\$ 19,729</u>	<u>\$ 17,440</u>	<u>\$ 17,400</u>	<u>\$ 17,400</u>	<u>\$ 17,400</u>	<u>\$ 17,400</u>



Commonwealth of Pennsylvania

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

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
<i>GENERAL GOVERNMENT:</i>			
General Government Operations	\$ 10,710	\$ 11,274	\$ 11,414
(A) Companies in Liquidation	412	680	662
(A) Pennsylvania Bulletin and Code Regulations	134	125	125
(A) Duplicating and Mailing Services	39	30	30
(A) Workmen's Compensation Security Services	231	399	445
(A) Reimbursements — Examination Travel	379	500	500
(A) Reimbursements — Market Conduct Travel .....	.....	50	50
State Funds	\$ 10,710	\$ 11,274	\$ 11,414
Augmentations	1,195	1,784	1,812
GENERAL FUND TOTAL	\$ 11,905	\$ 13,058	\$ 13,226
OTHER FUNDS			
<i>CATASTROPHIC LOSS TRUST FUND:^a</i>			
Administration	\$ 8,261	.....	.....
Claims	60,634	.....	.....
CATASTROPHIC LOSS TRUST FUND TOTAL	\$ 68,895	.....	.....
<i>CATASTROPHIC LOSS BENEFITS CONTINUATION FUND:^b</i>			
Administration .....	.....	\$ 5,200	\$ 3,300
Claims .....	.....	64,400	27,400
CATASTROPHIC LOSS BENEFITS CONTINUATION FUND TOTAL .....	.....	\$ 69,600	\$ 30,700
OTHER FUNDS TOTAL	\$ 68,895	\$ 69,600	\$ 30,700
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUNDS	\$ 10,710	\$ 11,274	\$ 11,414
AUGMENTATIONS	1,195	1,784	1,812
OTHER FUNDS	68,895	69,600	30,700
TOTAL ALL FUNDS	\$ 80,800	\$ 82,658	\$ 43,926

^aAct 144 of 1988, abolished the Catastrophic Loss Trust Fund (CLTF).

^bAct 24 of 1989 created the Catastrophic Loss Benefits Continuation Funds (CLBCF) for payment of claims originated under the Catastrophic Loss Trust Fund.

INSURANCE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
INSURANCE INDUSTRY REGULATION							
General Funds.....	\$ 10,710	\$ 11,274	\$ 11,414	\$ 11,825	\$ 12,251	\$ 12,692	\$ 13,149
Other Funds.....	70,090	71,384	32,512	28,172	28,735	34,799	30,266
TOTAL.....	\$ 80,800	\$ 82,658	\$ 43,926	\$ 39,997	\$ 40,986	\$ 47,491	\$ 43,415
ALL PROGRAMS:							
GENERAL FUND.....	\$ 10,710	\$ 11,274	\$ 11,414	\$ 11,825	\$ 12,251	\$ 12,692	\$ 13,149
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	70,090	71,384	32,512	28,172	28,735	34,799	30,266
TOTAL.....	\$ 80,800	\$ 82,658	\$ 43,926	\$ 39,997	\$ 40,986	\$ 47,491	\$ 43,415

INSURANCE

PROGRAM OBJECTIVE: To serve Pennsylvania's insurance consumers through fair and efficient regulation of the insurance industry.

Program: Insurance Industry Regulation

Pennsylvania's insurance industry is rapidly expanding both in number of companies and in premium volume in response to the expanding concepts of liability and to the public's demand for new insurance products and services. State regulation must provide a fair but controlled regulatory climate which permits insurers to conduct their business and invest their funds and assure adequate consumer safeguards to the policyholder.

The Insurance Department is charged with the responsibility to regulate all aspects of the insurance industry in Pennsylvania. It is mandated to supervise the operation of 1,440 insurance companies; authorize the admission of new insurers to the State; test and license insurance agents, brokers and bondsmen; review and pre-approve nearly 10,000 rate and policy form filings each year; conduct adjudicatory hearings and handle nearly 400,000 consumer inquiries annually.

In the casualty rating area, the Department is making use of adjudicatory and informational rate hearings to protect consumers from paying automobile and workers' compensation rates that are unjustified. Public scrutiny of rate requests has made it apparent to insurance companies that all filings must be properly supported by appropriate actuarial data.

In the health insurance area, there is great interest in new types of insurers such as health maintenance organizations (HMOs) and preferred provider organizations (PPOs). In examining HMO applications, the department must insure that the HMO is and will remain financially sound. It further examines the contracts and rates to make sure that they meet the standards required by law.

Due to the growth of complex life insurance products, more companies will file equity-based insurance products as insurers compete to retain and increase their share of the investment dollar and to fill the void created by the tax law changes on non-insurance tax shelters.

Property/casualty insurers have begun to experience a deterioration in profitability, while pricing of many classes of commercial liability insurance continues to decline. Past experience indicates that the property/casualty industry is cyclical and that prices will increase as

insurers move to stem unprofitable operating results.

During the past year, the Department has moves to liquidate several unlicensed insurers which claimed exemption from state regulation under Federal law. The cost of group accident and health insurance for small employers will foster the organization and operation of additional unlicensed entities. The department will need to devote resources to protect small employers and their employees from the possible insolvency of unlicensed entities.

The financial condition of insurers licensed to transact business in Pennsylvania is monitored and regulated through the department's examination and financial analysis functions. In recent years, the number of insurer insolvencies has grown. As a result, the Department continues to commit substantial resources to complete the development and implementation of its automated solvency surveillance system. This system will improve the department's solvency regulation through early identification of financially troubled insurers as well as focusing the department's resources toward solving the insurer's operating problems before liquidation becomes a necessity.

The department's Office of Consumer Services and Enforcement maintains a program to provide public information and complaint review services to all insurance consumers. In addition, this office is responsible for investigating violations of Pennsylvania's insurance laws.

Act 144 of 1988 abolished the Catastrophic Loss Trust Fund (CLTF), created by the Motor Vehicle Financial Responsibility Law in October, 1984. The fund's purpose was to provide benefits to Pennsylvanians who were catastrophically injured in motor vehicle accidents and incurred medical expenses in excess of \$100,000 up to a lifetime aggregate of \$1 million. As of July 1, 1989, these benefits are now available through individual insurance carriers.

Act 24 of 1989 created the Catastrophic Loss Benefits Continuation Fund (CLBCF) which provides for continuation of payment of existing claims under the CLTF and for surcharges on certain motor vehicle offenses to provide monies to the CLBCF for these payments.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Consumer savings from departmental intervention in insurance claim disputes (in thousands)	\$5,250	\$5,270	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500
Companies in liquidation	24	25	25	25	25	25	25
Rate filings reviewed	10,880	13,900	14,700	15,000	15,000	15,000	15,000
Policy/form filings reviewed	40,679	42,900	43,000	43,000	43,000	43,000	43,000
Companies examined	115	215	160	190	160	190	170
Continuing care providers regulated	90	95	100	105	110	115	120

The number of companies examined is projected to decline in 1990-91 due both to staffing reallocations and the size and complexity of the companies being examined.

INSURANCE

Program: Insurance Industry Regulation (continued)


Program Recommendations:

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

General Government Operations	
\$ -453	—nonrecurring projects including mini-computer.
593	—to fund current programs.
<u>\$ 140</u>	<i>Appropriation Increase</i>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operations	<u>\$ 10,710</u>	<u>\$ 11,274</u>	<u>\$ 11,414</u>	<u>\$ 11,825</u>	<u>\$ 12,251</u>	<u>\$ 12,692</u>	<u>\$ 13,149</u>



Commonwealth of Pennsylvania

Department of Labor and Industry

The Department of Labor and Industry serves the labor and industrial interests of the Commonwealth by promoting the health, welfare and safety of employes; maintaining continuous production and employment by acting to reduce industrial strife; rehabilitating the vocationally handicapped; stabilizing the income of employes who become victims of certain occupational diseases or who sustain work related injuries; promoting apprenticeship training programs and assisting displaced workers in retraining and/or relocation.

LABOR AND INDUSTRY

Summary by Fund and Appropriation

GENERAL FUND	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Available	1990-91 Budget
GENERAL GOVERNMENT:			
General Government Operations	\$ 5,900	\$ 6,472	\$ 5,937
(F) JTPA — Administration	2,422	2,184	2,184
(F) National Occupational Information Coordinating Committee	353	285	298
(A) Federal Indirect Cost Reimbursements	1,382	1,451	2,181
Total — General Government Operations	<u>\$ 10,057</u>	<u>\$ 10,392</u>	<u>\$ 10,600</u>
Occupational and Industrial Safety	\$ 5,227	\$ 6,336	\$ 6,052
(A) Federal Indirect Cost Reimbursements	1,225	1,511	1,961
Right to Know	1,170	1,265	1,317
(F) SARA Title III .....	.....	.....	365
Job Creation Tax Credit Administration	108	.....	.....
PENNSERVE	500	500	500
(F) PENNSERVE	50	100	100
Literacy Corps Pilot Project .....	.....	500	500
Subtotal — State Funds	12,905	15,073	14,306
Subtotal — Federal Funds	2,825	2,569	2,947
Subtotal — Augmentations	2,607	2,962	4,142
Total — General Government	<u>\$ 18,337</u>	<u>\$ 20,604</u>	<u>\$ 21,395</u>
GRANTS AND SUBSIDIES:			
Occupational Disease Payments	\$ 6,960	\$ 6,358	\$ 5,814
Occupational Disease Study .....	.....	250	.....
Transfer to Vocational Rehabilitation Fund	17,800	17,460	17,460
(F) Disability Determination	34,167	44,096	44,905
Supported Employment	829	899	899
(F) Supported Employment	500	500	206
Harmarville Rehabilitation Center	200	200	200
Centers for Independent Living	600	830	920
Workmen's Compensation Payments	794	746	695
Dislocated Workers	2,500	1,250	1,250
Job Centers	2,125 ^a	3,375	3,475
(F) Joint Jobs Initiative	8,363	12,162	17,923
(F) Maintenance Assistance — Pregnant and Parenting Youth .....	.....	1,950	2,075
(F) JTPA — Teenage Pregnancy and Parenthood	983	.....	.....
(A) Joint Jobs Initiative	11,135	11,278	17,137
Total — Job Centers	<u>\$ 22,606</u>	<u>\$ 28,765</u>	<u>\$ 40,610</u>
JTPA — Matching Funds	\$ 3,150	\$ 1,000	.....
(F) Dislocated Workers	24,078	24,000	\$ 24,000
(F) Incentive Grants	15,644	12,000	10,000
(F) Grants to Service Delivery Areas	81,999	67,000	67,000
(F) Summer Youth	28,995	38,000	38,000
(F) Technical Assistance	1,966	.....	.....
(F) Older Workers	4,531	4,586	4,586
(F) Veterans' Employment	1,187	1,187	1,187
Total — JTPA	<u>\$ 161,550</u>	<u>\$ 147,773</u>	<u>\$ 144,773</u>

^aActually appropriated as \$1,500,000 — Joint Jobs Initiatives and \$625,000 — Teenage Pregnancy and Parenthood.

LABOR AND INDUSTRY

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
<i>GRANTS AND SUBSIDIES: (continued)</i>			
Subtotal — State Funds	\$ 34,958	\$ 32,368	\$ 30,713
Subtotal — Federal Funds	202,413	205,481	209,882
Subtotal — Augmentations	11,135	11,278	17,137
Total — Grants and Subsidies	\$ 248,506	\$ 249,127	\$ 257,732
STATE FUNDS	\$ 47,863	\$ 47,441	\$ 45,019
FEDERAL FUNDS	205,238	208,050	212,829
AUGMENTATIONS	13,742	14,240	21,279
GENERAL FUND TOTAL	\$ 266,843	\$ 269,731	\$ 279,127
ECONOMIC REVITALIZATION FUND			
<i>Grants and Subsidies:</i>			
Pennsylvania Conservation Crops .....	.....	\$ 6,000 ^b	\$ 6,000
OTHER FUNDS			
<i>ADMINISTRATION FUND:</i>			
Administration of Unemployment	\$ 142,858	\$ 148,790	\$ 154,739
<i>REHABILITATION CENTER FUND:</i>			
Operation of Rehabilitation Center	\$ 12,745	\$ 14,020	\$ 15,422
<i>VOCATIONAL REHABILITATION FUND:</i>			
Administration of Vocational Rehabilitation ^a	\$ 73,611	\$ 76,201	\$ 78,048
<i>WORKERS' COMPENSATION ADMINISTRATION FUND:</i>			
Administration of Workers' Compensation	\$ 15,224	\$ 17,067	\$ 19,911
OTHER FUNDS TOTAL	\$ 244,438	\$ 256,078	\$ 268,120
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 47,863	\$ 47,441	\$ 45,019
SPECIAL FUNDS .....	.....	6,000	6,000
FEDERAL FUNDS	205,238	208,050	212,829
AUGMENTATIONS	13,742	14,240	21,279
OTHER FUNDS	244,438	256,078	268,120
TOTAL ALL FUNDS	\$ 511,281	\$ 531,809	\$ 553,247

^aExcludes transfer from General Fund.

^bActually appropriated to the Department of Environmental Resources.

LABOR AND INDUSTRY

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
COMMUNITY AND OCCUPATIONAL SAFETY & STABILITY							
General Funds.....	\$ 12,405	\$ 14,073	\$ 13,306	\$ 13,785	\$ 14,281	\$ 14,795	\$ 15,328
Federal Funds.....	353	285	663	663	663	663	663
Other Funds.....	2,607	2,962	4,142	4,292	4,446	4,606	4,772
TOTAL.....	\$ 15,365	\$ 17,320	\$ 18,111	\$ 18,740	\$ 19,390	\$ 20,064	\$ 20,763
JOB TRAINING DEVELOPMENT							
General Funds.....	\$ 8,275	\$ 6,625	\$ 5,725	\$ 5,725	\$ 5,725	\$ 5,725	\$ 5,725
Special Funds.....	0	6,000	6,000	6,000	6,000	6,000	6,000
Federal Funds.....	170,218	163,169	167,055	167,055	167,055	167,055	167,055
Other Funds.....	11,135	11,278	17,137	17,137	17,137	17,137	17,137
TOTAL.....	\$ 189,628	\$ 187,072	\$ 195,917	\$ 195,917	\$ 195,917	\$ 195,917	\$ 195,917
WORKERS COMPENSATION AND ASSISTANCE							
General Funds.....	\$ 7,754	\$ 7,354	\$ 6,509	\$ 5,959	\$ 5,409	\$ 4,859	\$ 4,309
Federal Funds.....	34,167	44,096	44,905	44,905	44,905	44,905	44,905
Other Funds.....	158,082	165,857	174,650	176,109	176,878	177,676	178,501
TOTAL.....	\$ 200,003	\$ 217,307	\$ 226,064	\$ 226,973	\$ 227,192	\$ 227,440	\$ 227,715
VOCATIONAL REHABILITATION							
General Funds.....	\$ 19,429	\$ 19,389	\$ 19,479	\$ 19,479	\$ 19,479	\$ 19,479	\$ 19,479
Federal Funds.....	500	500	206	206	206	206	206
Other Funds.....	86,356	90,221	93,470	95,377	97,957	101,553	107,170
TOTAL.....	\$ 106,285	\$ 110,110	\$ 113,155	\$ 115,062	\$ 117,642	\$ 121,238	\$ 126,855
ALL PROGRAMS:							
GENERAL FUND.....	\$ 47,863	\$ 47,441	\$ 45,019	\$ 44,948	\$ 44,894	\$ 44,858	\$ 44,841
SPECIAL FUNDS.....	0	6,000	6,000	6,000	6,000	6,000	6,000
FEDERAL FUNDS.....	205,238	208,050	212,829	212,829	212,829	212,829	212,829
OTHER FUNDS.....	258,180	270,318	289,399	292,915	296,418	300,972	307,580
TOTAL.....	\$ 511,281	\$ 531,809	\$ 553,247	\$ 556,692	\$ 560,141	\$ 564,659	\$ 571,250

LABOR AND INDUSTRY

PROGRAM OBJECTIVE: To further economic development in the Commonwealth by promoting the health, welfare, and safety of employes and acting to maintain continuous production and employment through mediation.

Program: Community and Occupational Safety and Stability

The department is responsible for administering a wide range of laws designed to enhance income security, safeguard the health of workers and the general public, and promote labor relations stability and labor-management cooperation.

The income of employes is protected by Minimum Wage, Wage Payment and Collection, and Prevailing Wage laws which the department strictly enforces. Payment of prevailing wage rates is monitored by field inspections.

Labor relations stability is promoted through the provision of mediation services to the public and private sectors. Under the Public Employes Relations Act, parties to a contract in the public sector must notify the department if no agreement has been reached within 21 days after contract negotiations have commenced. In the private sector, dispute notices must be filed with the department based on the National Labor Relations Act and Act 177 of 1937. Each year over 1,000 cases are mediated by the department.

The Office of Labor-Management Cooperation compliments the department's mediation efforts by creating an environment in which management and labor can best do their job through collaboration not confrontation. The Office prepares and distributes a quarterly newsletter and offers technical assistance to labor-management leaders throughout the State.

The Fire and Panic Act (Act 299 of 1927), the Building Energy

Conservation Act (Act 222 of 1980), the Elevator Law (Act 452 of 1929), the Bedding and Upholstery Law (Act 249 of 1973), the Stuffed Toy Law (Act 372 of 1961), and the Employment Agency Law (Act 261 of 1941) are all administered by the department. The department is also responsible for ensuring that buildings are accessible and usable by the physically handicapped under Act 166 of 1988.

The Worker and Community Right-to-Know Act, passed in 1984 and modified by Federal Court decisions, requires all employers doing business in Pennsylvania to provide certain information about hazardous chemicals found in their workplace and to make that information available to emergency response organizations and the public via the department. In addition, worker right-to-know information is required to be provided for public employes and those in the mining industry. The department also acts as a processing agent for employer reporting under the Federal Government's Superfund Amendment Reauthorization Act of 1986 Title III provisions. This act provides for a national system of planning and response to emergencies and community right-to-know provisions operated under state auspices.

The Office for the Deaf and Hearing Impaired includes a central office in Harrisburg and two regional offices in Erie and Scranton. Those offices ensure accessibility to all governmental, public and private services for the deaf and hearing impaired.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Minimum wage violations cited	215	250	270	310	350	350	350
Child labor law violations	1,639	1,700	1,840	2,125	2,410	2,410	2,410
Right-to-know — education/outreach programs	62	70	70	70	70	70	70
Nonpayment of wage violations	359	282	282	282	282	282	282
Percent of mediated cases involving work stoppages:							
Public bargaining units	3.7%	4.6%	5%	5%	5%	5%	5%
Private bargaining units	14.7%	5.1%	12%	12%	12%	12%	12%
Unfair labor practice cases concluded . . .	406	500	500	500	500	500	500
Union representation cases concluded . . .	81	100	100	100	100	100	100
Total inspections performed	102,200	120,000	130,000	130,000	130,000	130,000	130,000
Building approvals issued	13,811	14,000	14,000	14,000	14,000	14,000	14,000
New buildings certified	9,250	9,380	9,400	9,400	9,400	9,400	9,400
Renovations of existing buildings certified	4,561	4,620	4,600	4,600	4,600	4,600	4,600

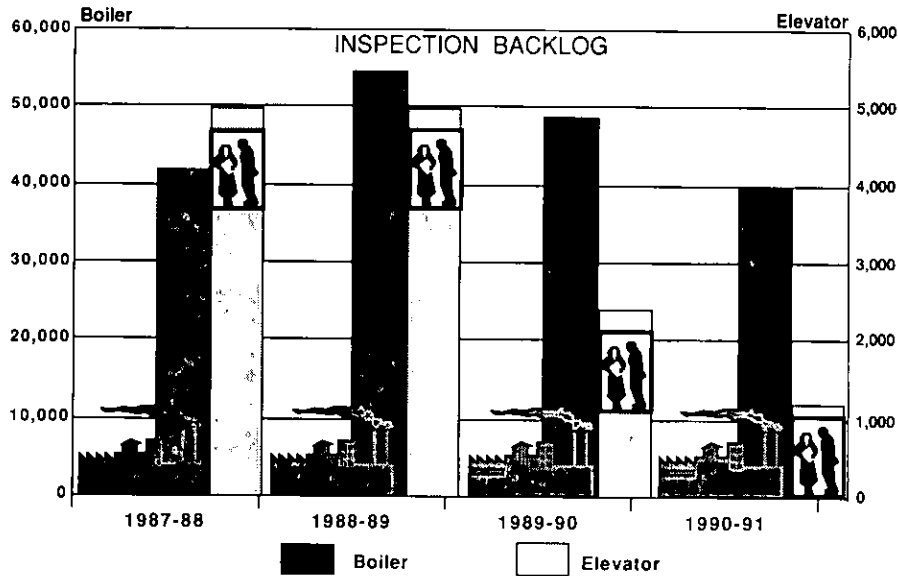
The percentage of mediated cases involving work stoppages and unfair labor practice cases concluded were less in 1988-89 than expected. These measures are difficult to predict because of their dependency on and uncertainty of economic conditions and general labor/management relations.

The projections for buildings approvals issued and new buildings certified are lower than last year's estimate for 1988-89 due to a sharp drop in the number of new building approvals issued. There is a trend toward more renovations of existing buildings rather than new construction, which is reflected in the higher projections for renovations of existing buildings certified.

LABOR AND INDUSTRY

Program: Community and Occupational Safety and Stability (continued)

Reduction of Boiler and Elevator Inspection Backlog



Program Recommendations:

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

General Government Operations
 \$ 195 —to continue current program.
 -730 —increased Federal indirect cost reimbursements.
 \$ -535 *Appropriation Decrease*

Right-to-Know Act
 \$ -17 —nonrecurring projects.
 69 —to continue current programs.
 \$ 52 *Appropriation Increase*

Occupational and Industrial Safety
 \$ 472 —to continue current program.
 -26 —nonrecurring project.
 -730 —increased Federal indirect cost reimbursements.
 \$ -284 *Appropriation Decrease*

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operation	\$ 5,900	\$ 6,472	\$ 5,937	\$ 6,151	\$ 6,372	\$ 6,601	\$ 6,839
Occupational and Industrial Safety	5,227	6,336	6,052	6,270	6,496	6,730	6,972
Right-To-Know Act	1,170	1,265	1,317	1,364	1,413	1,464	1,517
Job Creation Tax Credit Administration	108						
TOTAL GENERAL FUND	\$ 12,405	\$ 14,073	\$ 13,306	\$ 13,785	\$ 14,281	\$ 14,795	\$ 15,328

LABOR AND INDUSTRY

PROGRAM OBJECTIVE: To further economic development in the Commonwealth by stabilizing the incomes of employees who become unemployed.

Program: Workers' Compensation and Assistance

This program is designed to provide income security to citizens of the Commonwealth who become victims of certain occupational diseases or sustain work related injuries.

The Governor issued an action plan to improve the administration of Workers' Compensation in Pennsylvania in June of 1987 which set forth 30 action items to rectify long standing problems. To date much progress has been made towards completing the goal of the plan to reduce the delays in resolving litigated Workers' Compensation claims. A comprehensive case management review of the litigation process has been completed and standard operating procedures established in the referee offices. Twenty recommendations to reform the hearing process and to reorganize the Bureau of Workers' Compensation have been implemented and another ten are partially completed and ongoing. Over a two year period from 1986-87 to 1988-89, the number of new cases

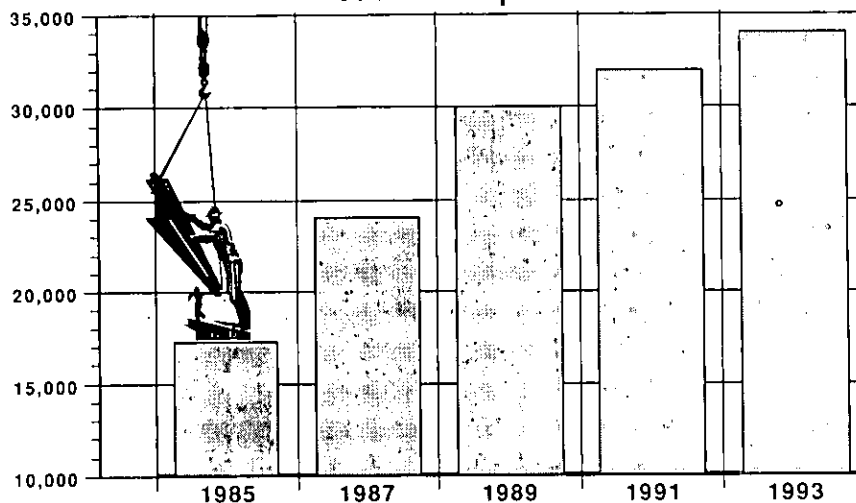
increased by 19 percent, decisions increased by 36 percent, average decisions per referee increased by 25 percent, and the percentage of cases over 24 months old declined from 16 to 12. Although significant administrative improvements have been accomplished in the last three years, additional referees and support staff will be hired to handle the increased caseload. The Bureau has embarked on an ambitious public information program to educate employees and employers of their rights and obligations under the Workers' Compensation Act. The program includes a variety of seminars, newsletters and an informational handbook.

The department also processes applications for disability benefits, gathers evidence, and makes recommendations to the Social Security Administration under the Social Security Administration's Disability Determination Program guidelines.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Claimants qualifying for occupational disease payments out of Commonwealth funds	3,188	2,970	2,869	2,765	2,650	2,520	2,400
New claimants eligible for workmen's compensation payments	105,560	107,500	109,000	110,500	112,400	113,000	114,500
Total petitions assigned	29,706	30,200	30,700	31,200	31,700	32,400	33,000
Referee decisions	30,062	30,900	31,000	32,000	33,000	34,000	34,000
Average time in days — Case filed/concluded	320	290	270	270	270	270	270
New claims for Unemployment Compensation	508,950	505,000	505,000	505,000	505,000	505,000	505,000

Workers' Compensation Cases Completed



LABOR AND INDUSTRY

Program: Workers' Compensation and Assistance

Program Recommendations:

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

\$ -544 **Occupational Disease Payments**
—to continue current program.

\$ -250 **Occupational Disease Study**
—nonrecurring project.

\$ -51 **Workmen's Compensation Payments**
—to continue current program. These payments are for a special class of recipients who became eligible before March 1968, and not for new claimants shown in the program measure above whose payments are made from the State Workmen's Insurance Fund and by private insurance companies.

\$ 2,099

463

282

\$ 2,844

In addition, this budget recommends the following changes for administration of the workers' compensation program through the Workers' Compensation Administration Fund.

—to continue current programs.

—to establish two new Appeal Board offices.

—to reduce delays in resolving litigated workers' compensation claims.

—Appropriation Increase

Appropriations within this Program:

(Dollar Amounts in Thousands)

	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Occupational Disease Payments	\$ 6,960	\$ 6,358	\$ 5,814	\$ 5,314	\$ 4,814	\$ 4,314	\$ 3,814
Occupational Disease Study		250					
Workmen's Compensation Payments	794	746	695	645	595	545	495
TOTAL GENERAL FUND	<u>\$ 7,754</u>	<u>\$ 7,354</u>	<u>\$ 6,509</u>	<u>\$ 5,959</u>	<u>\$ 5,409</u>	<u>\$ 4,859</u>	<u>\$ 4,309</u>

LABOR AND INDUSTRY

PROGRAM OBJECTIVE: To provide meaningful job training and placement services in a coordinated role with other Commonwealth agencies, the private sector and the Federal Government in order to secure unsubsidized employment for unemployed Pennsylvanians.

Program: Job Training Development

This program provides a range of employment and training services through the Job Center Network, the Bureau of Job Service, the Bureau of Job Training Partnership, the Dislocated Worker Unit, and PENNSERVE.

Under the Federal Job Training Partnership Act (JTPA) Program, state and local governments work in cooperation with the private sector to establish job training programs. JTPA primarily serves the economically disadvantaged including summer youth and dislocated workers. Uses, eligibility requirements, and distribution formulas for these programs are established under the Federal JTPA Act.

Services provided under those programs covered by Federal law include: on-the-job training, institutional skills training, job search assistance, job counseling, and skill testing and assessment. Use of these funds is determined locally by a Private Industry Council (PIC) in each Service Delivery Area (SDA). The majority of the members of each PIC are representatives from private sector businesses. The other members represent community-based organizations, local educational agencies, organized labor, and economic development organizations.

The State has also used JTPA discretionary funding for special programs developed to serve veterans, welfare recipients and at-risk youth. While the Department of Labor and Industry is the lead agency in administering the JTPA program, the Departments of Public Welfare, Education, and the Economic Development Partnership share the responsibility. State funds are also provided for support services, job training for dislocated workers, rapid response programs and for pregnant, parenting and at-risk youth.

Also included in this program is the Joint Jobs Initiative which is a cooperative effort by the Departments of Labor and Industry, Public Welfare and Education. It is designed to improve job training and employment services available to welfare recipients. Two distinct program designs are being utilized in this initiative. The Single Point of Contact Demonstration Program (SPOC) provides comprehensive employment and training services to recipients with multiple barriers to employment. Co-location of services (Single Point of Contact) in the county assistance office is a critical element of this initiative. The Transitionally Needy Demonstration (TN) Project provides transitionally needy welfare recipients with special job training and educational

packages, including stipends and transportation for those with no other training income. This project combines on-the-job training, work experience and classroom vocational skills with job specific literacy/basic skills training, GED and job readiness training. Funding for these programs is provided by each of the three agencies involved.

The Job Center Network offers comprehensive employment, training rehabilitation, education, welfare and support services. Each of the 80 Job Centers is part of the Statewide network to assist individuals seeking jobs and job related services and to employers seeking qualified job applicants. In addition to services available through programs administered by the department, employment and training resources of other Federal, State, local and community-based organizations are provided through the Job Center Network.

The department's Rapid Response Program is operated by the Dislocated Worker Unit in conjunction with the Economic Development Partnership (EDP). When the EDP is unable to keep a business in Pennsylvania or forestall the layoff of employees, the department's Rapid Response Team is available to bring a wide variety of State and local resources to the plant to assist laid-off individuals in finding reemployment. The Rapid Response Team provides a variety of State and local resources, coordinated through local Job Centers to assist dislocated workers and to help them to become reemployed. Local services are also brought to bear including financial and psychological counseling. The department also promotes labor/management cooperation by encouraging the formation of labor/management committees at the plant to coordinate the mix of available services.

PENNSERVE, the Governor's Office of Citizen Service, is the State's focal point for coordinating volunteer activities, providing technical assistance and implementing new citizen service programs such as the Urban Service Corps and the Summer Youth Corps. PENNSERVE also administers the Literacy Corps program which provides grants to colleges to train students as literacy tutors.

The Conservation Corps will be transferred from the Department of Environmental Resources to Labor and Industry's PENNSERVE program. This will combine citizen service programs under one office, reduce coordination barriers and increase opportunities to leverage Federal Department of Labor funds for youth service corps.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Job Training Partnership Program:							
Enrollments	94,294	84,864	76,378	76,400	76,400	76,400	76,400
Placements	20,320	18,288	16,460	16,500	16,500	16,500	16,500
Welfare recipients served	51,047	45,942	41,348	41,350	41,350	41,350	41,350
Joint Jobs Initiative:							
Welfare recipients served	4,177	7,500	8,000	8,000	8,000	8,000	8,000
Welfare recipients placed	1,308	1,600	2,000	2,000	2,000	2,000	2,000
Average hourly wage	\$4.99	\$5.09	\$5.25	\$5.51	\$5.78	\$6.07	\$6.30
Individuals placed through Job Service ..	113,672	114,000	114,000	114,000	114,000	114,000	114,000
Individuals enrolled in on-the-job training ..	12,546	11,542	10,388	10,400	10,400	10,400	10,400
Dislocated Workers:							
Dislocated workers placed	3,507	3,368	3,400	3,400	3,400	3,400	3,400
Average hourly wage	\$7.77	\$7.97	\$8.17	\$8.27	\$8.43	\$8.59	\$8.75
Job Centers in place	63	80	81	82	83	84	84

Federal funding for job training has declined over the last two years, and this lower level of funding is expected to continue in future years due to the Federal budget situation. Projections for job training programs have been reduced from prior budget projections to reflect this reduced Federal funding.

LABOR AND INDUSTRY

Program: Job Training Development (continued)

Program Recommendations:

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

Job Centers

\$ 100 —to expand job training programs for pregnant and parenting teenagers.

JTPA Match

\$ -1,000 —Federal matching requirement discontinued.

All other programs are recommended to be continued at current levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
PENNSERVE	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Literacy Corps Pilot Project	500	500	500	500	500	500	500
Dislocated Workers	2,500	1,250	1,250	1,250	1,250	1,250	1,250
JTPA Matching Funds	3,150	1,000	.....	.....	.....	.....	.....
Job Centers	2,125	3,375	3,475	3,475	3,475	3,475	3,475
TOTAL GENERAL FUND	\$ 8,275	\$ 6,625	\$ 5,725	\$ 5,725	\$ 5,725	\$ 5,725	\$ 5,725

LABOR AND INDUSTRY

PROGRAM OBJECTIVE: To enhance the ability of the handicapped unemployed and underemployed to gain full employment.

Program: Vocational Rehabilitation

This program, conducted in conjunction with the Federal government, has as its target group the estimated 660,000 citizens of the Commonwealth who have a physical or mental disability which results in a handicap to employment.

The Federal Rehabilitation Act of 1973 established eligibility criteria for vocational rehabilitation services. There must be a reasonable expectation that services will enable an individual to perform work activity. Primary emphasis is placed on serving severely handicapped individuals. These clients generally require more extensive and varied services over an extended period of time.

During Fiscal Year 1988-89 there was a significant decline in the number of cases accepted for vocational rehabilitation services as well as an increase in the number of cases closed as ineligible or nonrehabilitated. Primarily, these changes were due to an increased emphasis upon adherence to Federal regulations regarding eligibility determinations and improved casefile documentation. These changes will also affect future year projections.

To address the needs of persons who are judged too severely handicapped to be eligible for Federal vocational rehabilitation services,

State funds are provided for the Independent Living Rehabilitation Program. Funds are provided to Centers for Independent Living and the Office of Vocational Rehabilitation District Offices. The centers provide information and referral services, peer counseling and benefits counseling services, independent living skills training and other services. The district offices provide a wide range of services including home modification, adaptive appliances, and medical evaluation and treatment to prepare an individual for living independently in the community.

In addition to the independent living initiative, this program includes a Supported Employment initiative that improves employment opportunities for those previously considered too disabled to obtain competitive employment. Supported employment simultaneously combines placement in competitive jobs with training on the job site. Full time job trainers on the site, money management, long term follow-up and other support services are provided.

This program also includes the Hiram G. Andrews Center in Johnstown. The center is funded from fees for services rendered. Most of the services are provided to vocational rehabilitation clients. As of June 30, 1989, the center's resident and community population was 398.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Caseload:							
Carry-over from previous years	47,005	47,648	47,784	46,746	44,515	41,073	36,397
New referrals	35,604	35,248	34,895	34,547	34,201	33,859	33,520
Total caseload	82,609	82,896	82,679	81,293	78,716	74,932	69,917
Cases closed:							
Ineligible	14,483	14,917	15,365	15,826	16,301	16,790	17,293
Rehabilitated	12,134	11,600	11,716	11,834	11,952	12,071	12,192
Competitive	8,986	8,816	8,904	8,993	9,083	9,174	9,266
Noncompetitive	3,148	2,784	2,812	2,841	2,869	2,897	2,926
Nonrehabilitated	8,344	8,595	8,851	9,118	9,390	9,674	9,964
Total cases closed	34,961	35,112	35,932	36,778	37,643	38,535	39,449
Cases carried over	47,648	47,784	46,746	44,515	41,073	36,937	30,468
Severely disabled rehabilitated	9,464	9,559	9,654	9,751	9,848	9,947	10,046
Economic/Client Earnings Information:							
Average weekly earnings for clients closed as competitively employed	\$224	\$229	\$234	\$240	\$245	\$251	\$257
Total weekly earnings for clients closed as competitively employed (in thousands)	\$2,015	\$2,061	\$2,109	\$2,158	\$2,208	\$2,259	\$2,311
Average taxes paid by competitively employed client	\$3,020	\$3,149	\$3,190	\$3,232	\$3,274	\$3,316	\$3,359
Total taxes paid by competitively employed clients (in thousands)	\$27,250	\$27,881	\$29,526	\$29,187	\$29,862	\$30,554	\$31,261

LABOR AND INDUSTRY

Program: Vocational Rehabilitation (continued)

Program Recommendations:


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

Centers for Independent Living
 \$ 90 —to expand services for severely disabled individuals.

Funding for the Harmarville Rehabilitation Center, the Transfer to the Vocational Rehabilitation Fund and Supported Employment are recommended to be continued at the current year levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Transfer to Vocational Rehabilitation Fund	\$ 17,800	\$ 17,460	\$ 17,460	\$ 17,460	\$ 17,460	\$ 17,460	\$ 17,460
Supported Employment	829	899	899	899	899	899	899
Centers for Independent Living	600	830	920	920	920	920	920
Harmarville Rehabilitation Center	200	200	200	200	200	200	200
TOTAL GENERAL FUND	\$ 19,429	\$ 19,389	\$ 19,479	\$ 19,479	\$ 19,479	\$ 19,479	\$ 19,479



Commonwealth of Pennsylvania

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

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
OTHER FUNDS			
<i>STATE STORES FUND:</i>			
General Operations (EA)	\$ 176,094	\$ 194,462	\$ 189,536
Comptroller Operations (EA)	6,334	6,780	6,897
Transfer of Profits to the General Fund (EA)	16,000	22,000	22,000
OTHER FUNDS TOTAL	<u>\$ 198,428</u>	<u>\$ 223,242</u>	<u>\$ 218,433</u>

LIQUOR CONTROL

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
LIQUOR CONTROL							
Special Funds..... \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0
Other Funds.....	198,428	223,242	218,433	206,404	204,425	205,496	205,619
TOTAL..... \$	198,428 \$	223,242 \$	218,433 \$	206,404 \$	204,425 \$	205,496 \$	205,619
ALL PROGRAMS:							
GENERAL FUND..... \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	198,428	223,242	218,433	206,404	204,425	205,496	205,619
TOTAL..... \$	198,428 \$	223,242 \$	218,433 \$	206,404 \$	204,425 \$	205,496 \$	205,619

LIQUOR CONTROL BOARD

PROGRAM OBJECTIVE: To control the manufacture, distribution and sale of alcoholic beverages in Pennsylvania.

Program: Liquor Control

All bottle sales of wines and spirits in Pennsylvania (with a few exceptions) are made through approximately 690 State Liquor Stores which are run by the Liquor Control Board. This includes both retail sales and wholesale sales to those private establishments which sell by the drink. While malt and brewed beverages are not sold in State Liquor Stores, the Liquor Control Board regulates these sales by licensing the distributors who do sell these items. In addition, the board licenses those private establishments which make retail sales of alcoholic beverages by the drink.

Act 14 of 1987 reauthorized the Liquor Control Board and made some changes to its responsibilities. Most notably, enforcement of liquor laws was transferred to the Pennsylvania State Police. In addition, an Office of Administrative Law Judge, a Bureau of Wine and a Bureau of Consumer Relations were created within the Liquor Control Board.


Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Pennsylvania State Liquor Stores	694 ¹	690	690	690	690	690	690
Gross sales (includes taxes) (in thousands)	\$755,490	\$765,000	\$755,000	\$755,000	\$755,000	\$755,000	\$755,000
Licenses and permits issued (all types) ..	62,346	62,000	62,000	62,000	62,000	62,000	62,000

Program Recommendations:

This budget recommends the following changes for executive authorizations within the State Stores Fund: (Dollar Amounts in Thousands)

General Government Operations	
\$ -18,848	—nonrecurring expenditures.
8,000	—to purchase point-of-sales equipment.
5,922	—to continue current program.
<u>- 4,926</u>	Executive Authorization Decrease
Comptroller Operations	
\$ 117	—to continue current program.



Commonwealth of Pennsylvania

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 and preserve peace, order and public safety. The Bureau of Veterans Affairs administers 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, the Veterans Home at Hollidaysburg, and the Southeastern Veterans Home at Spring City.

MILITARY AFFAIRS

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revision:

Title	Appropriation	1990-91 State Funds (in thousands)
GENERAL FUND		
Drug and Alcohol Program Expansion	Drug Interdiction	\$ 54

This Program Revision will provide supplemental pay for lower ranking enlisted personnel of the Pennsylvania National Guard while they are performing federally funded drug interdiction duty. This is part of the \$62 million Drug and Alcohol Program Expansion. Please see the Executive Offices section for further details on this Program Revision.

MILITARY AFFAIRS

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 11,333	\$ 11,803	\$ 12,352
(F) Facilities Maintenance	899	1,100	1,300
(F) Employee Support	131	200	533
(F) New Armories	318	257	.....
(F) Telecommunications Expansion	74	.....	.....
(A) Rental of Armories and Other Facilities	123	123	123
(A) Lt. Governor's Residence	35	22	22
American Battle Monuments	3	3	4
Armory Maintenance and Repair	500	500	500
Veterans Memorial Commission	50	.....	40
Drug Interdiction .....	.....	.....	54
Subtotal — State Funds	\$ 11,886	\$ 12,306	\$ 12,950
Subtotal — Federal Funds	1,422	1,557	1,833
Subtotal — Augmentations	158	145	145
Total — General Government	\$ 13,466	\$ 14,008	\$ 14,928
INSTITUTIONAL:			
Erie Soldiers and Sailors Home	\$ 3,491	\$ 4,192	\$ 4,304
(F) Operations and Maintenance	711	711	782
(F) Medical Reimbursement	10	4	5
(A) Aid and Attendance Payments	256	265	265
(A) Residents Fees	928	919	956
Total — Erie Soldiers and Sailors Home	\$ 5,396	\$ 6,091	\$ 6,312
Hollidaysburg Veterans Home	8,877	9,480	9,790
(F) Operations and Maintenance	1,927	1,652	1,980
(F) Medical Reimbursement	20	190	25
(F) Dietary Renovations	12	75	.....
(A) Aid and Attendance Payments	813	814	905
(A) Residents Fees	2,472	2,466	2,913
(A) Rental Receipts	5	20	20
Total — Hollidaysburg Veterans Home	\$ 14,126	\$ 14,697	\$ 15,633
Southeastern Veterans Home	5,018	4,575	5,005
(F) Operations and Maintenance	93	262	278
(A) Aid and Attendance Payments	4	.....	.....
(A) Residents Fees	232	323	326
Total — Southeastern Veterans Home	\$ 5,347	\$ 5,160	\$ 5,609
Subtotal — State Funds	\$ 17,386	\$ 18,247	\$ 19,099
Subtotal — Federal Funds	2,773	2,894	3,070
Subtotal — Augmentations	4,710	4,807	5,385
Total — Institutional	\$ 24,869	\$ 25,948	\$ 27,554

MILITARY AFFAIRS

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GRANTS AND SUBSIDIES:			
Education of Veterans Children	\$ 58	\$ 75	\$ 65
Education — National Guard	515	402	474
Veterans Assistance	2,283	2,287	2,287
Blind Veterans Pension	153	159	159
Paralyzed Veterans Pension	350	380	380
National Guard Pension	16	20	15
	<u>\$ 3,375</u>	<u>\$ 3,323</u>	<u>\$ 3,380</u>
STATE FUNDS	\$ 32,647	\$ 33,876	\$ 35,429
FEDERAL FUNDS	4,195	4,451	4,903
AUGMENTATIONS	<u>4,868</u>	<u>4,952</u>	<u>5,530</u>
GENERAL FUND TOTAL	<u>\$ 41,710</u>	<u>\$ 43,279</u>	<u>\$ 45,862</u>

MILITARY AFFAIRS

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
STATE MILITARY READINESS							
General Funds.....	\$ 11,886	\$ 12,306	\$ 12,950	\$ 13,355	\$ 13,816	\$ 14,293	\$ 14,787
Federal Funds.....	1,422	1,557	1,833	1,833	1,833	1,833	1,833
Other Funds.....	158	145	145	150	156	162	168
TOTAL.....	\$ 13,466	\$ 14,008	\$ 14,928	\$ 15,338	\$ 15,805	\$ 16,288	\$ 16,788
VETERANS HOMES							
General Funds.....	\$ 17,386	\$ 18,247	\$ 19,099	\$ 21,621	\$ 25,939	\$ 26,872	\$ 27,840
Federal Funds.....	2,773	2,894	3,070	3,970	5,252	5,530	5,732
Other Funds.....	4,710	4,807	5,385	7,229	9,851	10,322	10,712
TOTAL.....	\$ 24,869	\$ 25,948	\$ 27,554	\$ 32,820	\$ 41,042	\$ 42,724	\$ 44,284
COMPENSATION AND ASSISTANCE							
General Funds.....	\$ 3,375	\$ 3,323	\$ 3,380	\$ 3,380	\$ 3,380	\$ 3,380	\$ 3,380
TOTAL.....	\$ 3,375	\$ 3,323	\$ 3,380	\$ 3,380	\$ 3,380	\$ 3,380	\$ 3,380
ALL PROGRAMS:							
GENERAL FUND.....	\$ 32,647	\$ 33,876	\$ 35,429	\$ 38,356	\$ 43,135	\$ 44,545	\$ 46,007
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	4,195	4,451	4,903	5,803	7,085	7,363	7,565
OTHER FUNDS.....	4,868	4,952	5,530	7,379	10,007	10,484	10,880
TOTAL.....	\$ 41,710	\$ 43,279	\$ 45,862	\$ 51,538	\$ 60,227	\$ 62,392	\$ 64,452

MILITARY AFFAIRS

PROGRAM 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.

Program: State Military Readiness

This program provides the administrative, logistical and training support necessary for the Pennsylvania National Guard to maintain requisite readiness capability to serve during emergencies. Such emergencies may result in full or partial mobilization of the Pennsylvania National Guard for State service in the Commonwealth or Federal service anywhere in the world. Costs for military equipment and supplies and training, such as monthly training assemblies and 15 days annual training, are funded 100 percent by the Federal Government. The Commonwealth is responsible for providing for the operation, maintenance and repair of the armories.

The readiness capability of Pennsylvania National Guard units is evaluated according to established Federal inspection and training standards. Primary efforts are directed toward having the Pennsylvania

National Guard in top readiness condition in order to perform its State and Federal missions. The training of personnel is directly dependent upon the adequacy of the operation, maintenance and repair of Air National Guard bases and installations and numerous Army National Guard armories and support facilities. To provide a quicker and more effective response to State or Federal mobilization, a Statewide communications network is in operation.

Included within this program are those activities essential to operate a network of 104 community armories which serve as training locations for National Guard units. These armories may also be utilized as mass care centers for disaster victims and to provide meeting and recreational facilities for local civic and youth organizations.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Armories	104	104	104	104	104	104	104
Pennsylvania National Guard personnel ..	22,172	22,196	22,220	22,244	22,268	22,292	22,316
Percentage of authorized strength level ..	94.8%	94.9%	95.0%	95.1%	95.2%	95.3%	95.4%

Program Recommendations:

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

<p>General Government Operations</p> <p>\$ 70 —to provide additional part-time custodial support at armories.</p> <p>42 —for security at Scranton State General Hospital, the site of the next veterans home.</p> <p>437 —to maintain current program.</p> <p>549 <i>Appropriation Increase</i></p>	<p>American Battle Monuments</p> <p>\$ 1 —for additional maintenance.</p>	<p>Veterans Memorial Commission</p> <p>\$ 40 —to provide operating costs.</p>	<p>Drug Interdiction</p> <p>\$ 54 —PRR — Part of the Drug and Alcohol Program Expansion. Supplemental pay for certain enlisted personnel performing federally funded drug duty. See Program Revision in the Executive Offices section for further information.</p>
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The Armory Maintenance and Repair program is continued at current levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operations	\$ 11,333	\$ 11,803	\$ 12,352	\$ 12,797	\$ 13,258	\$ 13,735	\$ 14,229
American Battle Monuments	3	3	4	4	4	4	4
Armory Maintenance and Repair	500	500	500	500	500	500	500
Veterans Memorial Commission	50	.....	40	.....	.....	.....	.....
Drug Interdiction .....	.....	.....	54	54	54	54	54
TOTAL GENERAL FUND	\$ 11,886	\$ 12,306	\$ 12,950	\$ 13,355	\$ 13,816	\$ 14,293	\$ 14,787

MILITARY AFFAIRS

PROGRAM OBJECTIVE: To provide nursing and domiciliary care for veterans.

Program: Veterans Homes

The Department of Military Affairs is legally mandated to provide skilled nursing and domiciliary care for veterans who are disabled, indigent or in need of care. There are three veterans homes providing such care: the Soldiers and Sailors Home in Erie, the Veterans Home at Hollidaysburg and the Southeastern Pennsylvania Veterans Center. The program receives assistance from the Federal Government at levels of \$8.70 per patient day for domiciliary care, \$20.35 per patient day for nursing home care, and \$6.00 per day for aid-in-attendance given directly to the patient. In addition, residents pay a maintenance fee to help offset

the cost of services.

The Administration is committed to establishing a fourth veterans home in Scranton. The Governor has recommended and the General Assembly has approved capital funding for the home.

The Governor has requested the Pennsylvania War Veterans Council to establish a committee to recommend sites for a fifth and sixth veterans home in Pennsylvania. Once the committee submits its report and sites are selected, a capital budget for the homes will be recommended by the Governor.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Beds Available:							
Erie	175	175	175	175	175	175	175
Hollidaysburg	379	379	379	527	527	527	527
Southeastern	70	112	304	304	304	304	304
Population:							
Erie	127	133	135	135	135	135	135
Hollidaysburg	344	312	324	485	485	485	485
Southeastern	68	83	96	277	277	277	277
Cost per skilled nursing care day:							
Erie	\$146	\$153	\$161	\$168	\$173	\$181	\$190
Hollidaysburg	\$144	\$150	\$159	\$140	\$143	\$146	\$152
Southeastern			\$155	\$161	\$168	\$173	\$178
Cost per domiciliary care day:							
Erie	\$74	\$78	\$82	\$86	\$90	\$94	\$98
Hollidaysburg	\$104	\$108	\$114	\$119	\$124	\$129	\$135
Southeastern	\$196	\$146	\$149	\$152	\$155	\$160	\$165

State Veterans Homes — Expenditures by Institution

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
<i>Erie Soldiers and Sailors Home</i>			
State Funds	\$ 3,491	\$ 4,192	\$ 4,304
Federal Funds	721	715	787
Augmentations	1,184	1,184	1,221
TOTAL	\$ 5,396	\$ 6,091	\$ 6,312
<i>Hollidaysburg Veterans Home</i>			
State Funds	\$ 8,877	\$ 9,480	\$ 9,790
Federal Funds	1,959	1,917	2,005
Augmentations	3,290	3,300	3,838
TOTAL	\$ 14,126	\$ 14,697	\$ 15,633
<i>Southeastern Veterans Home</i>			
State Funds	\$ 5,018	\$ 4,575	\$ 5,005
Federal Funds	93	262	278
Augmentations	236	323	326
TOTAL	\$ 5,347	\$ 5,160	\$ 5,609

MILITARY AFFAIRS

Program: Veterans Homes (continued)

Institution:	Projected July 1990 Capacity	Population July 1988	Population July 1989	Projected Population July 1990	Projected Percent of Capacity
Erie Soldiers and Sailors Home	175	127	133	135	77%
Hollidaysburg Veterans Home	379	344	312	325	86%
Southeastern Veterans Home	112	68	83	96	86%

Program Recommendations:

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

Erie Soldiers and Sailors Home	
\$ 31	—to purchase electronic hospital beds.
8	—to upgrade electronic data processing.
<u>73</u>	—to maintain current program.
\$ 112	<i>Appropriation Increase</i>

Southeastern Veterans Home	
\$ 205	—to operate new nursing beds scheduled to be available in May 1991.
35	—to purchase equipment related to patient care.
<u>190</u>	—to maintain current program.
\$ 430	<i>Appropriation Increase</i>

Hollidaysburg Veterans Home	
\$ 125	—to purchase equipment related to patient care.
<u>185</u>	—to maintain current program.
\$ 310	<i>Appropriation Increase</i>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Erie Soldiers and Sailors Home	\$ 3,491	\$ 4,192	\$ 4,304	\$ 4,459	\$ 4,620	\$ 4,786	\$ 4,958
Hollidaysburg Veterans Home	8,877	9,480	9,790	10,573	11,842	12,268	12,710
Southeastern Veterans Home	5,018	4,575	5,005	6,059	6,277	6,503	6,737
Northeastern Veterans Home				530	3,200	3,315	3,435
TOTAL GENERAL FUND	\$ 17,386	\$ 18,247	\$ 19,099	\$ 21,621	\$ 25,939	\$ 26,872	\$ 27,840

MILITARY AFFAIRS

PROGRAM OBJECTIVE: To provide advisory and financial assistance to eligible Pennsylvania veterans, National Guardsmen and their dependents.

Program: Compensation and Assistance

The Department of Military Affairs administers several activities within this program.

Program Element: Veterans Assistance

Temporary financial assistance is provided for eligible veterans, their spouses and dependent children who are in need of financial assistance. Financial assistance is authorized for food, fuel, shelter and clothing and is limited to a period not exceeding three months. Assistance payments were increased an average of 45% in 1988.

Program Element: Blind Veterans Pension

Pensions of \$100 per month are provided for those Pennsylvania veterans who incurred functional blindness while performing active military service.

Program Element: National Guard Pensions

This program element is responsible for the payment of a pension to guardsmen, widows and dependent family members. A National Guardsman who is injured, otherwise disabled or dies as a result of injuries or other disability received or contracted while performing duty in active service of the Commonwealth or in the performance of other State military duty is eligible. Current law provides for a monthly pension for dependents up to a maximum of \$300 per month for a period of ten years. In the case of minor children of a deceased member, the pension is paid until the minor child reaches 18 years of age. A tuition credit of 50 percent at all State-owned universities or approved trade schools for a period not exceeding eight semesters or four years is also

authorized for children of deceased guard personnel who are killed or die while on State active duty.

Program Element: Education of Children of Deceased and Disabled Veterans

Educational gratuities are provided for children of honorably discharged veterans who have been certified as having wartime service-connected disabilities rated as totally and permanently disabled or children of veterans who have died of war service-connected disabilities. Under current law, \$500 per semester is available for eligible students attending post secondary institutions within the Commonwealth.

Program Element: Education — National Guard

Act No. 152 of 1980 provides a tuition grant to certain members of the Pennsylvania National Guard who enroll in a Pennsylvania institution of higher learning, with degree-granting status, as approved by the Department of Education. The grant is one-half of the cost of the credit, with a maximum of \$40 per credit. Assistance is limited to a maximum of six credits per quarter or semester or twelve credits per year.

Program Element: Paralyzed Veterans Pension

This program provides a pension of \$100 per month to those Pennsylvania veterans who have lost the use of two or more extremities while serving on active duty in the armed forces of the United States during an established war, armed conflict or combat-related activity in peacetime.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Veterans in Pennsylvania	1,508,400	1,500,700	1,493,400	1,485,400	1,478,000	1,471,900	1,464,500
Recipients of veterans emergency assistance	16,057	16,055	16,000	15,950	15,910	15,870	15,820
Recipients of blind veterans pensions	128	132	132	132	132	132	132
Students receiving financial aid	46	65	65	65	65	65	65
National Guard personnel receiving educational financial aid	1,087	1,100	1,210	1,250	1,300	1,300	1,300
Participants in paralyzed veterans program	295	316	316	316	316	316	316

MILITARY AFFAIRS

Program: Compensation and Assistance (continued)

Program Recommendations:

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

Education - National Guard	
\$ 40	—to make educational assistance available to additional National Guardsmen.
32	—for anticipated tuition increases.
<u>\$ 72</u>	<i>Appropriation Increase</i>

In addition, the budget recommends continuation of other programs at current levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Veterans Assistance	\$ 2,283	\$ 2,287	\$ 2,287	\$ 2,287	\$ 2,287	\$ 2,287	\$ 2,287
Blind Veterans Pensions	153	159	159	159	159	159	159
National Guard Pensions	16	20 ^a	15	15	15	15	15
Education of Veterans Children	58	75 ^b	65	65	65	65	65
Education — National Guard	515	402	474	474	474	474	474
Paralyzed Veterans Pension	350	380	380	380	380	380	380
TOTAL GENERAL FUND	\$ 3,375	\$ 3,323	\$ 3,380	\$ 3,380	\$ 3,380	\$ 3,380	\$ 3,380

^aExpenditures for 1989-90 are estimated to be \$15,000.

^bExpenditures for 1989-90 are estimated to be \$65,000.



Commonwealth of Pennsylvania

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)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
<i>GRANTS AND SUBSIDIES:</i>			
Transfer to Milk Marketing Board	\$ 950	\$ 931	\$ 600
GENERAL FUND TOTAL	<u>\$ 950</u>	<u>\$ 931</u>	<u>\$ 600</u>
MILK MARKETING FUND			
<i>GENERAL GOVERNMENT:</i>			
General Operations	\$ 774	\$ 814	\$ 1,105
(A) Transfer from General Fund .....	.....^a	.....^a	.....^a
MILK MARKETING FUND TOTAL	<u>\$ 774</u>	<u>\$ 814</u>	<u>\$ 1,105</u>
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 950	\$ 931	\$ 600
SPECIAL FUNDS	<u>774</u>	<u>814</u>	<u>1,105</u>
TOTAL ALL FUNDS	<u>\$ 1,724</u>	<u>\$ 1,745</u>	<u>\$ 1,705</u>

^aNot added to the total to avoid double counting. 1988-89 actual is \$950,000, 1989-90 available is \$931,000 and 1990-91 recommended is \$600,000.

MILK MARKETING BOARD

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
REGULATION OF MILK INDUSTRY							
General Funds.....	\$ 950	\$ 931	\$ 600	\$ 650	\$ 725	\$ 760	\$ 825
Special Funds.....	774	814	1,105	1,106	1,083	1,103	1,094
TOTAL.....	\$ 1,724	\$ 1,745	\$ 1,705	\$ 1,756	\$ 1,808	\$ 1,863	\$ 1,919
ALL PROGRAMS:							
GENERAL FUND.....	\$ 950	\$ 931	\$ 600	\$ 650	\$ 725	\$ 760	\$ 825
SPECIAL FUNDS.....	774	814	1,105	1,106	1,083	1,103	1,094
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
TOTAL.....	\$ 1,724	\$ 1,745	\$ 1,705	\$ 1,756	\$ 1,808	\$ 1,863	\$ 1,919

MILK MARKETING BOARD

PROGRAM OBJECTIVE: To maintain an adequate supply of wholesome fluid milk.

Program: Milk Industry Regulation

The Milk Marketing Board is a special fund agency financed from milk industry license fees, permit fees and fines. Since these revenue sources are insufficient to fund all board operations, a General Fund transfer is also provided. The board supervises, inspects and regulates the milk industry of the Commonwealth and establishes reasonable trade control and marketing practices. It also formulates policy, holds public hearings and subsequently issues and enforces General Marketing Orders, rules and regulations, and handles all legal matters including prosecution and levying of penalties against violators of the Milk Marketing Law.

The board's major function continues to be insuring an adequate milk supply by setting minimum prices paid to farmers, minimum prices dealers can charge wholesale and retail customers, and minimum prices stores can charge consumers.

The regulation process is complicated by the existence of Federal Marketing Orders, which are prices established in Washington that must

be paid to producers. The board also has the authority to set maximum prices, but as yet this has not been done.

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, assumes that when supplies of fluid milk approximate 125 percent of fluid sales a proper balance exists between supply and demand. If the ratio exceeds the 125 percent level by more than eight percentage points, it alerts 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 alerts 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.

Act 135 of 1988 transferred the responsibility for setting fees from statute to regulation.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Supply of fluid milk compared to demand for fluid milk	126%	126%	126%	126%	126%	126%	126%
Licenses and permits issued	3,100	3,000	3,000	3,000	3,000	3,000	3,000

Program Recommendations:

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

GENERAL FUND:		MILK MARKETING FUND:	
Transfer to Milk Marketing Fund		General Operations	
\$ -331	—reduction in General Fund support due to increased Milk Marketing Fund revenues.	\$ -17	—nonrecurring projects.
		204	—additional Milk Marketing Fund contributions to support current board activities as a result of increased fund revenues.
		104	—to continue current program.
		\$ 291	<i>Executive Authorization Increase</i>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Transfer to Milk Marketing Fund	\$ 950	\$ 931	\$ 600	\$ 650	\$ 725	\$ 760	\$ 825
MILK MARKETING FUND:							
General Operations	\$ 774	\$ 814	\$ 1,105	\$ 1,106	\$ 1,083	\$ 1,103	\$ 1,094



Commonwealth of Pennsylvania

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. State probation services and pre-sentence investigations are also provided upon request from the courts.

PROBATION AND PAROLE

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1990-91
		State Funds (In thousands)
	GENERAL FUND	
Drug and Alcohol Program Expansion	General Government Operations	\$ 83
	Improvement of Adult Probation Services	453
	Total	<u>\$ 536</u>

This Program Revision will provide for the continuance of two intensive parole units and grants to county probation departments to provide special drug offender probation programs initiated with one-time funding under PENNFREE. It will also fund additional county drug and alcohol probation services.

This is part of the \$62 million Drug and Alcohol Program Expansion. See the Program Revision entitled "Drug and Alcohol Program Expansion" under Executive Offices for additional information.

PROBATION AND PAROLE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 23,718	\$ 25,585	\$ 27,685
PENNFREE — Intensive Drug Parole Units .....	.....	944 ^a	.....
PENNFREE — Drug Offenders Work Program .....	.....	120 ^a	.....
(F) DCSI — Statewide Urinalysis Testing	111	113	75
(F) DCSI — Special Intensive Supervision Drug Project ...	557	570	180
(F) Specialized Drug Training	22	5	.....
(F) DCSI — State Parole Services .....	.....	.....	248
(F) Parole Plan Advocacy	18	27	.....
(A) Parole Plan Advocacy	14	18	.....
Subtotal — State Funds	\$ 23,718	\$ 26,649	\$ 27,685
Subtotal — Federal Funds	708	715	503
Subtotal — Augmentations	14	18	.....
Total — General Government	<u>\$ 24,440</u>	<u>\$ 27,382</u>	<u>\$ 28,188</u>
GRANTS AND SUBSIDIES:			
Improvement of Adult Probation Services	\$ 14,197	\$ 15,217	\$ 17,374
(F) DCSI — Local Probation Services .....	.....	.....	1,357
PENNFREE — Improvement of Adult Probation Services ..	.....	869 ^a	.....
Total — Grants and Subsidies	<u>\$ 14,197</u>	<u>\$ 16,086</u>	<u>\$ 18,731</u>
STATE FUNDS	\$ 37,915	\$ 42,735	\$ 45,059
FEDERAL FUNDS	708	715	1,860
AUGMENTATIONS	14	18	.....
GENERAL FUND TOTAL	<u>\$ 38,637</u>	<u>\$ 43,468</u>	<u>\$ 46,919</u>

^aThis continuing appropriation will provide funds for both 1989-90 and 1990-91.

PROBATION AND PAROLE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
REINTEGRATION OF THE ADULT OFFENDER							
General Funds.....	\$ 37,915	\$ 42,735	\$ 45,059	\$ 46,056	\$ 47,089	\$ 48,159	\$ 49,267
Federal Funds.....	708	715	1,860	1,860	1,860	1,860	1,860
Other Funds.....	14	18	0	0	0	0	0
TOTAL.....	\$ 38,637	\$ 43,468	\$ 46,919	\$ 47,916	\$ 48,949	\$ 50,019	\$ 51,127
ALL PROGRAMS:							
GENERAL FUND.....	\$ 37,915	\$ 42,735	\$ 45,059	\$ 46,056	\$ 47,089	\$ 48,159	\$ 49,267
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	708	715	1,860	1,860	1,860	1,860	1,860
OTHER FUNDS.....	14	18	0	0	0	0	0
TOTAL.....	\$ 38,637	\$ 43,468	\$ 46,919	\$ 47,916	\$ 48,949	\$ 50,019	\$ 51,127

PROBATION AND PAROLE

PROGRAM OBJECTIVE: To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.

Program: Reintegration of the Adult Offender

The Pennsylvania Board of Probation and Parole operates in a complex and interdependent criminal justice system in the Commonwealth. The primary functions of the board are to grant parole and supervise adult offenders with a maximum sentence of two years or more, revoke the parole of technical parole violators and criminal violators convicted of new crimes, and discharge from parole clients under supervision who have fulfilled their sentences in compliance with the conditions governing parole. Commonwealth judges parole inmates with maximum sentences under two years. Under the direction of the county courts, cases can be certified to the State under special probation and parole supervision. The State provides direct support to county probation through a separate board administered grant-in-aid appropriation which subsidizes manpower at the local level.

The Pennsylvania Board of Probation and Parole's primary goal is to protect the community from crime through a process of supervising offenders who are serving sentences in the community.

The board also has quasi-judicial case decision making responsibility. Two dominant types of decisions are made by the board

from information provided by field and institutional staff: parole release decisions and revocation decisions.

Explicit parole guidelines are used in the decision-making process in order to structure discretion and maintain fairness in the system. The effect of these successful program efforts in decision-making is that justice is administered fairly and decision-making is more accountable to the public.

In addition to operating the State parole program, the board has the responsibility of administering a grant-in-aid program to support county adult probation personnel and services. The grant-in-aid program provides funds to any county which adds probation staff for pre-sentence investigations and for improved probation supervision and program. Act 134 of 1986, which amended the Probation and Parole Act, provides that counties shall be reimbursed for up to eighty percent (80%) of the personnel costs incurred to administer these additional services and programs, provided that sufficient funds are appropriated.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Probationers and parolees in caseload:							
County	87,254	89,872	93,916	96,734	98,668	100,642	102,655
State	16,890	17,218	17,903	18,687	19,245	19,676	20,069
Annual addition to caseload population ..	8,080	8,242	8,572	8,915	9,182	9,365	9,552
Investigative reports completed	12,813	13,069	13,172	13,382	13,409	13,529	13,529
Annual caseload additions likely to return to prison	2,909	2,967	3,172	3,299	3,397	3,465	3,534
And as a percentage of annual additions to caseload	36%	36%	37%	37%	37%	37%	37%
Average cases per parole agent	81	84	79	83	85	87	89

The 1990-91 drop in the average caseload occurs primarily because of the full year availability of staff hired in 1989-90.

PROBATION AND PAROLE

Program: Reintegration of the Adult Offender (continued)

Program Recommendations:

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

	General Government Operations		Improvement of Adult Probation Services
\$ 1,502	—to continue current Program.	\$ 835	—for grants to counties for professional county personnel salary costs.
598	—PRR — Part of the Drug and Alcohol Program Expansion. To continue two intensive parole units initiated last year with one-time funding under PENNFREE. See Program Revision in the Executive Offices for further information.	1,322	—PRR — Part of the Drug and Alcohol Program Expansion. To continue grants to counties to establish special drug offender programs initiated last year with one-time funding under PENNFREE and to pay for an additional 76 county drug and alcohol probation officers. See the Program Revision in the Executive Offices for further information.
<u>\$ 2,100</u>	<i>Appropriation Increase</i>	<u>\$ 2,157</u>	<i>Appropriation Increase</i>

PENNFREE — Appropriations for Intensive Drug Parole Units and Improvement of Adult Probation Services were one-time continuing appropriations. See the PENNFREE Summary in section A for more detail.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operations	\$ 23,718	\$ 25,585	\$ 27,685	\$ 28,682	\$ 29,715	\$ 30,785	\$ 31,893
PENNFREE—Intensive Drug Parole Units		944					
PENNFREE—Drug Offenders Work Program		120					
Improvement of Adult Probation Services	14,197	15,217	17,374	17,374	17,374	17,374	17,374
PENNFREE—Improvement of Adult Probation Services		869					
TOTAL GENERAL FUND	<u>\$ 37,915</u>	<u>\$ 42,735</u>	<u>\$ 45,059</u>	<u>\$ 46,056</u>	<u>\$ 47,089</u>	<u>\$ 48,159</u>	<u>\$ 49,267</u>



Commonwealth of Pennsylvania

Public Television Network

The Public Television Network promotes and encourages public television in Pennsylvania. The network facilities provide services to the seven public television stations including the recording, storage, and delivery of programs and the interconnection of the stations for Statewide program production and exchange. The network also administers a program of grants to support station operations, instructional television services, program production, and program acquisition.

PUBLIC TELEVISION NETWORK

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
<i>GENERAL GOVERNMENT:</i>			
General Government Operations	\$ 2,758	\$ 2,785	\$ 2,866
(A) Services for the Hearing Impaired	86	123	.....
Subtotal — State Funds	\$ 2,758	\$ 2,785	\$ 2,866
Subtotal — Augmentations	86	123	.....
Total — General Government Operations	<u>\$ 2,844</u>	<u>\$ 2,908</u>	<u>\$ 2,866</u>
<i>GRANTS AND SUBSIDIES:</i>			
Public Television Station Grants	\$ 7,390	\$ 7,839	\$ 8,057
(A) Commerce Production	38	38	.....
Total — Grants and Subsidies	<u>\$ 7,428</u>	<u>\$ 7,877</u>	<u>\$ 8,057</u>
 STATE FUNDS	 \$ 10,148	 \$ 10,624	 \$ 10,923
AUGMENTATIONS	124	161	.....
 GENERAL FUND TOTAL	 <u><u>\$ 10,272</u></u>	 <u><u>\$ 10,785</u></u>	 <u><u>\$ 10,923</u></u>

PUBLIC TELEVISION NETWORK

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
PUBLIC TELEVISION SERVICES							
General Funds.....	\$ 10,148	\$ 10,624	\$ 10,923	\$ 11,026	\$ 11,133	\$ 11,244	\$ 11,359
Other Funds.....	124	161	0	0	0	0	0
TOTAL.....	\$ 10,272	\$ 10,785	\$ 10,923	\$ 11,026	\$ 11,133	\$ 11,244	\$ 11,359
ALL PROGRAMS:							
GENERAL FUND.....	\$ 10,148	\$ 10,624	\$ 10,923	\$ 11,026	\$ 11,133	\$ 11,244	\$ 11,359
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	124	161	0	0	0	0	0
TOTAL.....	\$ 10,272	\$ 10,785	\$ 10,923	\$ 11,026	\$ 11,133	\$ 11,244	\$ 11,359

PUBLIC TELEVISION NETWORK

PROGRAM OBJECTIVE: To provide for the development and support of Pennsylvania's noncommercial public television stations.

Program: Public Television Services

The Pennsylvania Public Television Network links the seven independent noncommercial television stations in Pennsylvania to create a system in which stations provide programming to the people of Pennsylvania through independent and group efforts. The stations are located in Bethlehem, Erie, Philadelphia, Pittsburgh, Pittston, University Park and Harrisburg.

Funding for the operations of the noncommercial television stations in Pennsylvania comes from several sources; the major sources, accounting for over 60 percent of the revenue, are private donations from business and industry and contributions from individual members. Other sources are the grants made by the Commonwealth and the Federal Government.

The operation of the network, located in Hershey, is fully funded by a General Fund appropriation. It is directed by a commission which includes representatives from the seven stations, the education community, the Legislature, the Council on the Arts, and the public. The

operations of the commission include governance of the network and Statewide coordinating functions through a computerized microwave telecommunications system. Through the network each station has access to programs produced by other Pennsylvania stations and programs acquired from outside sources. Network promotion and audience research services are also provided as well as guidance in producing programs on cultural, educational, and public affairs of interest to all Pennsylvanians.

The Network Commission provides through its facilities a videoconferencing system for State agencies which results in a reduction in travel time and expense for State agencies.

Instructional television is provided by each of the stations in cooperation with school districts and the Department of Education, which purchases broadcast rights for some nationally produced programs. Some educational television series are produced by Pennsylvania stations for broadcast on Statewide and national television.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Households watching public television at least once a week	2,310,000	2,320,000	2,340,000	2,370,000	2,400,000	2,420,000	2,440,000
Contributing memberships	287,000	295,000	300,000	310,000	320,000	330,000	340,000
Original programming as a percentage of total broadcasting	5.6%	5.6%	5.7%	5.8%	5.9%	5.9%	6.0%

Program Recommendations:

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

General Government Operations		Public Television Station Grants	
\$ -10	—nonrecurring projects.	\$ 83	—to continue base operating support for the stations.
91	—to continue current program.	135	—to continue commitment to increase funds for national program acquisition.
\$ 81	Appropriation Increase	\$ 218	Appropriation Increase

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operations	\$ 2,758	\$ 2,785	\$ 2,866	\$ 2,969	\$ 3,076	\$ 3,187	\$ 3,302
Public Television Station Grants	7,390	7,839	8,057	8,057	8,057	8,057	8,057
TOTAL GENERAL FUND	\$ 10,148	\$ 10,624	\$ 10,923	\$ 11,026	\$ 11,133	\$ 11,244	\$ 11,359



Commonwealth of Pennsylvania

Public Utility Commission

The Public Utility Commission insures 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 and 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

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
(R) General Government Operations ^a	\$ 24,184	\$ 25,512	\$ 26,492
(R) Chairman and Commissioners ^a	374 ^b	476	501
(R) Safety and Enforcement ^a	3,080 ^b	3,964	4,283
(F) Natural Gas Pipeline Safety	115	115	115
(F) Railroad Safety	51	110	.....
(F) Motor Carrier Safety	575	575	575
RESTRICTED REVENUES	\$ 27,638	\$ 29,952	\$ 31,276
FEDERAL FUNDS	741	800	690
GENERAL FUND TOTAL	<u>\$ 28,379</u>	<u>\$ 30,752</u>	<u>\$ 31,966</u>

^aAppropriation from a restricted revenue account.

^bActually appropriated as part of General Government Operations.

PUBLIC UTILITY COMMISSION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
REGULATION OF PUBLIC UTILITIES							
Special Funds..... \$	0	0	0	0	0	0	0
Federal Funds.....	741	800	690	690	690	690	690
Other Funds.....	27,638	29,952	31,276	32,402	33,569	34,777	36,028
TOTAL..... \$	28,379	30,752	31,966	33,092	34,259	35,467	36,718
ALL PROGRAMS:							
GENERAL FUND..... \$	0	0	0	0	0	0	0
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	741	800	690	690	690	690	690
OTHER FUNDS.....	27,638	29,952	31,276	32,402	33,569	34,777	36,028
TOTAL..... \$	28,379	30,752	31,966	33,092	34,259	35,467	36,718

PUBLIC UTILITY COMMISSION

PROGRAM OBJECTIVE: To ensure that safe and adequate public utility services are available to the public at fair and reasonable rates.

Program: Regulation of Public Utilities

The Public Utility Commission's (PUC) responsibility and the service which it performs as an arm of the General Assembly as expressed in the Public Utility Code, is to ensure that safe and adequate utility service is available to the public at fair and reasonable rates.

The types of utilities regulated are electric, gas, steam heat, water, telephone, telegraph, and sewage collection and disposal services; transportation of passengers and property by railroad, aircraft, boat, ferry, and motor carrier; and transportation of certain products by pipeline.

While only 22 of approximately 5,000 utilities regulated are electric, the rate increases requested have historically been much greater than those of all other utilities combined. Last year, however, there were no electric utility requests for rate increases submitted to the commission.

In addition to its primary duty of ensuring that adequate service at reasonable rates is available to the public, the commission is required or empowered to:

- prescribe rates for common carrier motor vehicles, and to establish accounting and service requirements for them;
- regulate the formation, merger, and consolidation of public utilities;

- determine whether a public utility should be permitted to discontinue service to the public other than for non-payment for service rendered;
- regulate the crossing of public highways by the facilities of public utilities;
- inspect the properties, test the equipment and examine the books and other records of utilities;
- prescribe systems of accounting for public utilities;
- determine whether the issuance of utility stocks and long-term debt by public utilities is necessary or proper for the present and probable future capital needs of the utilities;
- inquire into the reasonableness, from the point of view of the public interest, of contracts between public utilities and municipalities, and of contracts for services between public utilities and their affiliates;
- assess all its expenses on utilities in accordance with Act 33 of March 3, 1972; and,
- conduct management efficiency investigations and construction cost audits.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Utilities regulated:							
Fixed utilities:							
Electric	16	16	16	16	16	16	16
Other	587	584	581	586	578	575	572
Transportation	4,360	4,400	4,425	4,450	4,475	4,500	4,500
Rate requests received:							
Fixed Utilities:							
Electric	0	1	4	5	3	4	2
Other	71	73	73	72	70	71	70
Rate cases completed:							
Fixed utilities:							
Electric	0	1	4	5	3	4	2
Other	67	70	72	72	70	71	70
Transportation	483	490	495	500	505	510	515
Rate increase requested (in millions):							
Fixed utilities:							
Electric		\$690	\$700	\$850	\$450	\$480	\$450
Other	\$77	\$85	\$100	\$136	\$76	\$80	\$84
Transportation	\$18	\$19	\$20	\$21	\$22	\$23	\$24
Rate increases allowed (in millions):							
Fixed utilities:							
Electric		\$360	\$370	\$560	\$326	\$346	\$326
Other	\$36	\$46	\$59	\$73	\$41	\$43	\$45
Transportation	\$18	\$18	\$19	\$20	\$21	\$22	\$23

PUBLIC UTILITY COMMISSION

Program: Regulation of Public Utilities (continued)


Program Measures (continued)

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Audits conducted:							
Fixed utilities:							
Financial	19	30	30	36	36	36	36
Energy fuel	58	70	70	76	76	76	76
Management	13	19	19	19	19	19	19
Transportation	1,403	1,425	1,475	1,475	1,475	1,475	1,475
Enforcement/investigations:							
Fixed utilities:							
Transportation:							
Rail safety	59,336	64,000	64,000	64,000	64,000	64,000	64,000
Motor safety	15,938	14,000	14,000	14,000	14,000	14,000	14,000
Consumer services:							
Fixed utilities:							
Complaints received, investigated and resolved	14,391	16,000	16,000	16,000	16,000	16,000	16,000

Program Recommendations:

This budget recommends the following changes to the appropriation for the PUC from its restricted revenue account in the General Fund: (Dollar Amounts in Thousands)

<p>General Government Operations</p> <p>\$ -503 —nonrecurring projects.</p> <p>1,715 —to continue current programs.</p> <hr/> <p>\$ 1,212 <i>Appropriation Increase</i></p>	<p>Chairman and Commissioners</p> <p>\$ 29 —to continue current programs.</p> <p>Safety and Enforcement</p> <p>\$ 414 —to continue current programs.</p>
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Commonwealth of Pennsylvania

Department of Public Welfare

The Department of Public Welfare provides financial assistance and medical services 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 and indirectly through programs of standard setting, regulation, supervision, licensing, grants, subsidies and purchase of services.

The actual delivery of welfare services is executed through regional offices, county boards of assistance and various types of institutions.

PUBLIC WELFARE

PROGRAM REVISION Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1990-91 State Funds (in thousands)
GENERAL FUND		
Expansion of Third Party Liability	Program Accountability County Administration—Statewide Medical Assistance — Outpatient Medical Assistance — Inpatient Subtotal	\$ 59 509 -626 -10,904 <hr/> \$ -10,962

This Program Revision will expand the cost recovery and avoidance efforts of the Third Party Liability system by implementing the automatic recovery system, expanding recoveries based on trauma diagnosis, expanding resource identification pilot projects and investigating client resources identified by the Social Security Administration and the department's Domestic Relations Section. In addition, there will be a \$8.4 million savings in Federal funds.

Pharmaceutical Cost Containment	Medical Assistance — Outpatient	\$ -10,414
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This Program Revision will reduce pharmaceutical costs to the Medical Assistance and PACE programs by adopting the Federal Food and Drug Administration's generic drug formulary, adopting the Federal Upper Limit for multi-source drugs and establishing the Drug Manufacturers' Rebate Program. In addition, this Program Revision proposes to increase the dispensing fee to pharmacists by 75 cents over three years from \$2.75 to \$3.50. A total of \$31.9 million will be saved by this Program Revision across all departments. In addition, there will be a \$16.3 million savings in Federal funds.

Women's Service Programs Providing Alternatives to Abortion	Women's Service Programs Providing Alternatives to Abortion	\$ 2,000
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This Program Revision will provide resources to support women's service programs that provide alternatives to abortion. Comprehensive family planning services, excluding abortion and abortion counseling, will be provided to 25,000 low-income women.

Expansion of Healthy Beginnings	Medical Assistance — Outpatient Medical Assistance — Inpatient Subtotal	\$ 4,725 11,518 <hr/> \$ 16,243
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This Program Revision will expand Medical Assistance coverage to include women and children with family incomes below 133 percent of the Federal poverty level and children under age six. This will serve an additional 73,121 children and 12,044 pregnant women. In addition, \$21.3 million in Federal funds are recommended from the Medical Assistance Program.

PUBLIC WELFARE

Title	Appropriation	1990-91 State Funds (In thousands)
GENERAL FUND		
Assisting Women in Crisis	Rape Crisis	\$ 626
	Domestic Violence	1,286
	Subtotal	<u>\$ 1,912</u>

This Program Revision will strengthen and expand Pennsylvania's network of domestic violence and rape crisis programs, by providing assistance to an additional 4,384 victims of domestic and sexual assault. In addition, \$574,000 in Federal funds are recommended from Federal funds.

Juvenile Justice System Expansion	Youth Development Institutions	<u>\$ 2,002</u>
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This Program Revision will provide for the appropriate level of staff resources consistent with an occupancy rate at 110 percent of capacity.

The department will use \$2.2 million in Social Service Block Grant funds to expand the juvenile justice system by 270 beds in 1989-90. These beds will be fully funded in 1990-91 with \$5.1 million in Social Service Block Grant funds and \$1.6 million in State funds.

Family and Community Based Services	Community Mental Health Services	\$ 900
	Community Based Services — Mentally Retarded	950
	Subtotal	<u>\$ 1,850</u>

This Program Revision will provide family based services for 235 mentally ill children and adolescents. It will also provide in-home, family based and supportive living alternatives for 125 mentally retarded individuals. In addition, \$1.2 million in Federal funds are recommended from the Medical Assistance Program.

DEPARTMENT TOTAL	<u><u>\$ 2,631</u></u>
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PUBLIC WELFARE

Summary by Fund and Appropriation

GENERAL FUND	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL GOVERNMENT:			
General Government Operations	\$ 19,247	\$ 25,286	\$ 26,315
(F) Child Welfare Services	2,377	2,240	2,053
(F) Child Welfare Training and Certification .....	.....	675	.....
(F) Rehabilitation Services Facilities	320	640	342
(F) Medical Assistance	13,285	14,252	12,149
(F) Maintenance Assistance	8,679	8,969	8,029
(F) Food Stamp Program — Administration	2,423	4,177	2,567
(F) Developmental Disabilities	3,696	3,723	3,723
(F) Child and Adolescent Services System	298	675	40
(F) Refugees and Persons Seeking Asylum	582	865	1,089
(F) ESEA(I) Handicapped Education	402	444	493
(F) Manpower Development — Mental Health	150	209	180
(F) Mental Health Community Support	75	400	411
(F) Mental Health Data Collection .....	.....	111	102
(F) Child Welfare/Adoption Exchange	96	165	165
(F) ADMSBG	134	134	137
(F) SSBG	5,056	4,913	4,987
(F) Outreach, Advocacy and Training	110	125	.....
(F) Work Saturation Project — Administration	208	.....	.....
(F) Homeless Mentally Ill — Administration	14	44	65
(F) Vocational Improvement Project .....	.....	199	199
(F) Handicapped Education — Early Intervention	2,440	2,678	2,664
(F) Monitoring Detainment of Juveniles	27	117	91
(F) Mental Health Plan	45	131	131
(F) Child Adolescent Services — Demonstration .....	.....	150	150
(F) States Helping States .....	.....	25	.....
(F) Child Abuse Prevention Challenge Grant .....	.....	79	79
(A) Institutional Collections	622	640	687
(A) Services to Other Agencies	112	118	118
(A) Management Development Services	571	633	637
(A) Child Abuse Reviews	534	531	225
Subtotal — Federal Funds	<u>\$ 40,417</u>	<u>\$ 46,140</u>	<u>\$ 39,846</u>
Subtotal — Augmentations	1,839	1,922	1,667
Total — General Government Operations	<u>\$ 61,503</u>	<u>\$ 73,348</u>	<u>\$ 67,828</u>
Information Systems	26,915	29,039	27,666
(F) Maintenance Assistance	8,061	8,000	9,683
(F) Medical Assistance	13,214	11,181	12,451
(F) Food Stamp Program	2,757	5,371	4,427
(F) Child Support Enforcement	1,069	1,206	1,107
Total — Information Systems	<u>\$ 52,016</u>	<u>\$ 54,797</u>	<u>\$ 55,334</u>
County Assistance Offices	170,119	183,929	191,283
(F) Maintenance Assistance	49,492	54,493	55,326
(F) Medical Assistance	21,987	26,879	26,406
(F) Food Stamp Program	38,424	40,458	44,009
(F) LIHEABG — Administration	11,753	11,570	9,976
(F) LIHEABG — Low-Income Families and Individuals	84,487	86,168	73,573
(F) SSBG	12,929	12,563	12,743
Total — County Assistance Offices	<u>\$ 389,191</u>	<u>\$ 416,060</u>	<u>\$ 413,316</u>

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
GENERAL FUND	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL GOVERNMENT: (continued)			
County Administration — Statewide	\$ 26,885	\$ 27,842	\$ 30,870
(F) Maintenance Assistance	5,518	7,927	5,637
(F) Medical Assistance	23,920	28,052	29,789
(F) Food Stamp Program	5,459	6,507	4,832
(A) Fee for Material from Outside Vendors	13	15	15
(A) Food Stamp Retained Collections	673	675	675
Total — County Administration — Statewide	<u>\$ 62,468</u>	<u>\$ 71,018</u>	<u>\$ 71,818</u>
Program Accountability	7,297	7,374	7,072
(F) Medical Assistance	493	542	551
(F) Maintenance Assistance	1,514	1,251	1,101
(F) Child Support Enforcement	44,131	56,254	50,117
(F) Food Stamp Program	2,150	2,656	3,304
(A) Child Support Receipts	142	177	179
(A) Food Stamp Collection	166	166	166
(A) Title IV-E Incentive Collection	202	400	400
(A) Restitutions and Overpayments .....	.....	632	912
(A) IRS Intercept — Child Support .....	.....	1,031	1,488
Total — Program Accountability	<u>\$ 56,095</u>	<u>\$ 70,483</u>	<u>\$ 65,290</u>
New Directions	15,831	18,078	20,074
(F) Maintenance Assistance	4,990	12,368	21,832
(F) Work Incentive	7,315	5,313	.....
(F) Food Stamps — Employment and Training	11,973	12,364	10,274
(F) Work Saturation	248	.....	.....
(A) SPOC Health Insurance Program	1	.....	.....
Total — Employment and Training Programs	<u>\$ 40,358</u>	<u>\$ 48,123</u>	<u>\$ 52,180</u>
Visually Handicapped	5,586	6,137	6,415
(F) Rehabilitation for the Blind — Basic Support	6,576	7,113	7,273
(F) Vocational Rehabilitation — Social Security Disability Beneficiaries	380	380	380
(F) Rehabilitation Services Project	39	40	.....
Total — Visually Handicapped	<u>\$ 12,581</u>	<u>\$ 13,670</u>	<u>\$ 14,068</u>
Subtotal — State Funds	\$ 271,880	\$ 297,685	\$ 309,695
Subtotal — Federal Funds	399,296	444,796	424,637
Subtotal — Augmentations	3,036	5,018	5,502
Total — General Government	<u>\$ 674,212</u>	<u>\$ 747,499</u>	<u>\$ 739,834</u>

PUBLIC WELFARE

GENERAL FUND	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
INSTITUTIONS:			
Youth Development Institutions	\$ 32,164	\$ 34,231	\$ 41,579
(F) Food Nutrition Service	525	525	525
(F) Juvenile Justice and Delinquency Prevention	1	.	.
(F) SSBG — Basic Institutional Program	950	2,244	1,432
(F) Maintenance Assistance .....	.	500	.
(F) DFSC — Special Programs — Juvenile Aftercare Services .....	.	350	1,350
(A) Cafeteria	12	21	21
(A) Institutional Reimbursements	1	4	4
Total — Youth Development Institutions	<u>\$ 33,653</u>	<u>\$ 37,875</u>	<u>\$ 44,911</u>
State General Hospitals	18,044	21,545	15,506
(F) Medicare Services	26,408	23,991	13,162
(F) Medical Assistance	608	3,977	2,285
(F) Ashland Rural Health Grant .....	.	38	38
(A) Institutional Collections	23,405	22,287	16,000
(A) Cafeteria Reimbursements	37	35	26
(A) Miscellaneous Reimbursements	119	113	84
Total — State General Hospitals	<u>\$ 68,621</u>	<u>\$ 71,986</u>	<u>\$ 47,101</u>
State Mental Hospitals	329,068^a	\$ 354,594	367,357
(F) Medical Assistance	85,577 ^b	86,952	79,550
(F) Medicare Services	31,648 ^c	29,205	24,357
(F) Library Services — Title I	2	.	.
(F) Food and Nutrition Services	305	330	258
(F) Energy Conservation Grant .....	.	63	.
(A) Cafeteria	77	.	.
(A) Institutional Collections	31,647	28,869	29,011
(A) Miscellaneous Institutional Reimbursements	168	.	.
(A) Pennsylvania Energy Office Grant .....	.	2,048	506
Total — State Mental Hospitals and Haverford	<u>\$ 478,494</u>	<u>\$ 502,061</u>	<u>\$ 501,039</u>
Closing Philadelphia State Hospital .....	.	.	39,049
(F) MA — Extended Psychiatric Care .....	.	.	7,200
Total Closing Philadelphia State Hospital .....	.	.	<u>\$ 46,249</u>
State Centers for the Mentally Retarded	95,063	102,070	111,086
(F) Medical Assistance	158,847	154,293	155,258
(F) Food and Nutrition Service	52	60	.
(A) Sale of Reclaimable Material .....	.	.	.
(A) Institutional Collections	10,728	10,569	10,576
(A) Miscellaneous	25	55	25
Total — State Centers for the Mentally Retarded	<u>\$ 264,715</u>	<u>\$ 267,047</u>	<u>\$ 276,945</u>
Subtotal — State Funds	<u>\$ 474,339</u>	<u>\$ 512,440</u>	<u>\$ 574,577</u>
Subtotal — Federal Funds	304,923	302,528	285,415
Subtotal — Augmentations	66,221	64,001	56,253
Total — Institutional	<u>\$ 845,483</u>	<u>\$ 878,969</u>	<u>\$ 916,245</u>

^aActually appropriated as \$307,527,000 for State Mental Hospitals and \$21,541,000 for Haverford State Hospital.

^bActually appropriated as \$82,165 for State Mental Hospitals and \$3,412 for Haverford State Hospital.

^cActually appropriated as \$29,349 for State Mental Hospitals and \$2,299 for Haverford State Hospital.

PUBLIC WELFARE

GENERAL FUND	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GRANTS AND SUBSIDIES:			
Cash Grants	\$ 528,400	\$ 537,907	\$ 545,924
(F) Maintenance Assistance	429,704	444,850	420,647
(A) Public Assistance — Restitutions/Over Payments	18,174	18,676	18,446
(A) Child Support Payments	47,791	50,129	50,668
Total — Cash Grants	<u>\$ 1,024,069</u>	<u>\$ 1,051,562</u>	<u>\$ 1,035,685</u>
Medical Assistance — Transportation	14,062	14,046	14,046
(F) Medical Assistance	8,876	9,490	9,490
Total — Transportation	<u>\$ 22,938</u>	<u>\$ 23,536</u>	<u>\$ 23,536</u>
Medical Assistance — Outpatient	316,273^a	346,337^b	368,899
(F) Medical Assistance	304,146	327,992	346,897
(A) Collections	257	368	368
(A) Medicare Part B Recovery	25	40	40
Total — Outpatient	<u>\$ 620,701</u>	<u>\$ 674,737</u>	<u>\$ 716,204</u>
Women's Service Programs Providing Alternatives to Abortion .....	.....	.....	2,000
PENNFREE — Medical Assistance Drug and Alcohol .....	.....	14,000^c	.....
Medical Assistance — Inpatient	462,000	454,922	471,003
(F) Medical Assistance	340,482	329,779	350,687
(A) Collections — Inpatient	871	2,836	2,421
(A) Refunds — Inpatient	3,095	4,597	4,597
Total — Inpatient	<u>\$ 806,448</u>	<u>\$ 792,134</u>	<u>\$ 828,708</u>
Medical Assistance — Capitation	119,172	114,145	135,581
(F) Medical Assistance	89,926	90,277	107,932
Total — Capitation	<u>\$ 209,098</u>	<u>\$ 204,422</u>	<u>\$ 243,513</u>
Long-Term Care Facilities	218,340	256,595	319,047
(F) Medical Assistance	498,621	500,136	562,527
(A) Collections	1,344	1,074	1,074
Long-Term Care — Disproportionate Share	1,000	.....	.....
(F) Medical Assistance	1,130	.....	.....
Total — Long-Term Care	<u>\$ 720,435</u>	<u>\$ 757,805</u>	<u>\$ 882,648</u>
Pre-Admission Assessment	1,928	3,402	3,806
(F) Medical Assistance	2,745	6,827	7,324
Total — Pre-Admission Assessment	<u>\$ 4,673</u>	<u>\$ 10,229</u>	<u>\$ 11,130</u>
AIDS — Special Pharmaceutical Services .....	.....	2,752	2,369
(F) AIDS — Special Pharmaceutical Services .....	.....	638	1,488
Total — AIDS — Special Pharmaceutical Services .....	.....	<u>\$ 3,390</u>	<u>\$ 3,857</u>
Supplemental Grants — Aged, Blind and Disabled	76,015	79,162	78,775
(F) SSI Refugee Assistance	65	75	75
Community Mental Health Services	148,681	157,193	163,723
(F) Medical Assistance — Intensive Case Management	5,500	5,500	5,500
(F) ADMSBG	13,707	15,438	19,849
(F) SSBG	12,050	11,709	11,709
(F) Homeless Mentally Ill	858	268	2,000
(A) Robert Wood Johnson Grant .....	.....	100	800
Total — Community Mental Health	<u>\$ 180,796</u>	<u>\$ 190,208</u>	<u>\$ 203,581</u>
PENNFREE — Student Assistance .....	.....	6,000^c	.....

^aActually appropriated as \$313,564,000 for Medical Assistance — Outpatient and \$2,709,000 for Fee Increase Independent Clinic/Home Health/Partial Hospitalization.

^bActually appropriated as \$345,007,000 for MA — Outpatient and \$1,330,000 for Fee increase Ambulance/Podiatrists.

^cThis continuing appropriation will provide for both 1989-90 and 1990-91. See PENNFREE Summary in Section A for additional summary.

PUBLIC WELFARE

GENERAL FUND	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GRANTS AND SUBSIDIES: (continued)			
Teen Suicide Center	\$ 500 ^a	.....	.....
Eastern Pennsylvania Psychiatric Institute	7,622	\$ 7,694	.....
Community Based Services for the Mentally Retarded	85,295	92,539	104,451
(F) Medical Assistance	12,452	15,146	16,261
(F) Mental Retardation Offenders .....	.....	.....	.....
(F) SSBG	13,203	12,829	12,829
Total — Community Based Services MR	\$ 110,950	\$ 120,514	\$ 133,541
Elwyn Institute	206	200	.....
Community Residential Services for the Mentally Retarded	166,172	177,718	182,071
(F) Medical Assistance	38,582	44,040	46,533
(F) SSBG	5,319	5,169	5,169
Total — Community Residential Services - MR	\$ 210,073	\$ 226,927	\$ 233,773
Pennhurst Dispersal	2,500	2,600	.....
Philadelphia Association for Retarded Citizens	150	220	150
Intermediate Care Facilities — Mentally Retarded	57,259	66,367	78,602
(F) Medical Assistance	77,937	84,936	102,660
(A) Cost Settlement	994	532	.....
Total — Intermediate Care Facilities/Mentally Retarded	\$ 136,190	\$ 151,835	\$ 181,262
Early Intervention	17,574	18,651	20,110
MH/MR - Residential Wage and Hour Ruling	3,000	3,000	3,000
MR - Philadelphia Court Settlement	4,938	.....	.....^b
Beacon Lodge Camp - Blind Services	77	77	77
Overbrook School	155	175	.....
County Child Welfare	155,712 ^a	160,323 ^c	180,638
(F) Child Welfare Services	14,400	13,855	10,000
(F) Maintenance Assistance	65,467	77,000	80,000
(F) Refugees and Persons Seeking Asylum	1,700	.....	.....
(F) SSBG	9,000	11,193	13,044
(F) ADMSBG Child Welfare .....	.....	2,000	2,000
Child Abuse Prevention .....	.....	6,100	.....
Total — County Child Welfare Services	\$ 246,279	\$ 268,471	\$ 285,682
PENNFREE — Children and Youth Programs .....	.....	5,000	.....
PENNFREE — Family Prevention .....	.....	1,900	.....
Day Care Services	31,785	36,747	37,647
(F) Dependent Care Planning	383	520	520
(F) SSBG	39,904	38,775	38,775
(F) Child Abuse Prevention Training .....	.....	.....	.....
(F) Child Development Scholarships	103	122	122
(F) Crisis Nursery	150	150	150
Total — Day Care	\$ 72,325	\$ 76,314	\$ 77,214
Arsenal Family and Children's Center Pittsburgh	139	168	168
Western Psychiatric Institute and Clinic	7,407 ^d	.....	.....
Domestic Violence	4,112	4,279	5,565
(F) Family Violence and Prevention	319	319	319
(F) SSBG	1,573	1,529	1,551
(F) Homeless Assistance	660	736	736
(F) DFSC — Special Programs — Domestic Violence .....	.....	.....	449
Total — Domestic Violence	\$ 6,664	\$ 6,863	\$ 8,620
PENNFREE — Domestic Violence .....	.....	449	.....

^aActually appropriated as \$135,712,000 for County Child Welfare and \$20,000,000 for Supplemental Children and Youth/Family Preservation.

^bAppropriation of \$6 million included within Community Based Services for the Mentally Retarded.

^cActually appropriated as \$160,638,000 which included \$315,000 for a teenage rape prevention program.

^dAppropriation transferred to the Department of Education.

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GRANTS AND SUBSIDIES: (continued)			
Rape Crisis	\$ 1,523	\$ 2,087 ^a	\$ 2,713
(F) PHHSBG	180	180	180
(F) SSBG	826	803	815
(F) DFSC — Special Programs — Rape Crisis .....	.....	.....	125
Total — Rape Crisis	<u>\$ 2,529</u>	<u>\$ 3,070</u>	<u>\$ 3,833</u>
Breast Cancer Screening	402	706	706
(F) SSBG — Family Planning	5,020	4,878	4,948
Legal Services	2,000	2,000	2,000
(F) SSBG	6,688	6,499	6,499
Human Services Development Fund	14,500	17,906	17,906
(F) Refugees and Persons Seeking Asylum	3,679	6,200	6,200
(F) SSBG	14,339	13,933	13,933
(F) Immigration Reform and Control	3,504	3,540	3,540
(F) Handicapped Child Care .....	.....	120	.....
Total — Human Services Development	<u>\$ 36,022</u>	<u>\$ 41,699</u>	<u>\$ 41,579</u>
Direct Care Worker's - Salary Increase .....	.....	7,563	14,126
(F) Medical Assistance - MR Residential .....	.....	1,000	2,000
Homeless Assistance	12,800	13,765	14,240
(F) SSBG	2,849	2,768	2,808
(F) ADMSBG Homeless Services .....	.....	.....	1,033
Total — Homeless Assistance	<u>\$ 15,649</u>	<u>\$ 16,533</u>	<u>\$ 18,081</u>
PENNFREE — Transitional Housing for Homeless .....	.....	2,000	.....
Attendant Care	4,774	6,043	6,164
(F) SSBG	4,457	4,337	4,399
Services for the Developmentally Disabled .....	.....	300	1,200
(F) Medical Assistance .....	.....	157	1,122
Health and Human Services Projects	3,844	.....	.....
Subtotal — State Funds	\$ 2,470,317	\$ 2,623,038	\$ 2,776,707
Subtotal — Federal Funds	2,030,504	2,093,713	2,224,845
Subtotal — Augmentations	72,551	78,352	78,414
Total — Grants and Subsidies	<u>\$ 4,573,372</u>	<u>\$ 4,795,103</u>	<u>\$ 5,079,966</u>
STATE FUNDS	\$ 3,216,536	\$ 3,433,163	\$ 3,660,979
FEDERAL FUNDS	2,734,723	2,841,037	2,934,897
AUGMENTATIONS	<u>141,808</u>	<u>147,371</u>	<u>140,169</u>
GENERAL FUND TOTAL	<u>\$ 6,093,067</u>	<u>\$ 6,421,571</u>	<u>\$ 6,736,045</u>
LOTTERY FUND			
GRANTS AND SUBSIDIES:			
Medical Assistance — Long-Term Care	\$ 126,000	\$ 106,000	\$ 96,000
LOTTERY FUND TOTAL	<u>\$ 126,000</u>	<u>\$ 106,000</u>	<u>\$ 96,000</u>

^aActually appropriated as \$1,772,000. Includes \$315,000 appropriated within County Child Welfare.

PUBLIC WELFARE

(Dollar Amounts in Thousands)

	1988-89 Actual	1989-90 Available	1990-91 Budget
ENERGY CONSERVATION AND ASSISTANCE FUND			
<i>GRANTS AND SUBSIDIES:</i>			
Low Income Energy Assistance	\$ 17,443	\$ 20,000	\$ 26,925
ENERGY CONSERVATION AND ASSISTANCE FUND			
TOTAL	<u>\$ 17,443</u>	<u>\$ 20,000</u>	<u>\$ 26,925</u>
 DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUNDS	\$ 3,216,536	\$ 3,433,163	\$ 3,660,979
SPECIAL FUNDS	143,443	126,000	122,925
FEDERAL FUNDS	2,734,723	2,841,037	2,934,897
AUGMENTATIONS	141,808	147,371	140,169
 TOTAL ALL FUNDS	 <u>\$ 6,236,510</u>	 <u>\$ 6,547,571</u>	 <u>\$ 6,858,970</u>

PUBLIC WELFARE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
HUMAN SERVICES SUPPORT							
General Funds.....	\$ 53,459	\$ 61,699	\$ 61,053	\$ 63,251	\$ 65,528	\$ 67,887	\$ 70,330
Federal Funds.....	113,806	132,522	122,508	126,391	130,414	134,581	138,898
Other Funds.....	2,349	4,328	4,812	4,985	5,165	5,352	5,547
TOTAL.....	\$ 169,614	\$ 198,549	\$ 188,373	\$ 194,627	\$ 201,107	\$ 207,820	\$ 214,775
MEDICAL ASSISTANCE							
General Funds.....	\$ 1,150,819	\$ 1,227,744	\$ 1,332,257	\$ 1,423,667	\$ 1,510,918	\$ 1,592,751	\$ 1,685,661
Special Funds.....	126,000	106,000	96,000	76,000	66,000	66,000	66,000
Federal Funds.....	1,272,942	1,293,145	1,401,830	1,464,676	1,538,220	1,615,328	1,696,179
Other Funds.....	29,153	31,350	24,610	24,063	24,664	25,286	25,930
TOTAL.....	\$ 2,578,914	\$ 2,658,239	\$ 2,854,697	\$ 2,988,406	\$ 3,139,802	\$ 3,299,365	\$ 3,473,770
INCOME MAINTENANCE							
General Funds.....	\$ 817,250	\$ 846,918	\$ 866,926	\$ 838,697	\$ 837,920	\$ 845,708	\$ 854,392
Special Funds.....	17,443	20,000	26,925	12,780	3,476	0	0
Federal Funds.....	708,264	749,587	715,119	703,449	731,019	745,401	753,752
Other Funds.....	66,652	69,495	69,804	69,829	69,855	69,882	69,910
TOTAL.....	\$ 1,609,609	\$ 1,686,000	\$ 1,678,774	\$ 1,624,755	\$ 1,642,270	\$ 1,660,991	\$ 1,678,054
MENTAL HEALTH							
General Funds.....	\$ 493,278	\$ 525,481	\$ 570,129	\$ 594,773	\$ 618,938	\$ 642,118	\$ 666,169
Federal Funds.....	149,647	149,465	150,423	146,962	150,766	154,853	159,012
Other Funds.....	31,894	31,017	30,317	31,379	32,480	33,621	34,802
TOTAL.....	\$ 674,819	\$ 705,963	\$ 750,869	\$ 773,114	\$ 802,184	\$ 830,592	\$ 859,983
MENTAL RETARDATION							
General Funds.....	\$ 432,157	\$ 470,928	\$ 513,596	\$ 535,005	\$ 555,760	\$ 577,326	\$ 599,736
Federal Funds.....	306,392	317,473	340,710	298,998	365,735	378,969	392,708
Other Funds.....	11,747	11,156	10,601	10,983	11,378	11,788	12,212
TOTAL.....	\$ 750,296	\$ 799,557	\$ 864,907	\$ 844,986	\$ 932,873	\$ 968,083	\$ 1,004,656
HUMAN SERVICES							
General Funds.....	\$ 269,573	\$ 300,393	\$ 317,018	\$ 328,443	\$ 337,847	\$ 347,620	\$ 357,776
Federal Funds.....	183,672	198,845	204,307	195,786	195,786	195,786	195,786
Other Funds.....	13	25	25	26	27	28	29
TOTAL.....	\$ 453,258	\$ 499,263	\$ 521,350	\$ 524,255	\$ 533,660	\$ 543,434	\$ 553,591

PUBLIC WELFARE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
ALL PROGRAMS:							
GENERAL FUND.....	\$ 3,216,536	\$ 3,433,163	\$ 3,660,979	\$ 3,783,836	\$ 3,926,911	\$ 4,073,410	\$ 4,234,064
SPECIAL FUNDS.....	143,443	126,000	122,925	88,780	69,476	66,000	66,000
FEDERAL FUNDS.....	2,734,723	2,841,037	2,934,897	2,936,262	3,111,940	3,224,918	3,336,335
OTHER FUNDS.....	141,808	147,371	140,169	141,265	143,569	145,957	148,430
TOTAL.....	\$ 6,236,510	\$ 6,547,571	\$ 6,858,970	\$ 6,950,143	\$ 7,251,896	\$ 7,510,285	\$ 7,784,829

PUBLIC WELFARE

PROGRAM OBJECTIVE: To provide effective administrative and support systems through which the substantive programs of the department can be operated and achieved.

Program: Human Services Support

Human services support provides the administrative and support systems for the operation of various substantive health, social, and economic development programs, as well as assisting in the development and implementation of human services policies and programs.

The network of services provides direction and overhead support for youth development centers, general hospitals, institutions for the mentally retarded, institutions for the mentally ill and information system support. Human services support operations provide overall planning, direction, and information system support for a comprehensive social services system and for individuals striving to attain and maintain a minimally acceptable level of living.

Human services support promotes the reduction of illness 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.

The administrative costs for regional offices, various commissions and advisory committees, and the central office are included in this category. A primary concern of the Commonwealth is to minimize administrative costs in relation to service costs.

As part of human services support, the Office of Fraud and Abuse Investigation and Recovery (OFAIR) works to investigate and recover public assistance funds that are a result of welfare fraud. Also, OFAIR operates a Bureau of Child Support Enforcement. This bureau is part of a Federally mandated program.

Program Recommendations:

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

	General Government Operations		Information Systems
\$ 1,029	—to continue current program.		\$ 546 —to continue current program.
			\$ -1,919 —increased Federal share of program costs.
			\$ -1,373 <i>Appropriation Decrease</i>
	Program Accountability		
\$ 184	—to continue current commitment.		
59	—PRR — Expansion of Third-Party Liability. This PRR will increase reimbursements received from third parties who are liable for the medical costs of Medical Assistance clients. See the Program Revision following the Medical Assistance program for further information.		
224	—to match Federal funds for the child support enforcement component of the Statewide Judicial Computer System.		
-769	—due to additional retained earnings from child support payments.		
\$ -302	<i>Appropriation Decrease</i>		

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operations	\$ 19,247	\$ 25,286	\$ 26,315	\$ 27,262	\$ 28,243	\$ 29,260	\$ 30,313
Information Systems	26,915	29,039	27,666	28,662	29,694	30,763	31,870
Program Accountability	7,297	7,374	7,072	7,327	7,591	7,864	8,147
TOTAL GENERAL FUND	\$ 53,459	\$ 61,699	\$ 61,053	\$ 63,251	\$ 65,528	\$ 67,887	\$ 70,330

PROGRAM OBJECTIVE: To support a health care delivery system that provides comprehensive health care services in appropriate settings for the eligible populations.

Program: Medical Assistance

The Medical Assistance Program ensures access to comprehensive health care services for those individuals and families with insufficient income to maintain the household unit or with medical expenses exceeding available income. Categorically needy individuals receive cash assistance under Aid to Families with Dependent Children, Supplemental Security Income, or General Assistance programs. Medically needy persons are individuals who do not receive cash assistance grants, but spend a significant portion of their income for medical expenses.

Program Element: Outpatient Services

Outpatient services include the majority of services offered to a person who does not need extended acute care in a health care facility. Outpatient services include clinic and office care, medical, podiatric, dental, rehabilitation, rural health, drug and alcohol treatment, pharmaceutical services, ambulance transportation, home health care, medical equipment, and prosthetic devices.

Categorically needy persons are eligible for the complete array of services provided under the Outpatient Program, while medically needy persons are eligible for all services except pharmaceutical services, medical equipment, and prosthetic devices.

In the outpatient component of the Medical Assistance Program, providers of service are primarily reimbursed on a fee for service basis according to the Medical Assistance Fee Schedule.

Program Element: Inpatient Services

Inpatient hospital services include care for Medical Assistance patients in general, rehabilitation, and private psychiatric hospitals, as well as for patients in State General Hospitals and care provided in selected other hospitals.

The Inpatient Medical Assistance Program provides eligible recipients coverage on a 24 hour basis for room, board, and professional services. A recipient is only eligible for admission under Medical Assistance upon the recommendation of a physician, dentist or podiatrist. Hospital care solely for cosmetic procedures as well as diagnostic or therapeutic procedures solely for experimental, research or educational purposes are not covered by Medical Assistance.

The department uses a prospective payment system (PPS) to reimburse general hospitals. Acute care general hospitals are paid a predetermined amount per discharge based on the patient's diagnosis, the procedures performed, and the patient's age, sex and discharge status. The Diagnosis Related Groups (DRG) system is used to classify the various diagnoses according to the amount of resources the hospitals customarily use for treatment. The department's payment for compensable inpatient hospital services under the DRG payment system is based on the average cost per case for a group of hospitals. Hospitals are grouped for reimbursement purposes based on the hospitals' teaching status, Medical Assistance volume, environmental characteristics, and costs. Each children's hospital is considered its own group. The DRG system also accounts for those cases that medically cannot fall into the pre-determined reimbursement schedule. These "outlier" costs are reimbursed on an exceptional cost basis in the prospective payment to the hospital. When professional care is provided to a Medical Assistance recipient, the department separately reimburses the physician, dentist, podiatrist or midwife who provided direct care

services to the recipient and is under salary or contract with the hospital. These services are reimbursed in accordance with the fees established under the Medical Assistance Fee Schedule through the Medical Assistance Outpatient appropriation.

Free standing drug and alcohol treatment/rehabilitation hospitals, psychiatric and rehabilitation hospitals, as well as psychiatric units of general hospitals, are excluded from the prospective payment system. The methods of treatment and associated lengths of stay for services in these settings have a wide range of variation based on the prescribed treatment program and the patients response to treatment. Accordingly, a DRG system cannot be used for reimbursement and payment continues to be made on retrospective cost subject to limitations.

Capital cost reimbursement for buildings and fixtures is being phased into the prospective payment rates. This phase-in started in October, 1986, and will take seven years to complete. Over the seven year period, the percentage paid as a hospital specific amount will gradually decrease while the percentage of the payment calculated as an add-on will gradually increase.

The Commonwealth currently operates five general hospitals. The original intent of these hospitals was to provide low cost care in the coal mining regions of the State. With the availability of Medicare, Medical Assistance and third party insurance, patients are now fully charged for using the facilities. The policy of transferring the ownership of these hospitals to local governments or other providers will depend upon the formation of local community boards willing to assume operating responsibility.

Program Element: Capitation

Alternative health care delivery systems for Medical Assistance recipients have been developed under Health Maintenance Organizations (HMO) and a Health Insuring Organization (HIO). These are two mechanisms for providing services utilizing a fixed rate per recipient enrolled.

HMOs emphasize outpatient preventive health services as a means of controlling costs. HMOs are paid a fixed or predetermined premium for each client. The department currently contracts with four HMOs to provide services to recipients in Allegheny, Beaver, Berks, Butler, Delaware, Philadelphia, Washington, and Westmoreland counties. For recipients in Dauphin county, the department contracts with a community health center for prepaid health care.

In January, 1986, the department implemented a Health Insuring Organization Program in five county assistance districts in Philadelphia. The HIO operates much like an HMO; a predetermined rate is paid per recipient enrolled in the HIO. The HIO also is the fiscal agent that administers the delivery of services to the recipients. The HIO is known as Health PASS (Philadelphia Accessible Services System) and has approximately 82,000 Medical Assistance recipients participating in the program.

Both HMOs and the HIO have an incentive to effectively manage the primary care provided to enrolled recipients. If the recipient utilizes more health care than anticipated in the predetermined rate, expenditures increase, and the HMO or HIO loses money. If, however, service costs are controlled, the provider should make a profit.

PUBLIC WELFARE

Program: Medical Assistance (continued)

Program Element: Medical Assistance Transportation Program

The Medical Assistance Transportation Program provides funding to county governments for Medical Assistance recipients who need assistance traveling to and from a health care service provider or a health care facility.

County governments can provide this service directly, contract with an independent transportation agency or pay agencies which provide transportation as part of a whole human services system.

Sixty-three counties have elected to provide transportation directly. The department selected a provider from a competitive bidding process for two counties and, for the remaining two counties where no provider could be found, local county assistance offices provide these services.

Program Element: Long-Term Care Facilities

Skilled or intermediate nursing care is provided to persons eligible for Medical Assistance through the long-term care facilities program. Nursing homes certified to participate in the Medical Assistance Program provide one or both levels of care in accordance with established standards.

Skilled nursing care involves daily medical treatment and rehabilitation services prescribed by a licensed physician. The services are provided by or under the supervision of licensed professional nursing personnel or other professional health personnel. Intermediate care is a planned program of health care and management that is provided under the supervision of a physician to recipients with a mental or physical disability whose needs cannot be met in a less intensive setting.

The department pays nursing facilities their actual allowable costs, subject to certain limitations. Allowable costs include net operating costs,

including administrative overhead and patient care and capital costs include depreciation and interest.

Net operating costs are reimbursed up to ceilings established by the department for groups of nursing facilities in each Metropolitan Statistical Areas of Pennsylvania. The groups are further defined by ownership. The median of year end reported costs for each group is used to set the ceiling. Separate ceilings are established for skilled and intermediate nursing care. Hospital based nursing units and special rehabilitation nursing facilities are grouped on a Statewide basis for ceiling setting purposes. Depreciation and interest payments are made in addition to net operating costs.

The department has entered into a contract with a reimbursement consultant to design a new reimbursement methodology for nursing home facilities. The new system will more closely align reimbursement with patient needs and resources used to meet these needs.

Program Element: Pre-Admission Assessment

Alternatives to nursing home care for individuals with long-term care needs are being pursued. Pre-admission assessment is one tool being utilized to effectively place individuals in the most appropriate setting for their needs.

The Pre-Admission Assessment Program determines if the needs of individuals applying for nursing home care would be best met in a nursing facility or if the person's needs could be met by utilizing services available in the community, through a less intensive setting, like a personal care boarding home, or through a combination of services that can be provided in the home.

Program Measures

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Persons eligible for Medical Assistance, monthly average	1,187,628	1,216,016	1,201,211	1,213,223	1,225,355	1,237,609	1,249,986
Outpatient							
Outpatient visits:							
Physicians	2,208,904	2,251,504	2,199,566	2,209,685	2,231,131	2,253,442	2,275,977
Dentists	322,711	328,935	321,347	322,825	325,958	329,218	332,510
Total clinic visits	983,578	1,002,547	979,420	383,925	993,475	1,003,410	1,013,444
Home health visits	171,928	175,244	171,201	171,989	173,658	175,395	177,149
Prescriptions filled	13,168,534	13,073,267	12,669,914	12,757,258	12,881,989	13,007,940	13,135,122
Inpatient							
Recipients served:							
General hospitals	201,151	205,030	200,301	201,222	203,175	205,207	207,259
Rehabilitation hospitals	9,099	9,274	9,061	9,102	9,191	9,282	9,375
Private psychiatric hospitals	21,241	21,651	21,151	21,249	21,455	21,669	21,886
Average admissions per recipient:							
General hospitals	1.3	1.3	1.3	1.3	1.3	1.3	1.3
Rehabilitation hospitals	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Private psychiatric hospitals	1.4	1.4	1.4	1.4	1.4	1.4	1.4

PUBLIC WELFARE

Program: Medical Assistance (continued)

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Average cost per case/admission:							
General hospitals	\$2,056	\$2,128	\$2,198	\$2,271	\$2,346	\$2,423	\$2,503
Rehabilitation hospitals	\$4,550	\$4,731	\$4,928	\$5,065	\$5,202	\$5,343	\$5,488
Private psychiatric hospitals	\$4,208	\$4,340	\$4,565	\$4,701	\$4,839	\$4,982	\$5,128
Capitation							
Medical Assistance recipients served: (monthly average)							
Fee for service delivery	1,064,834	1,085,281	1,060,333	1,065,211	1,076,549	1,086,305	1,097,169
Capitation programs	122,794	130,735	140,878	148,012	148,806	151,304	152,817
Average HMO program population	34,265	48,401	58,878	65,328	65,158	66,820	67,488
Average HIO program population	88,529	82,334	82,000	82,684	83,648	84,484	85,329
Percent of total eligibles enrolled	10.3%	10.9%	12.0%	12.5%	12.5%	12.5%	12.5%
Transportation program							
Number of one-way trips	3,368	3,452	3,452	3,452	3,452	3,452	3,452
Long-Term Care Facilities							
Average monthly number of recipients receiving institutional long-term care:							
Skilled nursing care	6,120	5,964	6,047	6,132	6,218	6,305	6,393
Intermediate care	44,363	40,148	40,710	41,280	41,858	42,444	43,038
Heavy Care-Intermediate	N/A	5,863	5,945	6,028	6,113	6,198	6,285
Pre-Admission Assessments							
Initial assessments	15,826	25,620	30,828	30,828	30,828	30,828	30,828
Referrals to nursing homes	10,327	17,324	21,682	21,682	21,682	21,682	21,682
Referrals for community services	5,496	8,296	9,146	9,146	9,146	9,146	9,146

The inpatient measures used in the previous budget document have been updated and more accurately reflect the number of clients served.

The growth of clients in the HIO program has stabilized since it is restricted to limited areas in Philadelphia. However, there is expansion in both the number of HMOs and in the HMO enrollment in the rest of the State.

In Long-Term Care Facilities, the Heavy Care-Intermediate measure results from a court settlement that required a distinction between clients who did not technically qualify for skilled nursing care but, because of their limitations, require more services than those provided at the intermediate care level.

	Patient Capacity July 1989	Projected Capacity July 1990	Population July 1989	Projected Population July 1990	Projected Percent of Capacity July 1990
State General Hospitals					
Ashland	183	183	74	75	0.41
Coaldale	156	156	94	96	0.62
Nanticoke	94	.....	33	.....	.....
Philipsburg	130	.....	46	.....	.....
Shamokin	86	86	28	26	0.30
TOTAL	649	425	275	197	0.46

PUBLIC WELFARE

Program: Medical Assistance (continued)

Total Proposed Expenditures* by Hospital:

	(Dollar Amounts in Thousands)				(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget		1988-89 Actual	1989-90 Available	1990-91 Budget
ASHLAND				PHILLIPSBURG			
State Funds	\$ 4,321	\$ 5,833	\$ 6,328	State Funds	\$ 2,008	\$ 3,791	.....
Federal Funds	5,954	4,903	5,426	Federal Funds	5,774	5,108	.....
Augmentations	6,457	6,457	7,012	Augmentations	5,812	5,812	.....
TOTAL	\$ 16,732	\$ 17,193	\$ 18,766	TOTAL	\$ 13,594	\$ 14,711	.....
COALDALE				SCRANTON			
State Funds	\$ 3,629	\$ 4,652	\$ 5,103	State Funds	\$ 2,584	\$ 39	.....
Federal Funds	5,219	4,650	5,182	Federal Funds	1,788	.....	.....
Augmentations	4,963	4,963	5,395	Augmentations	1,013	.....	.....
TOTAL	\$ 13,811	\$ 14,265	\$ 15,680	TOTAL	\$ 5,385	\$ 39	.....
HAZELTON				SHAMOKIN			
State Funds	\$ 119	.....	.....	State Funds	\$ 1,692	\$ 2,667	\$ 2,823
Federal Funds	.....	.....	.....	Federal Funds	4,537	3,562	3,952
Augmentations	113	.....	.....	Augmentations	2,873	2,873	3,120
TOTAL	\$ 232	.....	.....	TOTAL	\$ 9,102	\$ 9,102	\$ 9,895
NANTICOKE							
State Funds	\$ 3,691	\$ 4,563	\$ 1,252				
Federal Funds	3,744	3,313	925				
Augmentations	2,330	2,330	583				
TOTAL	\$ 9,765	\$ 10,206	\$ 2,760^a				

^aWhile Nanticoke will close on July 1, 1990, funds will be needed for closing costs.

*The 1988-89 Federal funds total \$21,536,000 based on the most recent estimates. However, this is \$6,470,000 less than currently appropriated.

PUBLIC WELFARE

Program: Medical Assistance (continued)

Program Recommendations:

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

GENERAL FUND		Inpatient	
Outpatient			
\$ 11,709	—for drug cost increases.	\$ 6,464	—for changes in cost and utilization.
765	—increased Medicare Part B premiums.	4,701	—for savings lost due to the repeal of the Medicare Catastrophic Care Act.
6,212	—for changes in price and utilization.	1,843	—for Federally mandated program increases for local health centers, Medicare buy-in for SSI eligibles, and increasing from 10 to 30 days the grace period for services for persons found ineligible for benefits.
641	—to annualize 1987-88 and 1988-89 fee increases.		
443	—for annualized costs of hospice care.	455	—for increased caseload from expanded Federal eligibility standards regarding income counted at application, definition of legally responsible relative and reapplication criteria.
-1,259	—decrease due to repeal of the Medicare Catastrophic Care Act which required increased Part B premiums in 1989-90.	-469	—increased savings from 1988-89 PRR providing legal services to establish SSI eligibility.
2,885	—to annualize the cost of the Healthy Beginnings Plus Program which provides enhanced services for high risk pregnancies.	-2,030	—savings from revision of the DRG readmission policy, second surgical opinion and place of service review.
2,808	—for Federally mandated program increases for local health centers, Medicare buy-in for SSI eligibles, and increasing from 10 to 30 days the grace period for services for persons found ineligible for benefits.	2,519	—for increased caseload due to increased medically needy income levels.
4,639	—to annualize the 1989-90 PRRs for the cash grant increase and provide for an additional eight months of benefits for clients who obtain employment.	-4,417	—savings resulting from case management of health care services for high risk clients.
-325	—increased savings from 1988-89 PRR providing legal services to establish SSI eligibility.	6,401	—to annualize the 1989-90 PRRs for the cash grant increase and provide for an additional eight months of benefits for clients who obtain employment.
359	—for increased caseload from expanded Federal eligibility standards regarding income counted at application, definition of legally responsible relative and reapplication criteria.	11,518	—PRR — Healthy Beginnings. This Program Revision will provide Medical Assistance eligibility to pregnant women and children under age six who are below 133% of the Federal poverty guideline. See the Program Revision following this subcategory for further information.
4,725	—PRR — Healthy Beginnings. This Program Revision will provide Medical Assistance eligibility to pregnant women and children under age six who are below 133% of the Federal poverty guideline. See the Program Revision following this subcategory for further information.	-10,904	—PRR — Expansion of Third Party Liability. This Program Revision will expand reimbursements received from third parties who are liable for the medical costs of Medical Assistance clients. See the Program Revision following this subcategory for further information.
-10,414	—PRR — Pharmaceutical Cost Containment. This Program Revision will reduce Medical Assistance costs by obtaining a rebate from manufacturers of brand name drugs purchased for clients, implementing the Federal Upper Limits on the cost of multisource drugs and providing a dispensing fee increase. See the Program Revision following this program for further information.	\$ 16,081	<i>Appropriation Increase</i>
-626	—PRR — Expansion of Third Party Liability. This Program Revision will expand reimbursements received from third parties who are liable for the medical costs of Medical Assistance clients. See the Program Revision following this subcategory for further information.		
\$ 22,562	<i>Appropriation Increase</i>		

PUBLIC WELFARE

Program: Medical Assistance (continued)

Program Recommendations: (continued)

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

GENERAL FUND (continued)			
	Capitation		
\$ 12,325	—for changes in cost and utilization for the HIO.	\$ 14,000	
7,680	—for changes in cost and utilization for the HMOs.		
-153	—to reflect case mix adjustments.		
-120	—increased savings from a 1988-89 PRR providing legal services to establish SSI eligibility.		
1,308	—to annualize the 1989-90 PRRs for the cash grant increase and provide for an additional eight months of benefits for clients who obtain employment.	\$ -383	
396	—for a Federal mandate increasing from 10 to 30 days the grace period for services for persons found ineligible for benefits.		
\$ 21,436	<i>Appropriation Increase</i>	\$ 2,000	
	Long-Term Care		
\$ 36,489	—for increases in utilization and cost resulting from rebasing plus inflation.		
8,810	—to resume payment for clients that were covered by Medicare prior to repeal of the Medicare Catastrophic Care Act.		
-4,250	—reductions from revised application of the efficiency incentive.	\$ 404	
4,250	—for the State share of costs passed through to nursing homes to provide pay increases for non-administrative, non-supervisory nursing home employees. In addition, \$5.75 million in Federal match will be available to increase salaries.	\$ -3,318	
3,541	—to provide for waiver approvals.	-3,891	
-643	—to reflect Federal mandates revising property transfer requirements and irrevocable burial reserves.	1,170	
294	—for additional patients as a result of increasing the medically needy income limits.	\$ -6,039	<i>Appropriation Decrease</i>
3,961	—to annualize cost of the 1989-90 PRR protecting the resources of the community spouse of a nursing home client.	\$ -10,000	
10,000	—PRR — Preserving the Integrity of the Lottery Fund. See the Program Revision following the Pharmaceutical Assistance Program in the Department of Aging for further information.		
\$ 62,452	<i>Appropriation Increase</i>		

PENNFREE Drug and Alcohol Treatment
 —was a one-time State funded program. Funds have been provided in the Medical Assistance — Outpatient appropriation to continue the program after 1990-91. See the PENNFREE summary in Section A for additional information.

AIDS — Special Pharmaceutical Services
 —reduction due to increased Federal funding support.

Women's Service Programs Providing Alternatives to Abortion
 —PRR — Women's Service Programs Providing Alternatives to Abortion. This Program Revision will offer a variety of services to both non-pregnant and pregnant women to improve their health, provide alternatives to abortion and to insure healthy babies. See the Program Revision following this subcategory for further information.

Pre-Admission Assessment
 —for annualizing the program Statewide.

State General Hospitals
 —to divest Phillipsburg Hospital effective July 1, 1990.
 —to close Nanticoke Hospital effective July 1, 1990.
 —to continue current program in the remaining hospitals.

LOTTERY FUND
Long-Term Care
 —PRR — Preserving the Integrity of the Lottery Fund. See the Program Revision following the Pharmaceutical Assistance Program in the Department of Aging for further information.

PUBLIC WELFARE

Program: Medical Assistance (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Medical Assistance — Outpatient	\$ 316,273	\$ 346,337	\$ 368,899	393,025	419,198	441,878	473,064
PENNFREE — Drug and Alcohol Treatment		14,000					
AIDS — Special Pharmaceutical Services		2,752	2,369	2,752	2,752	2,752	2,752
Women's Service Program Providing Alternatives to Abortion			2,000	2,080	2,163	2,250	2,340
Medical Assistance — Inpatient	462,000	454,922	471,003	478,297	493,346	514,280	535,421
Medical Assistance — Capitation	119,172	114,145	135,581	147,775	155,774	163,773	171,772
Medical Assistance — Transportation	14,062	14,046	14,046	14,046	14,046	14,046	14,046
Medical Assistance — Long-Term Care ..	218,340	256,595	319,047	365,822	403,191	432,725	464,598
Long-Term Care — Disproportionate Share	1,000						
Medical Assistance — Pre-Admission Assessment	1,928	3,402	3,806	3,806	3,806	3,806	3,806
State General Hospitals	18,044	21,545	15,506	16,064	16,642	17,241	17,862
TOTAL GENERAL FUND	\$ 1,150,819	\$ 1,227,744	\$ 1,332,257	\$ 1,423,667	\$ 1,510,918	\$ 1,592,751	\$ 1,685,661
LOTTERY FUND:							
Medical Assistance — Long-Term Care ..	\$ 126,000	\$ 106,000	\$ 96,000	\$ 76,000	\$ 66,000	\$ 66,000	\$ 66,000
TOTAL LOTTERY FUND	\$ 126,000	\$ 106,000	\$ 96,000	\$ 76,000	\$ 66,000	\$ 66,000	\$ 66,000

Program Revision: Expansion of Third Party Liability

The Medical Assistance Program ensures comprehensive health care services for eligible recipients. The costs for these services are provided by the Medical Assistance Program after the recipient's other third party resources, such as private and commercial insurance have been exhausted. The third party liability (TPL) system is the mechanism by which resources are identified and recovered.

This Program Revision will expand the cost recovery and avoidance efforts of the TPL system in four areas. The first area is the completion and implementation of the automated recovery system. This system, when fully operational in 1991-92, will automatically recover payment for claims which were paid prior to the knowledge of a third party resource. This system will initiate recoveries on a monthly basis as opposed to the current method of recovery which is performed once annually.

Investigation and recovery based on trauma diagnosis is the second area of expansion. Federal regulations require that all claims containing certain trauma diagnosis codes be reviewed to determine the legal liability of third parties, such as insurance companies. A method is being developed to systematically generate letters of inquiry to trauma victims

for whom claims have been paid in order to establish payment liability. Determination of payment liability and enhanced case investigation should lead to increased recoveries totalling approximately \$5.1 million in State funds in 1990-91.

The third area is the expansion of the resource identification pilot projects. These projects are currently located in several Philadelphia and Allegheny county assistance offices and have increased the percentage of third party resources identified. The projects will be expanded to additional districts in Philadelphia and Allegheny counties as well as five additional counties. It is estimated that third party resources will increase by two percent, which will avoid \$1.5 million in State costs in 1990-91.

The final area of expansion is the investigation of resources, such as health insurance of absent parents, which can be identified through the Social Security Administration (SSA) and the department's Domestic Relations Section. Referrals from both of these offices will be reviewed for the purpose of updating the TPL files with new resource information. These new resources are estimated to save \$4.9 million in State funds in 1990-91.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
State General Fund savings from:							
Automated recovery system (in thousands)							
Current			\$1,537	\$1,537	\$1,537	\$1,537	\$1,537
Program Revision				\$3,120	\$3,977	\$4,009	\$4,043
Trauma diagnosis reviews (in thousands)							
Current			\$290	\$290	\$290	\$290	\$290
Program Revision			\$5,398	\$5,805	\$5,869	\$5,921	\$5,981
Resource identification projects (in thousands)							
Current			\$1,103	\$1,103	\$1,103	\$1,103	\$1,103
Program Revision			\$2,584	\$2,719	\$3,373	\$3,389	\$3,413
Additional SSA/Domestic Relations referrals (in thousands)							
Program Revision			\$4,941	\$12,452	\$17,451	\$17,459	\$17,462

PUBLIC WELFARE

Program Revision: Expansion of Third Party Liability (continued)

Program Revision Recommendations:

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

	County Administration — Statewide	
\$ 509	—to expand the Third Party Liability system.	
	Program Accountability	
\$ 59	—to expand the Third Party Liability system.	
	Medical Assistance — Outpatient	
\$ -626	—estimated recoveries from the Third Party Liability system.	
	Medical Assistance — Inpatient	
\$ -10,904	—estimated recoveries from the Third Party Liability system.	
<u>\$ -10,962</u>	<i>Program Revision Total</i>	

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
County Administration — Statewide			\$ 509	\$ 259	\$ 329	\$ 345	\$ 362
Program Accountability			59	123	129	136	142
Medical Assistance — Outpatient			-626	-1,643	-2,420	-2,432	-2,461
Medical Assistance — Inpatient			-10,904	-19,523	-25,320	-25,416	-25,508
TOTAL GENERAL FUND			<u>\$ -10,962</u>	<u>\$ -20,784</u>	<u>\$ -27,282</u>	<u>\$ -27,367</u>	<u>\$ -27,465</u>

PUBLIC WELFARE

Program Revision: Women's Service Programs Providing Alternatives to Abortion

This Program Revision allocates \$2 million to fund women's service programs that provide alternatives to abortion. Eligible persons are those women whose income is below 133 percent of the Federal poverty level.

For nonpregnant women, \$1 million is allocated to provide specifically enumerated services, not to include abortion counseling, but including: counseling in family planning; basic medical services such as physical examinations, medical histories, laboratory tests, pap smears, breast cancer examinations; and screening for health problems, including high blood pressure, sexually transmitted diseases, anemia, genetics, diabetes and cervical cancer.

For pregnant women, an additional \$1 million is allocated to provide

specifically enumerated services, not to include abortion or abortion counseling, but including: counseling and referral services on adoption and other alternatives to abortion; and counseling on the availability and access to medical, prenatal, nutritional and other supportive programs and services for pregnant women. The counseling, medical and screening services available to nonpregnant women are also available to pregnant women.

This Program Revision is designed to provide alternatives to abortion by utilizing \$2 million in State funds to deliver comprehensive family planning services to 25,000 low-income women throughout the Commonwealth.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Additional women receiving family planning services							
Program Revision	25,000	25,000	25,000	25,000	25,000

Program Revision Recommendations:

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

	Women's Service Programs Providing Alternatives to Abortion
\$ 1,000	—to provide nonpregnant women with comprehensive family planning services except abortion counseling.
1,000	—to provide pregnant women with comprehensive family planning services except abortion or abortion counseling.
<u>\$ 2,000</u>	<i>Program Revision Total</i>

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Women's Service Programs Providing Alternatives to Abortion	<u>\$ 2,000</u>	<u>\$ 2,080</u>	<u>\$ 2,163</u>	<u>\$ 2,250</u>	<u>\$ 2,340</u>

PUBLIC WELFARE

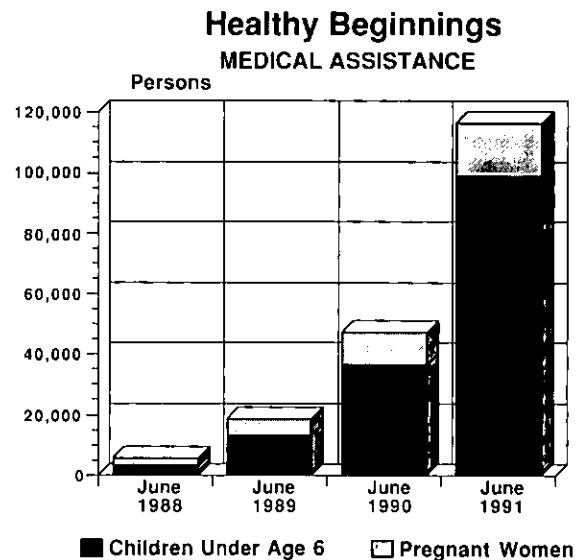
Program Revision: Expansion of Healthy Beginnings

The general health status of children continues to be a concern. The incidence of infant deaths, babies with low birth weights, children with inadequate preventive health care and pregnant women with insufficient prenatal care is still too high. Over the last three years, the Commonwealth addressed these concerns through expanded medical coverage under the Healthy Beginnings Program. This Program Revision builds upon that initiative by expanding the eligibility thresholds to include additional categories of pregnant women and children.

The Healthy Beginnings Program was implemented April 1, 1988 in response to Congressional action allowing optional expansion of medical benefits to pregnant women and children under the Medicaid Program. Healthy Beginnings provides prenatal and preventive health care services to families whose income is under 100 percent of the Federal poverty level and have limited or no health care insurance. Since its inception, age eligibility thresholds for children have been gradually expanded, from under age two in 1987-88 to under age four in 1989-90.

This Program Revision further raises the eligibility threshold to include women and children with family incomes between 100 percent and 133 percent of the Federal poverty level. In addition, the age limit will be increased to include children under age six. Both changes will be effective April 1, 1990. As a result, an additional 73,121 children and 12,044 pregnant women will receive Medical Assistance benefits through the Healthy Beginnings Program in 1990-91.

This Program Revision continues the State's commitment to improve the health care status of the Commonwealth's most vulnerable citizens — pregnant women and children.



Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Children receiving Medical Assistance services							
Current	13,103	19,700	25,700	25,700	25,700	25,700	25,700
Program Revision			98,821	105,957	113,957	122,387	131,823
Women receiving Medical Assistance pregnancy-related services							
Current	5,692	5,600	5,600	5,600	5,600	5,600	5,600
Program Revision			17,644	18,819	20,110	21,526	23,080

Program Revision Recommendations:

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

Medical Assistance—Outpatient
\$ 4,725 —to expand outpatient services to 12,044 pregnant women and 73,121 children under age six.

\$ 11,518

\$ 16,243

Medical Assistance—Inpatient

—to expand inpatient services to 12,044 pregnant women and 73,121 children under age six.

Program Revision Total

PUBLIC WELFARE

Program Revision: Expansion of Healthy Beginnings

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Medical Assistance—Outpatient	\$ 4,725	\$ 8,253	\$ 9,044	\$ 9,910	\$ 10,860
Medical Assistance—Inpatient	11,518	20,119	22,046	24,157	26,471
TOTAL GENERAL FUND	\$ 16,243	\$ 28,372	\$ 31,090	\$ 34,067	\$ 37,331

Program Revision: Pharmaceutical Cost Containment

Pharmacy expenditures for the Medical Assistance and the Pharmaceutical Assistance Contract for the Elderly (PACE) programs are increasing at a rate of 10 to 15 percent a year. Between December 1986 and December 1989, the average PACE prescription cost increased 45 percent from \$13.32 to \$19.28. In fact, during the first six months of 1989-90, the cost per prescription increased at an annual rate exceeding 10 percent. Similar rates of increases in prescription drug costs are occurring in the Medical Assistance Program. In 1988-89, the Medical Assistance Program spent over \$110 million for pharmacy services — more than the expenditures for physician and clinic services combined. During the same period, the \$188 million Lottery Fund transfer to the PACE Fund represented 27 percent of all Lottery Fund Program expenditures. To avoid tightening eligibility requirements or restricting services, this Program Revision proposes to reduce the amount paid for prescription drugs.

In 1976, the Commonwealth took the first step toward pharmaceutical cost containment by permitting pharmacists to substitute less expensive generic equivalents for prescribed brand name drugs. The Generic Substitution Act established the Pennsylvania Generic Drug Formulary which lists generic drugs determined by the State to be therapeutically equivalent and, therefore, safe for brand name drug substitution. In 1980, the Federal Food and Drug Administration (FDA) responded to the same concern to assure therapeutic equivalence in generic substitution. The FDA introduced the *Approved Drug Product List with Therapeutic Equivalence Evaluations*, also known as the "Orange Book", which rates the therapeutic equivalence of every generic drug product at the time the drug is approved for use.

With the publication of a national formulary of generically equivalent drug products, there is no longer the need for a separate State-approved listing, as there was in 1976. Consequently, this Program Revision recommends legislation requiring Pennsylvania to adopt the FDA's Orange Book as the standard for generic product substitution in Pennsylvania. Currently, it takes an average of two years after FDA approval to place a generic equivalent and its manufacturer on the Pennsylvania Formulary. Through this Program Revision, products will be available for generic substitution in Pennsylvania as they are approved by the FDA. This will reduce prescription costs not only for the Medical Assistance and PACE programs, but for the general public as well. Given

that the average cost of a generic drug is 50 to 70 percent below its brand name counterpart, the use of the Orange Book will provide a safe and effective way to reduce pharmacy costs without reducing the quality or quantity of services.

This Program Revision will result in cost savings to the PACE Fund of approximately \$8.4 million in 1990-91. Cost savings to the Medical Assistance Program will be used to offset the difference between allowable Federal costs and total expenditures for pharmacy products. For multisource drugs, the Federal Upper Limit (FUL) for reimbursement is 150 percent of the lowest cost generic in the country. Because Pennsylvania's Formulary restricts the availability of FDA-approved generic drugs, State funds are required to pay the difference between the FUL and the cost of brand name products. The net first year savings to the Medical Assistance Program is estimated at \$2.1 million in 1990-91.

The Commonwealth of Pennsylvania is the largest volume purchaser of prescription drugs in the State. Combined, the Medical Assistance and the PACE programs process an estimated 25.3 million claims on behalf of nearly 1.5 million persons annually. This represents approximately 34 percent of all prescriptions dispensed in Pennsylvania.

Unlike other large volume purchasers, neither the Medical Assistance Program nor the PACE Program receives a manufacturer's discount. This Program Revision recommends legislation requiring manufacturers of non-multisource drugs dispensed to program recipients to rebate up to 15 percent of the drug's cost to the Commonwealth. Only those non-multisource drugs produced by manufacturers which agree to the rebate will be available to Medical Assistance and PACE program participants. In 1990-91, the Drug Manufacturers' Rebate Program is expected to reduce pharmacy costs to the General Fund for the Medical Assistance Program by over \$9.7 million and to the Lottery Fund for the PACE Program by over \$15.9 million.

As a result of these cost containment initiatives, funds will be available to increase the fee that pharmacies receive for dispensing pharmaceutical drugs to Medical Assistance and PACE program participants. The Program Revision will increase the fee by \$.75 over the next three years. In 1990-91, the dispensing fee will be increased to \$3.00.

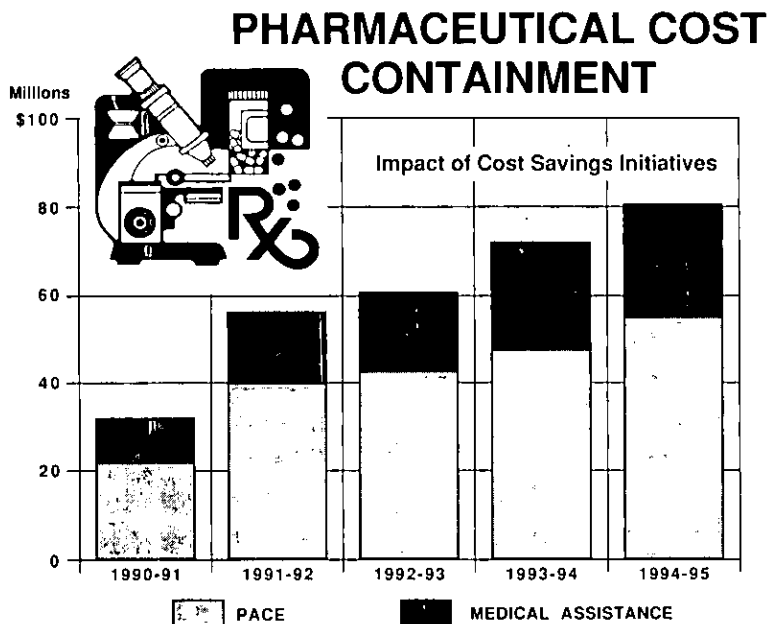
Program Revision Recommendations:

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

Public Welfare General Fund	Aging Lottery Fund
Medical Assistance—Outpatient \$ -2,120 —net cost savings from use of FDA Orange Book and implementation of the Federal Upper Limits. -9,754 —cost savings generated from the Drug Manufacturers' Rebate Program. 1,460 —increase in pharmacy dispensing fee. \$ -10,414 <i>Appropriation Decrease</i>	Pharmaceutical Assistance Fund \$ -8,452 —cost savings generated from use of the FDA Orange Book. -15,936 —cost savings generated from the Drug Manufacturers' Rebate Program. 2,903 —increase in pharmacy dispensing fee. \$ -21,485 <i>Appropriation Decrease</i> \$ -31,899 <i>Program Revision Total</i>

PUBLIC WELFARE

Program Revision: Pharmaceutical Cost Containment (continued)



Recommended Program Revision Costs by Appropriation:

(Dollar Amounts in Thousands)

	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
PUBLIC WELFARE							
Medical Assistance—Outpatient			\$ -10,414	\$ -16,501	\$ -17,939	\$ -24,730	\$ -25,782
LOTTERY FUND:							
AGING							
Pharmaceutical Assistance Fund			\$ -21,485	\$ -39,690	\$ -42,571	\$ -47,349	\$ -54,768
TOTAL ALL FUNDS			\$ -31,899	\$ -56,191	\$ -60,510	\$ -72,079	\$ -80,550

PUBLIC WELFARE

PROGRAM OBJECTIVE: To provide job training opportunities, cash and other assistance in support of minimum standards of living and economic independence to individuals who are dependent or disadvantaged.

Program: Income Maintenance

The broad purpose of public assistance is to provide cash and other forms of assistance to the needy and distressed to enable them to maintain a decent and healthful standard of living for themselves and their dependents and to do this in such a way as to promote self-respect, rehabilitation and, if possible, self-dependency.

Program Element: Income Assistance

The County Assistance Office is the department's direct link with the assistance client. Staff reviews applicant eligibility for all program benefits and insures that required documentation is on file. Data is entered into the department's client information system and is available for medical assistance program determinations as well as income maintenance. All final claims payments are generated through the central office using automated systems.

Cash assistance is provided to persons determined by the staff in county assistance offices to be eligible under the Federal Aid to Families with Dependent Children (AFDC) Program, the State's General Assistance (GA) Program and the State Blind Pension (SBP) Program. AFDC provides cash support for dependent children who cannot be maintained properly due to the absence, illness, unemployment, or death of a parent or parents. In Pennsylvania, the AFDC payments in FY 1989-90 are funded by 57 percent Federal and 43 percent State dollars. GA and SBP on the other hand are entirely State funded programs. Most GA recipients are individuals, or married couples with no dependent children. State Blind Pension recipients are persons who meet age, vision, and personal resource requirements specified in the Public Welfare Code.

The Low Income Home Energy Assistance Program (LIHEAP) assists eligible households by offsetting the burden of high energy costs and intervening in energy crisis situations. The eligibility standard of 150 percent of the Federal poverty level includes every household member's income. Cash payments are made to energy suppliers for persons responsible for paying heating costs or directly to those households where home heating is included in the rent. Crisis payments may cover heating costs when a household has received a termination notice for not paying bills as well as emergency repairs to heating systems. Beginning with 1988-89, the LIHEAP program will be supplemented with Federal funds from Title IV-A of the Social Security Act. When AFDC households are composed of exactly the same people as the LIHEAP heating unit, the AFDC special energy supplement will replace LIHEAP funds. The State match is provided from the Energy Conservation and Assistance Fund.

Effective January 1, 1974, the Federally operated Supplemental Security Income (SSI) Program replaced the State assisted public assistance programs for Old Age Assistance, Aid to the Blind, and Aid to the Disabled. The SSI program provides aged, blind, and disabled persons with a monthly payment based on nationally uniform eligibility standards. Presently, the basic monthly rate for individuals is \$386.00 and \$579.00 for couples. In order to maintain benefit levels that previously existed, Pennsylvania contributes a supplemental grant of \$32.40 for an individual and \$48.70 for a couple to SSI recipients through the Federal government. A special monthly State supplement is paid to SSI eligible persons in domiciliary care facilities (May 1976) and personal care boarding homes (November 1982). The department is administering a Disabilities Advocacy Program (DAP) to assist mentally and physically disabled individuals in establishing their eligibility for Federal SSI benefits. For SSI residents of personal care boarding homes, the minimum personal care allowance will be increased from \$25 to \$30 a month. This is in recognition that the present level does not provide adequate personal spending money for residents.

Program Element: Employment Training Program

The department has redirected county based employment and training (Pennsylvania's Employables Program) efforts to make them cooperative and client driven. To underscore the changes in emphasis and priority, the program has been retitled "New Directions" since it also encompasses the new General Assistance/Transitionally Needy (GA/TN) Job Training and the Aid to Families with Dependent Children (AFDC) Job Training Programs.

The GA/TN Job Training Program, authorized by Act 65 of 1987, is providing intensified job training and educational assistance to those individuals having barriers to employment who require support for themselves during training once the 90 days of welfare benefits are exhausted. Stipends equivalent to the individual's cash grant are funded from the GA/TN appropriation and are provided while the individual remains in the training program.

The AFDC Job Training Program, authorized by Act 62 of 1987, provides comprehensive employment, education and training services to welfare clients, who without intervention, are likely to remain on welfare for an extended duration. Program components including assessment, case management, vocational training, literacy, work experience, job readiness, and job development are provided at a single point of contact (SPOC).

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Average monthly number of persons receiving cash assistance	616,234	587,500	586,100	544,500	531,900	528,200	525,000
Average monthly number of persons receiving State Supplemental Grants	179,499	184,000	188,100	192,400	196,700	201,000	205,300
Households receiving energy cash payments	361,030	365,000	365,000	365,000	365,000	365,000	365,000

Because of reductions in Federal Funds, the income eligibility limit was reduced to 135 percent of the poverty level which reduced the number of households receiving energy assistance payments in 1988-89.

PUBLIC WELFARE

Program: Income Maintenance (continued)

Program Recommendations:

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

General Fund			
	County Administration Statewide		New Directions
\$ 2,519	—to continue current program.	\$ 650	—to continue current program.
		3,179	—to annualize the 1989-90 PRR — Strengthening Family Independence.
509	—PRR — Expansion of Third Party Liability. This PRR will increase reimbursements received from third parties who are liable for the medical costs of Medical Assistance clients. See the Program Revision following the Medical Assistance Program for further information.	-1,833	—special needs allowance savings.
		\$ 1,996	<i>Appropriation Increase</i>
<u>\$ 3,028</u>	<i>Appropriation Increase</i>		
Cash Grants			
\$ 2,357	—provides for increased special needs allowances, temporary hospitalization benefits. Includes savings because of Federal regulatory changes.	\$ 5,880	County Assistance Offices
14,367	—annualize the 1989-90 PRR Cash Grant Increase.	1,474	—to continue current program.
-8,707	—savings from increased child support enforcement provided through the 1989-90 PRR — Strengthening Family Independence.	\$ 7,354	—to provide for increased rental expenses due to lease increases.
<u>\$ 8,017</u>	<i>Appropriation Increase</i>		<i>Appropriation Increase</i>
			Supplemental Grants to Aged, Blind and Disabled
		\$ 1,735	—projection for additional pension recipients.
		72	—projection for additional recipients in personal care homes.
		-2,194	—adjustment in prior year cost projections.
		\$ -387	<i>Appropriation Decrease</i>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
County Assistance Offices	\$ 170,119	\$ 183,929	\$ 191,283	\$ 198,169	\$ 205,303	\$ 212,694	\$ 220,351
County Administration — Statewide	26,885	27,842	30,870	31,981	33,132	34,325	35,561
New Directions	15,831	18,078	20,074	20,797	21,546	22,322	23,126
Cash Grants	528,400	537,907	545,924	507,163	495,498	492,030	489,077
Supplemental Grants — Aged, Blind and Disabled	76,015	79,162	78,775	80,587	82,441	84,337	86,277
TOTAL GENERAL FUND	<u>\$ 817,250</u>	<u>\$ 846,918</u>	<u>\$ 866,926</u>	<u>\$ 838,697</u>	<u>\$ 837,920</u>	<u>\$ 845,708</u>	<u>\$ 854,392</u>
ENERGY CONSERVATION AND ASSISTANCE FUND:							
Low Income Energy Assistance	<u>\$ 17,443</u>	<u>\$ 20,000</u>	<u>\$ 26,925</u>	<u>\$ 12,780</u>	<u>\$ 3,476</u>	<u>\$ 3,319</u>	<u>\$ 3,086</u>

PUBLIC WELFARE

Program: Income Maintenance (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
County Assistance Offices	\$ 170,119	\$ 183,929	\$ 191,283	\$ 198,169	\$ 205,303	\$ 212,694	\$ 220,351
County Administration — Statewide	26,885	27,842	30,870	31,981	33,132	34,325	35,561
New Directions	15,831	18,087	20,074	20,797	21,546	22,322	23,126
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TOTAL GENERAL FUND	<u>\$ 817,250</u>	<u>\$ 846,918</u>	<u>\$ 866,926</u>	<u>\$ 838,697</u>	<u>\$ 837,920</u>	<u>\$ 845,708</u>	<u>\$ 854,392</u>
ENERGY CONSERVATION AND ASSISTANCE FUND:							
Low Income Energy Assistance	<u>\$ 17,443</u>	<u>\$ 20,000</u>	<u>\$ 26,925</u>	.....	.....	.....	.....

PUBLIC WELFARE

PROGRAM OBJECTIVE: To reduce the mental disabilities of individuals and to restore their capacity to function in as independent a manner as possible through the provision of an array of service and support programs.

Program: Mental Health

This program provides for an integrated mental health system consisting of a comprehensive community service delivery system, State operated hospitals and mental health research facilities. The community mental health system is administered under the Pennsylvania Mental Health and Mental Retardation (MH/MR) Act of 1966 and the Mental Health Procedures Act (MHPA) of 1976. Fifteen mental hospitals and one restoration (long-term care) center evolved over the years into the State mental hospital system.

Program Element: Community Mental Health Services

The MH/MR Act of 1966 requires that county governments provide an array of community-based mental health services, including information and referral, unified intake, community consultation and education, case management, short-term inpatient treatment, partial hospitalization, outpatient care, emergency services, specialized rehabilitation training, vocational rehabilitation, and residential arrangements. Services are generally administered by a single county, county jointers, or through contracts with other provider organizations or agencies. Services, except inpatient and partial hospitalization services, are funded ninety percent with State funds and ten percent with county matching funds. Community residential services consist of residential treatment, inpatient services, crisis and community residential

rehabilitation (CRR) services. CRR services are generally designed as small, privately operated residential settings where persons with chronic disorders are assisted in adjusting to community living and eventually to living independently.

Program Element: State Mental Hospitals

Even though the mental hospitals have continued to provide inpatient psychiatric services for patients who require more than short-term inpatient care, the mental hospitals role has changed from being the only available resource for mental health referrals to one of many mental health treatment alternatives. Some State mental hospitals offer specialized treatment programs for those requiring long-term care and treatment, children and adolescents, and criminal offenders.

Efforts continue to integrate community programs with the State mental hospitals as a single system providing a continuum of services to persons experiencing mental health problems.

Philadelphia State Mental Hospital is scheduled to close by June 30, 1990. Patients at Philadelphia have been reviewed by Community Treatment teams to determine whether they would be more appropriately placed in a community program or transferred to another mental health facility for continued care and treatment.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Persons provided community mental health services (unduplicated)	235,084	237,435	240,059	242,457	244,879	247,326	249,796
State Mental Hospital population at end of fiscal year	7,183	7,075	6,684	6,545	6,409	6,276	6,109
Persons readmitted to State Mental Hospitals after last discharge:							
within 30 days	291	279	268	257	247	237	228
31-92 days	437	420	403	387	371	356	342
93-182 days	453	435	417	401	385	369	355
183-364 days	498	478	459	441	423	406	399
over 365 days	1,588	1,524	1,464	1,405	1,349	1,295	1,243
Persons served in community residential mental health services	5,542	5,653	6,001	6,116	6,234	6,345	6,476
Persons served in intensive case management	2,324	4,722	4,958	5,206	5,466	5,740	6,027
School Districts participating in Student Assistance Program	124	440	500	500	500	500	500

The program measure, persons served in intensive case management, will increase significantly as the Community Mental Health System becomes more focused on community support services for persons with severe and persistent mental illness.

PUBLIC WELFARE

Program: Mental Health (continued)

The hospital and restoration center populations for the prior, current and upcoming year are:

	Projected Patient Capacity July 1990	Population July 1988	Population July 1989	Projected Population July 1990	Projected Percent of Capacity July 1990
State Mental Hospitals					
Allentown	469	452	462	456	97.23%
Clarks Summit	512	473	478	465	90.82%
Danville	530	438	460	462	87.17%
Eastern State School and Hospital	180	161	165	173	96.11%
Farview	160	188	155	158	98.75%
Harrisburg	487	468	457	460	94.46%
Haverford	424	402	439	429	101.18%
Mayview	852	690	720	720	84.51%
Norristown	1,090	900	847	1,117	102.48%
Philadelphia	475	421	266	.....	.....
Somerset	285	270	244	257	90.18%
Torrance	441	432	415	430	97.51%
Warren	589	589	547	553	93.89%
Wernersville	522	524	526	500	95.79%
Woodville	592	572	563	500	84.46%
South Mountain	534	489	439	395	73.97%
TOTAL	8,142	7,469	7,183	7,075	86.90%

Total Proposed Expenditures by Hospital and Restoration Center:

	(Dollar Amounts in Thousands)			(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget	1988-89 Actual	1989-90 Available	1990-91 Budget
ALLENTOWN						
State Funds	\$ 20,204	\$ 21,404	\$ 23,888	State Funds	\$ 5,972	\$ 7,962
Federal Funds	4,965	5,455	4,615	Federal Funds	11,150	10,614
Augmentations	1,741	1,358	1,376	Augmentations	760	756
TOTAL	\$ 26,910	28,217	\$ 29,879	TOTAL	\$ 17,882	\$ 19,332
CLARKS SUMMIT						
State Funds	\$ 18,303	\$ 19,934	\$ 22,489	State Funds	\$ 17,146	\$ 17,684
Federal Funds	7,844	7,993	7,196	Federal Funds .....	.....	.....
Augmentations	1,335	1,325	1,307	Augmentations	4,564	4,038
TOTAL	\$ 27,482	\$ 29,252	\$ 30,992	TOTAL	\$ 21,710	\$ 21,722
DANVILLE						
State Funds	\$ 19,097	\$ 18,603	\$ 21,110	State Funds	\$ 21,576	\$ 23,133
Federal Funds	8,788	10,223	9,098	Federal Funds	4,996	5,380
Augmentations	1,631	1,612	1,644	Augmentations	1,466	1,369
TOTAL	\$ 29,516	\$ 30,438	\$ 31,852	TOTAL	\$ 28,038	\$ 29,882
EASTERN STATE SCHOOL AND HOSPITAL						
State Funds	\$ 20,204	\$ 21,404	\$ 23,888	State Funds	\$ 5,972	\$ 7,962
Federal Funds	4,965	5,455	4,615	Federal Funds	11,150	10,614
Augmentations	1,741	1,358	1,376	Augmentations	760	756
TOTAL	\$ 26,910	28,217	\$ 29,879	TOTAL	\$ 17,882	\$ 19,332
FARVIEW						
State Funds	\$ 18,303	\$ 19,934	\$ 22,489	State Funds	\$ 17,146	\$ 17,684
Federal Funds	7,844	7,993	7,196	Federal Funds .....	.....	.....
Augmentations	1,335	1,325	1,307	Augmentations	4,564	4,038
TOTAL	\$ 27,482	\$ 29,252	\$ 30,992	TOTAL	\$ 21,710	\$ 21,722
HARRISBURG						
State Funds	\$ 19,097	\$ 18,603	\$ 21,110	State Funds	\$ 21,576	\$ 23,133
Federal Funds	8,788	10,223	9,098	Federal Funds	4,996	5,380
Augmentations	1,631	1,612	1,644	Augmentations	1,466	1,369
TOTAL	\$ 29,516	\$ 30,438	\$ 31,852	TOTAL	\$ 28,038	\$ 29,882

PUBLIC WELFARE

Program: Mental Health (continued)

Total Proposed Expenditures by Hospital and Restoration Center (continued):

	(Dollar Amounts in Thousands)				(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget		1988-89 Actual	1989-90 Available	1990-91 Budget
HAVERFORD				TORRANCE			
State Funds	\$ 21,546	\$ 19,620	\$ 22,103	State Funds	\$ 18,295	\$ 19,440	\$ 21,301
Federal Funds	5,711	5,723	4,977	Federal Funds	7,924	8,271	7,557
Augmentations	1,251	1,446	1,219	Augmentations	1,197	1,330	1,421
TOTAL	\$ 28,508	\$ 26,789	\$ 28,299	TOTAL	\$ 27,416	\$ 29,041	\$ 30,279
MAYVIEW				WARREN			
State Funds	\$ 32,407	\$ 36,860	\$ 40,169	State Funds	\$ 22,261	\$ 26,175	\$ 28,641
Federal Funds	10,524	10,568	9,796	Federal Funds	7,239	6,208	5,458
Augmentations	4,020	3,699	3,698	Augmentations	2,504	4,167	2,583
TOTAL	\$ 46,951	\$ 51,127	\$ 53,663	TOTAL	\$ 32,004	\$ 36,550	\$ 36,682
NORRISTOWN				WERNERSVILLE			
State Funds	\$ 39,743	38,486	\$ 56,804	State Funds	\$ 17,029	\$ 18,251	\$ 20,595
Federal Funds	14,927	15,177	14,654	Federal Funds	6,830	7,678	6,633
Augmentations	4,458	4,824	4,736	Augmentations	1,968	1,856	1,893
TOTAL	\$ 59,128	\$ 58,487	\$ 76,194	TOTAL	\$ 25,827	\$ 27,785	\$ 29,121
PHILADELPHIA				WOODVILLE			
State Funds	\$ 32,780	\$ 37,889	.....	State Funds	\$ 23,032	\$ 26,407	\$ 29,019
Federal Funds	3,377	3,374	.....	Federal Funds	8,098	7,420	6,693
Augmentations	1,111	314	.....	Augmentations	1,571	1,525	1,581
TOTAL	\$ 37,268	\$ 41,577	.....	TOTAL	\$ 32,701	\$ 35,352	\$ 37,293
SOMERSET				SOUTH MOUNTAIN RESTORATION CENTER			
State Funds	\$ 12,045	\$ 14,157	\$ 15,540	State Funds	\$ 7,632	\$ 8,589	\$ 11,880
Federal Funds	3,035	2,636	2,247	Federal Funds	12,123	12,689	10,454
Augmentations	887	869	845	Augmentations	1,429	1,143	1,077
TOTAL	\$ 15,967	\$ 17,662	\$ 18,632	TOTAL	\$ 21,184	\$ 22,421	\$ 23,411

PUBLIC WELFARE

Program: Mental Health (continued)

Program Recommendations:

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

<p>State Mental Hospitals</p> <p>\$ 19,270 —to maintain current program.</p> <p>16,105 —replacement of one time Federal funds and change in the Federal reimbursement rate.</p> <p>-22,612 —transfer of funding to a separate appropriation for the closing of Philadelphia State Hospital.</p> <hr/> <p>\$ 12,763 <i>Appropriation Increase</i></p> <p>Community Mental Health Services</p> <p>\$ 5,496 —to maintain current program and provide a 4 percent increase in the general base program.</p> <p>482 —annualization of FY 1989-90 Nursing Home Reform PRR.</p> <p>257 —Nursing Home Reform initiative. To provide services to 35 persons currently in nursing facilities who will be transferred to obtain active treatment.</p> <p>4,982 —PRR — Drug and Alcohol Program Expansion. To expand services to 60 new school districts and to continue services for 440 school districts. See PRR Drug and Alcohol Program Expansion in Executive Offices.</p> <p>-5,848 —due to the availability of Federal Alcohol Drug Abuse and Mental Health funds.</p> <p>254 —to provide continued support for the Children and Adolescent services program.</p> <p>7 —to increase funding for Specialized Training for Adoption Readiness program.</p> <p>900 —PRR — Family and Community-Based Services. To provide family based programs to 235 children and adolescents who are at risk of hospitalization or other out of home placement. See Family and Community-Based Services PRR in this section.</p> <hr/> <p>\$ 6,530 <i>Appropriation Increase</i></p>	<p>Closing of Philadelphia State Hospital</p> <p>\$ 29,000 —to provide for the annualization and development of alternative community service for the mentally ill in the Philadelphia area.</p> <p>10,049 —to provide the State match for the development of specialized inpatient beds.</p> <hr/> <p>\$ 39,049 <i>Appropriation Increase</i></p> <p>PENNFREE — Student Assistance Program was a nonrecurring, one-time State funded program. Funds have been provided in the Drug and Alcohol Program Expansion PRR to continue the program. See PRR Drug and Alcohol Program Expansion in the Executive Offices.</p>
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Other appropriations in this subcategory were not continued.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
State Mental Hospitals	\$ 329,068	\$ 354,594	\$ 367,357	\$ 380,582	\$ 394,283	\$ 408,477	\$ 423,182
Community Mental Health Services	148,681	157,193	163,723	172,410	179,306	186,478	193,937
Teen Suicide Center	500	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Eastern Pennsylvania Psychiatric Institute	7,622	7,694	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Western Psychiatric Institute and Clinic	7,407	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Closing of Philadelphia State Hospital . . . . .	. . . . .	. . . . .	39,049	41,781	45,349	47,163	49,050
PENNFREE - Student Assistance . . . . .	. . . . .	6,000	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL GENERAL FUND	\$ 493,278	\$ 525,481	\$ 570,129	\$ 594,773	\$ 618,938	\$ 642,118	\$ 666,169

Program Revision: Family and Community-Based Services

Pennsylvania continues its efforts toward providing a mental health/mental retardation system that appropriately meets the needs of its most vulnerable citizens. The Commonwealth is committed to ensuring that the mentally ill and mentally retarded have the opportunity to live meaningful and productive lives in the community. This Program Revision will enhance this effort by providing expanded family based mental health services to children and adolescents and community-based services to mentally retarded individuals and their families.

The demand for psychiatric beds and residential care for children and adolescents is growing Statewide and nationally as awareness of the mental health needs of children and adolescents increases. A major reason for the increase in demand is the lack of less restrictive and less costly alternatives to institutionalization in most communities. Family based mental health services provide an alternative to inpatient placement. In 1988-89, there were 20 family based mental health service programs across the Commonwealth, which prevented the hospitalization or out-of-home placement of 524 of the 570 children and adolescents served.

This Program Revision will fund seven additional family based mental health service projects, serving approximately 235 children and

adolescents who are at imminent risk of hospitalization or other out-of-home placements. The in-home services to be provided will be short term, intensive intervention and treatment services. In addition, essential family support services such as respite care and counseling to improve parenting skills and family functioning will be provided. It is believed that of the 235 children and adolescents to be served, at least 80 percent will remain with their families in their own homes.

Expanding home and community-based services will provide Pennsylvania's mentally retarded with a variety of residential opportunities. This service expansion will reduce the waiting lists for community residential services and prevent the institutionalization of persons in State Mental Retardation Centers. Services are designed to meet the individual's needs and choices. Emphasis is placed on providing the necessary services and resources to enable families to care for their relatives at home.

This Program Revision will provide \$950,000 to develop in-home, family based and supportive living alternatives for 125 mentally retarded individuals. In addition, necessary support and adult day services will be provided, including case management, specialized therapy, prevocational and supported employment services.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Children and adolescents served in family based programs							
Current	570	570	570	570	570	570	570
Program Revision .....	.....	.....	805	805	805	805	805
Counties with family based mental health services							
Current	20	20	20	20	20	20	20
Program Revision .....	.....	.....	27	27	27	27	27
Mentally retarded persons receiving family support services							
Current	15,515	16,958	16,958	16,958	16,958	16,958	16,958
Program Revision .....	.....	.....	17,083	17,083	17,083	17,083	17,083

Program Revision Recommendations:

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

\$ 900	Community Mental Health Services —to expand family based mental health services for 235 children and adolescents.
\$ 950	Community-Based Services for the Mentally Retarded —to expand community-based services for 125 mentally retarded individuals.
\$ 1,850	Program Revision Total

PUBLIC WELFARE

Program Revision: Family and Community-Based Services (continued)

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Community Mental Health Services	\$ 900	\$ 1,872	\$ 1,947	\$ 2,025	\$ 2,106
Community-Based Services for the Men- tally Retarded	950	1,976	2,055	2,137	2,222
TOTAL GENERAL FUND.....	\$ 1,850	\$ 3,848	\$ 4,002	\$ 4,162	\$ 4,328

PUBLIC WELFARE

PROGRAM OBJECTIVE: To provide mentally retarded persons with the requisite skills and behavior that will assist them in community and family living.

Program: Mental Retardation

The Department of Public Welfare supports a comprehensive mental retardation (MR) delivery system including State intermediate care facilities and community residential and non-residential programs that are operated by the counties or a network of private service providers funded with Federal, State and local funds. The community mental retardation system was established under the Pennsylvania Mental Health and Mental Retardation (MH/MR) Act of 1966.

retarded persons. Large facilities are single or multiple buildings on campus-like sites accommodating more than 8 persons; small facilities are located on noncontiguous sites in the community and serve 8 or less persons. Persons served are typically more disabled and require more intensive services than those currently served in community residential MR facilities.

Program Element: Community Mental Retardation Services

The Mental Health and Mental Retardation Act of 1966 provides the statutory basis for the development of community-based services to the mentally disabled. Services are provided to the clients that enable them to function and live in a manner as close to normal as possible. Non-residential services are available to meet the needs of persons with mental retardation and provide an alternative to residential placement. Early intervention for children from birth to age two years seven months, family support services necessary for families to maintain the family member in the home, adult day care, prevocational and vocational training services for adults are a few of these services. Community residential facilities provide an opportunity for persons with mental retardation to live in a residential setting within the community.

Program Element: State Centers for the Mentally Retarded

Nine State centers and four mental retardation units on the State Mental Hospital grounds have been integrated over the years into the State mental retardation system. The primary goal of these State operated facilities is to develop each resident's ability to function more independently to enable them to live in less restricted environments. All facilities are currently certified for Medical Assistance under standards established by the Federal Intermediate Care Facilities for the Mentally Retarded (ICF/MR) Program. The resident census continues to move toward a more aged and disabled population.

Program Element: Private Intermediate Care for the Mentally Retarded (ICF/MRs)

Private ICF/MRs provide intensive habilitative services to mentally

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Persons receiving MR services during fiscal year	51,332	52,329	52,329	52,329	52,329	52,329	52,329
Persons receiving community (non-residential) services:							
Early intervention	9,163	9,769	9,769	9,769	9,769	9,769	9,769
Adult day services	17,088	17,290	17,290	17,290	17,290	17,290	17,290
Family support services	15,515	16,958	17,083	17,083	17,083	17,083	17,083
Persons receiving residential services (at end of fiscal year):							
Residents of community residential facilities (CRF)	7,817	8,019	8,019	8,019	8,019	8,019	8,019
Residents in private ICF/MRs	3,007	3,417	3,461	3,505	3,549	3,549	3,549
Residents in State centers and mental retardation units	4,061	4,007	4,249	4,249	4,249	4,249	4,249
Residents transferred to more independent settings during fiscal year from:							
Community residential facilities	224	224	224	224	224	224	224
State centers and MR units	363	101	.....	.....	.....	.....	.....

The measure, residents transferred to more independent settings during fiscal year from State centers and MR units, decreased in the period 1989-90 due to the completion of Program Revisions initiated in 1987-88 and 1988-89 years which reflects a leveling off of the creation of new community residential and ICF/MR beds.

PUBLIC WELFARE

Program: Mental Retardation (continued)

The State Centers population for the prior, current, and upcoming year are:

	Projected Bed Capacity July 1990	Population July 1988	Population July 1989	Projected Population July 1990	Projected Percent Capacity July 1990
State Centers					
Altoona	138	126	129	133	96.4%
Ebensburg	528	508	498	485	91.9%
Embreeville	305	268	252	255	83.6%
Hamburg	399	369	364	367	92.0%
Laurelton	260	258	234	217	83.5%
Polk	799	781	763	768	96.1%
Selinsgrove	769	782	732	735	95.6%
Western	435	434	427	392	90.1%
White Haven	470	469	442	432	91.9%
TOTAL STATE CENTERS	4,103	3,995	3,841	3,784	92.2%
Units for Mentally Retarded					
Clarks Summit	32	22	22	22	68.8%
Mayview	96	89	86	90	93.8%
Philadelphia	0	42			
Somerset	80	65	60	65	81.3%
Torrance	63	58	52	46	73.0%
TOTAL UNITS FOR MENTALLY RETARDED	271	276	220	223	82.3%
GRAND TOTAL	4,374	4,271	4,061	4,007	91.6%

Proposed Expenditures by Center:

	(Dollar Amounts in Thousands)			(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget	1988-89 Actual	1989-90 Available	1990-91 Budget
ALTOONA						
State Funds	\$ 2,628	\$ 2,660	\$ 2,919	EMBREEVILLE		
Federal Funds	4,521	4,528	4,572	\$ 6,901	\$ 7,659	\$ 8,254
Augmentations	221	258	232	\$ 11,254	\$ 10,699	\$ 10,606
TOTAL	\$ 7,370	\$ 7,446	\$ 7,723	\$ 757	\$ 668	\$ 651
EBENSBURG						
State Funds	\$ 11,310	\$ 12,093	\$ 13,167	HAMBURG		
Federal Funds	18,280	18,368	18,581	\$ 8,920	\$ 9,335	\$ 10,172
Augmentations	967	1,045	969	\$ 14,369	\$ 14,583	\$ 14,553
TOTAL	\$ 30,557	\$ 31,506	\$ 32,717	\$ 801	\$ 757	\$ 799
TOTAL						
	\$ 24,090	\$ 24,675	\$ 25,524			

PUBLIC WELFARE

Program: Mental Retardation (continued)

Proposed Expenditures by Center:

	(Dollar Amounts in Thousands)				(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget		1988-89 Actual	1989-90 Available	1990-91 Budget
LAURELTON				CLARKS SUMMIT			
State Funds	\$ 6,462	\$ 6,927	\$ 7,495	MR UNIT			
Federal Funds	10,481	10,344	10,549	State Funds	\$ 490	\$ 556	\$ 616
Augmentations	502	513	512	Federal Funds	939	868	854
TOTAL	<u>\$ 17,445</u>	<u>\$ 17,784</u>	<u>\$ 18,556</u>	Augmentations	60	62	56
				TOTAL	<u>\$ 1,489</u>	<u>\$ 1,486</u>	<u>\$ 1,526</u>
POLK				MAYVIEW			
State Funds	\$ 17,174	\$ 19,158	\$ 20,918	MR UNIT			
Federal Funds	30,896	29,226	29,729	State Funds	\$ 1,037	\$ 1,220	\$ 1,362
Augmentations	2,268	2,407	2,318	Federal Funds	1,978	1,843	1,852
TOTAL	<u>\$ 50,338</u>	<u>\$ 50,791</u>	<u>\$ 52,965</u>	Augmentations	259	210	241
				TOTAL	<u>\$ 3,274</u>	<u>\$ 3,273</u>	<u>\$ 3,455</u>
SELINGSGROVE				PHILADELPHIA			
State Funds	\$ 16,524	\$ 18,331	\$ 19,872	MR UNIT			
Federal Funds	28,183	27,096	27,382	State Funds	\$ 685		
Augmentations	2,174	2,137	2,150	Federal Funds	63		
TOTAL	<u>\$ 46,881</u>	<u>\$ 47,564</u>	<u>\$ 49,404</u>	Augmentations	41		
				TOTAL	<u>\$ 789</u>		
WESTERN				SOMERSET			
State Funds	\$ 10,607	\$ 10,994	\$ 11,968	MR UNIT			
Federal Funds	17,456	16,615	16,244	State Funds	\$ 948	\$ 975	\$ 1,054
Augmentations	1,115	1,011	1,032	Federal Funds	1,716	1,537	1,531
TOTAL	<u>\$ 29,178</u>	<u>\$ 28,620</u>	<u>\$ 29,244</u>	Augmentations	157	150	145
				TOTAL	<u>\$ 2,821</u>	<u>\$ 2,662</u>	<u>\$ 2,730</u>
WHITE HAVEN				TORRANCE			
State Funds	\$ 10,454	\$ 11,152	\$ 12,189	MR UNIT			
Federal Funds	17,150	17,084	17,205	State Funds	\$ 923	\$ 1,010	\$ 1,100
Augmentations	1,284	1,250	1,335	Federal Funds	1,613	1,562	1,600
TOTAL	<u>\$ 28,888</u>	<u>\$ 29,486</u>	<u>\$ 30,729</u>	Augmentations	147	156	161
				TOTAL	<u>\$ 2,683</u>	<u>\$ 2,728</u>	<u>\$ 2,861</u>

PUBLIC WELFARE

Program: Mental Retardation (continued)

Program Recommendations:

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

State Centers for the Mentally Retarded

\$ 7,282 —to continue current program.
880 —to offset a change in the Federal reimbursement rate.
854 —to replace one-time Federal funds.
\$ 9,016 *Appropriation Increase*

Community-Based Services for Mentally Retarded

\$ 3,794 —to provide for a 4 percent increase in general base program.
1,098 —to annualize the costs resulting from the Fiscal Year 1989-90 PRRs for: Community Support Services, Nursing Home Reform and Waiver start-ups.
6,000 —to provide funding for the Philadelphia Court Settlement.
950 —PRR — Family and Community Based Services. Provides in-home and community-based service to 125 mentally retarded individuals. See Family and Community Based Services Program Revision Request in this section.
70 —to offset a reduction in Federal reimbursement rate.
\$ 11,912 *Appropriation Increase*

Community Residential Services for the Mentally Retarded.

\$ 7,154 —to provide a 4 percent increase in general base programs.
1,301 —for the annualization of 165 new beds established in 1989-90.
234 —due to a reduction in the Federal reimbursement rate.
-4,336 —for a decrease due to the conversion of Greenwich, Indian Creek, and Providence facilities to private intermediate care facilities and reduced 1989-90 annualization cost.
\$ 4,353 *Appropriation Increase*

Intermediate Care Facilities/Mentally Retarded.

\$ 5,864 —for annualization of 430 beds certified during Fiscal Year 1989-90.
2,761 —for a 4 percent per diem increase.
447 —Nursing Home Reform Initiative. Provides for active treatment of 44 persons transferred from nursing homes to ICF/MRs.
1,715 —to provide for current commitments.
416 —to offset a change in the Federal reimbursement rate.
1,032 —for cost settlements and hearings and appeals.
\$ 12,235 *Appropriation Increase*

Early Intervention

\$ 772 —for a 4 percent increase.
643 —annualization of Preschool Education Programs.
44 —to replace loss of estimated carry-over.
\$ 1,459 *Appropriation Increase*

Other appropriations in this subcategory were not continued or reduced for nonrecurring projects..

PUBLIC WELFARE

Program: Mental Retardation (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
State Centers for the Mentally Retarded	\$ 95,063	\$ 102,070	\$ 111,086	\$ 115,085	\$ 119,228	\$ 123,520	\$ 127,967
Community-Based Services for the Mentally Retarded	85,295	92,539	104,451	109,613	113,997	118,557	123,299
Elwyn Institute	206	200	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Community Residential Services for the Mentally Retarded	166,172	177,718	182,071	189,354	196,928	204,805	212,997
Pennhurst Dispersal	2,500	2,600	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Philadelphia Association for Retarded Citizens	150	220	150	150	150	150	150
Intermediate Care Facilities/Mentally Retarded	57,259	66,367	78,602	82,254	85,544	88,965	92,524
Early Intervention	17,574	18,651	20,110	20,914	21,751	22,621	23,526
Direct Care Workers Salary Increase . . . . .	. . . . .	7,563	14,126	14,635	15,162	15,708	16,273
MR—Philadelphia Court Settlement	4,938	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
MH/MR—Residential Wage and Hour Ruling	3,000	3,000	3,000	3,000	3,000	3,000	3,000
TOTAL GENERAL FUND	\$ 432,157	\$ 470,928	\$ 513,596	\$ 535,005	\$ 555,760	\$ 577,326	\$ 599,736

PUBLIC WELFARE

PROGRAM OBJECTIVE: To enhance the social and economic well being of families and individuals through the provision of an array of services and support programs.

Program: Human Services

The department operates a variety of programs designed to provide supportive services to people while they overcome an adverse behavior or circumstance which has affected their lives.

Program Element: Youth Development Services

Pennsylvania's juvenile justice system is designed to minimize institutionalization while recognizing that confinement in a treatment environment is necessary for certain juveniles who pose a threat to themselves or others. The Youth Development Center and Youth Forestry Camp (YDC/YFC) system provides both open and secure residential programs for the treatment of Pennsylvania's most serious juvenile offenders and those with special problems. The purpose of the YDC and YFC system is to bring about positive changes in the juveniles committed to its care by developing skills and attitudes which will enable them to become responsible, productive members of society.

The YDCs and YFCs across the Commonwealth have a total capacity of 644: 333 secure and 311 open residential beds. The secure care capacity includes the establishment of a 30 bed drug and alcohol unit on the grounds of Danville State Hospital. Specialized treatment services have been developed in both open and secure programs. These services include programs for sex offenders, firesetters, drug and alcohol abusers, emotionally disturbed and mentally retarded youth.

Secure care programs are highly structured and exercise substantial control over individual student behavior. Open residential programs operate in a less structured atmosphere. They offer greater opportunity for individuals to make their own decisions under the guidance of program staff.

diagnosis and assessment of each youth in care, the development of an individualized treatment plan, implementation strategies, periodic reviews and revisions of each plan and the identification of aftercare needs. Individual and group counseling form the core of the treatment process. This budget contains funding for two new 16 bed drug and alcohol treatment programs to provide treatment for youths with a history of substance abuse.

The YDCs/YFCs also emphasize programs and activities designed to break the cycle of dependency and prepare youth for their return to the community. Each program provides vocational training and ongoing education in daily living skills. Many YDCs/YFCs also provide actual job training and work experience opportunities, many of which are paid. Youth are encouraged, and in some cases required, to use a portion of their earnings for restitution.

Education is also a major component of the YDC/YFC system. Each program includes both academic and vocational curricula. Educational diagnostic testing precedes all academic placements and is utilized in the development of Individual Education Plans for each youth.

Program Element: Family Support Services

The provision of services to children who are in need of care and protection is the joint responsibility of the Department of Public Welfare and county government. Each county is responsible for developing and administering a program of services designed to treat and prevent child abuse, neglect and exploitation, and to provide services which reduce dependency and delinquency. The county children and youth program includes services to parents and children to enable children to remain in their own homes and communities, temporary placement services for children who cannot live with their own family, adoption services, assistance to provide a permanent legal family for any child who cannot be returned to his own family, and any service or care ordered by the court for children who have been adjudicated dependent or delinquent.

The Office of Fraud and Abuse Investigations and Recovery is the department's primary agency for benefits recovery and welfare fraud investigation. The Office of Fraud and Abuse Investigations and Recovery is also the administrative agency for the Child Support Enforcement Program.

Child Support Enforcement ensures adequate support for dependent children by enforcing the payment of established support orders by responsible absent parents. This activity is accomplished through cooperative agreement with 66 Domestic Relation Sections who perform child support program functions at the local level. Through cooperative efforts, the State and local agencies establish paternity and initiate actions to obtain support for dependent children, locate parents for support, and recover public assistance paid to recipients who have support included as part of their grants. Recovery is obtained through redirection of paid support for Aid to Families with Dependent Children recipients and interception of tax refunds and unemployment compensation benefits for support arrearages.

Special programs have been developed to support the delivery of services by county child welfare agencies. In 1988-89 funds were added for family preservation and additional child welfare services. This budget continues that initiative and provides full-year funding for a 1989-90 initiative directed at early identification and prevention of child abuse.

One program provides adoptive homes for black children. The One Church One Child Program utilizes churches in the recruitment of prospective adoptive families for black children awaiting adoption.

	Projected July 1990 Capacity	July 1988 Population	July 1989 Population	Projected July 1990 Population	Projected July 1990 % of Capacity
Residential					
Camp No. 2 . . .	49	47	47	54	110%
Camp No. 3 . . .	62	59	66	68	110%
Loysville	72	82	76	79	110%
New Castle . . .	70	58	75	77	110%
Cornwells Heights	58	73	62	64	110%
Total Residential Program	311	319	326	342	110%
Secure					
Camp No.2 . . .	23	25	24	25	109%
Loysville	107	57	73	118	110%
New Castle . . .	121	141	145	146	121%
Cornwells Heights	82	81	75	90	110%
Total Secure Program	333	304	317	379	114%
TOTAL ALL PROGRAMS	644	623	643	721	112%

Loysville Secure: Includes long-term care unit that opened during 1988-89.

Treatment of youth within the YDC's/YFC's is guided by the Master Case Planning System. This system requires the comprehensive

Program: Human Services (continued)

Program Element: Day Care

Subsidized day care is provided to low income families who need child day care in order to work or to be trained in marketable job skills. The purpose of this subsidy is to encourage families to be self-supporting and self-sufficient. Revenue to support this program comes from Federal and State funds and parent fees.

Subsidized day care is limited to the purchase of day care services in day care centers, group homes, and family day care homes which are licensed or registered by the Department of Public Welfare. To become licensed or registered, facilities and day care homes must meet health and safety standards developed by the department. The quality of the day care service delivery system will be substantially improved through a Program Revision which follows this subcategory.

Program Element: Family Planning and Breast Cancer Screening

Family planning service meets contraceptive needs or infertility problems through the provision of educational, medical and social services. Persons 16 years of age and over are served at 140 clinics in the State.

Breast cancer screening for low income women is directed toward those at high risk of developing breast cancer. The target group is all new family planning clients, all those 35 years of age and older, and those with a family history of breast cancer.

Program Element: Blindness and Visual Services

Blindness and visual services provide a full range of services to blind and visually handicapped individuals.

The Vocational Rehabilitation Services Program includes the direct provision or purchase of services which assist blind or visually handicapped persons to obtain and/or maintain gainful employment. This program includes the operation of the Business Enterprise Program which establishes, maintains and supervises small business facilities operated by blind people.

The Social Casework Services Program consists of special activities to assist blind persons to adjust to blindness, to enable them to cope with the activities of daily living, and to allow them to function independently in the least costly manner within their family and community, preventing any need for institutionalization.

Rehabilitation Teaching and Orientation and Mobility Services provide instruction on the adaptive skills needed to function in the home, community and workplace. The 1990-91 budget includes full year funding to continue assessments and provide services to children not now served. This program was initiated in the 1989-90 fiscal year.

Program Element: Attendant Care

This service provides attendant care for adults ages 18-59 through a variety of program models. Personal care services are those which a non-disabled person would normally do for themselves; such as dressing and grooming. Service enables recipients to remain in or return to their own homes and remain independent for as long as possible. Persons aged 60 and over receive attendant care through funding provided by the Department of Aging.

Program Element: Legal Services

In 1973, the Pennsylvania Legal Services Center was created as a private, non-profit corporation to provide civil legal assistance for low income persons with family, consumer, employment and other problems. Family and domestic cases comprise 44 percent of the caseload. Housing and welfare cases make up 17 percent and 19 percent respectively. Priority is given to cases involving family problems.

Program Element: Human Services Development Fund

The Human Services Development Fund provides counties with a flexible source of funding to be used within the six human services programs for which the counties are responsible: Adult Services, Aging, Children and Youth, Drug and Alcohol, and the Community Mental Health/Mental Retardation Programs. These funds may be used to expand existing services in any or all of the six program areas, for the coordination of services among those programs, and for innovative or generic services.

Program Element: Domestic Violence and Rape Crisis

Domestic violence services are provided through a contract with a Statewide coalition which, in turn, subcontracts for services at the local level. The services to victims of domestic violence include: crisis intervention, counseling, victim advocacy, information and referral and temporary shelter for victims and their dependent children. Prevention and education programs are provided by local groups to lessen the risk of domestic violence in the community at large.

Rape crisis programs provide crisis intervention services, counseling, victim advocacy, information and referral and accompaniment through police, medical and judicial systems. Prevention and educational programs are also provided to lessen the risk of sexual assault for adults and children in the community at large.

Program Element: Homeless Assistance

The Homeless Assistance Program provides temporary shelter to homeless individuals. It also provides up to one month of rental assistance to those in immediate danger of becoming homeless. Shelter may be provided in large mass shelters or in hotels and motels through a voucher system.

Housing assistance is a cash payment to an individual or family to prevent or end homelessness. Housing assistance can include assistance to prevent homelessness by intervening in cases where an eviction is imminent. In addition to preventing homelessness, housing assistance is available to move people out of temporary shelters into permanent housing.

Specialized residences for the mentally ill homeless are being provided as a demonstration in a small number of counties with concentrations of mentally ill homeless individuals. The program provides housing for mentally ill homeless people for an indefinite period of time, providing protective and supportive services that will enable the client to move to a long-term semi-independent or independent living situation. A Program Revision funded in 1989-90 enables 350 families to be relocated from high cost emergency shelter to less costly, more permanent housing arrangements.

Program Element: Services to the Developmentally Disabled

This new program provides services to persons with cerebral palsy, epilepsy and other impairments (excluding mental illness) which affect general intellectual functioning. Persons who are developmentally disabled have limitations in the areas of self-care, understanding and use of language, learning, mobility, self-direction and capacity for independent living. These individuals had been receiving services in a nursing home environment; however Federal nursing home reform legislation requires that they be provided the most appropriate level of services.

PUBLIC WELFARE

Program: Human Services (continued)

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Visually handicapped clients	12,852	13,388	13,935	14,344	14,765	15,199	15,646
Visually handicapped clients placed in employment	295	325	340	350	360	370	380
YDC — youths served	1,068	1,230	1,230	1,230	1,230	1,230	1,230
YDC — occupancy rates	106%	110%	110%	110%	110%	110%	110%
YDC — youths in work experience	426	430	437	444	444	444	444
YDC — rate of recidivism	43%	41%	41%	41%	41%	41%	41%
Family Support Services							
Children receiving child welfare services							
In home	52,196	54,600	74,050	74,050	74,050	74,050	74,050
In placement out of home	14,719	15,300	21,150	21,150	21,150	21,150	21,150
In placement two years or more	5,925	6,000	6,050	6,000	5,950	5,900	5,850
Agency arranged adoptions	512	540	590	630	670	720	770
Children waiting for adoption	758	830	910	900	850	800	750
Children receiving day care	27,895	28,945	28,945	28,945	28,945	28,945	28,945
Percent of child abuse reports substantiated	35%	35%	36%	36%	37%	37%	38%
Domestic Violence and Rape Crisis							
Domestic violence persons served	35,103	33,875	38,134	38,134	38,134	38,134	38,134
Rape crisis/sexual assault persons served	9,895	9,895	10,895	10,895	10,895	10,895	10,895
Breast Cancer screening clients	101,000	109,700	109,700	109,700	109,700	109,700	109,700
Legal service clients	42,800	35,194	35,194	35,194	35,194	35,194	35,194
Attendant care persons served	1,052	1,152	1,152	1,152	1,152	1,152	1,152
Developmentally disabled persons receiving services	203	203	203	203	203	203	203
Homeless Assistance							
Homeless:							
Persons served in shelters	24,395	24,151	23,909	23,670	23,433	23,199	22,967
Bridge housing persons served	1,823	1,823	1,823	1,823	1,823	1,823	1,823
Persons receiving housing assistance ..	29,152	29,152	29,152	29,152	29,152	29,152	29,152
Persons maintained in their own residence	3,391	3,391	3,391	3,391	3,391	3,391	3,391

PUBLIC WELFARE

Program: Human Services (continued)

Program Recommendations:

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

Visually Handicapped
 \$ 106 —to annualize the Services to Visually Impaired Children initiative.
 100 —to provide match for increased Federal awards.
 72 —to continue current program
 \$ 278 *Appropriation Increase*

Day Care Services
 \$ 900 —to annualize 764 day care slots added in 1989-90.

Homeless Assistance
 \$ 275 —to continue current program.
 200 —to annualize the Transition to Permanency PRR in 1989-90.
 \$ 475 *Appropriation Increase*

Youth Development Institutions
 \$ 5,346 —to continue current program.
 2,002 —PRR — Juvenile Justice System Expansion — to provide the appropriate level of staff resources consistent with occupancy at 110 percent of capacity. See the Program Revision following this program for further information.
 \$ 7,348 *Appropriation Increase*

Rape Crisis
 \$ 626 —PRR — Assisting Women in Crisis — strengthens and expands overall service system. See the Program Revision following this program for further information.
 \$ 626 *Appropriation Increase*

Attendant Care
 \$ 121 —to continue current program.

Services to Developmentally Disabled
 \$ 900 —to provide case management and other services for persons transferred or awaiting transfer from nursing homes.

County Child Welfare
 \$ 20,315 —to provide increased State support for the County Child Welfare System.

Domestic Violence
 \$ 1,286 —PRR — Assisting Women in Crisis — strengthens and expands overall services system. See the Program Revision following this program for further information.
 \$ 1,286 *Appropriation Increase*

Other appropriations in this subcategory are recommended at the current funding level, received incremental changes, or are not continued. See the related PRR: Womens' Services Program Providing Alternative to Abortion following the Medical Assistance program.

PENNFREE — Children and Youth Programs, Family Prevention, Domestic Violence and Transitional Housing were nonrecurring, one-time State funded programs. Funds have been provided in the Drug and Alcohol Program Expansion PRR to continue the current programs. See PRR — Drug and Alcohol Program Expansion in Executive Offices.

PUBLIC WELFARE

Program: Human Services (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Visually Handicapped	\$ 5,586	\$ 6,137	\$ 6,415	\$ 6,646	\$ 6,885	\$ 7,133	\$ 7,390
Youth Development Institutions	32,164	34,231	41,579	43,076	44,627	46,234	47,898
Beacon Lodge Camp — Blind Services ..	77	77	77	77	77	77	77
Arsenal Center	139	168	168	168	168	168	168
Overbrook School	155	175	.....	.....	.....	.....	.....
County Child Welfare	155,712	160,323	180,638	188,191	195,719	203,548	211,690
PENNFREE — Children and Youth Programs .....	.....	5,000	.....	.....	.....	.....	.....
PENNFREE — Family Preservation .....	.....	1,900	.....	.....	.....	.....	.....
Child Abuse Prevention .....	.....	6,100	.....	.....	.....	.....	.....
Health and Human Services Projects	3,844	.....	.....	.....	.....	.....	.....
Day Care Services	31,785	36,747	37,647	37,647	37,647	37,647	37,647
Domestic Violence	4,112	4,279	5,565	7,058	7,118	7,180	7,245
PENNFREE — Domestic Violence .....	.....	449	.....	.....	.....	.....	.....
Rape Crisis	1,523	2,087	2,713	3,364	3,390	3,417	3,445
Breast Cancer Screening	402	706	706	706	706	706	706
Legal Services	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Human Services Development Fund	14,500	17,906	17,906	17,906	17,906	17,906	17,906
Attendant Care	4,774	6,043	6,164	6,164	6,164	6,164	6,164
Homeless Assistance	12,800	13,765	14,240	14,240	14,240	14,240	14,240
PENNFREE — Transitional Housing .....	.....	2,000	.....	.....	.....	.....	.....
Services for the Developmentally Disabled .....	.....	300	1,200	1,200	1,200	1,200	1,200
TOTAL GENERAL FUND	\$ 269,573	\$ 300,393	317,018	328,443	337,847	347,620	357,776

Program Revision: Assisting Women in Crisis

Domestic and sexual assault happens to women of every class, culture, race and religion. It affects thousands of people in the Commonwealth each year. In 1988-89, over 58,000 women were abused in their homes and another 8,600 were sexually assaulted. In response to these offenses, Pennsylvania's network of domestic violence and rape crisis centers has grown substantially over the past several years. This Program Revision supports that growth by recommending a 30 percent increase in funding for both the Domestic Violence and Rape Crisis programs. These dollars will be used, in combination with Federal and other State funds, to strengthen the existing network and to expand programs in underserved areas.

Domestic violence services include: crisis intervention, counseling, victim advocacy, information and referral, and shelter for victims and their dependent children. The core service of every domestic violence program is a 24-hour telephone hotline which provides access to emergency shelters for women in crisis. This Program Revision provides \$1.1 million to support existing domestic violence programs and to expand hotline services in areas of greatest need. Approximately 3,400 additional persons will receive assistance in 1990-91.

To increase the domestic violence network's capacity to provide refuge for assault victims, the Administration is requesting the Pennsylvania Housing Finance Agency (PHFA) to target funds from its HOMES Program for special needs housing to assist women and children in transition. Funds would be used to renovate and expand existing facilities, and also to establish a new facility in Philadelphia where the housing shortage is critical. To support the operation of the proposed new facility in Philadelphia, \$150,000 from the General Fund is recommended. See the description of the HOMES Program under the Pennsylvania Housing Finance Agency for additional information.

The Domestic Violence Program will also receive \$449,000 in Federal funds to continue the program started in 1989-90 with one-time

funding through PENNFREE. This program provides specialized services to domestic violence victims who have a drug and/or alcohol addiction or who have an addicted spouse. It also provides public education about the link between drug and alcohol abuse and domestic violence. See the Program Revision entitled "Drug and Alcohol Program Expansion" under the Executive Offices for additional information.

Rape crisis programs provide services to victims of rape, sexual abuse and incest. Services include crisis intervention, counseling, victim advocacy, information and referral, and accompaniment through police, medical and judicial systems. Like the domestic violence programs, the core service of every rape crisis center is a 24-hour telephone hotline available to respond to the immediate needs of women in crisis. This Program Revision provides \$626,000 from the General Fund to increase the availability of sexual assault counseling services. This increase is expected to assist 1,000 persons in 1990-91.

In addition to the \$626,000 in new funds for the Rape Crisis Program, \$315,000 will be provided to continue the enhanced prevention and education activities initiated in 1989-90. One-time special project funds from the Office of Children, Youth and Families were used to develop and test a curriculum on the prevention of acquaintance rape, more commonly known as "date rape". This continuation funding will provide 1,500 presentations to over 52,000 junior high school students across the State in 1990-91.

The Rape Crisis Program will also be provided \$125,000 in Federal funds to develop a training curriculum for sexual assault and drug and alcohol counselors that deal with sexual assault victims who have substance abuse problems. See the Program Revision entitled "Drug and Alcohol Program Expansion" under the Executive Offices for additional information.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Persons receiving assistance for domestic assault							
Current	35,103	33,835	33,835	33,835	33,835	33,835	33,835
Program Revision			37,219	37,219	37,219	37,219	37,219
Persons receiving assistance for sexual assault							
Current	9,895	9,895	9,895	9,895	9,895	9,895	9,895
Program Revision			10,895	10,895	10,895	10,895	10,895

Program measures for domestic and sexual assault are a product of client case mix, independent of funding levels. The length of stay and number of dependent children affects the total number of people served in domestic violence shelters. The hours of counseling required per individual affects the total number of people receiving sexual assault counseling services. This accounts for the drop in the number of persons receiving assistance for domestic assault from 1988-89 to 1989-90.

PUBLIC WELFARE

Program Revision: Assisting Women in Crisis (continued)

Program Revision Recommendations:

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

	Domestic Violence		Rape Crisis
\$ 1,136	—to strengthen existing programs and expand hotline services in areas of greatest need.	\$ 626	—to increase the availability of sexual assault counseling services.
150	—to support the operation of a new facility in Philadelphia.	<u> </u>	<i>Program Revision Total</i>
<u> </u>	<i>Appropriation Increase</i>	\$ 1,912	
\$ 1,286			

In addition, \$574,000 in Federal funds will be used to strengthen and expand the Statewide network of domestic violence and rape crisis programs. Refer to the Program Revision entitled "Drug and Alcohol Program Expansion" under the Executive Offices.

The Pennsylvania Housing Finance Agency will be requested to provide funds from its HOMES Program to increase the availability of special needs housing for victims of domestic violence and their dependent children.

To continue the enhanced sexual assault prevention and education activities started in 1989-90 with special project funds from the Office of Children, Youth and Families, the Rape Crisis Program will be provided \$315,000 in 1990-91.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Domestic Violence	\$ 1,286	\$ 1,493	\$ 1,553	\$ 1,615	\$ 1,680
Rape Crisis	626	651	677	704	732
TOTAL GENERAL FUND	<u> </u>	<u> </u>	<u>\$ 1,912</u>	<u>\$ 2,144</u>	<u>\$ 2,230</u>	<u>\$ 2,319</u>	<u>\$ 2,412</u>

PUBLIC WELFARE

Program Revision: Juvenile Justice System Expansion

The types of crime being committed by juveniles are increasing in severity. Between 1984 and 1988 in Pennsylvania, juvenile arrests increased for murder by 141 percent, aggravated assault by 20 percent, rape by 51.7 percent and drug offenses by 213 percent. As a result, citizens are looking to the juvenile justice system to ensure their security and safety by removing juvenile offenders from the community. This emphasis is increasing the demand for Youth Development Center/Youth Forestry Camp (YDC/YFC) bed space. The YDC/YFC system is equipped to serve serious, violent and habitual juvenile offenders. Demand for placement in YDC/YFC treatment facilities is exceeding present capacity.

In Pennsylvania, commitments to the YDC/YFC system increased by 85 percent from 1984 through 1988. YDC/YFC populations began to exceed 100 percent of rated capacity in 1986. Intake to all YDC/YFC facilities has been closed since May 1989 because the population had reached 110 percent of capacity. In addition, most private sector facilities which serve delinquent youth have closed intake, and local detention centers are experiencing severe overcrowding conditions.

Due to the shortage of available beds in which to place adjudicated delinquents, Commonwealth Court issued an order to require the Department of Public Welfare to take custody of the youths committed to them within ten days of the court order. If the YDC/YFC system exceeds 110 percent capacity, equivalent services for the youths must

be made available in equivalent facilities.

The Department of Public Welfare will begin immediately addressing the overcrowding problems in the juvenile justice system by expanding bed capacity and increasing staffing levels. The State system will be increased by 80 beds. Two 15 bed minimum security units will be opened at New Castle and Bensalem YDCs, and a 50 bed minimum security unit will be opened in the central or western part of the State. The Department of Public Welfare will also contract with private providers for 105 minimum security beds and 85 maximum security beds. In total, the juvenile justice system will be expanded by 270 beds in 1989-90, and these beds will be fully funded in the 1990-91 budget.

This Program Revision will provide for increased staffing levels at the YDCs and YFCs to maintain safe living and working conditions. The staffing levels will be consistent with the occupancy rate at 110 percent of capacity in the YDCs/YFCs.

In addition, the department will use \$1.25 million in Federal Drug Free Schools and Communities funds to provide intensive aftercare services to 175 youths and regular aftercare services to 600 youths released from the YDC/YFC system. See the Program Revision entitled "Drug and Alcohol Program Expansion" under the Executive Offices for additional information.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Youths served in the YDC/YFC system							
Current	1,068	1,230	1,230	1,230	1,230	1,230	1,230
Program Revision			1,230	1,230	1,230	1,230	1,230
Additional youths served in private residential programs							
Program Revision		190	190	190	190	190	190
Youths awaiting placement in detention centers (monthly average)							
Current	60	100	150	150	150	150	150
Program Revision			50	50	50	50	50

As part of the 1990-91 Budget process, additional beds for adjudicated youths were developed for the latter half of 1989-90. This Program Revision reflects the additional costs of providing staff for the YDC/YFC system.

Program Revision Recommendations:

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

Youth Development Institutions

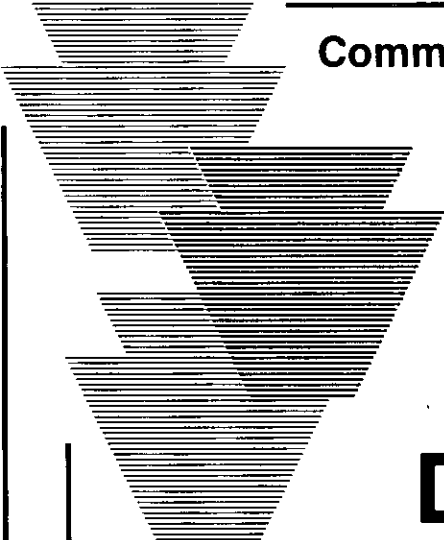
\$ 2,002 —to provide appropriate level of staff resources consistent with occupancy rate at 110 percent of capacity.

The department will use \$2.2 million in Social Service Block Grant funds to expand the juvenile justice system by 270 beds in 1989-90. These beds will be fully funded in 1990-91 with \$5.1 million in Social Service Block Grant funds and \$1.6 million in State funds.

In addition, the department will use \$1.25 million in Federal Drug Free Schools and Communities funds to provide intensive aftercare services to 175 youths and regular aftercare services to 600 youths released from the YDC/YFC system. See the Program Revision entitled "Drug and Alcohol Program Expansion" under the Executive Offices.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Youth Development Institutions			\$2,002	\$2,074	\$2,149	\$2,226	\$2,306



Commonwealth of Pennsylvania

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.

REVENUE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 73,350	\$ 76,621	\$ 77,966
(A) Audit of State Authorities		1	1
(A) Cigarette Fines and Penalties	15	18	18
(A) Services to Special Funds	3,946	4,747	4,965
(A) Escheat Sales	1,260	1,440	1,506
(A) EDP and Staff Support	4,788	4,508	5,124
(A) Tax Information	60	70	70
(A) Graphic Arts		3	3
(A) Small Games of Chance		240	240
Commissions - Inheritance and Realty			
Transfer Tax Collections (EA)	4,300	4,226	4,226
Computer Rentals	1,328	1,328	1,328
(A) Special Fund Charges	229	230	230
Subtotal — State Funds	\$ 78,978	\$ 82,175	\$ 83,520
Subtotal — Augmentations	10,298	11,257	12,157
Total — General Government	<u>\$ 89,276</u>	<u>\$ 93,432</u>	<u>\$ 95,677</u>
GRANTS AND SUBSIDIES:			
Distribution of Public Utility Realty Tax	\$ 91,134	\$ 94,233	\$ 98,637
STATE FUNDS	\$ 170,112	\$ 176,408	\$ 182,157
AUGMENTATIONS	10,298	11,257	12,157
GENERAL FUND TOTAL	<u>\$ 180,410</u>	<u>\$ 187,665</u>	<u>\$ 194,314</u>
MOTOR LICENSE FUND			
GENERAL GOVERNMENT:			
Collection — Liquid Fuels Tax	\$ 6,830	\$ 7,165	\$ 7,713
Refunding Liquid Fuels Tax (EA)	2,875	2,875	2,875
STATE FUNDS	\$ 9,705	\$ 10,040	\$ 10,588
MOTOR LICENSE FUND	<u>\$ 9,705</u>	<u>\$ 10,040</u>	<u>\$ 10,588</u>

REVENUE

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
LOTTERY FUND			
GENERAL GOVERNMENT:			
General Operations (EA)	\$ 54,755	\$ 69,570	\$ 70,337
(A) License Fees	102	102	105
(A) Telephone Lines	3,228	3,473	3,733
(A) Lotto Numbers Publication	1	1	1
Personal Income Tax for Lottery Prizes (EA)	17,295	17,279	17,627
Payment of Prize Money (EA)	<u>212,600</u>	<u>256,905</u>	<u>235,188</u>
Subtotal — State Funds	\$ 284,650	\$ 343,754	\$ 323,152
Subtotal — Augmentations	3,331	3,576	3,839
Total — General Government Operations	<u>\$ 287,981</u>	<u>\$ 347,330</u>	<u>\$ 326,991</u>
GRANTS AND SUBSIDIES:			
Property Tax and Rent Assistance for Older Pennsylvanians (EA)	\$ 127,820	\$ 126,791	\$ 122,700
Older Pennsylvanians' Inflation Dividend (EA)	33,683	33,858	32,850
Total — Grants and Subsidies	<u>\$ 161,503</u>	<u>\$ 160,649</u>	<u>\$ 155,550</u>
STATE FUNDS	\$ 446,153	\$ 504,403	\$ 478,702
AUGMENTATIONS	3,331	3,576	3,839
LOTTERY FUND TOTAL	<u>\$ 449,484</u>	<u>\$ 507,979</u>	<u>\$ 482,541</u>
RACING FUND			
GENERAL GOVERNMENT:			
Collections — Racing (EA)	\$ 107	\$ 129	\$ 129
RACING FUND TOTAL	<u>\$ 107</u>	<u>\$ 129</u>	<u>\$ 129</u>
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 170,112	\$ 176,408	\$ 182,157
SPECIAL FUNDS	455,965	514,572	489,419
AUGMENTATIONS	13,629	14,833	15,996
TOTAL ALL FUNDS	<u>\$ 639,706</u>	<u>\$ 705,813</u>	<u>\$ 687,572</u>

REVENUE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
REVENUE COLLECTION AND ADMINISTRATION							
General Funds.....	\$ 78,978	\$ 82,175	\$ 83,520	\$ 86,833	\$ 89,911	\$ 91,772	\$ 95,076
Special Funds.....	294,462	353,923	333,869	343,581	353,405	363,518	373,929
Other Funds.....	13,629	14,833	15,996	16,572	17,169	17,787	18,427
TOTAL.....	\$ 387,069	\$ 450,931	\$ 433,385	\$ 446,986	\$ 460,485	\$ 473,077	\$ 487,432
HOMEOWNERS AND RENTERS ASSISTANCE							
Special Funds.....	\$ 161,503	\$ 160,649	\$ 155,550	\$ 152,750	\$ 150,500	\$ 148,200	\$ 146,050
TOTAL.....	\$ 161,503	\$ 160,649	\$ 155,550	\$ 152,750	\$ 150,500	\$ 148,200	\$ 146,050
COMMUNITY DEVELOPMENT AND PRESERVATION							
General Funds.....	\$ 91,134	\$ 94,233	\$ 98,637	\$ 103,041	\$ 103,041	\$ 103,041	\$ 103,041
TOTAL.....	\$ 91,134	\$ 94,233	\$ 98,637	\$ 103,041	\$ 103,041	\$ 103,041	\$ 103,041
ALL PROGRAMS:							
GENERAL FUND.....	\$ 170,112	\$ 176,408	\$ 182,157	\$ 189,874	\$ 192,952	\$ 194,813	\$ 198,117
SPECIAL FUNDS.....	455,965	514,572	489,419	496,331	503,905	511,718	519,979
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	13,629	14,833	15,996	16,572	17,169	17,787	18,427
TOTAL.....	\$ 639,706	\$ 705,813	\$ 687,572	\$ 702,777	\$ 714,026	\$ 724,318	\$ 736,523

REVENUE

PROGRAM OBJECTIVE: To assure the availability of resources for the Commonwealth's programs through the equitable and efficient administration of Pennsylvania's revenue system.

Program: Revenue Collection and Administration

This program administers the Commonwealth's revenue statutes by assessing and collecting various taxes. Major revenue sources for the General Fund include corporation, personal income, inheritance, sales and use, cigarette and beverage and realty transfer taxes. Tax revenue is also collected for the Motor License and Racing Funds and ticket sales for the Lottery Fund are administered.

The department has extensively automated procedures thereby permitting staff to quickly deposit funds and review and make a rapid determination of the tax return's accuracy. This has permitted the department to keep the cost of collection under \$.90 for every \$100 collected.

To insure fairness in tax administration, the department audits and cross checks tax returns to detect fraud and non-filers. In addition, there is extensive delinquent tax collection effort that involves automation as well as traditional tax collection methods.

This program is also responsible for the administration of the State Lottery. Through a network of private retailers, the Commonwealth sells Lottery tickets, the proceeds of which support programs for older Pennsylvanians.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Lottery Bureau operating costs as a percent of ticket sales	3.15%	3.73%	4.08%	4.13%	4.18%	4.23%	4.28%
Collections from delinquent accounts (in millions)	229.6	234.1	250.5	264.2	278.8	294.1	309.9
Amounts due as a result of audit assessments (in millions)	109.9	118.0	124.5	131.3	138.6	146.2	154.2
Tax returns processed (in thousands)							
Personal Income	5,242	5,298	5,323	5,348	5,373	5,398	5,423
Corporation	201	225	230	230	230	230	230
Average settlement time for corporation tax documents (in months)	14	11	9	6	6	6	6

The decrease in audit proceeds results from difficulty in recruiting and retaining auditors.

The department was able to reduce the time required for corporate tax return settlements by intensive effort in 1988-89.

Program Recommendations:

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

GENERAL FUND:		LOTTERY FUND:	
General Government		Lottery Operations	
\$ 2,896	—to continue current program.	\$ 592	—for increased on-line vendor commissions based on sales projections.
400	—for anticipated postal increase.	410	—to continue current program.
-160	—reduced overtime from Corporation Tax automation.	200	—increased cost of delivering instant ticket stock resulting from multiple vendors.
-320	—increased reimbursement from the Motor License Fund for motor carrier fuel use audits.	-435	—nonrecurring reserve.
-1,471	—nonrecurring equipment costs.	\$ 767	<i>Appropriation Increase</i>
\$ 1,345	<i>Appropriation Increase</i>	\$ 348	Personal Income Tax for Lottery Prizes
			—to continue current program based on sales projections.
	MOTOR LICENSE FUND:		Payment of Prize Money
	Collections — Liquid Fuels Tax		—to continue current program based on sales projections.
\$ 228	—to continue current program.	\$ 17,815	—nonrecurring prize liability for the large Super 7 game that was carried over from 1988-89 to 1989-90.
320	—to reimburse the General Fund for additional audits of motor carrier fuel use.	-39,532	
\$ 548	<i>Appropriation Increase</i>	\$ -21,717	<i>Appropriation Decrease</i>

REVENUE

Program: Revenue Collection and Administration (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operations	\$ 73,350	\$ 76,621	\$ 77,966	\$ 80,773	\$ 83,681	\$ 86,694	\$ 89,815
Commissions — Inheritance and Realty							
Transfer Tax	4,300	4,226	4,226	4,732	4,902	5,078	5,261
Computer Rentals	1,328	1,328	1,328	1,328	1,328		
TOTAL GENERAL FUND	<u>\$ 78,978</u>	<u>\$ 82,175</u>	<u>\$ 83,520</u>	<u>\$ 86,833</u>	<u>\$ 89,911</u>	<u>\$ 91,772</u>	<u>\$ 95,076</u>
MOTOR LICENSE FUND:							
Collections — Liquid Fuels Tax	\$ 6,830	\$ 7,165	\$ 7,713	\$ 7,991	\$ 8,279	\$ 8,577	\$ 8,886
Refunding Liquid Fuels Tax	2,875	2,875	2,875	2,875	2,875	2,875	2,875
TOTAL MOTOR LICENSE FUND	<u>\$ 9,705</u>	<u>\$ 10,040</u>	<u>\$ 10,588</u>	<u>\$ 10,866</u>	<u>\$ 11,154</u>	<u>\$ 11,452</u>	<u>\$ 11,761</u>
LOTTERY FUND:							
General Operations	\$ 54,755	\$ 69,570	\$ 70,337	\$ 72,869	\$ 75,492	\$ 78,210	\$ 81,026
Personal Income Tax for Prizes	17,295	17,279	17,627	18,095	18,577	19,071	19,578
Payment of Prize Money	212,600	256,905	235,188	241,617	248,044	254,642	261,415
TOTAL LOTTERY FUND	<u>\$ 284,650</u>	<u>\$ 343,754</u>	<u>\$ 323,152</u>	<u>\$ 332,581</u>	<u>\$ 342,113</u>	<u>\$ 351,923</u>	<u>\$ 362,019</u>
RACING FUND:							
Collections — Racing	\$ 107	\$ 129	\$ 129	\$ 134	\$ 138	\$ 143	\$ 149

REVENUE

PROGRAM OBJECTIVE: To equitably distribute the public utility realty tax to all reporting local taxing authorities.

Program: Community Development and Preservation

A 1968 amendment to the State Constitution exempted public utilities from locally administered property taxes and authorized the collection of a similar Statewide tax. The proceeds of the tax are distributed to each local taxing authority thereby providing local revenue while insuring fair treatment for utilities.

The distribution is based on the ratio between the total tax receipts of a local taxing authority and the total tax receipts of all reporting tax authorities. This ratio is then applied to the total amount of taxes that reporting authorities could have collected had they been able to directly tax public utility realty.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Taxing authorities receiving funds	3,062	3,070	3,080	3,080	3,080	3,080	3,080

Program Recommendations:

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

Distribution of Public Utility Realty Tax
 \$ 4,404 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Distribution of Public Utility Realty Tax . . .	\$ 91,134	\$ 94,233	\$ 98,637	\$ 103,041	\$ 103,041	\$ 103,041	\$ 103,041

REVENUE

PROGRAM OBJECTIVE: To increase economic stability by assisting eligible Pennsylvania citizens maintain their home.

Program: Homeowners and Renters Assistance

Property tax and rent rebates allow older Pennsylvanians, surviving spouses over 50 and permanently disabled citizens to lead fuller lives by restoring a portion of their limited income. The assistance declines from a maximum benefit of 100 percent of the tax or \$500 for household incomes under \$5,000. Act 53 of 1985 set the income ceiling for program eligibility at \$15,000. Ninety-eight percent of refunds are mailed on July 1.

In addition the Older Pennsylvanians Inflation Dividend is provided to every household receiving a property tax or rent rebate. This is a flat amount ranging from a minimum of \$20 to a maximum of \$125 based on income eligibility criteria.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Households provided property tax or rent assistance	453,530	450,600	446,100	446,100	437,200	432,800	428,500

Low inflation which results in small pension increases, coupled with increasing local tax rates, is resulting in higher average payments per household.


Program Recommendations:

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

<p>Property Tax and Rent Assistance for Older Pennsylvanians</p> <p>\$ -4,091 —to reflect a decline in applications resulting from a Federal Medical Assistance ruling that the property tax rebate must be counted as income in ascertaining eligibility for nursing home benefits.</p>	<p>\$ -1,008</p>	<p>Older Pennsylvanians Inflation Dividend</p> <p>—to reflect decreased applications. Inflation dividends are paid to people applying for property tax rebates, so the decline in those applications result in lower current program costs.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
LOTTERY FUND:							
Property Tax and Rent Assistance for Older Pennsylvanians	\$ 127,820	\$ 126,791	\$ 122,700	\$ 120,900	\$ 119,100	\$ 117,300	\$ 115,600
Older Pennsylvanians' Inflation Dividend .	33,683	33,858	32,850	31,850	31,400	30,900	30,450
TOTAL LOTTERY FUND	\$ 161,503	\$ 160,649	\$ 155,550	\$ 152,750	\$ 150,500	\$ 148,200	\$ 146,050



Commonwealth of Pennsylvania

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)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
<i>GENERAL GOVERNMENT:</i>			
General Government Operations	\$ 2,941	\$ 3,258	\$ 3,169
GENERAL FUND TOTAL	<u>\$ 2,941</u>	<u>\$ 3,258</u>	<u>\$ 3,169</u>

SECURITIES COMMISSION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
REGULATION OF SECURITIES							
INDUSTRY							
General Funds.....	\$ 2,941	\$ 3,258	\$ 3,169	\$ 3,283	\$ 3,401	\$ 3,523	\$ 3,650
TOTAL.....	\$ 2,941	\$ 3,258	\$ 3,169	\$ 3,283	\$ 3,401	\$ 3,523	\$ 3,650
ALL PROGRAMS:							
GENERAL FUND.....	\$ 2,941	\$ 3,258	\$ 3,169	\$ 3,283	\$ 3,401	\$ 3,523	\$ 3,650
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
TOTAL.....	\$ 2,941	\$ 3,258	\$ 3,169	\$ 3,283	\$ 3,401	\$ 3,523	\$ 3,650

SECURITIES COMMISSION

PROGRAM OBJECTIVE: To reduce fraud and to protect public investors involved in securities transactions, as well as to facilitate legitimate capital formation in the State.

Program: Securities Industry Regulation

The primary function of the Pennsylvania Securities Commission is to encourage the financing of legitimate business and industry in the Commonwealth while protecting the investing public from fraudulent and unfair practices in the securities industry.

The commission protects the investing public through the registration and regulation of salesmen and companies dealing in securities, issues orders to persons and corporations attempting to sell

securities without approval, and seeks prosecution of violators of the Pennsylvania Securities Act.

It also works with other State, Federal and independent regulatory agencies and the various stock exchanges to develop uniform filing requirements that alleviate the burden on the securities industry by eliminating duplicative examination and registration requirements involved in complying with various State and Federal filing procedures.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Formal investigations conducted	231	255	280	305	330	355	380
Dollar amounts of securities cleared for sale (billions)	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
Securities filings received	5,198	5,400	5,600	5,700	5,800	5,900	6,000
Securities filings cleared	4,580	4,800	4,900	5,000	5,100	5,200	5,300
Broker-dealers registered	1,823	1,914	2,010	2,110	2,216	2,327	2,443
Agents registered	62,024	66,975	68,924	70,991	71,204	73,340	75,540
Investment advisers registered	443	487	536	589	648	713	785

Program Recommendations:

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

	General Government Operations	
\$ -169	—nonrecurring projects.	
80	—to continue current program.	
<u>\$ -89</u>	<i>Appropriation Decrease</i>	

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operations	<u>\$ 2,941</u>	<u>\$ 3,258</u>	<u>\$ 3,169</u>	<u>\$ 3,283</u>	<u>\$ 3,401</u>	<u>\$ 3,523</u>	<u>\$ 3,650</u>



Commonwealth of Pennsylvania

Department of State

The Department of State compiles, publishes and certifies all election ballots and returns; monitors campaign expense reports; issues all commissions to elected and appointed officials; records all laws passed by the General Assembly and proclamations issued by the Governor; 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 26 professional and occupational licensing boards.

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 3,210	\$ 3,288	\$ 3,188
(A) Professional Licensure Augmentation Account .....	.....^a	.....^a	.....^a
(A) Registration of Charitable Organizations	288	240	240
(A) Boxing and Wrestling Fees	164	.....	.....
(R) Professional Licensure Augmentation Account ^d	12,023 ^b	12,042 ^c	11,858
(R) Medical Fees ^d	1,644	1,893	1,600 ^e
(R) Osteopathic Fees ^d	312	436	417
(R) Podiatry Fees ^d	129	127	120
(R) State Athletic Commission .....	.....	350	294
(R) Athletic Commission Augmentation Account .....	.....	.....^f	.....^f
Total — General Government Operations	<u>\$ 17,770</u>	<u>\$ 18,376</u>	<u>\$ 17,717</u>
Publishing Constitutional Amendments	60	60	60
Electoral College	8	.....	.....
Subtotal — State Funds	<u>\$ 3,278</u>	<u>\$ 3,348</u>	<u>\$ 3,248</u>
Subtotal — Augmentations	452	240	240
Subtotal — Restricted Revenue	14,108	14,848	14,289
Total — General Government	<u>\$ 17,838</u>	<u>\$ 18,436</u>	<u>\$ 17,777</u>
GRANTS AND SUBSIDIES:			
Voting of Citizens in Military Service	\$ 19	\$ 8	\$ 8
Voter Registration by Mail	629	350	400
Total — Grants and Subsidies	<u>\$ 648</u>	<u>\$ 358</u>	<u>\$ 408</u>
STATE FUNDS	<u>\$ 3,926</u>	<u>\$ 3,706</u>	<u>\$ 3,656</u>
AUGMENTATIONS	452	240	240
RESTRICTED REVENUES	<u>14,108</u>	<u>14,848</u>	<u>14,289</u>
GENERAL FUND TOTAL	<u>\$ 18,486</u>	<u>\$ 18,794</u>	<u>\$ 18,185</u>

^aAmounts not shown to avoid double counting: 1988-89 \$681,000; 1989-90 \$869,000; 1990-91 \$911,000.

^bActually appropriated as Professional and Occupational Affairs \$11,919,000 augmented by \$104,000 in Auctioneers Licenses.

^cActually appropriated as Professional and Occupational Affairs \$11,935,000 augmented by \$107,000 in Auctioneers Licenses.

^dAppropriation from Restricted Revenue Accounts.

^eRequest assumes that fees for the Medical Board will be sufficient to absorb the level of expenditure appropriated.

^fAmounts not shown to avoid double counting: 1988-89 —0—; 1989-90 \$40,000; 1990-91 \$40,000.

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
CONSUMER PROTECTION							
General Funds.....	\$ 3,926	\$ 3,706	\$ 3,656	\$ 3,721	\$ 4,123	\$ 3,963	\$ 4,141
Other Funds.....	14,560	15,088	14,529	14,863	15,332	15,744	16,435
TOTAL.....	\$ 18,486	\$ 18,794	\$ 18,185	\$ 18,584	\$ 19,455	\$ 19,707	\$ 20,576
ALL PROGRAMS:							
GENERAL FUND.....	\$ 3,926	\$ 3,706	\$ 3,656	\$ 3,721	\$ 4,123	\$ 3,963	\$ 4,141
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	14,560	15,088	14,529	14,863	15,332	15,744	16,435
TOTAL.....	\$ 18,486	\$ 18,794	\$ 18,185	\$ 18,584	\$ 19,455	\$ 19,707	\$ 20,576

PROGRAM OBJECTIVE: *To protect the consumer from fraudulent solicitation and unqualified professional and occupational practitioners and establishments.*

Program: Consumer Protection

The Department of State administers several program elements within the Consumer Protection Program.

Program Element: Protection of the Electoral Process

Public policy is formulated by citizens through electoral participation. Because the electoral process is the basic public policymaking mechanism, it is important to insure that this process conforms to legally defined specifications. Abuse of the electoral process causes decline in voter participation.

Efforts in this program are keyed towards ensuring efficiency, honesty and uniformity in the administration of the Election Code. Some of the more serious problems within the election system have included: 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.

Other functions in this program 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, a record of all legislation passed by the General Assembly is maintained by docketing the bills and assigning act numbers.

Program Element: Protection of Professional Licensing

The focus of this program element is on assuring acceptable professional and technical services to the Commonwealth's residents. To accomplish this, twenty-six boards of the Bureau of Professional and Occupational Affairs (BPOA) utilize licensing, enforcement and administrative powers to regulate and service the various professions.

Mechanisms utilized in controlling the quality of practitioners include regulating age, education, experience and degree of technical expertise demonstrated through applications and subsequent written examination and/or demonstrated practical ability. Requirements for continuing education also serve as a means of meeting the constantly changing developments in the various professions and occupations.

Effective July 1, 1978, Act 124 created a restricted Professional

Licensure Augmentation Account (PLAA) enabling this program to be funded from fees and fines collected by the Bureau of Professional and Occupational Affairs. Thus, the bureau operates entirely out of restricted funds, considered for budgetary purposes as "Other" funds, rather than from a General Fund appropriation.

After experience with the PLAA concept and the current exposure to the sunset review process, it has been determined that each individual board must take steps to equalize revenues with expenditures over each two year period by adjusting license fees where required. The methodology to accomplish this task is in place and fee adjustment packages are being submitted according to schedule.

Program Element: Regulation of Consumer Products and Promotion of Fair Business Practices

This program element encompasses the activities of the Corporation Bureau, the Bureau on Charitable Organizations and the State Athletic Commission.

The Corporation Bureau is responsible for registering all businesses in the Commonwealth, which currently has an estimated 1,650,000 profit and nonprofit corporations and fictitious name registrations. An important goal is to promote a more favorable atmosphere for commerce to enter Pennsylvania.

The Bureau on Charitable Organizations is responsible for the registration of charitable organizations, professional fund raisers and solicitors, as well as regulation of the actual solicitation and distribution of collected funds. There are currently approximately 10,000 registrations of charitable organizations. The major objective of the bureau is to increase the awareness and understanding of the Charitable Solicitations Act among Pennsylvania consumers and charitable organizations.

Act 29 of 1989 re-established the State Athletic Commission and established the State Athletic Commission Augmentation Account. A loan of \$350,000 from the Professional Licensure Augmentation Account was provided in 1989-90 to operate the commission, and is to be repaid within three years. The Joint State Government Commission has established a task force to study boxing, especially the areas of safety and promotion, in the Commonwealth. A report on the findings which will include funding options is to be prepared and presented to the Governor and the General Assembly by April 1, 1990.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Voter registration transactions	811,849	450,000	600,000	600,000	850,000	450,000	600,000
Professional licenses and renewals issued	394,108	380,000	390,000	380,000	390,000	380,000	390,000
Disciplinary actions by boards	607	540	540	540	540	540	540
Complaints processed by legal staff	3,287	3,750	4,100	4,100	4,100	4,100	4,100
Case files opened	3,844	4,000	4,000	4,000	4,000	4,000	4,000
Uniform Commercial Code financing statement filings and information requests fulfilled	232,743	200,000	200,500	201,000	201,500	202,000	202,500
Reviews of fictitious names, business corporations, trademark applications	89,632	95,000	94,000	96,000	98,000	100,000	102,000

The number of professional licenses and renewals issued is above the projection in last year's budget as the result of an underestimation of the level of activity.

The program measure for disciplinary actions by boards is higher than previous projections due to the efforts of the attorneys to more aggressively prosecute cases.

The increase in the level of Uniform Commercial Code financing statement filings and information requests from previous measures is attributed to the existence of an improved business climate and healthy financial market.

Program: Consumer Protection (continued)

Program Recommendations:

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

General Government Operations

\$ -263 —nonrecurring projects.
 163 —to continue current program.
 \$ -100 *Appropriation Decrease*

Voter Registration by Mail

\$ 50 —to fund increased registration activity expected to be associated with the Gubernatorial election.

In addition this budget recommends the following changes in the Bureau of Professional and Occupation Affairs for the Professional Licensure Augmentation Account (PLAA); as well as for the State Boards of Medical Education and Licensure, Osteopathic Examiners, and Podiatry Examiners and the Athletic Commission Augmentation Account.

Professional Licensure Augmentation Account

\$ -786 —nonrecurring projects.
 386 —to continue current program, including the merger of the Auctioneers Board into the PLAA.
 216 —to make renovations to regional offices.
 \$ -184 *Appropriation Decrease*

State Board of Medical Education and Licensure

\$ -504 —nonrecurring projects.
 96 —to continue current program.
 5 —to make renovations to regional offices.
 110 —for additional costs associated with cyclical license renewal costs.
 \$ -293 *Appropriation Decrease*

Request assumes that fees for the Medical Board will be sufficient to absorb the level of expenditure appropriated.

State Board of Osteopathic Examiners:

\$ -42 —nonrecurring projects.
 8 —to continue current program.
 2 —to make renovations to regional offices.
 13 —for additional costs associated with cyclical license renewal costs.
 \$ -19 *Appropriation Decrease*

State Board of Podiatry Examiners:


\$ -8 —to continue current program.
 1 —to make renovations to regional offices.
 \$ -7 *Appropriation Decrease*

Athletic Commission Augmentation Account

\$ -74 —nonrecurring projects.
 18 —to continue current program.
 \$ -56 *Appropriation Decrease*

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operations	\$ 3,210	\$ 3,288	\$ 3,188	\$ 3,303	\$ 3,422	\$ 3,545	\$ 3,673
Publishing Constitutional Amendments . . .	60	60	60	60	60	60	60
Electoral College Expenses	8	.	.	.	8	.	.
Voting of Citizens in Military Service . . .	19	8	8	8	8	8	8
Voter Registration by Mail	629	350	400	350	625	350	400
TOTAL GENERAL FUND	\$ 3,926	\$ 3,706	\$ 3,656	\$ 3,721	\$ 4,123	\$ 3,963	\$ 4,141



Commonwealth of Pennsylvania

State Employees' Retirement System

The State Employees' Retirement System is responsible for administering the State Employees' Retirement Fund and the supplemental retirement allowances and cost-of-living increases for annuitants.

STATE EMPLOYEES' RETIREMENT SYSTEM

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
<i>GRANTS AND SUBSIDIES:</i>			
National Guard — Employer Contribution	\$ 705	\$ 679	\$ 672
GENERAL FUND TOTAL	<u>\$ 705</u>	<u>\$ 679</u>	<u>\$ 672</u>
OTHER FUNDS			
<i>STATE EMPLOYEES' RETIREMENT FUND:</i>			
Administration	\$ 5,974	\$ 6,805	\$ 7,994
(A) Legal Fee Augmentations	<u> </u>	<u>75</u>	<u>75</u>
OTHER FUNDS TOTAL	<u>\$ 5,974</u>	<u>\$ 6,880</u>	<u>\$ 8,069</u>
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 705	\$ 679	\$ 672
OTHER FUNDS	<u>5,974</u>	<u>6,880</u>	<u>8,069</u>
TOTAL ALL FUNDS	<u>\$ 6,679</u>	<u>\$ 7,559</u>	<u>\$ 8,741</u>

STATE EMPLOYEES' RETIREMENT SYSTEM

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
GENERAL ADMINISTRATION AND SUPPORT							
General Funds.....	\$ 705	\$ 679	\$ 672	\$ 672	\$ 672	\$ 672	\$ 672
Other Funds.....	5,974	6,880	8,069	8,360	8,661	8,973	9,296
TOTAL.....	\$ 6,679	\$ 7,559	\$ 8,741	\$ 9,032	\$ 9,333	\$ 9,645	\$ 9,968
ALL PROGRAMS:							
GENERAL FUND.....	\$ 705	\$ 679	\$ 672	\$ 672	\$ 672	\$ 672	\$ 672
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	5,974	6,880	8,069	8,360	8,661	8,973	9,296
TOTAL.....	\$ 6,679	\$ 7,559	\$ 8,741	\$ 9,032	\$ 9,333	\$ 9,645	\$ 9,968

STATE EMPLOYEES' RETIREMENT SYSTEM

PROGRAM OBJECTIVE: To provide an effective administrative system for the operation of the retirement system for State employees.

Program: State Employees' Retirement

The State Employees' Retirement System was established to administer the pension system created in 1924. Contributions by the employees and the employing agencies are made to the State Employees' Retirement Fund which uses those moneys and interest earnings for payment of annuities and disability benefits and for administration of the system. The State Employees' Retirement Fund is shown in the Special Funds Appendix.

The assets of the system are in excess of \$9 billion dollars. The system is funded in accordance with accepted actuarial standards; the funding is reviewed annually by a contracted actuarial firm and an experience review is completed every five years.

The greatest source of current income to the system is earnings from investments. Payments from member employers are the second major source of income; the rate for employers is established annually by the board upon the recommendation of the actuary. Employer contributions differ in accordance with the class of employees for which they are contributing. There is additional cost for employees in safety positions, the Legislature, and the Judiciary. Member contributions are the third source of income. The majority of current members contribute

5 percent of pay to the system. Members hired after July of 1983 contribute 6.25 percent of pay to the system.

Normal retirement from the system is at age 60, age 50 for safety employees and members of the legislature, or at any age with 35 years of service. Retirement before those times is possible after ten years of service but is actuarially reduced to the equivalent of the annuity which would have been payable at superannuation retirement.

Legislation has provided for an early retirement window for the past four years. This window was recently extended to September 30 of 1991. During that time employees with 30 years of service who are age 53 can retire with a full allowance based on service without actuarial reduction. Those at age 50 to 53 with 30 years of service can retire with a .25 percent reduction for each month remaining before age 53 is attained.

Act 81 of 1987 established the Commonwealth Deferred Compensation Program which allows Commonwealth employees to defer a portion of their salaries to a retirement savings account. The State Employees' Retirement Board is responsible for its administration. The Deferred Compensation Fund is shown in the Special Funds Appendix to this volume.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Benefit payments processed	10,600	10,600	10,600	10,600	10,600	10,600	10,600
Average processing time for benefit payments (in days)	12	12	12	12	12	12	12
Return on investment (in millions)	\$478.8	\$525.2	\$576.1	\$619.3	\$665.7	\$715.6	\$769.3

The measure showing the return on investments has been modified from previous projections because of the volatility of the investment market.

Program Recommendations:

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

GENERAL FUND	
National Guard — Employer Contribution	
\$	-7
	—based upon actuarial determination.

In addition this budget recommends the following changes for the appropriation from the State Employees' Retirement Fund for General Government Operations for the State Employees' Retirement System:

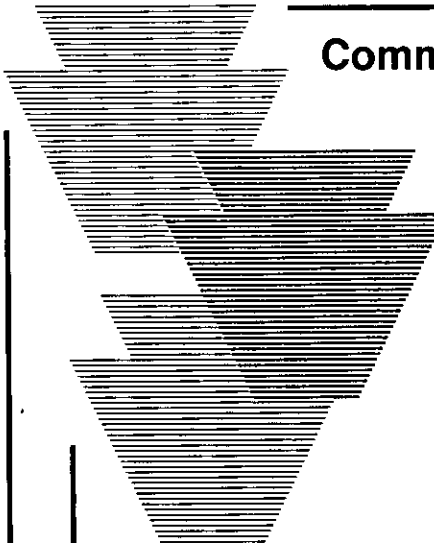
STATE EMPLOYEES' RETIREMENT FUND	
General Government Operations	
\$	-70
	—nonrecurring projects.
	431
	—for field office expansion.
	828
	—to continue current program.
\$	1,189
	<i>Appropriation Increase</i>

STATE EMPLOYEES' RETIREMENT SYSTEM

Program: State Employees' Retirement (continued)

Appropriations within this Program: _____

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
National Guard — Employer Contribution	<u>\$ 705</u>	<u>\$ 679</u>	<u>\$ 672</u>	<u>\$ 672</u>	<u>\$ 672</u>	<u>\$ 672</u>	<u>\$ 672</u>
STATE EMPLOYEES' RETIREMENT FUND:							
General Government Operations	<u>\$ 5,974</u>	<u>\$ 6,805</u>	<u>\$ 7,994</u>	<u>\$ 8,282</u>	<u>\$ 8,580</u>	<u>\$ 8,889</u>	<u>\$ 9,209</u>



Commonwealth of Pennsylvania

State Police

The State Police enforce the law and preserve the peace through detection of crime and apprehension of criminals, patrol of highways, enforcement of the Vehicle Code and enforcement of the Liquor Code.

The State Police receive a General Fund appropriation for criminal law enforcement and a Motor License Fund transfer for traffic patrol activities. In 1990-91, the recommended ratio is 33 percent General Fund and 67 percent Motor License Fund with the exception of the Mobile Narcotic Teams which are funded by the General Fund and Federal Funds. In addition, the State Police receive augmentations from the Turnpike Commission for turnpike patrol and from the State Stores Fund for liquor control enforcement.

STATE POLICE

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1990-91 State Funds (in thousands)
GENERAL FUND		
Drug and Alcohol Program Expansion	General Government Operations	\$ 481

This Program Revision will support the Mobile Narcotic Teams, expand crime lab operations including upgrading equipment and purchase vehicles used for drug investigations. This is part of the \$62 million Drug and Alcohol Expansion. Please see the Executive Offices section for further details.

MOTOR LICENSE FUND

Commercial Driver Safety and Licensing	Commercial Driver Safety and Licensing	\$ 429
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This Program Revision will enhance commercial driver safety. This is part of the \$4.3 million Commercial Driver Safety and Licensing Program Revision. Please see the Department of Transportation for further details.

DEPARTMENT TOTAL	<u>\$ 910</u>
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STATE POLICE

Summary by Fund and Appropriation

GENERAL FUND	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL GOVERNMENT:			
General Government Operations	\$ 80,353	\$ 93,276^c	\$ 95,740
(F) DCSI — Drug Law Enforcement			1,441
(F) Drug Enforcement	97	200	200
(F) Operation C.A.R.E.	148	447	225
(F) Program Management	22	14	20
(F) Highway Line Markings	27	79	
(F) Alcohol Safety Training	8	6	6
(F) Alcohol Program Management	33	33	36
(F) Selective Traffic Enforcement	100	113	
(F) Motor Carrier Safety	1,673	1,886	1,800
(F) Electronic Fingerprinting	28		
(F) DUI Enforcement	401	610	435
(F) Patrol Administration	18	28	32
(F) Police Motorcycles	141	20	
(F) Statewide Enforcement	323	380	
(F) Radar Units	290	101	
(F) Aviation Navigation		40	
(F) Special Traffic Enforcement		43	
(F) Highway Safety		100	50
(F) Drug Identification		186	124
(F) DNA Analysis		181	30
(F) Law Enforcement Radio Operation		96	
(F) Aerial Enforcement Equipment			3
(F) Breath Testing Equipment			43
(F) School Bus Inspections			45
(F) Traffic Accident Reviews			45
(F) Safety Education			25
(A) Turnpike Commission	11,769	13,073	13,802
(A) Criminal History Record Checks	2,036	2,000	2,000
(A) Photo License Centers	41	65	53
(A) Training Fees	292	285	285
(A) Miscellaneous Services	181	190	155
(A) Transfer From Motor License Fund ^a			
Subtotal — State Funds	<u>\$ 80,353</u>	<u>\$ 93,276</u>	<u>\$ 95,740</u>
Subtotal — Federal Funds	3,309	4,563	4,560
Subtotal — Augmentations	14,319	15,613	16,295
Total — General Government Operations	<u>\$ 97,981</u>	<u>\$ 113,452</u>	<u>\$ 116,595</u>
Patrol Vehicles	\$ 1,940	\$ 1,790	\$ 1,980
(A) Automobile Sales	1,562	700	750
(A) Transfer From Motor License Fund ^a			
Total — Patrol Vehicles	<u>\$ 3,502</u>	<u>\$ 2,490</u>	<u>\$ 2,730</u>
Municipal Police Training	\$ 2,319	\$ 2,874	\$ 3,805
(A) Transfer From Motor License Fund ^a			
Automated Fingerprint Identification System		860	\$ 1,487
PENNFREE — Mobile Narcotic Teams		2,016	
PENNFREE — Drug Law Enforcement		5,000 ^b	
Subtotal — State Funds	<u>\$ 84,612</u>	<u>\$ 105,816</u>	<u>\$ 103,012</u>
Subtotal — Federal Funds	3,309	4,563	4,560
Subtotal — Augmentations	15,881	16,313	17,045
Total — General Government	<u>\$ 103,802</u>	<u>\$ 126,692</u>	<u>\$ 124,617</u>

^aNot added to total to avoid double counting. See Motor License Fund section of this summary for dollar amounts.

^bThis continuing appropriation will provide funds for both 1989-90 and 1990-91.

^cIncludes recommended supplemental appropriation of \$4,893,000.

STATE POLICE

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
<i>GRANTS AND SUBSIDIES:</i>			
PENNFREE — Local Drug Law Enforcement .....	.....	\$ 2,000 ^a	.....
(F) DCSI — Municipal Police Drug Law Enforcement .....	.....	.....	2,000
Total—Grants and Subsidies .....	.....	\$ 2,000	\$ 2,000
STATE FUNDS	\$ 84,612	\$ 107,816	\$ 103,012
FEDERAL FUNDS	3,309	4,563	6,560
AUGMENTATIONS	15,881	16,313	17,045
GENERAL FUND TOTAL	\$ 103,802	\$ 128,692	\$ 126,617
MOTOR LICENSE FUND			
<i>GENERAL GOVERNMENT:</i>			
General Government Operations	\$ 164,292	\$ 179,444	\$ 189,603
Patrol Vehicles	4,759	3,635	4,020
Municipal Police Training	2,320	2,875	3,805
Commercial Driver Safety and Licensing .....	.....	1,307	1,736
MOTOR LICENSE FUND TOTAL	\$ 171,371	\$ 187,261	\$ 199,164
OTHER FUNDS			
<i>STATE STORES FUND:</i>			
Liquor Control Enforcement	\$ 11,517	\$ 13,277	\$ 12,982
STATE STORES FUND TOTAL	\$ 11,517	\$ 13,277	\$ 12,982
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 84,612	\$ 107,816	\$ 103,012
SPECIAL FUNDS	171,371	187,261	199,164
FEDERAL FUNDS	3,309	4,563	6,560
AUGMENTATIONS	15,881	16,313	17,045
OTHER FUNDS	11,517	13,277	12,982
TOTAL ALL FUNDS	\$ 286,690	\$ 329,230	\$ 338,763

^aThis continuing appropriation will provide funds for both 1989-90 and 1990-91.

STATE POLICE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
PUBLIC PROTECTION AND LAW ENFORCEMENT							
General Funds.....	\$ 84,612	\$ 107,816	\$ 103,012	\$ 106,667	\$ 110,453	\$ 114,377	\$ 118,440
Special Funds.....	171,371	187,261	199,164	205,896	211,899	219,527	227,430
Federal Funds.....	3,309	4,563	6,560	6,560	6,560	6,560	6,560
Other Funds.....	27,398	29,590	30,027	31,108	32,229	33,389	34,590
TOTAL.....	\$ 286,690	\$ 329,230	\$ 338,763	\$ 350,231	\$ 361,141	\$ 373,853	\$ 387,020
ALL PROGRAMS:							
GENERAL FUND.....	\$ 84,612	\$ 107,816	\$ 103,012	\$ 106,667	\$ 110,453	\$ 114,377	\$ 118,440
SPECIAL FUNDS.....	171,371	187,261	199,164	205,896	211,899	219,527	227,430
FEDERAL FUNDS.....	3,309	4,563	6,560	6,560	6,560	6,560	6,560
OTHER FUNDS.....	27,398	29,590	30,027	31,108	32,229	33,389	34,590
TOTAL.....	\$ 286,690	\$ 329,230	\$ 338,763	\$ 350,231	\$ 361,141	\$ 373,853	\$ 387,020

STATE POLICE

PROGRAM OBJECTIVE: The State Police enforce the law and preserve the peace through detection of crime and apprehension of criminals, patrol of highways, enforcement of the Vehicle Code and abatement of certain fire hazards.

Program: Public Protection and Law Enforcement

Program Element: Management

This program element provides direction and coordination for all line and staff activities of the State Police, including administrative and overhead systems for the operation of various law enforcement programs. Included in this program are protection for the Governor and visiting dignitaries, security of the executive residence, and background investigations on State job applicants.

Program Element: Operator Qualifications Control

The Commonwealth's Driver Licensing Program has been developed to insure that persons operating vehicles on the highways of the Commonwealth are physically and mentally qualified to do so in a safe manner. For this reason, it is necessary to examine new driver license applicants and reexamine existing licensed drivers to determine their driving ability, physical and mental qualifications, and knowledge of the rules of safe driving. The Federally mandated Commercial Motor Vehicle Safety Act of 1986 requires the testing of driving skills for commercial drivers of buses, school buses and trucks. Eight new commercial testing sites will be located throughout the State.

The driver licensing program is a combined effort of the State Police and the Department of Transportation.

Program Element: Vehicle Standards Control

The vehicle inspection program within the Commonwealth is currently conducted jointly by the Pennsylvania Department of Transportation and the Pennsylvania State Police. This program was established to provide vehicle safety through periodic inspection of motor vehicles and removal of unsafe vehicles from the Commonwealth's highways. The private sector inspects registered vehicles under the oversight of the State Police and Department of Transportation. The Department of Transportation administers the selling and distribution of inspection stickers while the State Police monitor the program through inspection station visitations.

Program Element: Traffic Supervision

Enforcing the Commonwealth's traffic laws is a major responsibility of the Pennsylvania State Police. The department emphasizes reducing traffic accidents and bringing the motoring public into voluntary compliance with all traffic laws through patrol and enforcement activities. Traffic patrol and enforcement are provided by the State Police in those municipalities where there are no full-time police departments, and on all Interstate highways. Traffic assistance is also provided, upon request, to municipalities with full-time police departments.

The Pennsylvania State Police utilize various patrol and enforcement techniques; however, the very presence of visible police patrols continues to have the greatest impact on reducing traffic accidents. In this regard, the State Police attempt to allocate patrol activities to those areas and locations with high traffic and accident volume.

Program Element: Crime Prevention

Combating crime is not the responsibility of police alone. It requires the active, organized involvement of the public if any significant results are to be realized.

Since many crimes are preventable, the State Police have elicited citizen participation by providing guidance on: precautions the average individual may take to protect his/her person, family, and property from crime; steps that neighbors may take towards protecting one another from crime; measures which individuals may take to reduce physical danger and property loss should they become a victim of crime; and steps citizens may take to help police solve crimes.

Program Element: Criminal Law Enforcement

State Police activities in this program are geared toward controlling the incidence of crime. Many factors affect the type and volume of crime that occurs within the Commonwealth. Some of the more important factors are density and size of community population, economic conditions, including job availability, cultural conditions, and effective strength of law enforcement agencies.

There are two ways to measure the productivity of the police effort in the criminal justice system. The first is the clearance rate, the percentage of reported crimes for which an arrest is made. The second is the conviction rate, the percentage of convictions resulting from total arrests.

Program Element: Emergency Assistance

The State Police are normally called upon whenever any emergency situation occurs within the Commonwealth. The department has primary police jurisdiction in large areas of the Commonwealth and also provides assistance to a variety of local and State agencies, particularly law enforcement agencies. This department classifies emergency assistance into two separate categories: civil disorder and disturbances, and emergency management.

Civil disorder and disturbances are incidents that are or may become criminal in nature in such categories as prison disturbances, labor disorders, strikes, campus-school disorders, youth group disorders, terrorism and hostage situations. Emergency management deals with prevention, mitigation and response to natural and/or man-made hazards to prevent loss of life and property, economic loss and disruption of normal living conditions.

Program Element: Liquor Control Enforcement

Act 14 of 1987 transferred responsibility for liquor control enforcement to the Pennsylvania State Police effective July 1, 1987. Operations include covert and overt investigations, assisting municipal police agencies, conducting routine license investigations, performing establishment audits, and border patrols.

STATE POLICE

Program: Public Protection and Law Enforcement (continued)

Program Recommendations:

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

GENERAL FUND AND MOTOR LICENSE FUND COMBINED			
	General Government Operations	\$	575
\$ 2,360	—PRR — Part of the Drug and Alcohol Program Expansion. Mobile Narcotic Teams for drug interdiction and undercover narcotic investigations. See Program Revision in the Executive Offices section for further information.		
1,000	—to improve emergency capability by upgrading one helicopter.	\$	627
800	—to improve emergency assistance by acquiring additional civil disturbance equipment.		
636	—to increase the number of State Policemen to the legislative maximum.	\$	-2,016
313	—PRR — Part of the Drug and Alcohol Program Expansion. To replace vehicles used for drug and criminal investigations. See Program Revision in the Executive Offices section for further information.		
235	—to purchase two-way mobile radios at expiration of lease.	\$	429
74	—PRR — Part of the Drug and Alcohol Program Expansion. To upgrade the crime laboratory. See Program Revision in the Executive Offices section for further information.		
<u>7,205</u>	—to continue current program.		
\$ 12,623	<i>Appropriation Increase</i>	\$	1,861

	Patrol Vehicles
	—to replace approximately 500 patrol vehicles.
	Automated Fingerprint Identification System
	—second installment on the acquisition of the Automated Fingerprint Identification System.
	Mobile Narcotic Teams
	—merged with General Government Operations appropriation in 1990-91.
	Commercial Driver Safety and Licensing
	—PRR — Part of Commercial Driver Safety and Licensing. Additional cost of program initiated in 1989-90 to enhance commercial driver safety. See Program Revision in the Department of Transportation for further information.
	Municipal Police Training
	—to provide basic training for 288 additional municipal police and in-service training for 6,200 additional municipal police.

PENNFREE Mobile Narcotic Teams, Local Drug Law Enforcement and Drug Law Enforcement are nonrecurring, one-time funded programs. See PENNFREE Summary in Section A for additional information. For Mobile Narcotic Teams, also see Drug and Alcohol Program Expansion Program Revision in the Executive Offices.

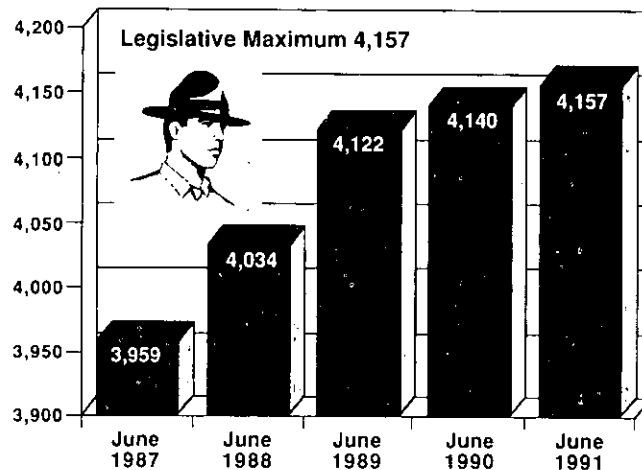
STATE POLICE


Program: Public Protection and Law Enforcement (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operations	\$ 80,353	\$ 93,276	\$ 95,740	\$ 99,187	\$ 102,757	\$ 106,457	\$ 110,289
Municipal Police Training	2,319	2,874	3,805	3,942	4,084	4,231	4,383
Patrol Vehicles	1,940	1,790	1,980	2,051	2,125	2,202	2,281
Automated Fingerprint Identification System		860	1,487	1,487	1,487	1,487	1,487
PENNFREE Mobile Narcotic Teams		2,016					
PENNFREE Local Drug Law Enforcement		2,000					
PENNFREE Drug Law Enforcement		5,000					
TOTAL GENERAL FUND	\$ 84,612	\$ 107,816	\$ 103,012	\$ 106,667	\$ 110,453	\$ 114,377	\$ 118,440
MOTOR LICENSE FUND:							
General Government Operations	\$ 164,292	\$ 179,444	\$ 189,603	\$ 196,429	\$ 203,500	\$ 210,826	\$ 218,416
Municipal Police Training	2,320	2,875	3,805	3,942	4,084	4,231	4,383
Patrol Vehicles	4,759	3,635	4,020	4,165	4,315	4,470	4,631
Commercial Driver Safety and Licensing		1,307	1,736	1,360			
TOTAL MOTOR LICENSE FUND	\$ 171,371	\$ 187,261	\$ 199,164	\$ 205,896	\$ 211,899	\$ 219,527	\$ 227,430
STATE STORES FUND:							
Liquor Control Enforcement	\$ 11,517	\$ 13,277	\$ 12,982	\$ 13,449	\$ 13,933	\$ 14,435	\$ 14,955

State Police - Enlisted Personnel





Commonwealth of Pennsylvania

Tax Equalization Board

The State Tax Equalization Board determines annually the aggregate market value of assessed taxable real property throughout the Commonwealth for use in determining the amount and allocation of Commonwealth subsidies to school districts, for use in determining State support of public libraries, and in determining certain tax limitations.

TAX EQUALIZATION BOARD

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL FUND			
<i>GENERAL GOVERNMENT:</i>			
General Government Operations	\$ 1,064	\$ 1,132	\$ 1,189
GENERAL FUND TOTAL	<u>\$ 1,064</u>	<u>\$ 1,132</u>	<u>\$ 1,189</u>

TAX EQUALIZATION BOARD

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
EDUCATION SUPPORT SERVICES							
General Funds.....	\$ 1,064	\$ 1,132	\$ 1,189	\$ 1,232	\$ 1,276	\$ 1,322	\$ 1,370
TOTAL.....	\$ 1,064	\$ 1,132	\$ 1,189	\$ 1,232	\$ 1,276	\$ 1,322	\$ 1,370
ALL PROGRAMS:							
GENERAL FUND.....	\$ 1,064	\$ 1,132	\$ 1,189	\$ 1,232	\$ 1,276	\$ 1,322	\$ 1,370
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
TOTAL.....	\$ 1,064	\$ 1,132	\$ 1,189	\$ 1,232	\$ 1,276	\$ 1,322	\$ 1,370

TAX EQUALIZATION BOARD

PROGRAM OBJECTIVE: To provide an effective administrative system to assess taxable real property value which is the basis for an equitable distribution of tax funds to support education services.

Program: Education Support Services

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, in accordance with Act 147 of 1947, determines annually the aggregate market value of taxable real property in each of the more than 2,500 municipalities and 501 school districts in the Commonwealth and certifies the market value to the Secretary of Education. 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. Act 267 of 1982 requires the Board to establish annually a common level ratio of assessed value to market value in each county for the prior calendar year.

Act 192 of 1986 requires the board to certify assessors for the valuation of real property for ad valorem taxation purposes.

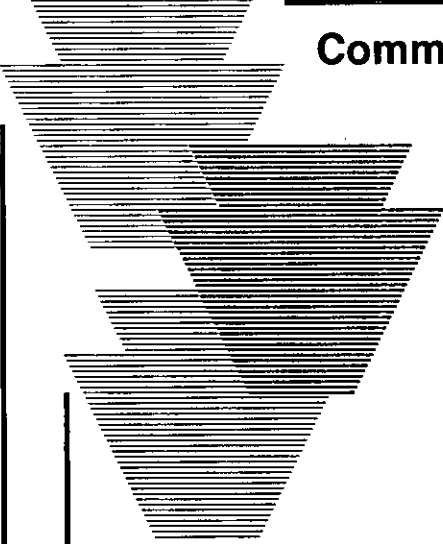
Program Recommendations:

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

General Government Operations
 \$ 57 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
General Government Operations	\$ 1,064	\$ 1,132	\$ 1,189	\$ 1,232	\$ 1,276	\$ 1,322	\$ 1,370



Commonwealth of Pennsylvania

Department of Transportation

The responsibility of the Department of Transportation is to provide fast, efficient and safe movement of people and goods within the Commonwealth through a balanced transportation system. The department 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.

TRANSPORTATION

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1990-91 State Funds (in thousands)
MOTOR LICENSE FUND		
Commercial Driver Safety and Licensing	Commercial Driver Safety and Licensing	917

This Program Revision involves administering written tests for affected licensed drivers, modifying the driver licensing system and developing the ability to interact with the National Commercial Driver Licensing Information System. A total of \$4.346 million is provided by this Program Revision across all departments.

DEPARTMENT TOTAL	<u>\$ 917</u>
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TRANSPORTATION

Summary by Fund and Appropriation

GENERAL FUND	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL GOVERNMENT:			
Mass Transportation Operations	\$ 936	\$ 1,020	\$ 1,019
(F) UMTA — Technical Studies Grants	644	675	564
(F) Capital Assistance	76	60	60
(F) Surface Transportation Assistance	499	575	612
(F) UMTA — Capital Assistance	634	639	610
(F) UMTA — Capital Improvement Grants	1,931	2,000	2,000
(F) UMTA — Shared Ride Coordination .....	.....	50	.....
(A) Lease Recovery Costs — Ridesharing	41	.....	.....
(A) User Fees — Ridesharing	24	10	.....
Goods Movement Operations	399	487	535
(F) Title IV Rail Assistance	95	100	110
(A) Local Contribution — Rail Freight	10	20	20
Rail Freight Advisory Committee .....	.....	.....	10
Vehicle Sales Tax Collections	1,612	1,676	1,743
Welcome Centers	914	986	1,019
Covered Bridge Study .....	.....	50	.....
High Speed Rail Commission — Outstanding Claims	150	.....	.....
Subtotal — State Funds	\$ 4,011	\$ 4,219	\$ 4,326
Subtotal — Federal Funds	3,879	4,099	3,956
Subtotal — Augmentations	75	30	20
Total — General Government	\$ 7,965	\$ 8,348	\$ 8,302
GRANTS AND SUBSIDIES:			
Mass Transportation Assistance	\$ 213,682	\$ 229,366	\$ 239,687
Rural and Intercity Rail and Bus Transportation	3,882	4,300	4,494
Rail Freight Assistance	4,449	4,500	4,500
(F) Surface Transportation — Operating	3,653	4,035	3,000
(F) Surface Transportation Assistance Capital	2,585	7,000	6,200
(A) Rail Freight — Reimbursement	201	467	467
Civil Air Patrol	400	400	200
Subtotal — State Funds	\$ 222,413	\$ 238,566	\$ 248,881
Subtotal — Federal Funds	6,238	11,035	9,200
Subtotal — Augmentations	201	467	467
Total — Grants and Subsidies	\$ 228,852	\$ 250,068	\$ 258,548
STATE FUNDS	\$ 226,424	\$ 242,785	\$ 253,207
FEDERAL FUNDS	10,117	15,134	13,156
AUGMENTATIONS	276	497	487
GENERAL FUND TOTAL	<u>\$ 236,817</u>	<u>\$ 258,416</u>	<u>\$ 266,850</u>

TRANSPORTATION

MOTOR LICENSE FUND	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL GOVERNMENT:			
General Government Operations	\$ 22,535	\$ 23,349	\$ 23,912
Refunding Collected Monies (EA)	1,873	2,000	1,800
(A) Mass Transportation	90	120	100
(A) Duplicating Services	75	220	310
(A) Aviation Restricted Revenue .....	.....	300	160
(A) Sale of Equipment .....	.....	5	5
(A) Administrative Hearings	8	10	12
(A) Inspector General	84	65	.....
Subtotal — State Funds	\$ 24,408	\$ 25,349	\$ 25,712
Subtotal — Augmentations	257	720	587
Total — General Government Operations	\$ 24,665	\$ 26,069	\$ 26,299
Highway and Safety Improvement	181,584	190,000	165,000
High Accident Corridor Corrections .....	.....	10,000	10,000
(F) Highway Research, Planning and Construction	574,699	593,500	460,000
(F) Highway Safety Program	190	200	200
(F) High Accident Corridors Improvement .....	.....	15,000	15,000
(A) Highway Construction Contributions	6,294	6,300	6,300
(A) Capital Facilities Fund .....	.....^a	.....^a	.....^a
(A) Aviation Restricted Revenue	12	.....	.....
(A) Mass Transportation	118	.....	.....
(R) ACI Project Expenditures .....	.....^b	.....^b	.....^b
Timber Bridges .....	.....	500	.....
Demonstration Timber Bridge Program .....	.....	300	.....
(R) Highway Bridge Projects	6,778	29,000	33,700
(F) Federal Aid — Highway Bridge Projects	80,186	99,000	84,100
(A) Bridge Construction Contributions	1,278	1,800	2,500
(A) Capital Facilities Fund .....	.....^c	.....^c	.....^c
(A) Bridge Reimbursements from Local Governments	148	200	500
Subtotal — State Funds	\$ 181,584	\$ 200,800	\$ 175,000
Subtotal — Federal Funds	655,075	707,700	559,300
Subtotal — Augmentations	7,850	8,300	9,300
Subtotal — Restricted Revenue	6,778	29,000	33,700
Total — Highway and Safety Improvements	\$ 851,287	\$ 945,800	\$ 777,300

^aNot added to the total to avoid double counting; 1988-89 actual is 0, 1989-90 available is \$4,482,000 and 1990-91 budget is \$23,028,000.

^bNot added to the total to avoid double counting; 1988-89 actual is \$106,341,000, 1989-90 available is \$102,982,000 and 1990-91 budget is \$58,800,000.

^cNot added to the total to avoid double counting; 1988-89 actual is \$55,382,000, 1989-90 available is \$55,963,000 and 1990-91 budget is \$54,526,000.

TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1988-89	1989-90	1990-91
	Actual	Available	Budget
GENERAL GOVERNMENT (continued):			
Highway Maintenance	\$ 605,887	\$ 588,749	\$ 628,287
Secondary Roads — Maintenance and Resurfacing (EA) ..	55,803	55,016	54,700
Highway Maintenance — Supplemental	8,842	14,879	7,013
Traffic and Directional Signs	15,000	.....	.....
Salt Storage Buildings	1,500	1,500	750
Roadside Rest Areas	2,000	2,000	1,000
Reinvestment — Facilities	3,000	2,000	2,000
Local Bridge Inspection	523	300	645
(F) Highway Research, Planning and Construction	131,528	175,000	174,800
(F) State and Community Highway Safety	97	200	200
(F) Federal Highway Administration	209	.....	.....
(F) Federal Emergency Management Agency	832	.....	.....
(F) Local Bridge Inspection	432	1,700	1,505
(A) Highway Maintenance Contributions	4,153	3,700	4,200
(A) Sale of Automobiles	97	150	150
(A) Sale of Equipment	591	2,000	2,000
(A) Heavy Hauling-Bonded Roads	730	3,200	3,000
(A) Sale of Signs	114	125	125
(A) Accident Damage Claims	3,571	4,400	4,000
(A) Litter Fine Receipts	9	9	9
(A) Keep Pennsylvania Beautiful Contributions	7	50	20
(A) Recovered Permit Compliance Cost	14	10	20
(A) Aviation Restricted Revenue .....	.....	26	26
Subtotal — State Funds	\$ 692,555	\$ 664,444	\$ 694,395
Subtotal — Federal Funds	133,098	176,900	176,505
Subtotal — Augmentations	9,286	13,670	13,550
Total — Highway Maintenance	\$ 834,939	\$ 855,014	\$ 884,450
Safety Administration and Licensing	48,358	50,666	50,959
(F) State and Community Highway Safety	1,263	1,923	1,906
(F) Driver Licensing Grant	5	4	4
Motor Vehicle Insurance Compliance	183	409	2,521
(A) Computer Support	98	150	150
(A) Photo ID Program	3,783	4,502	4,000
(A) Vehicle Sales Tax Collections .....	.....^a	.....^a	.....^a
(A) Emission Mechanic Training Courses	5	5	5
Commercial Driver Safety and Licensing .....	.....	2,522	3,439
(F) Federal Aid — Commercial Drivers Licensing .....	.....	250	178
Subtotal — State Funds	\$ 48,541	\$ 53,597	\$ 56,919
Subtotal — Federal Funds	1,268	2,177	2,088
Subtotal — Augmentations	3,886	4,657	4,155
Total — Safety Administration and Licensing	\$ 53,695	\$ 60,431	\$ 63,162

^aNot added to the total to avoid double counting; 1988-89 actual is \$1,612,000, 1989-90 available is \$1,676,000 and 1990-91 budget is \$1,743,000.

TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1988-89	1989-90	1990-91
	Actual	Available	Budget
GENERAL GOVERNMENT (continued):			
(R) Aviation Operations ^a	\$ 9,943	\$ 10,115	\$ 10,968
(F) Airport Development Aid Program	27	98	57
(F) Airport Inspection	24	34	34
(F) Federal Aid — HIA	4,520	4,353	5,400
(F) Federal Aid — Other State Airports	356	939	1,485
(A) HIA Utility Services	215	164	195
(A) Other State Airports Utility Services	65	104	94
(A) Flight Operations	328	323	323
(A) Police Citations — HIA	7	17	18
(A) Airport Inspections and Licensing	3	5	5
(A) Airport Improvement Program	496	523	583
(A) Industrial Park Reimbursement	125	160	161
(A) Other State Owned Airports	140	275	173
Subtotal — Federal Funds	\$ 4,927	\$ 5,424	\$ 6,976
Subtotal — Augmentations	1,379	1,571	1,552
Subtotal — Restricted Revenue	9,943	10,115	10,968
Total — Aviation Operations	\$ 16,249	\$ 17,110	\$ 19,496
STATE FUNDS	\$ 947,088	\$ 944,190	\$ 952,026
FEDERAL FUND	794,368	892,201	744,869
AUGMENTATIONS	22,658	28,918	29,144
RESTRICTED REVENUE	16,721	39,115	44,668
Total — General Government	\$ 1,780,835	\$ 1,904,424	\$ 1,770,707
DEBT SERVICE REQUIREMENTS:			
State Highway and Bridge Authority Rentals	\$ 24,146	\$ 18,869	\$ 12,500
GRANTS AND SUBSIDIES:			
Local Road Maintenance and Construction Payments	\$ 156,798	\$ 163,949	\$ 158,253
Supplemental Local Road Maintenance and Construction Payments	5,000	5,000	5,000
Philadelphia Payment — Franchise Tax (EA)	870	1,018	943
(R) Local Grants for Bridge Projects (EA)	15,749	46,600	33,000
(F) Federal Aid — Local Grants for Bridge Projects	431	1,300	900
(A) Local Governments	40	400	100
(R) Annual Maintenance Payments — Highway Transfer (EA)	7,061	7,690	8,220
(R) Restoration Projects — Highway Transfer (EA)	7,534	8,469	6,635
(R) Business Airport Grants ^a	1,500	2,000	2,000
(R) Airport Development ^a	4,200	5,000	5,000
(R) Runway Rehabilitation ^a	500	500	500
(R) Real Estate Tax Rebate ^a	238	220	270
Subtotal — State Funds	\$ 162,668	\$ 169,967	\$ 164,196
Subtotal — Federal Funds	431	1,300	900
Subtotal — Augmentations	40	400	100
Subtotal — Restricted Revenue	36,782	70,479	55,625
Total — Grant and Subsidies	\$ 199,921	\$ 242,146	\$ 220,821

^aAppropriation from restricted revenue account.

TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
STATE FUNDS	\$ 1,133,902	\$ 1,133,026	\$ 1,128,722
FEDERAL FUNDS	794,799	893,501	745,769
AUGMENTATIONS	22,698	29,318	29,244
RESTRICTED REVENUES	53,503	109,594	100,293
MOTOR LICENSE FUND TOTAL	<u>\$ 2,004,902</u>	<u>\$ 2,165,439</u>	<u>\$ 2,004,028</u>
LOTTERY FUND			
<i>GRANTS AND SUBSIDIES:</i>			
Older Pennsylvanians Free Transit	\$ 73,059	\$ 73,775	\$ 74,500
Older Pennsylvanians Shared Rides	46,075	49,043	53,700
Demand Response Equipment Grants	2,297	2,300	2,300
Transfer to Motor License Fund— Vehicle Registration — Older Pennsylvanians	2,600	2,700	3,000
Total — Grants and Subsidies	<u>\$ 124,031</u>	<u>\$ 127,818</u>	<u>\$ 133,500</u>
LOTTERY FUND TOTAL	<u>\$ 124,031</u>	<u>\$ 127,818</u>	<u>\$ 133,500</u>
OTHER FUNDS			
<i>GENERAL FUND:</i>			
Federal Grants — Railroad Freight Rehabilitation	\$ 842	\$ 5,000	\$ 5,000
GENERAL FUND TOTAL	<u>\$ 842</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>
<i>MOTOR LICENSE FUND:</i>			
Federal Reimbursements — Highway Safety Program	\$ 3,410	\$ 3,700	\$ 3,885
Federal Reimbursements — TOPICS	1,691	2,100	2,500
Federal Grants — Airport Development Aid Program .....	.....	1,000	1,000
Federal Reimbursements for Roads Off the State System Costs	6,226	1,000	.....
Federal Urban System Funds	10,391	18,500	.....
Reimbursements to Municipalities — Vehicle Code Fines and Penalties	11,449	12,500	13,000
Federal Reimbursements — Flood Related Costs	832	1,000	1,000
Reimbursement to Other States — Apportioned Registration Plan	12,036	8,000	10,000
Federal Reimbursements — Bridge Projects	10,938	12,000	11,000
Motorcycle Safety Education	1,464	1,000	1,000
Equipment Rental Security Deposits	86	100	100
Payments to Blind/Visually Handicapped	908	100	1,000
Vending Machine Contracts .....	.....	250	.....
Child Passenger Restraint Program .....	.....	25	.....
Federal Reimbursements — Political Subdivisions	19,005	20,500	21,000
Federal Aid — Timber Bridges .....	.....	150	.....
Advance Construction Interstate — Federal Share	94,217	70,738	52,920
MOTOR LICENSE FUND TOTAL	<u>\$ 172,653</u>	<u>\$ 152,663</u>	<u>\$ 118,405</u>

TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
OTHER FUNDS			
<i>HIGHWAY BEAUTIFICATION FUND:</i>			
Control of Junkyards	\$ 23	\$ 35	\$ 35
Control of Outdoor Advertising	588	650	650
HIGHWAY BEAUTIFICATION FUND TOTAL	\$ 611	\$ 685	\$ 685
<i>LIQUID FUELS TAX FUND:</i>			
Payments to Counties	\$ 25,031	\$ 25,281	\$ 27,350
LIQUID FUELS TAX FUND TOTAL	\$ 25,031	\$ 25,281	\$ 27,350
OTHER FUNDS TOTAL	\$ 199,137	\$ 183,629	\$ 151,440
 DEPARTMENT TOTALS — ALL FUNDS			
GENERAL FUND	\$ 226,424	\$ 242,785	\$ 253,207
SPECIAL FUNDS	1,257,933	1,260,844	1,262,222
FEDERAL FUNDS	804,916	908,635	758,925
AUGMENTATIONS	22,974	29,815	29,731
RESTRICTED REVENUE	53,503	109,594	100,293
OTHER FUNDS	199,137	183,629	151,440
TOTAL ALL FUNDS	\$ 2,564,887	\$ 2,735,302	\$ 2,555,818

TRANSPORTATION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
TRANSPORTATION SUPPORT SERVICES							
General Funds.....	\$ 1,335	\$ 1,507	\$ 1,564	\$ 1,620	\$ 1,678	\$ 1,738	\$ 1,800
Special Funds.....	24,408	25,349	25,712	26,573	27,465	28,389	29,346
Federal Funds.....	3,879	4,099	3,956	3,956	3,956	3,956	3,956
Other Funds.....	322	730	587	577	580	585	585
TOTAL.....	\$ 29,944	\$ 31,685	\$ 31,819	\$ 32,726	\$ 33,679	\$ 34,668	\$ 35,687
STATE HIGHWAY AND BRIDGE CONSTRUCTION/RECONSTRUCTION							
General Funds.....	\$ 0	\$ 50	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Special Funds.....	205,730	219,669	187,500	154,000	145,000	140,000	140,000
Federal Funds.....	655,075	707,700	559,300	508,400	510,400	485,200	485,200
Other Funds.....	114,557	114,523	102,990	57,814	43,018	43,732	45,357
TOTAL.....	\$ 975,362	\$ 1,041,942	\$ 849,790	\$ 720,214	\$ 698,418	\$ 668,932	\$ 670,557
STATE HIGHWAY AND BRIDGE MAINTENANCE							
General Funds.....	\$ 914	\$ 986	\$ 1,019	\$ 1,056	\$ 1,094	\$ 1,133	\$ 1,174
Special Funds.....	692,032	664,144	693,750	672,000	672,000	672,000	672,000
Federal Funds.....	133,098	176,900	176,505	176,500	176,500	176,500	176,500
Other Funds.....	30,117	35,795	36,650	37,150	37,650	38,150	38,650
TOTAL.....	\$ 856,161	\$ 877,825	\$ 907,924	\$ 886,706	\$ 887,244	\$ 887,783	\$ 888,324
LOCAL HIGHWAY AND BRIDGE ASSISTANCE							
Special Funds.....	\$ 163,191	\$ 170,267	\$ 164,841	\$ 164,844	\$ 165,248	\$ 165,782	\$ 166,316
Federal Funds.....	431	1,300	900	900	900	900	900
Other Funds.....	94,419	132,440	99,305	81,012	83,351	84,748	85,497
TOTAL.....	\$ 258,041	\$ 304,007	\$ 265,046	\$ 246,756	\$ 249,499	\$ 251,430	\$ 252,713
URBAN MASS TRANSPORTATION							
General Funds.....	\$ 213,682	\$ 229,366	\$ 239,687	\$ 239,687	\$ 239,687	\$ 239,687	\$ 239,687
TOTAL.....	\$ 213,682	\$ 229,366	\$ 239,687	\$ 239,687	\$ 239,687	\$ 239,687	\$ 239,687
RURAL AND INTERCITY RAIL AND BUS TRANSPORTATION							
General Funds.....	\$ 8,481	\$ 8,800	\$ 8,994	\$ 8,994	\$ 8,994	\$ 8,994	\$ 8,994
Federal Funds.....	6,238	11,035	9,200	9,200	9,200	9,200	9,200
Other Funds.....	1,053	5,487	5,487	5,487	5,487	5,487	5,487
TOTAL.....	\$ 15,772	\$ 25,322	\$ 23,681	\$ 23,681	\$ 23,681	\$ 23,681	\$ 23,681

TRANSPORTATION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
AIR TRANSPORTATION							
General Funds.....	\$ 400	\$ 400	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200
Federal Funds.....	4,927	5,424	6,976	5,932	6,234	6,552	6,883
Other Funds.....	17,760	20,406	21,290	19,692	19,361	19,567	20,308
TOTAL.....	\$ 23,087	\$ 26,230	\$ 28,466	\$ 25,824	\$ 25,795	\$ 26,319	\$ 27,391
SAFETY ADMINISTRATION AND LICENSING							
General Funds.....	\$ 1,612	\$ 1,676	\$ 1,743	\$ 1,806	\$ 1,871	\$ 1,938	\$ 2,008
Special Funds.....	48,541	53,597	56,919	58,608	57,056	59,128	61,276
Federal Funds.....	1,268	2,177	2,088	1,976	1,904	1,904	1,904
Other Funds.....	17,386	13,657	15,155	16,355	17,355	18,355	19,355
TOTAL.....	\$ 68,807	\$ 71,107	\$ 75,905	\$ 78,745	\$ 78,186	\$ 81,325	\$ 84,543
OLDER PENNSYLVANIANS TRANSIT							
Special Funds.....	\$ 124,031	\$ 127,818	\$ 133,500	\$ 136,452	\$ 140,827	\$ 144,639	\$ 148,594
TOTAL.....	\$ 124,031	\$ 127,818	\$ 133,500	\$ 136,452	\$ 140,827	\$ 144,639	\$ 148,594
ALL PROGRAMS:							
GENERAL FUND.....	\$ 226,424	\$ 242,785	\$ 253,207	\$ 253,363	\$ 253,524	\$ 253,690	\$ 253,863
SPECIAL FUNDS.....	1,257,933	1,260,844	1,262,222	1,212,477	1,207,596	1,209,938	1,217,532
FEDERAL FUNDS.....	804,916	908,635	758,925	706,864	709,094	684,212	684,543
OTHER FUNDS.....	275,614	323,038	281,464	218,087	206,802	210,624	215,239
TOTAL.....	\$ 2,564,887	\$ 2,735,302	\$ 2,555,818	\$ 2,390,791	\$ 2,377,016	\$ 2,358,464	\$ 2,371,177

TRANSPORTATION

PROGRAM OBJECTIVE: To provide an effective administrative system supporting both non-highway and highway transportation programs.

Program: Transportation Support Services

This program provides for administrative and overhead services which support the operations of programs necessary for the achievement of Commonwealth and department objectives.

The non-highway related activities provide 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 planning and study projects, and review of local operating subsidy and capital grant projects. 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.

The highway related activities develop basic 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 department employees, the work of the Inspector General's office, the State Transportation Commission and the Advisory Committee are included within this program.

Program Recommendations:

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

<p>General Fund: Mass Transportation Operations \$ -1 —to continue current program.</p> <p>Goods Movement Operations \$ 48 —to continue current program.</p> <p>Rail Freight Advisory Committee \$ 10 —for operating expenses.</p>	<p>Motor License Fund: General Government Operations \$ 563 —to continue current program.</p> <p>Refunding Collected Monies \$ -200 —for the expected level of licensing and registration fee refunds.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Mass Transportation Operations	\$ 936	\$ 1,020	\$ 1,019	\$ 1,056	\$ 1,094	\$ 1,133	\$ 1,174
Goods Movement Operations	399	487	535	554	574	595	616
Rail Freight Advisory Committee			10	10	10	10	10
TOTAL GENERAL FUND	\$ 1,335	\$ 1,507	\$ 1,564	\$ 1,620	\$ 1,678	\$ 1,738	\$ 1,800
MOTOR LICENSE FUND:							
General Government Operations	\$ 22,535	\$ 23,349	\$ 23,912	\$ 24,773	\$ 25,665	\$ 26,589	\$ 27,546
Refunding Collected Monies	1,873	2,000	1,800	1,800	1,800	1,800	1,800
TOTAL MOTOR LICENSE FUND	\$ 24,408	\$ 25,349	\$ 25,712	\$ 26,573	\$ 27,465	\$ 28,389	\$ 29,346

TRANSPORTATION

PROGRAM OBJECTIVE: To provide a highway and bridge system capable of meeting the economic and recreational needs of the Commonwealth.

Program: State Highway and Bridge Construction/Reconstruction

This program involves major construction work on the interstate highway system, on other priority State highways and on State bridges.

Activities involve the construction or reconstruction of highways and bridges that contribute to the economic growth of the Commonwealth and the mobility of the State's citizens. The scope of this program includes Federal Interstate, Primary, Secondary, Urban and Appalachia Roads as well as those State roads that are not part of the Federal-aid system. Within the funding available from Federal-aid, local construction contributions and current State revenues, Transportation is charged with the responsibility of developing and executing a program that will correct the most critical deficiencies on the State-administered highway system. In addition, the department has initiated a High Accident Corridor

Corrections Program which will make relatively low cost, high benefit improvements on 55 highway corridors which have experienced above average accident rates or exhibit the potential for significant accident problems.

This program also involves improvements to those State-owned bridges enumerated in the Highway Bridge Capital Budget Act of 1982 and subsequent amendments. These improvements are funded through annual registration fees for Commonwealth-registered vehicles having a gross weight in excess of 26,000 pounds and a six cent per gallon tax on motor fuel used by motor carriers in the operation of their vehicles having a gross weight in excess of 17,000 pounds on highways within the Commonwealth.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Miles of construction on new right-of-way	5	64	23	32	13	11	15
Miles of Interstate reconstruction	36	68	77	60	60	60	60
Miles of Non-Interstate reconstruction	2	7	17	22	25	12	13
Intersections improved to increase safety and capacity	65	85	95	95	95	95	95
Bridges maintained (larger than 8 feet)	24,922	24,937	24,952	24,967	24,982	24,997	25,012
Bridges replaced/repaired	316	275	300	300	260	260	260

Those measures based on miles now reflect projects completed rather than started as in last year's budget document. The miles of non-interstate reconstruction measure is lower than last year's budget since it excludes work performed as betterments under the Highway Maintenance Appropriation. This mileage is included in the State Highway and Bridge Maintenance subcategory.

Program Recommendations:

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

Highway and Safety Improvement
 \$ -25,000 —to maintain the schedule of having all Interstate gaps open to traffic in 1991. This funding is in combination with Federal Reimbursement Anticipation Notes (FRANS). For 1990-91 this Budget recommends FRANS proceeds in the amount of \$52,920,000. The Commonwealth's mainline interstate system will be finished with the completion of I-476 (Mid-County Expressway) in Delaware and Montgomery counties. Other key economic development projects initiated or underway in 1990-91 include a 10 mile section of the Mon-Fayette Expressway in Washington County, I-676 (Vine Street Expressway) in Philadelphia, additional I-95 access ramps in Philadelphia, relocation of Route 23 from Broad Street to Route 30 in Lancaster County, a 12 mile relocation of Route 220 between Altoona and Tyrone in Blair County, construction of the new Southern Expressway in Allegheny County and a three mile relocation of Route 119 in Fayette County, (part of Mon-Fayette Expressway). The interstate restoration projects also funded from this appropriation include 19 miles of

Interstate 80 in Luzerne and Jefferson counties, 8 miles of Interstate 78 in Lebanon County and 3 miles of I-79 in Washington County.

State Highway and Bridge Authority Rentals
 \$ -6,369 —to provide for required principal and interest payments which are less than in 1989-90. Major bridge projects started or underway from the Bridge Restricted Revenue Account during 1990-91 include the replacement or rehabilitation of the Peninsula Drive Bridge in Erie County, the South Street Bridge in Luzerne County, the State Road Bridge in Delaware County, the Chester Avenue Bridge in Philadelphia, the Harrisburg Expressway Bridge in Cumberland County, the Hulton Bridge in Allegheny County and the Belle Vernon Bridge in Washington County. The appropriation for High Accident Corridor Corrections is recommended at the current year level. All other appropriations are nonrecurring

TRANSPORTATION

Program State Highway and Bridge Construction/Reconstruction (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Covered Bridge Study		\$ 50					
MOTOR LICENSE FUND:							
Highway and Safety Improvement	\$ 181,584	\$ 190,000	\$ 165,000	\$ 145,000	\$ 145,000	\$ 140,000	\$ 140,000
High Accident Corridor Corrections		10,000	10,000	2,500			
State Highway and Bridge Authority							
Rentals	24,146	18,869	12,500	6,500			
Timber Bridges		500					
Demonstration Timber Bridge Program ..		300					
TOTAL MOTOR LICENSE FUND	<u>\$ 205,730</u>	<u>\$ 219,669</u>	<u>\$ 187,500</u>	<u>\$ 154,000</u>	<u>\$ 145,000</u>	<u>\$ 140,000</u>	<u>\$ 140,000</u>

TRANSPORTATION

PROGRAM OBJECTIVE: To provide general routine maintenance, betterments and resurfacing necessary to preserve the quality of existing State-administered roads and bridges and to provide prompt winter services to enable safe passage of vehicles.

Program: State Highway and Bridge Maintenance

Pennsylvania, with one of the largest State maintained highway systems in the nation and one which is subjected to severe winters, is faced with significant and challenging maintenance demands.

Work carried out by the department or by contract includes patching, surface treatment, resurfacing, restabilization and minor betterment projects, plus repair of bridges, tunnels and minor storm damage. The department places a heavy emphasis on durable resurfacing of high-volume primary highways. Pennsylvania has about 11,000 miles of primary highways which carry high volumes of truck traffic. The department has labelled these highways the Priority Commercial Network. Snow and ice control services are performed on all State administered highways. Safety improvements such as skid resistant pavement applications, left turn lanes, intersection sight improvements, shoulder improvements, guiderail updates and curve banking adjustments are incorporated into other routine maintenance and betterment work. Other important maintenance activities, not involved directly with the roadway surface itself, include pipe replacement, ditch

cleaning, manufacturing and repairing highway signs; repainting pavement markings, shoulder cutting/gradings and repairing or replacing such safety features as traffic signals, guiderails, median barriers and right-of-way fences.

The department issues special permits to truck operators in the cases of weight restrictions or special operating restrictions on certain highways and bridges. By issuing these permits the department is able to facilitate economic growth in the Commonwealth without adversely affecting the structural integrity of the highways and bridges or the safe and convenient passage of traffic.

The Motor Carrier Enforcement Program is credited with reducing maintenance costs for highways and bridges and increasing the public safety by minimizing the number of dangerously overloaded trucks. The department continues to provide state-of-the-art training and equipment technology to maximize enforcement efficiency. At the same time, delays to motor carriers have been minimized through the use of weigh-in-motion technology.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Miles of State maintained highways	42,281	42,133	41,981	41,846	41,699	41,556	41,423
Miles of State maintained highways improved:							
Resurfaced	311	339	227	190	180	180	160
Surface treated	6,422	6,161	6,273	6,210	6,020	5,920	5,840
Total	6,733	6,500	6,500	6,400	6,200	6,100	6,000
Truck weight and safety enforcement:							
Trucks weighed	365,365	400,000	408,000	408,000	408,000	408,000	408,000
Weight violations	5,249	5,300	5,400	5,500	5,500	5,500	5,500
Trucks inspected	18,707	19,000	19,000	19,000	19,000	19,000	19,000
Safety violations	34,982	35,500	36,000	36,000	36,000	36,000	36,000

Trucks inspected measure reflects increased emphasis in this area while safety violations are based on recent experience.

TRANSPORTATION

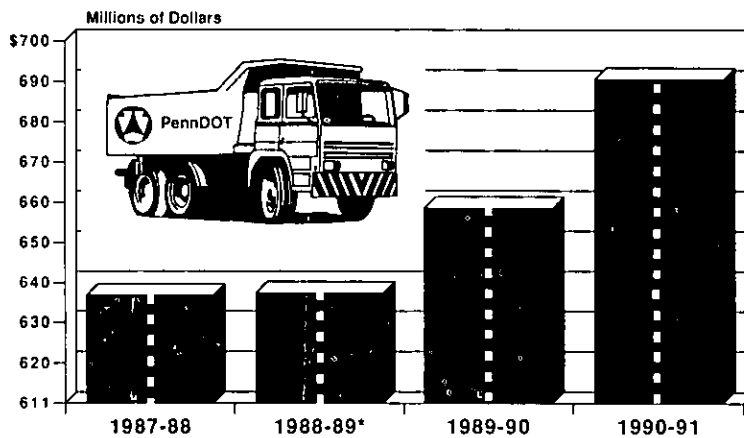
Program: State Highway and Bridge Maintenance (continued)

Program Recommendations:

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

<p>GENERAL FUND:</p> <p>\$ 33 —to continue current program.</p> <p>MOTOR LICENSE FUND:</p> <p>Highway Maintenance</p> <p>\$ 39,538 —to continue current program.</p> <p>Secondary Roads—Maintenance and Resurfacing</p> <p>\$ -316 —to continue current program.</p>	<p>Highway Maintenance Supplemental</p> <p>\$ -7,866 —to continue current program.</p> <p>Salt Storage Building</p> <p>\$ -750 —to complete current program.</p> <p>Roadside Rest Areas</p> <p>\$ -1,000 —to complete three year program of upgrading roadside rest areas.</p> <p style="text-align: right;">Reinvestment — Facilities is recommended at the current year level.</p>
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HIGHWAY MAINTENANCE



*1988-89 excludes a nonrecurring appropriation increase of \$33 million.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Welcome Centers	\$ 914	\$ 986	\$ 1,019	\$ 1,056	\$ 1,094	\$ 1,133	\$ 1,174
MOTOR LICENSE FUND:							
Highway Maintenance	\$ 605,887	\$ 588,749	\$ 628,287	\$ 604,758	\$ 604,577	\$ 604,482	\$ 604,258
Secondary Roads — Maintenance and Resurfacing	55,803	55,016	54,700	54,837	55,018	55,113	55,337
Highway Maintenance Supplemental	8,842	14,879	7,013	10,405	10,405	10,405	10,405
Traffic and Directional Signs	15,000						
Salt Storage Building	1,500	1,500	750				
Roadside Rest Areas	2,000	2,000	1,000				
Reinvestment — Facilities	3,000	2,000	2,000	2,000	2,000	2,000	2,000
TOTAL MOTOR LICENSE FUND	\$ 692,032	\$ 664,144	\$ 693,750	\$ 672,000	\$ 672,000	\$ 672,000	\$ 672,000

TRANSPORTATION

PROGRAM OBJECTIVE: To assist local governments in the maintenance and construction of their portion of the total highway and bridge system.

Program: Local Highway and Bridge Assistance

The Commonwealth provides a number of financial programs to assist municipalities in the maintenance and construction of their highway bridge systems.

Legislatively mandated programs earmark a portion of Pennsylvania's liquid fuels tax and oil franchise tax for local governments to use on their roads. The first one-half cent of the twelve cent gallonage tax is deposited directly into the Liquid Fuels Tax Fund and apportioned to the 67 counties. Of the remaining eleven and one-half cent fuels tax, twenty percent is distributed from the Motor License Fund to 2,572 municipalities. Also included in the distribution to municipalities is twenty percent of 3.5 percent of the 6 percent oil franchise tax. As part of the oil franchise tax legislation, Philadelphia receives a separate payment annually in an amount equal to two percent of the retail sales within the city less increased State allocations to Philadelphia. In addition, in 1980 the General Assembly established an annual appropriation of \$5 million to be returned to local governments for further highway improvements.

Act 32 of 1983 established a local highway turnback program by authorizing the establishment of a separate restricted revenue account within the Motor License Fund. Funding for this program currently consists of three mills of the oil franchise tax. Funds deposited into this account are used for restoration work to upgrade the road to acceptable standards and to provide an annual maintenance payment in the amount

of \$2,500 per mile. The department has the funding mechanism and legal authority to ultimately return approximately 6,300 of 12,000 miles of functionally local highways to the Commonwealth's municipalities.

The General Assembly authorized improvements to local bridges through the Highway Bridge Capital Act of 1982 and subsequent amendments. As with the State bridges contained in these capital acts, the improvements are funded through annual registration fees for Commonwealth registered vehicles having a registered weight in excess of 26,000 pounds and a six cent per gallon tax on motor fuel used by motor carriers in the operation of their vehicles having a gross vehicle weight in excess of 17,000 pounds on highways within the Commonwealth.

In 1986 the General Assembly authorized a separate appropriation for local bridge inspection work. The work being performed involves primarily new first time load posting as a result of bridge deterioration. This program is being administered by the department and is intended to assist local governments in meeting the requirements of National Bridge Inspection Standards as mandated by Federal Law. This action will eliminate the potential loss of Federal aid for non-compliance of standards as well as minimizing future tort liability in this area. Given the benefits to be realized by local governments, the General Assembly also authorized that State funds needed to support this program be deducted from their liquid fuels tax allocations.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Miles of highway locally administered:							
Total	70,274	70,691	71,066	71,438	71,813	72,187	72,550
Percent of all highways in the Commonwealth	62.4%	62.7%	62.9%	63.1%	63.3%	63.5%	63.7%
Miles of local highways improved	1,346	1,330	1,325	1,300	1,250	1,225	1,200
Local bridges:							
Total (Greater than 20 feet)	6,325	6,328	6,331	6,334	6,337	6,340	6,343
Brought up to standard through State Bridge Program	41	60	90	70	40	40	40

The measure total local bridges now reflects the federally required inventory of bridges over 20 feet in length while the measure in last years budget reflected bridges over 8 feet in length.

The data for Brought up to standard through State Bridge Program reflects bridges completed instead of bridges started as in last year's budget document.

TRANSPORTATION

Program: Local Highway and Bridge Assistance (continued)

Program Recommendations:

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

<p>Local Road Maintenance and Construction Payments</p> <p>\$ -5,696 —to continue current program based on current year estimated revenue collections and prior year adjustments.</p> <p>Philadelphia Payment — Franchise Tax</p> <p>\$ -75 —to continue current program.</p>	<p>\$ 345</p>	<p>Local Bridge Inspection</p> <p>—to continue current program.</p> <p>Supplemental Local Road Maintenance and Construction Payments is recommended at the current year level.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
MOTOR LICENSE FUND:							
Local Road Maintenance and Construction Payments	\$ 156,798	\$ 163,949	\$ 158,253	\$ 158,253	\$ 158,654	\$ 159,185	\$ 159,717
Supplemental Local Road Maintenance and Construction Payments	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Philadelphia Payment — Franchise Tax	870	1,018	943	946	949	952	954
Local Bridge Inspection	523	300	645	645	645	645	645
TOTAL MOTOR LICENSE FUND	\$ 163,191	\$ 170,267	\$ 164,841	\$ 164,844	\$ 165,248	\$ 165,782	\$ 166,316

TRANSPORTATION

PROGRAM 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.

Program: Urban Mass Transportation

Act 73 of 1987 which amended the Pennsylvania Urban Mass Transportation Law radically changed the allocation methodology from one that was based primarily on a transit system's operating deficit to a grant formula based on fixed percentages of the total amount appropriated annually by the General Assembly. These percentages take into consideration historical funding, fairbox revenues, and vehicle miles. Under this formula three classes of transit entities have been established based on the number of vehicles operated during peak hours. A local or private funding commitment is required in an amount not less than

one-third of the total State grant. Each system is required to adopt a specific series of service standards and performance evaluation measures. The Commonwealth, along with Federal and local governments, provide grants to the State's twenty-one urban transit systems. Generally, Pennsylvania provides 38 percent of transit system income including lottery funds, while passenger revenues, Federal and local funds provide the balance. Individuals took over 360 million trips on public transit in the State's urbanized areas last year.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Urban passengers carried by State-assisted operators (millions annually):	362.0	363.0	366.6	370.3	374.0	377.7	381.5
Passengers per vehicle hour	33.8	33.8	33.9	33.9	33.8	33.8	33.7
Percentage share of average income of urban mass transit trips:							
From passenger	44.4%	45.6%	45.5%	45.5%	45.5%	45.5%	45.5%
From Commonwealth	39.6%	37.6%	38.0%	38.0%	38.0%	38.0%	38.0%
From Federal Government	6.3%	6.2%	5.4%	5.4%	5.4%	5.4%	5.4%
From local government	9.7%	10.6%	11.1%	11.1%	11.1%	11.1%	11.1%

Program Recommendations:

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

Mass Transportation Assistance
 \$ 10,321 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Mass Transportation Assistance	\$ 213,682	\$ 229,366	\$ 239,687	\$ 239,687	\$ 239,687	\$ 239,687	\$ 239,687

TRANSPORTATION

PROGRAM OBJECTIVE: To facilitate the development of improved rail passenger and cargo service between major urban areas of the Commonwealth, thereby providing relief for over utilized 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.

Program: Rural and Intercity Rail and Bus Transportation

Commonwealth activities involve four separate intercity and/or rural transportation programs: rural and small urban area public transit similar in nature, if not in scope, to SEPTA in Philadelphia and PAT in Pittsburgh; intercity bus service of the nature operated by Greyhound and Trailways; intercity rail passenger service operated by Amtrak; and rail freight service of importance to local shippers on the State's Rail Branchline System.

Act 10 of 1976 provided Transportation with the legislative authorization to provide financial assistance to the Commonwealth's small urban and rural public transportation systems. In 1978 the Federal Government passed similar legislation which made Federal funding available for rural and small urban transit systems. These Federal funds are apportioned to each state based on rural population distribution as determined by the U.S. Census Bureau. The Department of Transportation administers Federal funding apportioned to Pennsylvania. In many areas, small urban and rural transportation systems funded through the State appropriation provide the only alternative to private automobile transport.

The Commonwealth's intercity bus program supports systems where without operating assistance essential service would be terminated. It is estimated that 308,000 passengers will utilize Commonwealth subsidized intercity bus services in 1990-91. As private operators propose termination of such services, the Department of Transportation will continue to evaluate the economic and social impacts of service termination and the merits of public subsidy.

Intercity rail passenger service in Pennsylvania, as distinguished from local or regional commuter service, is presently provided by the National Railroad Passenger Corporation (Amtrak). The majority of the service is operated as part of Amtrak's National System without financial assistance from the Commonwealth. However, when service frequency or scheduling on some Amtrak routes has been found to be insufficient to meet Pennsylvania's needs, the department takes advantage of Federal law which directs the corporation to cooperate with a state which makes application for additional service or establishment of a new route. Funds are included in Amtrak's annual budget to finance its share of capital costs and operating deficits incurred to equip and operate such service, as long as matching State funding is available. The current funding ratio for Pennsylvania's sponsored service is 35 percent Amtrak,

65 percent State for established service and 55 percent Amtrak, 45 percent State for the first twelve months of new services.

The Commonwealth's rail freight network provides a competitive cost advantage for business and industry that depend upon cost effective transportation of bulk commodities.

In reaction to the pending abandonments of former Penn Central, Erie/Lackawanna and Lehigh Valley rail lines, Pennsylvania became actively involved in a rail freight assistance program in the late 1970's. With financial assistance from the Federal Railroad Administration, the Department of Transportation purchased 155 miles of track that was not retained in the Conrail system. Additional lines were saved from abandonment through acquisition by the private sector or local government — with financial assistance from the Federal Government. While the Federal Government initially provided operating subsidies for lines that were not included in the Conrail System the Federal operating subsidy program was terminated after 1981.

The Commonwealth continues to own 136 miles of rail line that serve 45 industries. The Commonwealth funds one-half of the operating deficit, with the non-State share usually coming from the affected shippers. Additional assistance is provided in the form of program maintenance grants for which the state provides 80 percent of the project funding.

Another component of the Commonwealth's rail freight program is assistance for accelerated maintenance and capital projects on non-state-owned lines. The Accelerated Maintenance Program was established in 1982 in response to a substantial, expedited abandonment program undertaken by Conrail in accordance with provisions of the Northeast Rail Service Act (NERSA) of 1981. NERSA allowed Conrail to rid itself of unprofitable lines in an unappealable procedure, as one of a number of ways for the Conrail system to achieve profitability. Under this Commonwealth program funding is provided for basic track rehabilitation and other infrastructure improvements.

The State share for the larger capital projects comes from bond funds, and generally represents 50 percent of the total project cost. Accelerated maintenance projects are funded from current revenues through the Rail Freight Assistance Appropriation. Transportation generally provides 80 percent of the funding for accelerated maintenance projects.

TRANSPORTATION

Program: Rural and Intercity Rail and Bus Transportation (continued)

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Total State cost per bus passenger:							
Rural and small urban	\$0.33	\$0.41	\$0.45	\$0.47	\$0.49	\$0.51	\$0.54
Intercity	\$4.18	\$4.45	\$4.32	\$4.51	\$4.71	\$4.92	\$5.15
Rail Passenger:							
Average fare	\$25.59	\$26.50	\$27.02	\$27.56	\$28.11	\$28.67	\$29.25
State cost per patron on assisted runs	\$3.77	\$4.79	\$4.79	\$4.84	\$4.89	\$4.89	\$4.89
Rail Freight:							
Miles of rail lines							
State assisted	355	336	336	336	336	336	336
State owned	155	136	136	136	136	136	136
Miles of rail lines rehabilitated:							
Federal/local assistance program	25	25					
Accelerated Rail Maintenance Assistance Program	200	200	200	200	200	200	200

For miles of rail lines rehabilitated, "Federal/local assistance program", no Federal funding is anticipated for 1990-91 and subsequent years.

Program Recommendations:

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

**Rural and Intercity Rail and Bus
Transportation**

\$ 194 —to continue current program.

Rail Freight Assistance is recommended at
the current year level.

Appropriations within this Program:

	1988-89 Actual	1989-90 Available	(Dollar Amounts in Thousands)				
			1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
High Speed Rail Commission—							
Outstanding Claims	\$ 150						
Rural and Intercity Rail and Bus							
Transportation	3,882	\$ 4,300	\$ 4,494	\$ 4,494	\$ 4,494	\$ 4,494	\$ 4,494
Rail Freight Assistance	4,449	4,500	4,500	4,500	4,500	4,500	4,500
TOTAL GENERAL FUND	\$ 8,481	\$ 8,800	\$ 8,994	\$ 8,994	\$ 8,994	\$ 8,994	\$ 8,994

TRANSPORTATION

PROGRAM OBJECTIVE: To promote the development of a system of airport facilities adequate to meet the passenger and cargo needs of the Commonwealth's citizens.

Program: Air Transportation

Aviation plays a major role in the movement of passengers and cargo throughout the Commonwealth. With over 800 landing areas, Pennsylvania is fifth nationally in both the number of airports and in landing facilities per square mile. All airline service airports in Pennsylvania are operated by local governments or authorities with the exception of the Harrisburg International Airport which is owned by the Commonwealth. In addition to facilitating the movement of people and goods, air transportation facilities bring substantial economic benefits to the State directly through air transportation or related jobs and indirectly through additional incentives to industry to locate and conduct business in Pennsylvania. The department provides programs to improve the safety and effectiveness of the Commonwealth's aviation network. These program activities include the highway directional sign program; the high visibility marker program to mark power lines near runways; maintenance of 40 aviation weather information systems throughout the State; and an airport inspection and licensing program.

The department also administers several grant programs which are

funded from the Aviation Restricted Revenue Account. These grant programs include:

- An airport development grant program for public use airports. The amount of the state grant is dependent on the size of the project and economic viability.
- a business airport grant program to provide project improvement funding for small privately-owned public airports.
- A runway rehabilitation program for public airports. The Commonwealth provides between 50% and 75% of total project costs.
- A real estate tax rebate program for public airports funded exclusively from the statewide aviation fuel tax.
- A revolving loan program for further airport development.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Harrisburg International Airport (HIA):							
Passengers handled	1,157,956	1,245,000	1,365,000	1,445,000	1,525,000	1,715,000	1,817,000
Flights handled	146,644	155,464	164,604	174,088	183,940	194,180	204,380
Tons of cargo handled	31,401	34,541	37,995	41,795	45,975	50,570	55,530
Airports receiving State grants:							
Runway rehabilitation grants	14	14	14	14	14	14	14
Airport development grants	42	45	45	45	45	45	45
Business airport grants	23	28	28	20	20	20	20

The flights handled at HIA are lower than anticipated versus data shown in last year's budget due to a combination of airlines switching to larger airplanes for regional flights and a movement of corporate flights to another local airport.

Runway rehabilitation grants program measure data is lower than last years budget due to larger individual grants.

Program Recommendations:

This budget recommends continuing Business Airport Grants at the \$2 million level and Airport Development at the \$5 million level. Both of these amounts are appropriated from the Aviation Restricted Revenue Account.

This budget recommends maintaining Civil Air Patrol at the current program level excluding nonrecurring projects.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Civil Air Patrol	\$ 400	\$ 400	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200

TRANSPORTATION

PROGRAM OBJECTIVE: To minimize traffic accidents attributable to driver error and mechanically defective vehicles and to promote highway safety programs.

Program: Safety Administration and Licensing

A primary responsibility of the department, within the Safety Administration and Licensing Program, is to process applications and collect fees for all vehicle registrations and operator licenses. Last year, 8.9 million vehicles were registered under Pennsylvania's annual renewal cycle. This total included 169,000 heavy vehicles that were registered at greater than 17,000 pounds, and nearly 100,000 trailers registered at greater than 10,000 pounds. In 1988-89, 7.7 million operator licenses were in effect. Actual processing of driver licenses occurs over a multi-year period under the Commonwealth's four year renewal cycle.

The testing, inspection and revocation aspects of operator and vehicular licensing activities within this program provide many opportunities to enforce safety standards. Perhaps the most basic of these is the operator license. The driver testing program is designed to screen out applicants with insufficient driving knowledge or skills, as well as to identify those with mental or physical disabilities. The State Police currently perform examinations, with the Department of Transportation issuing the licenses and maintaining records. A more extensive program of commercial and bus driver testing is now being initiated in order to comply with the Federal Commercial Motor Vehicle Safety Act of 1986.

The objective of the driver point system is to discourage licensed drivers from violating traffic laws. Illegal actions by motorists, particularly drunk driving, constitute a significant percentage of the accidents in which driver error is the principal causal factor. The department is empowered to suspend or revoke the licenses of motor vehicle drivers who have reached the 11 point limit or who have committed certain severe traffic violations.

The safety inspection program for the Commonwealth's 8.9 million motor vehicles is intended to minimize traffic accidents due to mechanical failure. The department 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 insure compliance with approved safety standards.

The Commonwealth's emission inspection program currently inspects 3.6 million vehicles annually and is intended to reduce subject vehicle carbon monoxide and hydrocarbon pollutants and improve air quality. The areas affected are the Pittsburgh and Allentown-Bethlehem-Easton metropolitan areas (specific zip codes) and the Philadelphia region consisting of five counties. The department licenses inspection stations, trains and licenses vehicle inspection mechanics and periodically checks inspection stations, records and work of mechanics to assure compliance with approved emission program requirements.

Another major activity, the accident analysis program, deals entirely with safety by assembling listings of high accident locations which are used to establish priorities for improvements funded through the Highway Safety Projects Program. Computer programs have been written to identify those highway locations which have experienced statistically more accidents than similar highways with similar traffic volumes. Another program identifies locations that have had an inordinate number of accidents in which vehicles ran off the road or hit fixed objects. This ranking of nearly 8,000 high-accident locations provides the department with a systematic means of selecting the highest priority locations for highway improvements.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Vehicles inspected:							
Safety inspection	8,650,000	8,736,500	8,823,865	8,912,104	9,001,225	9,091,237	9,182,149
Emission inspection	3,595,954	3,631,913	3,668,233	3,704,915	3,741,964	3,779,383	3,817,177
Registrations:							
New	1,517,000	1,532,170	1,547,492	1,562,967	1,578,596	1,594,382	1,610,326
Renewed	7,391,000	7,464,910	7,539,559	7,614,955	7,691,104	7,768,015	7,845,695
Licensed Drivers:							
New	239,343	240,000	242,000	244,000	246,000	248,000	250,000
Renewed	1,937,000	1,937,000	1,787,000	1,854,000	2,069,000	2,019,000	1,797,000
Photo Identification Cards Issued (Non-Driver Photo)	35,345	36,000	37,000	38,000	38,000	40,000	40,000
Commercial Drivers to be tested	19,202	25,000	170,000	190,000	40,000	40,000	40,000

The licensed drivers renewed measure reflects a cyclic trend due to the introduction of the four year drivers license.

Commercial drivers to be tested is a new measure reflecting the Federally Mandated Commercial Drivers License Program. These licenses were previously included with the licensed driver new and renewed measures. This measure peaks in 1991-92 since all existing commercial drivers must be retested by April 1992.

TRANSPORTATION

Program: Safety Administration and Licensing (continued)

Program Recommendations:

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

	General Fund:		Commercial Driver Safety and Licensing
	Vehicle Sales Tax Collections	\$ 917	—PRR — Commercial Driver Safety and Licensing. The Department of Transportation's portion of this multi-agency PRR involves administering written tests for affected licensed drivers, modifying the driver licensing system and developing the ability to interact with the National Commercial Driver Licensing Information System. See the Program Revision following this program for further information.
\$ 67	—to continue current program.		
	Motor License Fund:		
	Safety Administration and Licensing		
\$ 293	—to continue current program.		
	Motor Vehicle Insurance Compliance		
\$ 12	—to continue current program.		
2,100	—to provide for 25 percent sample testing of the self-certified insurance information provided by the Commonwealth's motorist on vehicle registration renewals. \$1.55 million of the \$2.1 million represents one-time computer development and equipment costs.		
<u>\$ 2,112</u>	<i>Appropriation Increase</i>		

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Vehicle Sales Tax Collections	\$ 1,612	\$ 1,676	\$ 1,743	\$ 1,806	\$ 1,871	\$ 1,938	\$ 2,008
MOTOR LICENSE FUND							
Safety Administration and Licensing	\$ 48,358	\$ 50,666	\$ 50,959	\$ 52,794	\$ 54,695	\$ 56,664	\$ 58,704
Motor Vehicle Insurance Compliance	183	409	2,521	1,006	1,042	1,080	1,119
Commercial Driver Safety and Licensing . . . . .	. . . . .	2,522	3,439	4,808	1,319	1,384	1,453
TOTAL - MOTOR LICENSE FUND	<u>\$ 48,541</u>	<u>\$ 53,597</u>	<u>\$ 56,919</u>	<u>\$ 58,608</u>	<u>\$ 57,056</u>	<u>\$ 59,128</u>	<u>\$ 61,276</u>

TRANSPORTATION

Program Revision: Commercial Driver Safety and Licensing

The Commonwealth of Pennsylvania has implemented several programs to reduce the number of truck related fatalities and injuries. The Motor Carrier Safety Assistance Program, a joint effort of the Department of Transportation, the Public Utility Commission, and the Pennsylvania State Police, enforces truck safety standards by performing on-road vehicle safety inspections, weighing vehicles, and examining driver logs. In 1988-89, 45,000 trucks were inspected under this joint effort, and 18,000 units were removed from service due to violations.

In 1989-90, the Commonwealth will make its testing and licensing standards more stringent by implementing the standards of the Federal Commercial Motor Vehicle Safety Act by April 1992. To implement this Federal law, a proposed State law will require the Department of Transportation to modify its driver licensing system. The department will work with the Pennsylvania State Police, the Department of Education and the Civil Service Commission to develop a more extensive testing program for commercial and school bus drivers.

The Department of Transportation will develop a system to interact with the National Commercial Driver Licensing System. Through this system the department will be able to ensure that all commercial drivers using Pennsylvania's roads are in compliance with Federal and State

laws. The department will also work with the Civil Service Commission to administer a written test through April 1992 for an estimated 320,000 currently licensed commercial drivers. The State Police will administer the written test for new commercial drivers and license renewals. The State Police will continue administering driving skill tests for new commercial drivers and for current drivers who have poor driving records or who fail the written test. In addition, the administration of written examinations for commercial drivers who have lost their licenses, and the administration of motorcycle and moped examinations will be transferred to the Department of Transportation from the Pennsylvania State Police. The department will receive an additional \$917,000 and the State Police will receive an additional \$429,000 to administer the written and driving skill tests.

This Program Revision also recommends \$3 million to allow the Department of Education, in conjunction with Pennsylvania State University's Institute for Adult Studies, to offer test preparation services to the Commonwealth's commercial drivers. By providing test preparation tutoring materials, the Department of Education will work with commercial drivers and trucking companies to maximize their test taking strengths and improve their weaknesses.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Commercial driver written tests							
Current	19,000	69,000	69,000	69,000	69,000	69,000	69,000
Program Revision .....	.....	.....	219,000	169,000	19,000	19,000	19,000
Commercial driver driving tests							
Current	19,000	23,000	23,000	23,000	23,000	23,000	23,000
Program Revision .....	.....	.....	35,000	31,000	19,000	19,000	19,000

Program Revision Recommendations:

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

	Transportation	
	Commercial Driver Safety and Licensing	
\$ 917	—to provide written tests for current drivers and to modify the driver licensing system.	
	State Police	
	Commercial Driver Safety and Licensing	
\$ 429	—to provide driving skill tests for current and new commercial drivers and to provide written tests for new commercial drivers.	
	Education	
	Commercial Driver Licensing Test Preparation	
\$ 3,000	—to provide test preparation services for current and new commercial drivers.	
<hr/>		
\$ 4,346	<i>Program Revision Total</i>	

TRANSPORTATION

Program Revision: Commercial Driver Safety and Licensing (continued)

Recommended Program Revision Costs by Appropriation: _____

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
MOTOR LICENSE FUND:							
TRANSPORTATION							
Commercial Driver Safety and Licensing	\$ 917	\$ 2,286	. . . . .	. . . . .	. . . . .
STATE POLICE							
Commercial Driver Safety and Licensing	\$ 429	\$ 53	. . . . .	. . . . .	. . . . .
EDUCATION							
Commercial Driver Licensing Test Preparation	\$ 3,000	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL MOTOR LICENSE FUND	<u>.</u>	<u>.</u>	<u>\$ 4,346</u>	<u>\$ 2,339</u>	<u>.</u>	<u>.</u>	<u>.</u>

TRANSPORTATION

PROGRAM OBJECTIVE: To provide transportation services to older Pennsylvanians thereby increasing their ability to more fully participate in community life.

Program: Older Pennsylvanians Transit

The Commonwealth's older Pennsylvanians have benefited from State Lottery proceeds since 1973 with the implementation of the Free Transit program. Under this program older Pennsylvanians are eligible for free rides on participating local fixed route operations during off-peak hours on weekdays and all day on weekends and holidays. In July 1980, the free service was extended to commuter lines.

The Shared Ride Program for older Pennsylvanians authorized by Act 101 of 1980 as amended by Act 49 of 1984 permits citizens 65 years of age and older to ride on shared-ride services and pay only 25 cents or 10 percent of the shared-ride fare, whichever is greater. The State Lottery Fund generally reimburses shared-ride transit operators the remaining 90 percent of the shared ride fare.

The Free Transit and Shared Ride Programs recognize the limited

availability of private transportation for older Pennsylvanians and their heavy reliance upon public transportation facilities. They further recognize that many retired persons must live within a fixed and limited income and cannot afford to use public transit as often as needed. These programs increase the mobility of the Commonwealth's citizens 65 years of age and older.

Act 49 of 1984 also provides for an annual \$2.3 million executive authorization for demand response equipment grants.

Act 171 of 1982 authorizes the Governor to annually transfer from the Lottery Fund to the Motor License Fund an amount necessary to cover fees lost as a result of reduced registrations paid by certain eligible older Pennsylvanians.

Program Measures:

	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Free transit trips	63,982,000	64,253,000	64,784,000	65,673,000	66,186,000	66,615,000	67,317,000
Trips on State assisted shared ride vehicles	7,338,000	7,689,000	8,130,000	8,531,000	8,958,000	9,406,000	9,876,000
Cost to the Commonwealth per trip:							
Free Transit	\$1.14	\$1.14	\$1.17	\$1.17	\$1.17	\$1.17	\$1.17
On State assisted shared ride vehicles	\$6.01	\$6.25	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50

Program Recommendations:

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

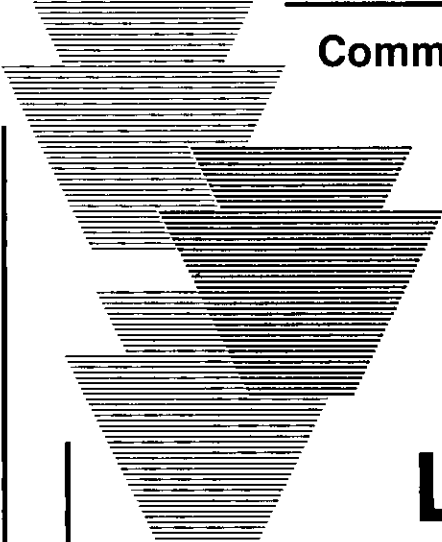
Older Pennsylvanians Free Transit
\$ 725 —for estimated increase in ridership.

Transfer to Motor License Fund — Vehicle Registration — Older Pennsylvanians
\$ 300 —for estimated increase in eligible applicants.

Older Pennsylvanians Shared Rides
\$ 4,657 —for estimated increase in ridership.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
LOTTERY FUND:							
Older Pennsylvanians Free Transit	\$ 73,059	\$ 73,775	\$ 74,500	\$ 75,500	\$ 77,000	\$ 77,800	\$ 78,600
Older Pennsylvanians Shared Rides	46,075	49,043	53,700	55,552	58,327	61,239	64,294
Demand Response Equipment Grants ...	2,297	2,300	2,300	2,300	2,300	2,300	2,300
Transfer to Motor License Fund — Vehicle Registration — Older Pennsylvanians	2,600	2,700	3,000	3,100	3,200	3,300	3,400
TOTAL LOTTERY FUND	\$ 124,031	\$ 127,818	\$ 133,500	\$ 136,452	\$ 140,827	\$ 144,639	\$ 148,594



Commonwealth of Pennsylvania

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

GENERAL FUND	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Available	1990-91 Budget
GENERAL GOVERNMENT:			
SENATE:			
Fifty Senators	\$ 3,300	\$ 3,300	\$ 3,550
Employees of Senate President	147	153	161
Employees of Chief Clerk	2,900	3,200	3,300
Salaried Officers and Employees	4,349	4,450	4,673
Chief Clerk and Legislative Journal	235	1,385	1,440
Subtotal — Salaries and Postage	\$ 10,931	\$ 12,488	\$ 13,124
Contingent Expenses:			
President	\$ 5	\$ 5	\$ 5
President Pro Tempore	20	20	20
Floor Leader (D)	6	7	7
Floor Leader (R)	6	7	7
Whip (D)	4	6	6
Whip (R)	4	6	6
Chairman of the Caucus (D)	3	3	3
Chairman of the Caucus (R)	3	3	3
Secretary of the Caucus (D)	3	3	3
Secretary of the Caucus (R)	3	3	3
Chairman of the Appropriations Committee (D)	6	6	6
Chairman of the Appropriations Committee (R)	6	6	6
Chairman of the Policy Committee (D)	2	2	2
Chairman of the Policy Committee (R)	2	2	2
Caucus Administrator (D)	2	2	2
Caucus Administrator (R)	2	2	2
Subtotal — Contingent Expenses	\$ 77	\$ 83	\$ 83
Miscellaneous Expenses:			
Incidental Expense	\$ 1,100	\$ 1,300	\$ 1,500
Committee on Appropriations (D)	1,100	1,300	1,500
Committee on Appropriations (R)	1,100	1,300	1,500
Expenses — Senate	1,250	1,100	750
Legislative Printing and Expenses	6,200	6,875	7,200
Special Leadership Account (D)	4,400	4,990	5,240
Special Leadership Account (R)	4,400	4,990	5,240
Legislative Management Committee (D)	3,500	3,600	3,780
Legislative Management Committee (R)	3,500	3,600	3,780
Subtotal — Miscellaneous Expenses	\$ 26,550	\$ 29,055	\$ 30,490
TOTAL— SENATE	\$ 37,558	\$ 41,626	\$ 43,697
HOUSE OF REPRESENTATIVES:			
Members' Salaries, Speaker's Extra			
Compensation	\$ 13,138	\$ 13,627	\$ 13,627
House Employees (D)	6,315	6,122	6,551
House Employees (R)	5,565	6,122	6,551
Speakers Office	581	640	685
Bi-Partisan Committee, Chief Clerk, Comptroller	6,516	7,168	7,670
Subtotal — Salaries	\$ 32,115	\$ 33,679	\$ 35,084
Mileage:			
Representatives, Officers and Employees	\$ 554	\$ 554	\$ 554
Subtotal — Mileage	\$ 554	\$ 554	\$ 554
Postage:			
Chief Clerk and Legislative Journal	\$ 525	\$ 525	\$ 600
Subtotal — Postage	\$ 525	\$ 525	\$ 600

LEGISLATURE

(Dollar Amounts in Thousands)

GENERAL FUND

HOUSE OF REPRESENTATIVES: (continued)

Contingent Expenses:

	1988-89 Actual	1989-90 Available	1990-91 Budget
Speaker	\$ 20	\$ 20	\$ 20
Chief Clerk	390	390	390
Floor Leader (D)	6	6	6
Floor Leader (R)	6	6	6
Whip (D)	4	4	4
Whip (R)	4	4	4
Chairman — Caucus (D)	3	3	3
Chairman — Caucus (R)	3	3	3
Secretary — Caucus (D)	3	3	3
Secretary — Caucus (R)	3	3	3
Chairman — Appropriations Committee (D)	6	6	6
Chairman — Appropriations Committee (R)	6	6	6
Chairman — Policy Committee (D)	2	2	2
Chairman — Policy Committee (R)	2	2	2
Caucus Administrator (D)	2	2	2
Caucus Administrator (R)	2	2	2
Administrator for Staff (D)	20	20	20
Administrator for Staff (R)	20	20	20
Subtotal — Contingent Expenses	\$ 502	\$ 502	\$ 502

Miscellaneous Expenses

Legislative Office for Research Liaison	\$ 390	\$ 406	\$ 434
School for New Members	15	.....	15
Incidental Expenses	6,300	6,300	6,300
Committee on Appropriations (D)	1,102	1,210	1,295
Committee on Appropriations (R)	1,102	1,210	1,295
Expenses — Representatives	2,030	2,030	2,030
Legislative Printing and Expenses	11,000	11,000	11,500
National Legislative Conference — Expenses	300	300	300
Special Leadership Account (D)	3,388	4,504	4,820
Special Leadership Account (R)	4,138	4,504	4,820
Legislative Management Committee (D)	7,064	7,771	8,315
Legislative Management Committee (R)	7,064	7,771	8,315
Commonwealth Emergency Medical System	35	35	35
Member's Home Office Expenses	2,030	2,030	2,500
Subtotal — Miscellaneous Expenses	\$ 45,958	\$ 49,071	\$ 51,974

TOTAL — HOUSE OF REPRESENTATIVES	\$ 79,654	\$ 84,331	\$ 88,714
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LEGISLATIVE MISCELLANEOUS AND COMMISSIONS:

Legislative Reference Bureau:

Salaries and Expenses	\$ 3,460	\$ 3,555	\$ 3,943
Contingent Expenses	15	15	15
Printing of Pennsylvania Bulletin and Pennsylvania Code	455	389	455
Subtotal — Legislative Reference Bureau	\$ 3,930	\$ 3,959	\$ 4,413

<i>Legislative Budget and Finance Committee</i>	\$ 1,418	\$ 1,857	\$ 2,080
(A) Legislative Budget and Finance Committee .....	.....	5	.....
Subtotal — Legislative Budget and Finance Committee	\$ 1,418	\$ 1,862	\$ 2,080

<i>Legislative Data Processing Center</i>	3,002	3,038	3,138
(A) Data Processing Services	2	2	.....
Subtotal — Legislative Data Processing Center	\$ 3,004	\$ 3,040	\$ 3,138

LEGISLATURE

	(Dollar Amounts in Thousands)		
GENERAL FUND	1988-89 Actual	1989-90 Available	1990-91 Budget
LEGISLATIVE MISCELLANEOUS AND COMMISSIONS:			
(continued)			
Joint State Government Commission	\$ 903	\$ 1,372	\$ 1,650
Local Government Commission	388	407	524
Local Government Codes	49	48	50
Joint Legislative Air and Water Pollution Control Committee	225	227	234
House Flag Purchase	20	20	20
Senate Flag Purchase	20	20	20
County Court Study	1,000	.....	.....
Legislative Audit Advisory Commission	20	20	20
Ethics Commission	733	794	964
Indexing	30	.....	.....
Independent Regulatory Review Commission	799	890	1,016
Capitol Preservation Committee	215	215	215
Capitol Restoration	100	100	100
Colonial History	60	80	80
Health Care Cost Containment Council	1,534	2,176	4,743
Commission on Sentencing	305	328	500
Center For Rural Pennsylvania	400	784	800
Subtotal — State Funds	\$ 15,151	\$ 16,335	\$ 20,567
Subtotal — Augmentations	2	7	.....
TOTAL — LEGISLATIVE MISCELLANEOUS AND COMMISSIONS	\$ 15,153	\$ 16,342	\$ 20,567
STATE FUNDS	\$ 132,363	\$ 142,292	\$ 152,978
AUGMENTATIONS	2	7	.....
GENERAL FUND TOTAL	\$ 132,365	\$ 142,299	\$ 152,978

LEGISLATURE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
LEGISLATURE							
General Funds.....	\$ 132,363	\$ 142,292	\$ 152,978	\$ 152,978	\$ 152,978	\$ 152,978	\$ 152,978
Other Funds.....	2	7	0	0	0	0	0
TOTAL.....	\$ 132,365	\$ 142,299	\$ 152,978	\$ 152,978	\$ 152,978	\$ 152,978	\$ 152,978
ALL PROGRAMS:							
GENERAL FUND.....	\$ 132,363	\$ 142,292	\$ 152,978	\$ 152,978	\$ 152,978	\$ 152,978	\$ 152,978
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	2	7	0	0	0	0	0
TOTAL.....	\$ 132,365	\$ 142,299	\$ 152,978	\$ 152,978	\$ 152,978	\$ 152,978	\$ 152,978

LEGISLATURE

PROGRAM 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.

Program: Legislature

This program provides for the operation of the General Assembly, which consists of a 50 member Senate and a 203 member House of Representatives funded by numerous General Fund appropriations. These appropriations are detailed in the Summary by Fund and Appropriation portion of this presentation.

There is a continued 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 Recommendations:

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

Legislature

\$ 10,686 —to continue current program.

Appropriations within this Program:

(Dollar Amounts in Thousands)

	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
TOTAL GENERAL FUND	<u>\$ 132,363</u>	<u>\$ 142,292</u>	<u>\$ 152,978</u>	<u>\$ 152,978</u>	<u>\$ 152,978</u>	<u>\$ 152,978</u>	<u>\$ 152,978</u>



Commonwealth of Pennsylvania

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 and Community Courts including District Justices, Philadelphia Municipal Court and the Philadelphia Traffic Court.

JUDICIARY

Summary by Fund and Appropriation

GENERAL FUND	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Budget
GENERAL GOVERNMENT:			
SUPREME COURT:			
Supreme Court	\$ 4,753	\$ 4,947	\$ 5,285
(A) Filing Fees	175	173	174
Home Office Expenses	1,283	1,415	1,544
Justice Expenses	130	130	130
Civil Procedural Rules Committee	227	237	252
Criminal Procedural Rules Committee	226	237	259
State Board of Law Examiners	81	78	81
(A) Law Student Fees	894	780	805
Judicial Inquiry and Review Board	621	690	693
Domestic Relations Committee .....	.....	.....	196
Court Administrator	3,164	3,375	3,563
(R) Judicial Computer System	2,983	4,700	5,400
Total — Supreme Court	\$ 14,537	\$ 16,762	\$ 18,382
SUPERIOR COURT:			
Superior Court	\$ 9,479	\$ 10,256	\$ 10,672
(A) Filing Fees	237	200	200
Home Office Expenses	2,828	3,081	3,205
Justice Expenses	184	184	184
Total — Superior Court	\$ 12,728	\$ 13,721	\$ 14,261
COMMONWEALTH COURT:			
Commonwealth Court	\$ 5,398	\$ 5,926	\$ 6,516
(A) Filing Fees	150	150	150
Home Office Expenses	1,601	1,842	2,394
Justice Expenses	112	112	112
Total — Commonwealth Court	\$ 7,261	\$ 8,030	\$ 9,172
COURTS OF COMMON PLEAS:			
Courts of Common Pleas	\$ 33,477	\$ 34,631 ^a	\$ 35,516
Senior Judges	2,292	2,431	2,455
Judicial Education	372	389	413
Total — Courts of Common Pleas	\$ 36,141	\$ 37,451	\$ 38,384

^aIncludes recommended supplemental appropriation of \$689,000.

JUDICIARY

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Available	1990-91 Budget
GENERAL GOVERNMENT: (continued)			
COMMUNITY COURTS:			
District Justices	\$ 27,393	\$ 28,032 ^a	\$ 29,025
District Justice Education	342	393	411
(A) Registration Fees	19	13	13
Total — Community Court	\$ 27,754	\$ 28,438	\$ 29,449
PHILADELPHIA COURTS:			
Traffic Court	\$ 334	\$ 383	\$ 388
Municipal Court	2,668	2,790	2,810
Law Clerks	40	40	40
Total — Philadelphia Courts	\$ 3,042	\$ 3,213	\$ 3,238
Total — General Government	\$ 101,463	\$ 107,615	\$ 112,886
GRANTS AND SUBSIDIES:			
Reimbursement of County Costs:			
County Courts	\$ 27,181	\$ 27,671	\$ 27,741
District Justices	17,130	18,710	17,130
Jurors	1,469	1,469	1,469
Total — Grants and Subsidies	\$ 45,780	\$ 47,850	\$ 46,340
STATE FUNDS	\$ 142,785	\$ 149,449	\$ 152,484
AUGMENTATIONS	1,475	1,316	1,342
RESTRICTED REVENUES	2,983	4,700	5,400
GENERAL FUND TOTAL	\$ 147,243	\$ 155,465	\$ 159,226

^aIncludes recommended supplemental appropriation of \$810,000.

JUDICIARY

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
STATE JUDICIAL SYSTEM							
General Funds.....	\$ 142,785	\$ 149,449	\$ 152,484	\$ 154,437	\$ 156,444	\$ 158,508	\$ 160,627
Other Funds.....	4,458	6,016	6,742	6,983	7,233	7,494	7,763
TOTAL.....	\$ 147,243	\$ 155,465	\$ 159,226	\$ 161,420	\$ 163,677	\$ 166,002	\$ 168,390
ALL PROGRAMS:							
GENERAL FUND.....	\$ 142,785	\$ 149,449	\$ 152,484	\$ 154,437	\$ 156,444	\$ 158,508	\$ 160,627
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	4,458	6,016	6,742	6,983	7,233	7,494	7,763
TOTAL.....	\$ 147,243	\$ 155,465	\$ 159,226	\$ 161,420	\$ 163,677	\$ 166,002	\$ 168,390

PROGRAM OBJECTIVE: To provide the citizens of the Commonwealth with prompt and equitable justice.

Program: State Judicial System

The judicial power of the Commonwealth is vested in a Unified Judicial System consisting of the Supreme, Superior, and Commonwealth Courts, Courts of Common Pleas, Philadelphia Municipal Court, Pittsburgh Magistrates Court, Traffic Court of Philadelphia and the District Justices.

At the first level in the court system are the special courts. In counties other than Philadelphia, these courts are presided over by district justices who have jurisdiction over summary criminal cases, landlord-tenant matters and other civil actions where the amount claimed does not exceed \$4,000. They also have jurisdiction to issue warrants, hold arraignments and preliminary hearings in all criminal cases, and to accept guilty pleas under certain circumstances.

Although district justices need not be lawyers, they must complete an educational course and pass a qualifying examination administered by the Minor Judiciary Education Board in order to be certified. They must also participate in one week of continuing education each year.

In Philadelphia, the special courts are the Municipal Court and the Traffic Court. Municipal Court is a court of record whose 22 judges must be lawyers. Its limited jurisdiction is analogous to that of the district justices.

The Philadelphia Traffic Court, composed of six judges, has jurisdiction over all summary offenses under the Motor Vehicle Code and related city ordinances.

The City of Pittsburgh has six police magistrates in addition to the county district justices who may issue arrest warrants and preside at arraignments and preliminary hearings for all criminal offenses occurring within the city.

The Courts of Common Pleas are the courts of general trial jurisdiction. They have original jurisdiction over all cases which are not exclusively assigned to another court. Appellate jurisdiction extends to appeals from final orders of the lower courts and appeals from certain State and most local government agencies.

There are two levels of appellate courts in Pennsylvania. The first consists of the intermediate appellate courts: the Superior Court with 15 judges and the Commonwealth Court with nine judges. Above these is the Supreme Court which has seven judges and is the Commonwealth's court of last resort.

In general, appeals from the Courts of Common Pleas are taken to one of the two intermediate appellate courts. Commonwealth Court basically has jurisdiction over appeals involving government agencies and officials, as well as many matters involving not-for-profit corporations. It also has original jurisdiction of Election Code matters and cases involving State officials. Superior Court has jurisdiction over all direct appeals which are not within the specific statutory jurisdiction of another appellate court.

As defined by Constitution, statute and court rule, the Administrative Office of Pennsylvania Courts (AOPC) is vested with the responsibility for administering the Commonwealth's Unified Judicial System.

Currently, the AOPC's staff provides services for approximately 1600 members of the Judiciary and staff, including budgeting, accounting, benefits and retirement counseling, legal representation, policy guidance, technical advice, education, research, legislative affairs, communications and data processing.

The Supreme Court's Statewide Steering Committee on Court Automation has begun implementation of a plan to computerize the record-keeping systems of Pennsylvania's courts. Staff support to the Steering Committee and project management is provided by the AOPC. Pilot site testing of the project's initial phase, automation of district justice offices, is slated to begin in June 1990.

The recently created Domestic Relations Committee is an advisory body to the Supreme Court on family law matters. The Committee proposes new and amended rules of civil procedure governing the family law actions of protection from abuse, support, custody and visitation, divorce and annulment of marriage.

Program Recommendations:

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

<p>Supreme Court</p> <p>\$ 338 —to maintain current program.</p> <p>Superior Court</p> <p>\$ 416 —to maintain current program.</p> <p>Commonwealth Court</p> <p>\$ 96 —additional senior judge service days.</p> <p>222 —additional staff and office furnishings.</p> <p>272 —to maintain current program.</p> <p><u>\$ 590</u> <i>Appropriation Increase</i></p> <p>Commonwealth Court — Home Office Expenses</p> <p>\$ 488 —to expand current operations.</p> <p>64 —to maintain current program.</p> <p><u>\$ 552</u> <i>Appropriation Increase</i></p>	<p>Courts of Common Pleas</p> <p>\$ 885 —to maintain current program.</p> <p>Community Courts — District Justices</p> <p>\$ 993 —to maintain current program.</p> <p>Domestic Relation Committee</p> <p>\$ 196 —for a new committee on domestic relations.</p> <p>This budget recommends funding all other appropriations at current year levels, at levels maintaining State support or recommends additional funds to carry current programs forward.</p>
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JUDICIARY

Program: State Judicial System (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1988-89 Actual	1989-90 Available	1990-91 Budget	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
GENERAL FUND:							
Supreme Court	\$ 4,753	\$ 4,947	\$ 5,285	\$ 5,475	\$ 5,672	\$ 5,876	\$ 6,088
Supreme Court — Home Office Expenses	1,283	1,415	1,544	1,600	1,658	1,718	1,780
Supreme Court Justice Expenses	130	130	130	130	130	130	130
Civil Procedural Rules Committee	227	237	252	261	270	280	290
Criminal Procedural Rules Committee	226	237	259	268	278	288	298
State Board of Law Examiners	81	78	81	84	87	90	93
Judicial Inquiry and Review Board	621	690	693	718	744	771	799
Domestic Relations Committee			196	203	210	218	226
Court Administrator	3,164	3,375	3,563	3,691	3,824	3,962	4,105
Superior Court	9,479	10,256	10,672	11,056	11,454	11,866	12,293
Superior Court — Home Office Expenses	2,828	3,081	3,205	3,320	3,440	3,564	3,692
Superior Court Justice Expenses	184	184	184	184	184	184	184
Commonwealth Court	5,398	5,926	6,516	6,750	6,993	7,245	7,506
Commonwealth Court — Home Office Expenses	1,601	1,842	2,394	2,480	2,569	2,662	2,757
Commonwealth Court Justice Expenses	112	112	112	112	112	112	112
Courts of Common Pleas	33,477	34,631	35,516	35,871	36,230	36,592	36,958
Common Pleas — Senior Judges	2,292	2,431	2,455	2,455	2,455	2,455	2,455
Common Pleas — Judicial Education	372	389	413	428	443	459	476
Community Courts — District Justices	27,393	28,032	29,025	29,315	29,608	29,904	30,204
District Justice Education	342	393	411	426	441	457	473
Philadelphia Traffic Court	334	383	388	392	396	400	404
Philadelphia Municipal Court	2,668	2,790	2,810	2,838	2,866	2,895	2,924
Law Clerks	40	40	40	40	40	40	40
Reimbursement of County Court Costs	27,181	27,671	27,741	27,741	27,741	27,741	27,741
District Justice Reimbursement	17,130	18,710	17,130	17,130	17,130	17,130	17,130
Juror Cost Reimbursement	1,469	1,469	1,469	1,469	1,469	1,469	1,469
TOTAL GENERAL FUND	\$ 142,785	\$ 149,449	\$ 152,484	\$ 154,437	\$ 156,444	\$ 158,508	\$ 160,627

1990-91

CAPITAL BUDGET

CAPITAL BUDGET

This section contains the 1990-91 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 Public Improvement, Furniture and Equipment, Redevelopment Assistance, Flood Control, Site Development, and Transportation Assistance projects shown will be financed by general obligation bonds, with the exception of the Game Commission projects which are funded from current revenues. The Department of Transportation highway projects will also be financed from current revenues. These projects are grouped into the following categories:

Public Improvement Projects — This category includes 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 newly completed public improvement projects, by purchasing original movable furniture and equipment through the Department of General Services.

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. These projects are administered through the Department of Transportation.

Redevelopment Assistance Projects — This category provides grants for the acquisition of land and its clearance, and the construction of buildings and other property appurtenances for municipal agencies and authorities for the prevention and elimination of blight. These projects are administered through the Department of Community Affairs.

Site Development Projects — This category provides grants for the acquisition, construction, improvement, expansion, extension, repair or rehabilitation of all or part of any facility or system, whether

publicly or privately owned, for the collection, treatment or disposal of wastewater, including industrial waste, or for the supply, treatment, storage or distribution of drinking water. These projects are administered through the Pennsylvania Infrastructure Investment Authority.

Flood Control Projects — This category provides the State's share of Federal flood control works and improvements to prevent floods and to preserve, control, and regulate the flow of rivers and streams in the Commonwealth. These projects are administered through the Department of Environmental Resources.

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 designed and constructed through the Department of Transportation.

The Capital Budget section consists of the following subsections.

1990-91 New Project Authorizations — This section itemizes and describes the new capital projects recommended for authorization in 1990-91, and their proposed source of funding. The projects are listed by department and capital project category.

Forecast of Future Projects — This section contains a dollar forecast of new capital projects to be requested during each of the fiscal years 1991-92 through 1994-95. 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 are 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, or current revenue appropriations required, each fiscal year. The projections are listed by capital project category and subdivided by projects currently authorized, new projects proposed for 1990-91 and future projects (1991-95).

CAPITAL BUDGET

FORECAST OF DEBT LIMIT AND OUTSTANDING DEBT 1989-90 Through 1994-95

This table includes debt subject to the constitutional debt limit, 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 State Highway and Bridge Authority. Debt issued under voter approved referendums and for disaster relief is not included.

	(Dollar Amounts in Thousands)					
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Average Tax Revenues Previous Five Years	\$ 12,670,309	\$ 13,258,691	\$ 13,866,848	\$ 14,522,903	\$ 15,254,674	\$ 16,021,202
Debt Limit ^a	22,173,040	23,202,710	24,266,984	25,415,081	26,695,680	28,037,103
Debt Subject to Constitutional Debt Limit:						
Outstanding Debt—Beginning of Fiscal Year	4,016,458 ^b	4,017,154	4,123,318	4,086,261	3,890,096	3,734,606
Bonds to be Issued	382,000	497,500	405,500	261,000	252,000	246,000
Bonds to be Retired or Escrowed	-381,304	-391,336	-442,557	-457,165	-407,490	-402,581
<hr/>						
Outstanding Debt—End of Fiscal Year	<u>\$ 4,017,154</u>	<u>\$ 4,123,318</u>	<u>\$ 4,086,261</u>	<u>\$ 3,890,096</u>	<u>\$ 3,734,606</u>	<u>\$ 3,578,025</u>
Ratio of Outstanding Debt to Debt Limit	18.1%	17.8%	16.8%	15.3%	14.0%	12.8%

^a1.75 times the average tax revenues of previous five fiscal years.

^bExcludes sinking fund balances.

CAPITAL BUDGET

PROJECTED CAPITAL BUDGET BOND ISSUES AND DEBT OUTSTANDING 1989-90 Through 1994-95

This table shows the projected amount of general obligation bonds to be issued and the level of bonded debt outstanding at the end of each fiscal year for projects included in a capital budget. Outstanding debt includes debt issued by the State Highway and Bridge Authority. A projection of all Commonwealth general obligation bonds to be issued and debt outstanding is contained in the Public Debt section of this budget document.

	(Dollar Amounts in Thousands)					
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Projected Capital Budget Bond Issues						
Buildings and Structures	\$ 75,000	\$ 180,000	\$ 210,000	\$ 180,000	\$ 180,000	\$ 180,000
Highways	8,000	24,000	40,000	2,500	.....	.....
Transportation Assistance . . .	100,000	85,000	75,000	70,000	65,000	60,000
Furnishings and Equipment	8,000	13,500	17,500	6,000	5,000	5,000
Redevelopment Assistance . . .	60,000	70,000	38,000	.....	.....	.....
Advance Construction Interstate	71,000	36,000	.....	.....	.....	.....
Flood Control . . . . .	.....	.....	8,000	2,500	2,000	1,000
Site Development	38,000	35,000	17,000	.....	.....	.....
Bridges	22,000	54,000	.....	.....	.....	.....
Total	<u>\$ 382,000</u>	<u>\$ 497,500</u>	<u>\$ 405,500</u>	<u>\$ 261,000</u>	<u>\$ 252,000</u>	<u>\$ 246,000</u>
Capital Budget Debt Outstanding Projections						
Buildings and Structures	\$ 1,413,515	\$ 1,484,612	\$ 1,574,777	\$ 1,622,897	\$ 1,658,142	\$ 1,680,282
Highways ^a	1,184,680	1,093,590	1,016,380	900,040	774,115	640,790
Transportation Assistance . . .	336,015	390,250	433,675	469,885	497,860	517,780
Furnishings and Equipment	26,150	35,000	46,800	45,350	42,500	41,150
Redevelopment Assistance . . .	241,830	298,510	319,690	300,970	282,250	263,530
Advance Construction Interstate	239,500	209,000	113,500	23,000	.....	.....
Flood Control	2,580	2,440	10,300	12,260	13,595	13,830
Site Development	95,000	125,100	135,450	127,950	120,450	112,950
Community Colleges	15,575	14,420	13,195	11,895	10,510	9,045
Refunding Bonds ^b	269,859	234,496	199,844	166,449	139,034	115,768
Bridges	192,450	235,900	222,650	209,400	196,150	182,900
Total	<u>\$ 4,017,154</u>	<u>\$ 4,123,318</u>	<u>\$ 4,086,261</u>	<u>\$ 3,890,096</u>	<u>\$ 3,734,606</u>	<u>\$ 3,578,025</u>

^aIncludes outstanding debt of the State Highway and Bridge Authority.

^bBonds issued to refund Capital Budget Bonds and to refinance the General State Authority rentals.

CAPITAL BUDGET

FORECAST OF DEBT SERVICE REQUIREMENTS 1990-91 Through 1994-95

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 State Highway and Bridge Authority. Debt service is shown in the year of appropriation and in gross amounts not reduced by interest earnings or other credits applied to debt service payments. Debt service on anticipated issues is also included. Debt service on all general obligation bonds is shown in the Public Debt section.

	(Dollar Amounts in Thousands)				
	1990-91	1991-92	1992-93	1993-94	1994-95
GENERAL FUND					
Treasury Department					
Building and Structure Projects	\$ 196,705	\$ 213,055	\$ 232,135	\$ 249,917	\$ 266,520
Transportation Assistance Projects	56,275	60,619	65,831	71,579	76,695
Community College Projects ^a	2,026	2,027	2,028	2,034	2,030
Furnishings and Equipment Projects	6,546	8,132	10,517	10,773	9,104
Redevelopment Assistance Projects	31,093	38,385	41,045	39,784	38,508
Flood Control Projects	290	396	1,364	1,616	1,778
Site Development Projects	11,573	15,583	16,862	16,348	15,922
Refunding ^b	52,451	49,612	46,231	38,321	32,519
Less: Augmentations, Interest Earnings and Miscellaneous Revenues	-11,460	-11,392	-10,985	-10,961	-10,938
TOTAL—GENERAL FUND	\$ 345,499	\$ 376,417	\$ 405,028	\$ 419,411	\$ 432,138
MOTOR LICENSE FUND					
Department of Transportation					
Highway and Bridge Authority Rentals	\$ 12,824	\$ 7,183	. . . . .	. . . . .	. . . . .
Advance Construction Interstate—Interest Payments ^c	14,658	11,815	\$ 6,086	\$ 741	. . . . .
Treasury Department					
Highway Projects	166,525	169,539	173,606	173,491	\$ 173,390
Building and Structure Projects ^b	2,089	2,082	2,078	1,933	2,264
Less: Miscellaneous Revenue	-229	-152	-10	. . . . .	. . . . .
TOTAL—MOTOR LICENSE FUND	\$ 195,867	\$ 190,467	\$ 181,760	\$ 176,165	\$ 175,654
BOAT FUND					
Treasury Department					
Building and Structure Projects ^b	\$ 2	\$ 2	\$ 2	\$ 1	\$ 1
TOTAL—BOATING FUND	\$ 2	\$ 2	\$ 2	\$ 1	\$ 1
FISH FUND					
Treasury Department					
Building and Structure Projects ^b	\$ 58	\$ 50	\$ 43	\$ 34	\$ 24
TOTAL—FISH FUND	\$ 58	\$ 50	\$ 43	\$ 34	\$ 24

Footnotes are on the following page.

CAPITAL BUDGET

FORECAST OF DEBT SERVICE REQUIREMENTS 1990-91 Through 1994-95 (continued)

	(Dollar Amounts in Thousands)				
	1990-91	1991-92	1992-93	1993-94	1994-95
OTHER FUNDS					
Motor License Fund Restricted Receipts					
Aviation—Airport Building and Structure Projects ^b	\$ 180	\$ 1,540	\$ 1,536	\$ 1,530	\$ 1,527
Highway Bridge Improvement Projects	24,707	29,494	28,648	27,790	26,922
Less: Miscellaneous Earnings	-205	.....	.....	.....	.....
TOTAL—OTHER FUNDS	<u>\$ 24,682</u>	<u>\$ 31,034</u>	<u>\$ 30,184</u>	<u>\$ 29,320</u>	<u>\$ 28,449</u>
TOTAL DEBT SERVICE—ALL FUNDS	<u>\$ 566,108</u>	<u>\$ 597,970</u>	<u>\$ 617,017</u>	<u>\$ 624,931</u>	<u>\$ 636,266</u>

^aFifty percent of this amount is reimbursed by the appropriate colleges.

^bIncludes debt service on bonds to refund Capital Budget Bonds and to refinance the General State Authority Rentals.

^cPrincipal payments made from Federal reimbursements.

CAPITAL BUDGET

CAPITAL FACILITIES FUND FINANCIAL STATEMENT^a

1990-91 Through 1994-95

(Dollar Amounts in Thousands)

	Building & Structure Projects	Transportation Assistance Projects	Highway Projects	Advance Construction Interstate Projects	Bridge Projects	Furnishings & Equipment Projects	Redevelopment Assistance Projects	Flood Control Projects	Site Development Projects	Total
Balance, July 1, 1990	\$ 26,432	\$ 4,072	\$ 3,499	\$ 16,230	\$ 1,555	\$ 2,324	\$ 973		\$ 1,989	\$ 57,074
Bond Issues	180,000	85,000	24,000	36,000	54,000	13,500	70,000		35,000	497,500
Miscellaneous Revenue	9,315	274	252	819	51	97	104	\$ 500	158	11,570
Estimated Expenditures	-193,807	-85,000	-23,508	-53,049 ^b	-55,606	-15,281 ^c	-68,869	-394	-34,300	-529,814
Balance, July 1, 1991	\$ 21,940	\$ 4,346	\$ 4,243			\$ 640	\$ 2,208	\$ 106	\$ 2,847	\$ 36,330
Bond Issues	210,000	75,000	40,000			17,500	38,000	8,000	17,000	405,500
Miscellaneous Revenue	8,931	308	222			65	75	3,109	97	12,807
Estimated Expenditures	-227,568	-75,000	-42,209			-16,953 ^c	-40,283	-10,919	-19,944	-432,876
Balance, July 1, 1992	\$ 13,303	\$ 4,654	\$ 2,256			\$ 1,252		\$ 296		\$ 21,761
Bond Issues	180,000	70,000	2,500			6,000		2,500		261,000
Miscellaneous Revenue	8,697	349	95			59		27		9,227
Estimated Expenditures	-188,000	-70,000	-4,465			-6,924		-2,375		-271,764
Balance, July 1, 1993	\$ 14,000	\$ 5,003	\$ 386			\$ 387		\$ 448		\$ 20,224
Bond Issues	180,000	65,000				5,000		2,000		252,000
Miscellaneous Revenue	8,750	375	14			29		40		9,208
Estimated Expenditures	-188,000	-65,000	-400			-5,000		-1,825		-260,225
Balance, July 1, 1994	\$ 14,750	\$ 5,378				\$ 416		\$ 663		\$ 21,207
Bond Issues	180,000	60,000				5,000		1,000		246,000
Miscellaneous Revenue	8,807	403				31		46		9,287
Estimated Expenditures	-188,000	-60,000				-5,000		-1,105		-254,105
Balance, July 1, 1995	<u>\$ 15,557</u>	<u>\$ 5,781</u>				<u>\$ 447</u>		<u>\$ 604</u>		<u>\$ 22,389</u>

^aBonds are issued to meet the cash requirements of each category of projects and to maintain minimum cash balances.

^bExpenditures are net of Federal reimbursements.

^cIncludes funds to repay transfer made from Flood Control Projects subaccount of \$500,000 in 1990-91 and \$3.109 million in 1991-92.

CAPITAL BUDGET

ESTIMATED CAPITAL PROJECT EXPENDITURES State Funds 1990-91 Through 1994-95

	(Dollar Amounts in Thousands)				
	1990-91	1991-92	1992-93	1993-94	1994-95
FROM GENERAL OBLIGATION BONDS					
Public Improvement Projects—Buildings and Structures	\$ 193,807	\$ 227,568	\$ 188,000	\$ 188,000	\$ 188,000
Public Improvement Projects—Original Furniture and Equipment	14,781	13,844	6,924	5,000	5,000
Redevelopment Assistance Projects	68,869	40,283	.....	.....	.....
Flood Control Projects	394	10,919	2,375	1,825	1,105
Transportation Assistance Projects	85,000	75,000	70,000	65,000	60,000
Highway Projects	79,114	42,209	4,465	400	.....
Highway Projects—Advanced Construction Interstate	53,049	.....	.....	.....	.....
Site Development Projects	34,300	19,944	.....	.....	.....
Total—Bond Funds	<u>\$ 529,314</u>	<u>\$ 429,767</u>	<u>\$ 271,764</u>	<u>\$ 260,225</u>	<u>\$ 254,105</u>
FROM CURRENT REVENUES					
Public Improvement Projects—Game Fund ..	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Public Improvement Projects—Liquor License Fund .....	.....	750	.....	.....	.....
Public Improvement Projects—Manufacturing Fund	600	.....	.....	.....	.....
Highway Projects—Motor License Fund	95,644	84,050	84,050	81,152	81,152
Highway Projects—Motor License Fund Restricted Revenue	29,500	30,948	21,049	21,597	22,771
Total—Current Revenues	<u>\$ 128,744</u>	<u>\$ 118,748</u>	<u>\$ 108,099</u>	<u>\$ 105,749</u>	<u>\$ 106,923</u>
TOTAL—ALL STATE FUNDS	<u>\$ 658,058</u>	<u>\$ 548,515</u>	<u>\$ 379,863</u>	<u>\$ 365,974</u>	<u>\$ 361,028</u>

CAPITAL BUDGET

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

	(Dollar Amounts in Thousands)					Total
	1990-91	1991-92	1992-93	1993-94	1994-95	
Department of Agriculture .....	.....	\$ 5,000	.....	.....	.....	\$ 5,000
Department of Community Affairs	\$ 3,000	.....	.....	.....	.....	3,000
Department of Corrections	9,829	43,125	\$ 46,375	\$ 48,625	\$ 51,175	199,129
Department of Education	4,068	55,400	62,500	65,575	69,025	256,568
Emergency Management Agency	1,936	975	1,025	1,075	1,125	6,136
Department of Environmental Resources	4,619	12,600	13,250	13,900	14,650	59,019
Game Commission	3,000	3,000	3,000	3,000	3,000	15,000
Department of General Services	2,724	5,500	5,800	6,075	6,400	26,499
Historical and Museum Commission .....	.....	6,750	7,100	7,450	7,825	29,125
Liquor Control Board .....	.....	750	.....	.....	.....	750
Department of Military Affairs ..	3,044	4,650	4,875	5,125	5,400	23,094
Department of Public Welfare ..	6,109	17,975	18,900	19,825	20,875	83,684
State Police .....	.....	3,025	3,175	3,350	3,525	13,075
Department of Transportation ..	95,708	86,000	89,000	92,000	95,000	457,708
TOTAL	\$ 134,037	\$ 244,750	\$ 255,000	\$ 266,000	\$ 278,000	\$ 1,177,787

CAPITAL BUDGET

RECOMMENDED 1990-91 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	Redevelopment Assistance Projects	Flood Control Projects	Public Improvement Projects	Highway Projects	
Department of Community Affairs				\$ 3,000				\$ 3,000
Department of Corrections	\$ 9,229					\$ 600		9,829
Department of Education	900	\$ 3,168						4,068
Emergency Management Agency	1,936							1,936
Department of Environmental Resources ..	3,831				\$ 788			4,619
Game Commission						3,000		3,000
Department of General Services	2,724							2,724
Department of Military Affairs	2,438	606						3,044
Department of Public Welfare	6,109							6,109
Department of Transportation			\$ 61,262				\$ 34,446	95,708
TOTAL	\$ 27,167	\$ 3,774	\$ 61,262	\$ 3,000	\$ 788	\$ 3,600	\$ 34,446	\$ 134,037

CAPITAL BUDGET

DEPARTMENT OF COMMUNITY AFFAIRS

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
1990-91 REDEVELOPMENT ASSISTANCE PROJECTS				
Economic Development	\$ 3,000	.....	.....	\$ 3,000
TOTAL PROJECTS	<u>\$ 3,000</u>	<u>.....</u>	<u>.....</u>	<u>\$ 3,000</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Redevelopment Assistance	\$ 3,000	.....	.....	\$ 3,000
TOTAL	<u>\$ 3,000</u>	<u>.....</u>	<u>.....</u>	<u>\$ 3,000</u>

CAPITAL BUDGET

Department of Community Affairs 1990-91 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contin- gencies		Total Project Cost
FROM BOND FUNDS					
REDEVELOPMENT ASSISTANCE PROJECTS					
Program: Economic Development					
<i>Philadelphia Parking Authority</i>					
SOUTH PHILADELPHIA SPORTS COMPLEX PARKING GARAGE: This will provide the Commonwealth's contribution for the construction of a structured parking facility to increase the number of on-site parking spaces at the sports complex					
	\$ 2,000	.....	.....		\$ 2,000
<i>University of Pennsylvania</i>					
CENTER FOR TECHNOLOGY TRANSFER: This will provide the Commonwealth's contribution for the construction of a Center for Technology Transfer, which is part of the proposed Institute for Advanced Science and Technology at the University. This Center will forge strong linkages between the University of Pennsylvania and private corporations. The aim will be to transfer results of academic research into commercial application, thereby benefiting the public and increasing funding for research. It will offer research and technology brokerage services to industry and develop strategic partnerships with major companies. The Center will bring together Penn researchers, venture capitalists, and private investors with complementary skills and resources. The Center's efforts will be bolstered by cooperative arrangements with the Southeastern Pennsylvania Advanced Technology Center.					
	1,000	.....	.....		1,000
PROGRAM TOTAL	<u>\$ 3,000</u>	<u>.....</u>	<u>.....</u>		<u>\$ 3,000</u>

CAPITAL BUDGET

DEPARTMENT OF CORRECTIONS

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
1990-91 PUBLIC IMPROVEMENT PROJECTS				
Institutionalization of Offenders	\$ 8,192	.....	\$ 1,637	\$ 9,829
TOTAL PROJECTS	<u>\$ 8,192</u>	<u>.....</u>	<u>\$ 1,637</u>	<u>\$ 9,829</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 7,692	.....	\$ 1,537	\$ 9,229
Current Revenues				
Manufacturing Fund — Buildings and Structures	\$ 500	.....	\$ 100	\$ 600
TOTAL	<u>\$ 8,192</u>	<u>.....</u>	<u>\$ 1,637</u>	<u>\$ 9,829</u>

CAPITAL BUDGET

Department of Corrections 1990-91 Projects

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM BOND FUNDS				
PUBLIC IMPROVEMENT PROJECTS				
Program: Institutionalization of Offenders				
State Correctional Institution—Frackville				
SEWAGE PLANT EXPANSION: This project will expand the existing Extended Aeration Sewage Treatment Plant capacity to 150,000 gallons per day. It includes a 50,000 gallon equalization tank, bar screen, and comminutor.	\$ 213	.....	\$ 42	\$ 255
State Correctional Institution—Graterford				
NEW KITCHEN/DINING ROOM: The project consists of constructing a 42,000 square foot dining facility; including dining area, kitchen, storage areas, dishwashing area, and office area. Institutional fixed kitchen equipment to serve 2,000 inmates is also included.	5,963	.....	1,192	7,155
State Correctional Institution—Muncy				
SEWAGE PLANT EXPANSION: This project will expand the Aerated Sewage Plant capacity to 100,000 gallons per day. The expansion includes a new bar screen and comminutor and a 50,000 gallon tank.	615	.....	123	738
KITCHEN/LAUNDRY EXPANSION: This project will convert the existing laundry into a dining facility; including dining area, kitchen, dishwasher, office and storage area. It also includes the relocation/construction of a new 2,500 square foot laundry building.	480	.....	96	576
State Correctional Institution—Waynesburg				
SEWAGE PLANT: This project will construct a new 60,000 gallon per day sewage treatment plant. It includes a 25,000 gallon aerated equalization tank, a bar screen, a comminutor, and dual 30,000 G.P.O. aeration tank, setting tank, chlorine contact tank units, and filter units.	421	.....	84	505
PROGRAM TOTAL	\$ 7,692	.....	\$ 1,537	\$ 9,229
FROM CURRENT REVENUES				
PUBLIC IMPROVEMENT PROJECTS				
State Correctional Institution—Huntingdon				
WAREHOUSE: This will provide for construction of a 9,000 sq. ft. warehouse of a prefabricated model skinned design for the needs of Correctional Industries at the Institution.	\$ 500	.....	\$ 100	\$ 600
PROGRAM TOTAL	\$ 500	.....	\$ 100	\$ 600

CAPITAL BUDGET

DEPARTMENT OF EDUCATION

	Base Project Cost	(Dollar Amounts in Thousands)		Total Project Cost
		Land Cost	Design & Contin- gencies	
1990-91 PUBLIC IMPROVEMENT PROJECTS				
Higher Education — State System of Higher Education	\$ 301	.....	.....	\$ 301
Higher Education — State Related Universities	2,445	.....	.....	2,445
State Owned Schools	1,172	.....	\$ 150	1,322
TOTAL PROJECTS	\$ 3,918	.....	\$ 150	\$ 4,068
 SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 750	.....	\$ 150	\$ 900
Capital Facilities Fund — Furniture and Equipment	3,168	.....	.....	3,168
TOTAL	\$ 3,918	.....	\$ 150	\$ 4,068

CAPITAL BUDGET

Department of Education 1990-91 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM BOND FUNDS				
PUBLIC IMPROVEMENT PROJECTS				
Program: Higher Education — State System of Higher Education				
<i>California University</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR PROJECT NO. DGS 402-47, RENOVATE OLD SCIENCE BUILDING: This provides for the purchase of movable furniture and equipment for the old science building which is being renovated.	\$ 301	.....	.....	\$ 301
PROGRAM TOTAL	<u>\$ 301</u>	<u>.....</u>	<u>.....</u>	<u>\$ 301</u>
Program Higher Education — State Related Universities				
<i>Pennsylvania State University — Behrend Campus</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR PROJECT NO. DGS 800-195, ACADEMIC/LIBRARY BUILDING: This provides for the purchase of movable furniture and equipment for the new Academic/Library building.	\$ 928	.....	.....	\$ 928
<i>University of Pittsburgh — J and L Campus</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR PROJECT NO. DGS 1103-41, WESTERN PENNSYLVANIA BIOTECHNOLOGY CENTER: This provides for the purchase of movable furniture and equipment to furnish the new Biotechnology Center.	1,517	.....	.....	1,517
PROGRAM TOTAL	<u>\$ 2,445</u>	<u>.....</u>	<u>.....</u>	<u>\$ 2,445</u>
Program: State Owned Schools				
<i>Scotland School for Veterans' Children</i>				
RENOVATE MAIN TUNNEL UTILITY SYSTEM: This project will provide for the renovation of the utility systems in the main tunnel, including removal and replacement of thermal insulation.	\$ 750	.....	\$ 150	\$ 900
ORIGINAL FURNITURE AND EQUIPMENT FOR PROJECT NO. DGS 415-29, RECONSTRUCT MAIN DINING HALL: This provides for the purchase of movable furniture and equipment to furnish the reconstructed areas of the dining hall	234	.....	.....	234
<i>Thaddeus Stevens State School of Technology</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR PROJECT NO. DGS 417-16, REMODEL SHOP NO. 1: This provides for the purchase of movable furniture and equipment to furnish Shop No. 1 which is being renovated.	188	.....	.....	188
PROGRAM TOTAL	<u>\$ 1,172</u>	<u>.....</u>	<u>\$ 150</u>	<u>\$ 1,322</u>

CAPITAL BUDGET

EMERGENCY MANAGEMENT AGENCY

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
1990-91 PUBLIC IMPROVEMENT PROJECTS				
Fire Prevention and Safety	\$ 1,614	.....	\$ 322	\$ 1,936
TOTAL PROJECTS	<u>\$ 1,614</u>	<u>.....</u>	<u>\$ 322</u>	<u>\$ 1,936</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 1,614	.....	\$ 322	\$ 1,936
TOTAL	<u>\$ 1,614</u>	<u>.....</u>	<u>\$ 322</u>	<u>\$ 1,936</u>

CAPITAL BUDGET

Emergency Management Agency 1990-91 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
FROM BOND FUNDS				
<i>PUBLIC IMPROVEMENT PROJECTS</i>				
Program: Fire Prevention and Safety				
<i>State Fire Academy</i>				
ADDITIONAL FUNDS FOR PROJECT NO. DGS 418-5, FIRE ACADEMY IMPROVEMENTS: This will provide additional funding needed for the new burn building and the addition of a womens locker/shower area project which was authorized in Act 1986-118. This will bring the total project allocation to \$2,236,000				
	\$ 1,614	.....	\$ 322	\$ 1,936
PROGRAM TOTAL	<u>\$ 1,614</u>	<u>.....</u>	<u>\$ 322</u>	<u>\$ 1,936</u>

CAPITAL BUDGET

DEPARTMENT OF ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)			Total Project Cost
	Base Project Cost	Land Cost	Design & Conti- gencies	
1990-91 PUBLIC IMPROVEMENT PROJECTS				
Management of Recreational Areas and Facilities	\$ 1,834	.....	\$ 183	\$ 2,017
Management of Water and Mineral Resources	2,375	.....	474	2,849
Management of Forest Resources	344	.....	33	377
Subtotal	<u>\$ 4,553</u>	<u>.....</u>	<u>\$ 690</u>	<u>\$ 5,243</u>
1990-91 FEDERAL FLOOD CONTROL PROJECTS				
Management of Water and Mineral Resources	\$ 6,300	.....	.....	\$ 6,300
Subtotal	<u>\$ 6,300</u>	<u>.....</u>	<u>.....</u>	<u>\$ 6,300</u>
TOTAL PROJECTS	<u>\$ 10,853</u>	<u>.....</u>	<u>\$ 690</u>	<u>\$ 11,543</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Public Improvement Buildings and Structures	\$ 3,269	.....	\$ 562	\$ 3,831
Capital Facilities Fund — Flood Control Projects	788	.....	.....	788
Subtotal General Obligation Bonds	<u>\$ 4,057</u>	<u>.....</u>	<u>\$ 562</u>	<u>\$ 4,619</u>
Federal Funds	\$ 6,008	.....	\$ 128	\$ 6,136
Local Funds	\$ 788	.....	.....	\$ 788
TOTAL	<u>\$ 10,853</u>	<u>.....</u>	<u>\$ 690</u>	<u>\$ 11,543</u>

CAPITAL BUDGET

Department of Environmental Resources 1990-91 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Conti- gencies	Total Project Cost	
FROM BOND FUNDS					
PUBLIC IMPROVEMENT PROJECTS					
Program: Management of Recreational Areas and Facilities					
<i>Presque Isle State Park</i>					
BEACH NOURISHMENT: This provides for the State share of beach nourishment/improvement costs under a cooperative agreement with the U.S. Corps of Engineers, pending completion of the breakwater protection project.					
	State	\$ 550	\$ 55	\$ 605
	Fed.	1,284	128	1,412
Total — State Funds	\$	550	\$ 55	\$ 605
Total — Federal Funds		1,284	128	1,412
PROGRAM TOTAL	\$	1,834	\$ 183	\$ 2,017
 Program: Management of Water and Mineral Resources					
<i>Borough of Barnesboro — Cambria County</i>					
FLOOD PROTECTION IMPROVEMENTS: This project provides for improvement to an existing concrete flood wall. Improvements include improved drainage behind the wall, replacement of approximately 12 defective wall panels, and repacking of joints of existing wall panels.					
	\$	567	\$ 113	\$ 680
<i>City of Greensburg — Westmoreland County</i>					
ADDITIONAL FUNDS FOR PROJECT NO. DGS 180-43, FLOOD PROTECTION: This will provide additional funding needed for the Jacks Run stream enclosure project in the area of Northmont and Beaver Streets, which was authorized in Act 1984-62. This will bring the total project allocation to \$912,000.					
		510	102	612
<i>City of Jannette — Westmoreland County</i>					
ADDITIONAL FUNDS FOR PROJECT NO. DGS 182-7, FLOOD PROTECTION: This will provide additional funding needed for extending and upgrading the existing levee units, which was authorized in Act 1986-118. This will bring the total project allocation to \$4,437,000 ..					
		1,298	259	1,557
PROGRAM TOTAL	\$	2,375	\$ 474	\$ 2,849

CAPITAL BUDGET

Department of Environmental Resources 1990-91 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
FROM BOND FUNDS (continued)				
PUBLIC IMPROVEMENT PROJECTS				
Program: Management of Forest Resources				
<i>State Forest District No. 7—Union County</i>				
BRIDGE REPLACEMENTS: This project provides for the replacement of bridge Nos. 70043 and 70048. The project also includes the widening of the approach roadways and transitions to the bridges, improving the channel alignments, and the installation of guard rails etc.	\$ 236	.....	\$ 23	\$ 259
<i>State Forest District No. 16—Tioga County</i>				
BRIDGE REPLACEMENT: This project provides for the replacement of bridge No. 60011. The project also includes the widening of the approach roadway and transition to the bridge, improving the channel alignment, and the installation of guard rails etc.	108	.....	10	118
PROGRAM TOTAL	\$ 344	.....	\$ 33	\$ 377

FEDERAL FLOOD CONTROL PROJECTS

Program: Management of Water and Mineral Resources

Turtle Creek Basin — Allegheny and Westmoreland Counties

FLOOD CONTROL IMPROVEMENTS: This is a combination State-Federal-local funded project. The U.S. Army Corps of Engineers proposes to rehabilitate and expand this flood control project which was built in the early 1960's to restore the flood carrying capacity of the project.

	State	\$ 788	.....	.....	\$ 788
	Fed.	4,724	.....	.....	4,724
	Local	788	.....	.....	788
PROGRAM TOTAL		\$ 6,300	.....	.....	\$ 6,300

CAPITAL BUDGET

GAME COMMISSION

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
1990-91 PUBLIC IMPROVEMENT PROJECTS				
Recreation	\$ 3,000	.....	\$ 3,000
TOTAL PROJECTS	<u>.....</u>	<u>\$ 3,000</u>	<u>.....</u>	<u>\$ 3,000</u>
SOURCE OF FUNDS				
Current Revenues				
Game Fund	\$ 3,000	.....	\$ 3,000
TOTAL	<u>.....</u>	<u>\$ 3,000</u>	<u>.....</u>	<u>\$ 3,000</u>

CAPITAL BUDGET

Game Commission 1990-91 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
FROM CURRENT REVENUES				
PUBLIC IMPROVEMENT PROJECTS				
Program: Recreation				
Elk County				
ACQUISITION OF STATE GAME LANDS: This will provide for the acquisition of approximately 3,465 acres of land to be used for hunting.	\$ 770	.....	\$ 770
Erie County				
ACQUISITION OF STATE GAME LANDS: This will provide for the acquisition of approximately 3,206 acres of land to be used for hunting.	1,500	.....	1,500
Lebanon and Schuylkill Counties				
ACQUISITION OF STATE GAME LANDS: This will provide for the acquisition of approximately 1,825 acres of land to be used for hunting.	730	.....	730
PROGRAM TOTAL	<u>\$ 3,000</u>	.....	<u>\$ 3,000</u>

CAPITAL BUDGET

DEPARTMENT OF GENERAL SERVICES

		(Dollar Amounts in Thousands)		
	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
1990-91 PUBLIC IMPROVEMENT PROJECTS				
Management and Operation of Facilities	\$ 2,270	.....	\$ 454	\$ 2,724
TOTAL PROJECTS	<u>\$ 2,270</u>	<u>.....</u>	<u>\$ 454</u>	<u>\$ 2,724</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 2,270	.....	\$ 454	\$ 2,724
TOTAL	<u>\$ 2,270</u>	<u>.....</u>	<u>\$ 454</u>	<u>\$ 2,724</u>

CAPITAL BUDGET

Department of General Services 1990-91 Projects

	(Dollar Amounts in Thousands)			
FROM BOND FUNDS	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
<i>PUBLIC IMPROVEMENT PROJECTS</i>				
Program: Management and Operation of Facilities				
<i>Philadelphia State Office Building</i>				
FIRE AND SAFETY IMPROVEMENTS: This project provides for the upgrading of the smoke/fire detection and suppression systems in the Philadelphia State Office building				
	\$ 2,270	.....	\$ 454	\$ 2,724
PROGRAM TOTAL	<u>\$ 2,270</u>	<u>.....</u>	<u>\$ 454</u>	<u>\$ 2,724</u>

CAPITAL BUDGET

DEPARTMENT OF MILITARY AFFAIRS

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
1990-91 PUBLIC IMPROVEMENT PROJECTS				
Disaster Assistance	\$ 5,590	.....	\$ 1,118	\$ 6,708
Veterans Homes	2,660	.....	127	2,787
TOTAL PROJECTS	<u>\$ 8,250</u>	<u>.....</u>	<u>\$ 1,245</u>	<u>\$ 9,495</u>
 SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 2,032	.....	\$ 406	\$ 2,438
Capital Facilities Fund — Original Furniture and Equipment	606	.....	.....	606
Subtotal General Obligation Bonds	<u>\$ 2,638</u>	<u>.....</u>	<u>\$ 406</u>	<u>\$ 3,044</u>
 Federal Funds	 \$ 5,612	.....	\$ 839	 \$ 6,451
TOTAL	<u>\$ 8,250</u>	<u>.....</u>	<u>\$ 1,245</u>	<u>\$ 9,495</u>

CAPITAL BUDGET

Department of Military Affairs 1990-91 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
FROM BOND FUNDS				
PUBLIC IMPROVEMENT PROJECTS				
Program: Disaster Assistance				
<i>Butler National Guard Armory</i>				
NEW ARMORY: This project provides for construction of a 24,000 sq. ft. armory to replace the current armory. The new armory will include classrooms, training areas, arms vault, storage areas, kitchen, etc.	State \$ 1,397	. . . . .	\$ 279	\$ 1,676
	Fed. 4,193	. . . . .	839	5,032
PROGRAM TOTAL	\$ 5,590	. . . . .	\$ 1,118	\$ 6,708
 Program: Veterans Homes				
<i>Hollidaysburg Veterans Home</i>				
BOILER PLANT IMPROVEMENTS: This project provides for the installation of new controls and flue gas monitoring equipment on the existing boilers	State \$ 635	. . . . .	\$ 127	\$ 762
ADDITIONAL ORIGINAL FURNITURE AND EQUIPMENT FOR PROJECT NO. DGS 969-3, CONVERSION OF SOMMER HALL TO NURSING CARE FACILITY: This project provides additional funding for original movable furniture and equipment for the renovated facility. This will increase the State furniture and equipment funding for this facility to \$390,500	State 297	. . . . .	. . . . .	297
	Fed. 843	. . . . .	. . . . .	843
 <i>S.E. Pennsylvania Veterans Center</i>				
ADDITIONAL FURNITURE AND EQUIPMENT FOR PROJECT NO. DGS 960-50, CONVERSION OF NEW HORIZONS HALL TO NURSING CARE FACILITY: This project provides additional funding for original furniture and equipment for the renovated facility. This will increase the State furniture and equipment funding for this facility to \$471,000	State 309	. . . . .	. . . . .	309
	Fed. 576	. . . . .	. . . . .	576
Total — State Funds	\$ 1,241	. . . . .	\$ 127	\$ 1,368
Total — Federal Funds	1,419	. . . . .	. . . . .	1,419
PROGRAM TOTAL	\$ 2,660	. . . . .	\$ 127	\$ 2,787

In addition to the above, a committee has been formed to recommend possible sites and needs for the fifth and sixth veterans homes. Once the committee submits its report and a site is selected, a capital budget for the additional homes will be recommended by the Governor.

CAPITAL BUDGET

DEPARTMENT OF PUBLIC WELFARE

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
1990-91 PUBLIC IMPROVEMENT PROJECTS				
Mental Health	\$ 2,723	.....	\$ 543	\$ 3,266
Mental Retardation	2,370	.....	473	2,843
TOTAL PROJECTS	<u>\$ 5,093</u>	<u>.....</u>	<u>\$ 1,016</u>	<u>\$ 6,109</u>

SOURCE OF FUNDS

General Obligation Bond Issues

Capital Facilities Fund—Buildings and Structures	\$ 5,093	.....	\$ 1,016	\$ 6,109
TOTAL	<u>\$ 5,093</u>	<u>.....</u>	<u>\$ 1,016</u>	<u>\$ 6,109</u>

CAPITAL BUDGET

Department of Public Welfare 1990-91 Projects

		(Dollar Amounts in Thousands)		
FROM BOND FUNDS	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
PUBLIC IMPROVEMENT PROJECTS				
Program: Mental Health				
<i>Harrisburg State Hospital</i>				
UPGRADE POTABLE WATER SYSTEM: This project provides for the upgrading of the institution's potable water system, including replacement of the water distribution lines and the installation of filters.	\$ 1,929	.....	\$ 385	\$ 2,314
<i>South Mountain Restoration Center</i>				
WATER TREATMENT PLANT: This project provides for the construction of a new water treatment plant for the institution	794	.....	158	952
PROGRAM TOTAL	\$ 2,723	.....	\$ 543	\$ 3,266
Program: Mental Retardation				
<i>Laurelton Center</i>				
NEW FIRE ALARM SYSTEM: This project will install a new fire alarm system to meet the most current Life Safety Code. The system will connect to pull boxes, and smoke and sprinkler detectors. Coverage is provided to 26 separate buildings and includes a coded audible alarm (air horn and bells). The system will be connected to the Union County Communication Center, and will include two remote console stations located on the institution grounds	\$ 283	.....	\$ 56	\$ 339
<i>Selinsgrove Center</i>				
NEW BATHROOMS IN UNIT IV: This project will install individual bathrooms in Unit IV to provide privacy. The new bathrooms will be designed in a normal configuration which is in accordance with Medical Assistance and Accreditation Council for the Developmentally Disabled standards	385	.....	77	462
<i>Western Center</i>				
UPGRADE POWER PLANT AND STEAM DISTRIBUTION SYSTEM: This project will upgrade the power plant to include pollution controls, and replace the institution's steam distribution system	1,702	.....	340	2,042
PROGRAM TOTAL	\$ 2,370	.....	\$ 473	\$ 2,843

CAPITAL BUDGET

DEPARTMENT OF TRANSPORTATION

	(Dollar Amounts in Thousands)			Total Project Cost
	Base Project Cost	Land Cost	Design & Contingencies	
1990-91 TRANSPORTATION ASSISTANCE PROJECTS				
Urban Mass Transportation	\$ 299,413	.....	\$ 4,607	\$ 304,020
Rural and Intercity Rail	15,998	.....	.....	15,998
Subtotal	<u>\$ 315,411</u>	<u>.....</u>	<u>\$ 4,607</u>	<u>\$ 320,018</u>
1990-91 HIGHWAY PROJECTS				
Highway and Safety Improvement	\$ 37,185	\$ 1,475	\$ 97,748	\$ 136,408
TOTAL PROJECTS	<u>\$ 352,596</u>	<u>\$ 1,475</u>	<u>\$ 102,355</u>	<u>\$ 456,426</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund—Transportation Assistance Projects	\$ 56,655	.....	\$ 4,607	\$ 61,262
Current Revenues				
Motor License Fund	\$ 9,921	\$ 468	\$ 24,057	\$ 34,446
Federal Funds				
	\$ 254,191	\$ 1,007	\$ 73,691	\$ 328,889
Local Funds				
	\$ 31,829	.....	.....	\$ 31,829
TOTAL	<u>\$ 352,596</u>	<u>\$ 1,475</u>	<u>\$ 102,355</u>	<u>\$ 456,426</u>

CAPITAL BUDGET

Department of Transportation 1990-91 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Conti- gencies	Total Project Cost
FROM BOND FUNDS:				
TRANSPORTATION ASSISTANCE PROJECTS				
Program: Urban Mass Transportation				
Altoona Metro Transit				
PURCHASE OF BUSES AND RELATED EQUIPMENT: This project provides for the replacement of 10 buses and related equipment . . .	State \$ 216	.....	\$ 22	\$ 238
	Fed. 1,142	.....	.....	1,142
	Local 48	.....	.....	48
Area Transportation Authority of North Central Pennsylvania				
PURCHASE OF VEHICLES AND SPARE PARTS: This project provides for the purchase of 14 purpose built replacement vehicles and related spare parts	State 71	.....	7	78
	Fed. 372	.....	.....	372
	Local 15	.....	.....	15
Beaver County Transit Authority				
PURCHASE OF BUSES AND SUPPORT VEHICLE: This project provides for the replacement of five fixed route buses and eight paratransit vehicles, the purchase of two additional fixed route buses, and the purchase of a support vehicle	State 106	.....	11	117
	Fed. 560	.....	.....	560
	Local 23	.....	.....	23
Cambria County Transit Authority				
PURCHASE OF BUSES, SERVICE VEHICLES, TOOLS, EQUIPMENT, AND PARTS: This project provides for the purchase of six mid sized buses, a service truck, a service/inspection vehicle, and shop tools, equipment and parts	State 71	.....	7	78
	Fed. 373	.....	.....	373
	Local 15	.....	.....	15
Centre Area Transportation Authority				
ADDITIONAL FUNDING FOR FACILITY CONSTRUCTION: This project provides supplemental funding for the construction of a new administrative, maintenance, and vehicle storage facility, authorized in Act 1988-113. This will bring the total State funding to \$302,000 . . .	State 179	.....	18	197
	Fed. 947	.....	.....	947
	Local 39	.....	.....	39
PURCHASE OF PARATRANSIT VEHICLES: This project provides for the replacement of a lift equipped small bus and a station wagon with two lift equipped vehicles as well as the acquisition of two additional lift equipped vehicles	State 21	.....	2	23
	Fed. 112	.....	.....	112
	Local 5	.....	.....	5
City of Philadelphia				
ADDITIONAL FUNDING FOR UNIVERSITY CITY RAIL STATION CONSTRUCTION: This project provides additional funding for the construction of the University City Rail Station located in West Philadelphia adjacent to Philadelphia's Civic Center, authorized in Act 1986-118. This will bring the total State funding for this project to \$1,324,000.	State 282	.....	28	310
	Fed. 1,395	.....	.....	1,395
	Local 155	.....	.....	155
ELEVATORS FOR COLUMBIA AVENUE STATION: This project provides for the provision of handicapped accessibility by constructing two elevators at the Columbia Avenue Station of the Broad Street Subway.	State 190	.....	19	209
	Fed. 939	.....	.....	939
	Local 104	.....	.....	104

CAPITAL BUDGET

Department of Transportation 1990-91 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
FROM BOND FUNDS: (continued)				
TRANSPORTATION ASSISTANCE PROJECTS (continued)				
Program: Urban Mass Transportation (continued)				
City of Philadelphia (continued)				
<p>SUBWAY POLICE/FIRE COMMUNICATION SYSTEM: This project provides for the extension of the radio communication system for police and fire to the Market Street and Woodland Avenue Subways. The subway and tunnel stations from 2nd Street to 46th Street will be equipped with transmission coaxial cable for multiple transmission. This will connect each of the stations to the microwave system in City Hall, and connect transmitter/receiver sets and associated equipment into the existing system to permit use by fire and police departments . . .</p>	State \$ 166 Fed. 825 Local 92	. . . . . . . . . . . .	\$ 17	\$ 183 825 92
City of Washington				
<p>PARATRANSIT VEHICLES AND MOBILE RADIOS: This project provides for the purchase of two lift equipped paratransit vehicles to serve 10 - 20 passengers, one paratransit vehicle to serve 10 - 15 passengers, and ten mobile radios</p>	State 17 Fed. 92 Local 4	. . . . . . . . . . . .	2	19 92 4
County of Lackawanna Transit System				
<p>VEHICLE LOCATOR AND CONTROL SYSTEM, SUPERVISORY VEHICLE AND EQUIPMENT PURCHASES: This project provides for the purchase of an automatic vehicle locator and control system, a supervisory vehicle, four bus air conditioning units, a laser printer and a network file server</p>	State 24 Fed. 127 Local 6	. . . . . . . . . . . .	2	26 127 6
Cumberland-Dauphin-Harrisburg Transit Authority				
<p>PURCHASE OF BUSES AND RELATED EQUIPMENT: This project provides for the purchase of 20 replacement buses with fareboxes and radios, and related spare parts.</p>	State 508 Fed. 2,683 Local 112	. . . . . . . . . . . .	51	559 2,683 112
Delaware River Port Authority				
<p>ADDITIONAL FUNDS FOR SUBWAY FIRE AND SMOKE CONTROL SYSTEM: This project provides additional funding for the fire and smoke control system for the PATCO High Speed Line in Philadelphia, authorized in Act 1988-113. This will bring the total state funding for this project to \$416,000</p>	State 75 Fed. 375 Local 42	. . . . . . . . . . . .	8	83 375 42
<p>REPLACEMENT OF COMMUNICATION SYSTEM: This project provides for the replacement of PATCO's communications system including cables, telephone, and closed circuit television systems</p>	State 114 Fed. 562 Local 62	. . . . . . . . . . . .	11	125 562 62
Erie Metropolitan Transit Authority				
<p>ELECTRONIC FAREBOXES AND SUPPORTING SYSTEM, LOCKER ROOM EQUIPMENT, AND ADDITIONAL FUNDS FOR VEHICLE STORAGE FACILITY: This project provides for 65 electronic fareboxes and supporting system, maintenance personnel locker room equipment, and additional funds for construction of a vehicle storage facility . . .</p>	State 63 Fed. 333 Local 14	. . . . . . . . . . . .	6	69 333 14

CAPITAL BUDGET

Department of Transportation 1990-91 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
FROM BOND FUNDS: (continued)				
TRANSPORTATION ASSISTANCE PROJECTS (continued)				
Program: Urban Mass Transportation (continued)				
<i>Lehigh and Northampton Transportation Authority</i>				
PURCHASE LIFT EQUIPPED VEHICLES: This project provides for the purchase of 4 lift equipped vehicles for use in transporting disabled and elderly residents.....	State	\$ 19	.....	\$ 21
	Fed.	100	.....	100
	Local	4	.....	4
<i>Luzerne County Transportation Authority</i>				
MAINTENANCE AREA IMPROVEMENTS AND PURCHASE OF OFFICE EQUIPMENT, STOP SIGNS, AND BUS SHELTERS: This project provides for replacement of a concrete floor; installation of new fuel, oil and antifreeze lines between the fuel shed and maintenance shop; repaving the parking lot; purchasing office and computer equipment and furniture; purchasing 2,000 bus stop signs; and purchasing 32 bus shelters.....	State	35	.....	4
	Fed.	187	.....	187
	Local	8	.....	8
<i>Mid County Transit Authority</i>				
PURCHASE OF BUSES AND RELATED EQUIPMENT: This project provides for the purchase of 4 replacement buses, related equipment, and spare parts.....	State	82	.....	8
	Fed.	405	.....	405
	Local	45	.....	45
<i>Port Authority of Allegheny County</i>				
RECONSTRUCTION OF SOUTH HILLS TROLLEY SYSTEM — STAGE II: This project provides for the reconstruction of the first part of a 5.5 mile section of the unimproved trolley system from Washington Junction to Library. This is the first section of the 12 miles of the trolley system that was not improved in the recently completed Stage 1 Program .	State	4,356	.....	436
	Fed.	21,563	.....	21,563
	Local	2,395	.....	2,395
FISCAL 1990 SECTION 9 PROGRAM: This project provides for the Port Authority of Allegheny County's Radio System Modernization Program; Monongahela Incline Improvement Program; Support Vehicles, Equipment, and Fixed Facilities Program; Bus Replacement Program; and associated capital maintenance items.....	State	2,212	.....	221
	Fed.	11,680	.....	11,680
	Local	487	.....	487
ADDITIONAL FUNDS FOR EAST BUSWAY EXTENSION: This project provides for additional funding for the extension of the East Busway from Wilkesburg to beyond the Borough of Swissvale, authorized in Act 1988-113. This will bring the total State funding for this project to \$9,167,000.....	State	455	.....	45
	Fed.	2,250	.....	2,250
	Local	250	.....	250
<i>Red Rose Transit Authority</i>				
PURCHASE OF BUSES, SERVICE VEHICLES, AND EQUIPMENT: This project provides for the replacement of 17 buses, spare components, 25 radios, 18 fareboxes, an engine steamer, and 2 service vehicles.	State	554	.....	55
	Fed.	2,923	.....	2,923
	Local	122	.....	122

CAPITAL BUDGET

Department of Transportation 1990-91 Projects

	(Dollar Amounts in Thousands)			
FROM BOND FUNDS: (continued)	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
TRANSPORTATION ASSISTANCE PROJECTS				
<i>(continued)</i>				
Program: Urban Mass Transportation (continued)				
<i>Shenango Valley Shuttle Service</i>				
PURCHASE OF BUSES, RELATED EQUIPMENT, AND SPARE PARTS:				
This project provides for the purchase of four 30 foot buses, related equipment, and spare parts. Each bus will have air conditioning, automatic transmission, diesel engine, wheelchair lift, destination signs, registering farebox, advertising racks, and mobile two-way radios. . . .				
	State	\$ 121	. . . .	\$ 12
	Fed.	640	. . . .	640
	Local	27	. . . .	27
<i>Southeastern Pennsylvania Transportation Authority</i>				
PURCHASE OF SPARE VEHICLE COMPONENTS, WORK CARS, AND EQUIPMENT FOR THE NORRISTOWN HIGH SPEED LINE AND THE MEDIA/SHARON HILL LINE AND COMPLETION OF NEW RAIL SHOP FOR THE SUBURBAN TRANSIT DIVISION: This project provides additional funding for the purchase of spare components for the new rail vehicles for the Norristown High Speed Line, for the completion of construction of the new rail shop for the Suburban Transit Division, and for the purchase of work cars and equipment for the Norristown High Speed Line and the Media/Sharon Hill Line.				
	State	2,273	. . . .	227
	Fed.	11,250	. . . .	11,250
	Local	1,250	. . . .	1,250
REGIONAL RAIL DIVISION BRIDGE REHABILITATION PROGRAM: This project provides for the replacement of the Old York Road bridge in Elkins Park on the SEPTA Mainline, the reconstruction or replacement of six priority bridges (18th Street and Park Avenue bridges on the SEPTA Mainline, a bridge over a public road in Rydel on the West Trenton Branch, bridges over Sandy Run and Tail Race Creek on the Lansdale Branch and a bridge over Neshaminy Creek and Pine Run on the Doylestown Branch) and the in-depth inspection and design of five priority bridges (CSX right-of-way, 10th Street and Tabor Road bridges on the SEPTA Mainline, and stone arch bridges over streams on the Norristown and Warminster branches)				
	State	2,273	. . . .	227
	Fed.	11,250	. . . .	11,250
	Local	1,250	. . . .	1,250
MODERNIZATION OF BUTLER AND GRANGE SUBSTATIONS: This project provides for the modernization of the Butler and Grange substations on the Broad Street Subway. New electrical traction power equipment will be purchased and installed, and mechanical and general construction work will be provided				
	State	1,894	. . . .	189
	Fed.	9,375	. . . .	9,375
	Local	1,042	. . . .	1,042
NEW BUS MAINTENANCE FACILITY—MIDVALE: This project provides for the construction of a new bus maintenance facility with a 200 to 250 bus capacity to replace such activities at the Luzerne Garage. The new facility will contain bus lifts, inspection pits, a tire storage area, bus washer, indoor storage and revenue collection areas.				
	State	1,788	. . . .	179
	Fed.	9,440	. . . .	9,440
	Local	393	. . . .	393
CITY AND SUBURBAN TRANSPORTATION DIVISIONS TRACK IMPROVEMENT PROGRAM: This project provides for the renewal of track on the Route 13 light rail line, renewal of rail on the Broad Street Subway express tracks, and renewal of tracks and third rail on the Norristown High Speed Line. The Route 13 track work is on Chester Avenue at 49th Street, from 49th Street to 58th Street, and from Cobbs Creek to Cedar Street. The Broad Street Subway Express work will renew 38,000 feet of track between the Walnut/Locust and Erie Avenue stations and special work at 9 locations. The Norristown High Speed Line work will renew 9,400 track feet between the Garrett Hill and Villanova stations and replacement of 5,500 feet of track support between the Beechwood and West Overbrook stations				
	State	1,121	. . . .	112
	Fed.	5,550	. . . .	5,550
	Local	617	. . . .	617

CAPITAL BUDGET

Department of Transportation 1990-91 Projects

	(Dollar Amounts in Thousands)				
	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost	
FROM BOND FUNDS: (continued)					
TRANSPORTATION ASSISTANCE PROJECTS (continued)					
Program: Urban Mass Transportation (continued)					
<i>Southeastern Pennsylvania Transportation Authority (continued)</i>					
PARKING EXPANSION: This project provides for the addition of 2,629 parking spaces and the renewal of 579 parking spaces at regional rail system locations and the construction of three new stations at Eddington on the Trenton Line and at Thorndale and Frazer on the Downingtown Line					
	State	\$ 1,898	. . . . .	\$ 190	\$ 2,088
	Fed.	6,262	. . . . .	. . . . .	6,262
	Local	4,175	. . . . .	. . . . .	4,175
BRIDGE REPLACEMENTS—NINTH STREET MAINLINE: This project provides for the demolition and reconstruction of two bridges over Berks Street and Norris Street on the Ninth Street Mainline. Federal funding for this project is being provided by the Federal Railroad Administration					
	State	909	. . . . .	91	1,000
	Fed.	4,500	. . . . .	. . . . .	4,500
	Local	500	. . . . .	. . . . .	500
REGIONAL RAIL DIVISION CAPITAL IMPROVEMENT PROGRAM: This project provides for mainline bridges, stations and system improvements through the rehabilitation/replacement of 25 bridges, track and special trackwork renewal, replacement of catenary wire, rehabilitation of catenary structures, repair of retaining walls, replacement/rehabilitation of fencing, construction of a new Temple Station, construction of a new ductbank, and the installation of a new communications system on SEPTA's Mainline from Brown Street to Wayne Junction. Five Mainline bridges will be rehabilitated. Twenty will be replaced. All four tracks from Brown Street to the 16th Street Interlocking will be replaced. Ties and ballast north of the 16th Street Interlocking will be replaced. The Salt Track will be relocated into Diamond Interlocking. Completion of the new Temple University Station will be provided through this project					
	State	20,720	. . . . .	2,072	22,792
	Fed.	102,562	. . . . .	. . . . .	102,562
	Local	11,396	. . . . .	. . . . .	11,396
CENTRALIZED ELECTRIFICATION AND TRAFFIC CONTROL SYSTEM—NORTHEAST CORRIDOR: This project provides for the extension of the Centralized Electrification and Traffic Control system on the Northeast Corridor from Marcus Hook to Morrisville. Relays in each of the nine manned interlockings will be converted. Signal cables, relay houses, remote terminal units and track circuits will be installed. The CETC Center will be expanded and will include new projector units, consoles and areas for dispatchers					
	State	1,956	. . . . .	196	2,152
	Fed.	9,682	. . . . .	. . . . .	9,682
	Local	1,076	. . . . .	. . . . .	1,076
MAINTENANCE FACILITY IMPROVEMENTS—WYOMING SHOP/COURTLAND SHOP: This project provides additional funding for major renovations at the Wyoming Shop Facility and renovation and expansion at the Courtland Shop to accommodate the relocation of the Utility Fleet Maintenance Shop. The improvements at the Wyoming Shop include ventilation, heating, lighting and drainage systems; expansion, reconfiguration and improvements of facilities and equipment at all work stations; reconstruction/rehabilitation of the shop yard and retaining wall; construction of a new chassis dynamometer; and construction of a chemical storage building. The Courtland Shop will be modified and renovated to accommodate the repair and maintenance of utility vehicles which is presently performed at the Wyoming Shop. The Courtland Shop yard will also be paved during implementation of this project					
	State	1,106	. . . . .	111	1,217
	Fed.	5,475	. . . . .	. . . . .	5,475
	Local	608	. . . . .	. . . . .	608

CAPITAL BUDGET

Department of Transportation 1990-91 Projects

(Dollar Amounts in Thousands)

		Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
FROM BOND FUNDS: (continued)					
TRANSPORTATION ASSISTANCE PROJECTS (continued)					
Program: Urban Mass Transportation (continued)					
Westmoreland County Transit Authority					
State	\$	38	.....	\$ 4	\$ 42
PURCHASE TROLLEY BUSES: This project provides for the purchase of 2 trolley buses	Fed.	203	.....	.....	203
	Local	9	.....	.....	9
York Area Transportation Authority					
PURCHASE BUSES, SERVICE VEHICLES AND RELATED EQUIPMENT: This project provides for the purchase of six 35 foot buses, fareboxes, radios and related spare parts, a service van and a service truck	State	150	.....	15	165
	Fed.	793	.....	.....	793
	Local	33	.....	.....	33
		\$ 46,063	.....	\$ 4,607	\$ 50,670
Total State Funds		226,927	.....	.....	226,927
Total Federal Funds		26,423	.....	.....	26,423
Total Local Funds		\$ 299,413	.....	\$ 4,607	\$ 304,020
PROGRAM TOTAL					

Program Rural and Intecity Rail

Allegheny County

TRACK REHABILITATION/CONSTRUCTION—USX MON VALLEY: This project provides for track and turnout rehabilitation and construction at USX Edgar Thompson Works. This project (Phase 1 of a restructuring and rehabilitation project in the Edgar Thompson Works facility) consists of replacing 1,311 cross ties, replacement of 7,031 linear feet of switch timber, 6,864 linear feet of rail and accompanying hardware plus the raising, lining and surfacing of all installations, and 2,145 feet of track construction at the hot metal tracks between the blast furnaces and the basic oxygen process

State	\$	416	.....	.....	\$ 416
Local		138	.....	.....	138

TRACK REHABILITATION/CONSTRUCTION—USX MON VALLEY: This project provides for track and turnout rehabilitation and construction at the USX Edgar Thompson Works in Allegheny County. This project (Phase 2 of a restructuring and rehabilitation project in the Edgar Thompson Works facility) consists of replacing 1,702 cross ties, 6,367 linear feet of switch timber, 5,772 linear feet of rail, and the construction of 2,886 feet of track in the area of the plant that the proposed continuous caster will be located

State		409	.....	.....	409
Local		136	.....	.....	136

TRACK REHABILITATION AND SCALES—USX MON VALLEY: This project provides for turnout rehabilitation and construction, and installation of motion weighing scales at the USX Edgar Thompson Works. This project (Phase 3 of a restructuring and rehabilitation project in the Edgar Thompson Works facility) consists of replacing 1,058 cross ties, 3,144 linear feet of switch timber, 3,588 linear feet of rail, construction of 1,794 feet of track, and the installation of motion weighing scales

State		376	.....	.....	376
Local		125	.....	.....	125

CAPITAL BUDGET

Department of Transportation 1990-91 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM BOND FUNDS: (continued)				
TRANSPORTATION ASSISTANCE PROJECTS (continued)				
Program: Rural and Intercity Rail (continued)				
Armstrong County				
TRACK REHABILITATION — THE PITTSBURGH AND SHAWMUT RAILROAD COMPANY: This project provides for track rehabilitation on the Pittsburgh & Shawmut Railroad Main Line from Pine Run to Reesedale. The project is a rail laying program involving 6.94 miles of track rehabilitation. The project consists of installing 73,283 linear feet of rail complete with all rail accessories and ballast. Raising, lining and surfacing of 36,643 linear feet of track is also included				
	State	\$ 741	. . . . .	\$ 741
	Local	740	. . . . .	740
CONSTRUCT SIDETRACK — THE PITTSBURGH AND SHAWMUT RAILROAD COMPANY: This project provides for the construction of an initial sidetrack which will serve as a barge loading and unloading facility adjacent to and south of the Pittsburgh & Shawmut Railroad Main Line at Cadogan. The project consists of construction of approximately 3,432 feet of railroad track which includes rail, cross ties, etc. and construction of three turnouts				
	State	218	. . . . .	218
	Local	73	. . . . .	73
Armstrong and Jefferson Counties				
RECONSTRUCT RAIL LINE — THE PITTSBURGH AND SHAWMUT RAILROAD COMPANY: This project provides for the reconstruction of 18.66 miles of track located on the Pittsburgh & Shawmut Railroad Main Line from Tait to McWilliams. The project consists of installing 197,050 linear feet of rail complete with all rail accessories and ballast. Raising, lining and surfacing of 98,525 feet of track is also included				
	State	1,918	. . . . .	1,918
	Local	1,919	. . . . .	1,919
Beaver County				
CONSTRUCT SIDETRACK — BEAVER COUNTY CORPORATION FOR ECONOMIC DEVELOPMENT: This project provides for the construction of a new sidetrack in a industrial park to service a 50,000 square foot manufacturing plant on a 30 acre site in Darlington Township. The sidetrack will be located adjacent and parallel to Conrail Main Line which is between SR51 and SR4002. The project consists of construction of 700 linear feet of track complete with rails, ballast switch, grading and moving signal poles				
	State	145	. . . . .	145
	Local	49	. . . . .	49
Bucks County				
TRACK RECONSTRUCTION — USX FAIRLESS WORKS: This project provides for reconstruction of track, 4 turnarounds, and 6 crossovers at the Mold Preparation/Raw Materials Delivery — Open Hearth area inside the USX Fairless Works. The trackwork reconstruction includes removal of concrete embedded rail, subsequent installation of new steel ties, rail material and hardware, and concrete floor slab restoration				
	State	645	. . . . .	645
	Local	215	. . . . .	215
TRACK RECONSTRUCTION — USX FAIRLESS WORKS: This project provides for reconstruction of 7,870 feet of track, 18 turnarounds and 90 linear feet of roadway crossings at the Intra-Plant Freight, Coke Freight and North Yard areas inside the Fairless Works. The trackwork reconstruction includes complete removal and subsequent installation of new ballast, ties, and all rail material				
	State	578	. . . . .	578
	Local	192	. . . . .	192

CAPITAL BUDGET

Department of Transportation 1990-91 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
FROM BOND FUNDS: (continued)				
TRANSPORTATION ASSISTANCE PROJECTS (continued)				
Program: Rural and Intercity Rail (continued)				
<i>Chester County</i>				
ADDITIONAL RAILROAD TRACKS — LAURIA BROTHERS, INC.: This project provides for the construction of about one mile of additional railroad tracks within the present Coatesville Yard. This project is to provide material only for the new track which includes eight turnouts and ten road crossings. Materials are 2,703 cross ties, 3,448 linear feet of switch ties, 10,739 linear feet of rail and crossing timbers, lay screws, ballast and asphalt for 388 linear feet of crossings	State \$ 410 Local 137	..... .....	..... .....	\$ 410 137
<i>Delaware County</i>				
CONSTRUCTION AND EXTENSION OF SIDINGS — NORTH AMERICA SILICA COMPANY: This project provides for the construction of a new rail siding and a new extension to an existing siding inside an existing North American Silica Company plant in the City of Chester. The project consists of construction of 766 linear feet of railroad track complete with rails, cross ties, ballast and switch, 1,106 track feet of Flange Master, and two turnouts	State 148 Local 50	..... .....	..... .....	148 50
<i>Green County</i>				
COAL LOADING FACILITY AND LOCOMOTIVE PURCHASE — SHANNOPIN MINING COMPANY: This project calls for construction of a rail — coal loading facility and the purchase of a locomotive at the Shannopin Mine. This project consists of 1,320 feet of conveyor systems (42" width), lighting and communication equipment, and a locomotive that would provide the capability to efficiently load coal onto rail cars	State 302 Local 101	..... .....	..... .....	302 101
<i>Jefferson County</i>				
COAL UNLOADING FACILITY — THE PITTSBURGH AND SHAWMUT RAILROAD COMPANY: This project provides for construction of a railroad siding adjacent to and north of the Pittsburgh & Shawmut Railroad Main Line at Dora. The project consists of construction of approximately 1,755 feet of railroad track which includes rail, cross ties, etc. and construction of four turnouts	State 138 Local 46	..... .....	..... .....	138 46
<i>Lackawanna County</i>				
SITE ACQUISITION, SITE DEVELOPMENT, ACCESS ROAD, AND RAILROAD TRACK — LACKAWANNA COUNTY RAILROAD AUTHORITY: This project provides for acquisition and site development of an industrial park for rail users in Carbondale. The project involves land acquisition, site development including a 2,000 foot access road, 2,500 foot of new railroad track, and four turnouts	State 529 Local 176	..... .....	..... .....	529 176
RAIL SPUR — LACKAWANNA COUNTY RAILROAD AUTHORITY: This project provides for construction of a rail spur to provide rail service to the Lackawanna County Solid Waste Management Authority's materials processing and shipping facility. The project consists of construction of 1,700 feet of railroad track, construction of two turnouts and rehabilitation of a bridge deck	State 103 Local 34	..... .....	..... .....	103 34

CAPITAL BUDGET

Department of Transportation 1990-91 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Conti- gencies	Total Project Cost
FROM BOND FUNDS: (continued)				
TRANSPORTATION ASSISTANCE PROJECTS (continued)				
Program: Rural and Intercity Rail (continued)				
<i>Lawrence County</i>				
BRIDGE AND ROAD CROSSING IMPROVEMENTS — LAWRENCE COUNTY ECONOMIC DEVELOPMENT CORPORATION: This project provides for the rehabilitation of two grade crossings, and the removal of four grade crossings on Moravia Street in New Castle as well as the removal of Conrail Bridge No. 60 over the Shenango River in New Castle	State	\$ 110	.....	\$ 110
	Local	37	.....	37
<i>Lebanon County</i>				
RECONSTRUCT RAIL LINE AND SPUR — OXBOW POWER CORPORATION: This project provides for the reconstruction of a rail line and spur in order to construct a proposed 80 megawatt independant power project (Cornwall Energy Project). This project consists of reconstruction of five bridges on the rail line, purchase of Conrail right-of-way and rehabilitation of track	State	655	.....	655
	Local	655	.....	655
<i>Luzerne County</i>				
RAIL SPUR — THE GREATER WILKES-BARRE PARTNERSHIP, INC.: This project provides for the construction of a rail spur from Conrail Main Line, Lehigh No. 2, to Crestwood Industrial Park. The project consists of construction of 2,600 feet of railroad track which includes rail, cross ties, switch ties, ballast, etc., main line switch, secondary switch, brush cutting and weed spray.	State	221	.....	221
	Local	73	.....	73
REHABILITATE SUSQUEHANNA RIVER BRIDGE — POCONO NORTHEAST RAILWAY INC.: This project provides for the rehabilitation of the Susquehanna River Bridge on the Kingston Running Track of the Pocono Northeast Railway. The project provides for the replacement of bridge timbers, bridge painting and pier repairs	State	504	.....	504
	Local	168	.....	168
<i>Philadelphia County</i>				
REHABILITATE RAIL LINE N.E. PHILADELPHIA INDUSTRIAL PARK — PHILADELPHIA INDUSTRIAL DEVELOPMENT CORPORATION: This project provides for the rehabilitation of 3.6 miles of PIDC's Northwest Philadelphia Industrial Park trackage. The trackage is located on the end of the Conrail-owned Bustleton Branch, which joins the Amtrack Northeast Corridor at Holmesburg Junction, four miles north of Frankford Junction. The project consists of replacing 2,533 cross ties and 700 linear feet of switch ties, tighten joint bar assemblies, raising lining, and resurfacing of 13,500 linear feet of track, repairing 10 bridge decks, rebuilding 225 linear feet of road crossing, ditching, brush cutting, weed spray, ballast, and raising/surfacing nine turnouts	State	538	.....	538
	Local	180	.....	180
<i>Pike and Wayne Counties</i>				
USRA LINE NO. 1238 STREAM BANK STABILIZATION — PENNSYLVANIA DEPARTMENT OF TRANSPORTATION: This project provides for a soils investigation and design and construction of a retainage system to correct a major slide area at MP 123.25 on the Honesdale Branch. This project is located on the 24.75 mile Honesdale Branch in Pike and Wayne Counties. USRA Line No. 1238 is owned and managed by the Department	State	1,000	.....	1,000

CAPITAL BUDGET

Department of Transportation 1990-91 Projects

		(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Conti- gencies		Total Project Cost
FROM BOND FUNDS: (continued)					
TRANSPORTATION ASSISTANCE PROJECTS (continued)					
Program: Rural and Intercity Rail (continued)					
Washington County					
REPLACEMENT SIDING — DONORA LUMBER COMPANY: This project provides for construction of a new siding and a complete track switching to Conrail Main Line to replace an existing siding located in the Donora Lumber Company Yard. The project consists of construction of 285 linear feet of railroad track complete with rails, cross ties, and ballast, installation of switch, construction of 40 linear feet of culvert, and removal and grading of 300 linear feet of existing track.....					
	State	\$ 105	.....	.....	\$ 105
	Local	35	.....	.....	35
Westmoreland County					
TRACK RECONSTRUCTION AT VANDERGRIFT PLANT — ALLEGHENY LUDLUM: This project provides for the reconstruction of 4,000 linear feet of existing track at the Vandergrift Plant. The project consists of the complete removal and subsequent installation of new cross and switch ties, track reconstruction, raising, lining, and surfacing, reconstructing five turnouts, and rebuilding 200 linear feet of road crossing					
	State	383	.....	.....	383
	Local	127	.....	.....	127
Total State Funds		\$ 10,592	.....	.....	\$ 10,592
Total Local Funds		5,406	.....	.....	5,406
PROGRAM TOTAL		\$ 15,998	.....	.....	\$ 15,998

CAPITAL BUDGET

Department of Transportation 1990-91 Projects

(Dollar Amounts in Thousands)

		Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM CURRENT REVENUES:					
HIGHWAY PROJECTS					
Program: Highway and Safety Improvement					
ALLEGHENY COUNTY, S.R. 0019 (Saw Mill Run Blvd.), 0051 (Saw Mill Run Blvd. and W. Carson St.), 0060 (PA 60), 0837 (W. Carson St.), 0978 (Enlow Rd.), 3019 (Beers School Rd.), 3069/0051 (Liberty Tunnel S. Interchange), 3089 (Moon-Clinton Road), 3110 & 3106 (West End Circle Interchange), 8033 (Carnegie Interchange), 8035 (Greentree Interchange), 8037 & 8075 (Parkway/Banksville Interchange), and 8065 (Liberty Tunnel N. Interchange), Airport Access Roads: Widen, Reconstruction, Relocation, Intersection and Traffic Operation Improvements: Length 15.0 Miles					
State	. . . . .			\$ 2,650	\$ 2,650
Fed.	. . . . .			7,950	7,950
ALLEGHENY COUNTY, S.R. 0980, PA 980, Findlay Connector, T.R. 980/22 Interchange to Southern Expressway Interchange, Findlay Township: Relocation, Widen, Reconstruction and Traffic Operation Improvements: Length 5.5 Miles					
State	. . . . .			250	250
Fed.	. . . . .			750	750
ALLEGHENY COUNTY, Lawrenceville Access Road, City of Pittsburgh: New Construction: Length 3.5 Miles					
State	. . . . .			975	975
Fed.	. . . . .			2,625	2,625
BEAVER COUNTY, S.R. 0151, PA 151, Gringo-Clinton Road, Hopewell Township: Reconstruct from Hopewell Industrial Park to PA 60: Length 2.5 Miles					
State	\$ 110			10	120
Fed.	440			30	470
BEDFORD/CAMBRIA COUNTIES, S.R. 0056, PA 56, U.S. 220 to City of Johnstown: Widen, Restoration, and Traffic Operation Improvements: Length 40.0 Miles					
State	. . . . .			750	750
Fed.	. . . . .			2,250	2,250
BERKS COUNTY, S.R. 0222, U.S. 222, Reading to Lancaster County Line: Relocation, Reconstruction and Traffic Operation Improvements: Length 8.5 Miles					
State	. . . . .			1,000	1,000
Fed.	. . . . .			3,000	3,000
BLAIR COUNTY, S.R. 4013, Chestnut Avenue Extension, 4th Street to 2nd Street, City of Altoona: Reconstruction: Length 1.0 Miles					
State	. . . . .			350	350
Fed.	. . . . .			1,050	1,050
BLAIR COUNTY, S.R. 6022, U.S. 22, Hollidaysburg Bypass, U.S. 220 to East of Hollidaysburg, Blair and Frankstown Townships: Relocation: Length 5.5 Miles					
State	. . . . .			1,325	1,325
Fed.	. . . . .			3,975	3,975
BUCKS/MONTGOMERY COUNTIES, S.R. 0202, U.S. 202, Doylestown to Montgomeryville, Bucks and Montgomery Counties: Four Lane Divided Relocation: Length 7.0 Miles					
State	. . . . .			1,550	1,550
Fed.	. . . . .			4,650	4,650
CAMBRIA COUNTY, S.R. 0022, U.S. 22, Mundys Corner to the Indiana County Line: Widen, Relocation and Reconstruction: Length 4.0 Miles					
State	. . . . .			850	850
Fed.	. . . . .			2,550	2,550
CENTRE/CLEARFIELD COUNTIES, S.R. 0322, 0053, 0350, 0504, 3029, 3031, 3034, 3038, 2020 and 2043, Boroughs of Philipsburg and Chester Hill, Morris, Decatur and Rush Townships: Widen, Relocation and Traffic Operation Improvements: Length 5.5 miles					
State	. . . . .			680	680
Fed.	. . . . .			2,720	2,720

CAPITAL BUDGET

Department of Transportation 1990-91 Projects

(Dollar Amounts in Thousands)				
	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM CURRENT REVENUES: (continued)				
HIGHWAY PROJECTS (continued)				
Program: Highway and Safety Improvement (continued)				
CHESTER COUNTY, S.R. 0041, PA 41, PA 41 Widening, Delaware State Line to North of Avondale: Widen, Relocate, and Traffic Operation Improvements: Length 6.0 miles	State Fed.	..... .....	\$ 1,025 3,075	\$ 1,025 3,075
CHESTER COUNTY, S.R. 0252, PA 252, Valley Forge Road, E. Swedesford Road to Devon State Road, Tredyffrin Township: Reconstruction, Widen and Traffic Operation Improvements: Length 3.0 Miles	State Fed.	..... .....	100 300	100 300
CHESTER COUNTY, S.R. 1002, West Swedesford Road, U.S. 202 to PA 252, Tredyffrin Township: Widen, Reconstruction and Traffic Operation Improvements: Length 6.0 Miles	State Fed.	..... .....	125 375	125 375
DELAWARE/CHESTER COUNTIES, S.R. 0202 U.S. 202, West Chester to the Delaware State Line: Widen, Reconstruction and Traffic Operation Improvements: Length 9.0 Miles	State Fed.	..... .....	675 2,025	675 2,025
ERIE COUNTY, S.R. 0079, I-79, I-79 Bridges over I-90, McKean Township: Bridge Rehabilitations: Length 1.0 Miles	State Fed.	\$ 744 6,700	25 225	769 6,925
ERIE COUNTY, S.R. 0090, I-90, I-90 Bridges, Greenfield, Harborcreek and Northeast Townships: Bridge Rehabilitations: Length 1.0 Miles	State Fed.	366 3,300	17 153	383 3,453
ERIE COUNTY, S.R. 4034, East Side Access Road, State Street in Erie to I-90: City of Erie and Mill Creek and Harborcreek Townships: Construct Roadway: Length 5.0 Miles	State Fed.	..... .....	1,650 4,950	1,650 4,950
FAYETTE COUNTY, S.R. 0031, PA 31, Three Mile Hill, Bullskin Township: Safety and Traffic Operation Improvements: Length 2.0 Miles	State Fed.	..... .....	450 1,350	450 1,350
HUNTINGDON COUNTY, S.R. 6022, U.S. 22, Water Street Bypass, Intersection of U.S. 22/PA 45: Widen, Relocation, Reconstruction and Traffic Operation Improvements: Length 1.0 Miles	State Fed.	..... .....	275 825	275 825
INDIANA COUNTY, S.R. 0022, U.S. 22, Blairsville Borough to Cambria County Line: Widen, Relocation and Reconstruction: Length 15.6 Miles	State Fed.	..... .....	1,170 6,630	1,170 6,630
INDIANA/JEFFERSON COUNTIES, S.R. 0119, U.S. 119, Widen, Reconstruction, Realignment, Add Truck Climbing Lanes and Traffic Operation Improvements: Length 14.2 Miles	State Fed.	..... .....	330 1,870	330 1,870
LACKAWANNA COUNTY, S.R. 0006, U.S. 6, Clarks Summit Bypass, Clarks Summit Borough and South Abington Township: Widen, Relocation, Reconstruction and Traffic Operation Improvements: Length 2.5 Miles	State Fed.	..... .....	700 2,100	700 2,100

CAPITAL BUDGET

Department of Transportation 1990-91 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
FROM CURRENT REVENUES: (continued)				
HIGHWAY PROJECTS (continued)				
Program: Highway and Safety Improvement (continued)				
LEHIGH COUNTY, S.R. 0222, U.S. 222, PA 309 to Trexler Road, Lower and Upper Macungie Townships: Widen, Relocation, Reconstruction and Traffic Operation Improvements: Length 8.5 Miles	State Fed.	. . . . . . . .	\$ 275 825	\$ 275 825
LEHIGH COUNTY, S.R. 0987, S.R. 1004, S.R. 1009 and S.R. 3017, Airport Access Roads, City of Bethlehem and Hanover Township: Widen, Reconstruction and Traffic Operation Improvements: Length 2.0 Miles	State Fed.	. . . . . . . .	575 1,725	575 1,725
LUZERNE COUNTY, S.R. 3050, Hazleton Southwest Beltway, T.R. 924 TO T.R. 309, South Hazle Township: Two Lane Relocation: Length 2.0 Miles	State Fed.	. . . . . . . .	395 1,185	395 1,185
LYCOMING COUNTY, Airport Access Road, Broad Street to Airport Industrial Park, Montoursville Borough: Two Lane Relocation: Length 4.0 Miles	State Fed.	. . . . . . . .	1,000	1,000
MERCER COUNTY, S.R. 0079, I-79, Sandy Creek Bridges, Deer Creek Township: Bridge Rehabilitation: Length 1.0 Miles	State Fed.	\$ 455 4,100	. . . . . . . . 22 201	477 4,301
MCKEAN COUNTY, S.R. 3005, Hamilin and Sergeant Townships: U.S. 6 south for 4.0 miles: Relocation and Reconstruction: Length 4.0 Miles	State Fed.	4,470	\$ 150 130	4,750
MIFFLIN COUNTY, S.R. 0022, U.S. 22, Lewistown Bypass, West of Lewistown to North of Lewistown: Relocation: Length 6.3 Miles	State Fed.	. . . . . . . .	. . . . . . . . 1,195 3,585	1,195 3,585
MIFFLIN COUNTY, S.R. 0322, U.S. 322, Lewistown Narrows, Cuba Mills to Lewistown Borough: Safety and Traffic Operation Improvements: Length 6.0 Miles	State Fed.	265 745	12 38 25 75	302 858
MONROE COUNTY, S.R. 209, U.S. 209 Marshalls Creek, Smithfield Township: Relocation/Reconstruction: Length 4.0 Miles	State Fed.	. . . . . . . .	. . . . . . . . 125 375	125 375
MONTGOMERY COUNTY, S.R. 0202, U.S. 202, T.R. 202 Widening, City of Norristown, E. Norriton, Whitpain, L. Gwynedd and Montgomery Townships: Widen, Reconstruct and Traffic Operation Improvements: Length 7.0 Miles	State Fed.	. . . . . . . .	. . . . . . . . 2,125 6,375	2,125 6,375
PIKE COUNTY, S.R. 2001, Dingman-Bushkill Road, Lehman, Delaware and Dingman Townships: Widen, Reconstruction and Traffic Operation Improvements: Length 18.1 Miles	State Fed.	. . . . . . . .	. . . . . . . . 250 750	250 750
TIOGA COUNTY, S.R. 0015, U.S. 15, From North of Tioga Borough to the Vicinity of Tioga Dam: Widen, Reconstruction and Add Truck Climbing Lane: Length 2.4 Miles	State Fed.	600 2,400	10 40 100 400	710 2,840
VENANGO COUNTY, S.R. 3007, PA 208 to Humphreys Corner, Scrubgrass Township: Widen, Reconstruction, Replace Structures and Intersection Improvements: Length 4.0 Miles	State Fed.	318 1,802	15 85 15 85	348 1,972

CAPITAL BUDGET

Department of Transportation 1990-91 Projects

		(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Conti- gencies	Total Project Cost	
FROM CURRENT REVENUES: (continued)					
HIGHWAY PROJECTS (continued)					
Program: Highway and Safety Improvement (continued)					
WASHINGTON COUNTY, S.R. 0018, PA 18, TR 18/22 Interchange, Hanover Township: Interchange Improvements: Length 2.5 Miles . . .	State Fed.	\$ 313 937	\$ 31 94	\$ 31 94	\$ 375 1,125
WESTMORELAND COUNTY, S.R. 0022, U.S. 22, Monroeville to Delmont Borough: Widen, Relocation, Reconstruction and Traffic Operation Improvements: Length 7.4 Miles	State Fed.	. . . . . . . .	. . . . . . . .	425 1,275	425 1,275
WESTMORELAND COUNTY, S.R. 0711, PA 711, Ligonier Bypass, Ligonier Borough and Ligonier Township: Relocation and Traffic Operation Improvements: Length 8.4 Miles	State Fed.	. . . . . . . .	. . . . . . . .	187 563	187 563
YORK COUNTY, S.R. 0030, U.S. 30, York Bypass, PA 116 to PA 24, City of York, W. Manchester, Manchester and Springettsbury Townships: Widen, Reconstruct and Safety Operation Improvements: Length 8.4 Miles	State Fed.	2,280 6,840	250 750	250 750	2,780 8,340
Total State Funds		\$ 9,921	\$ 468	\$ 24,057	\$ 34,446
Total Federal Funds		27,264	1,007	73,691	101,962
PROGRAM TOTAL		<u>\$ 37,185</u>	<u>\$ 1,475</u>	<u>\$ 97,748</u>	<u>\$ 136,408</u>

CAPITAL BUDGET

SUMMARY OF FORECAST OF FUTURE NEW PROJECT AUTHORIZATIONS STATE FUNDS

	(Dollar Amounts in Thousands)			
	1991-92	1992-93	1993-94	1994-95
Agriculture	\$ 5,000	.....	.....	.....
Department of Corrections	43,125	\$ 46,375	\$ 48,625	\$ 51,175
Department of Education	55,400	62,500	65,575	69,025
Emergency Management Agency	975	1,025	1,075	1,125
Department of Environmental Resources	12,600	13,250	13,900	14,650
Game Commission	3,000	3,000	3,000	3,000
Department of General Services	5,500	5,800	6,075	6,400
Historical and Museum Commission	6,750	7,100	7,450	7,825
Liquor Control Board	750	.....	.....	.....
Department of Military Affairs	4,650	4,875	5,125	5,400
Department of Public Welfare	17,975	18,900	19,825	20,875
State Police	3,025	3,175	3,350	3,525
Department of Transportation	86,000	89,000	92,000	95,000
TOTAL	<u>\$ 244,750</u>	<u>\$ 255,000</u>	<u>\$ 266,000</u>	<u>\$ 278,000</u>

CAPITAL BUDGET

Forecast of Future Projects

This section contains estimated authorizations (State funds only) for future capital improvements for the fiscal years 1991-92 through 1994-95. Amounts in this section have been grouped by department and are identified by capital project category.

FROM BOND FUNDS	(Dollar Amounts in Thousands)			
	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
Department of Agriculture				
PUBLIC IMPROVEMENT PROJECTS: Provides for improvements at the Farm Show Complex, Summerdale Laboratory, and the Headquarters Complex.	\$ 5,000	.....	.....	.....
Department of Corrections				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of administrative, industrial, educational and housing facilities, and utilities at the State-owned correctional institutions. Also includes the purchase of original furniture and equipment to furnish such facilities.	43,125	\$ 46,375	\$ 48,625	\$ 51,175
Department of Education				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction, expansion, renovation and conversion of classroom and auxiliary buildings, utilities, and recreational facilities for the State System of Higher Education, the State-owned schools, and for the State-related universities. Also includes the purchase of original furniture and equipment to furnish such facilities.	55,400	62,500	65,575	69,025
Emergency Management Agency				
PUBLIC IMPROVEMENT PROJECTS: Provides for improvements and renovation of facilities etc. at the State Fire Academy and the Regional Emergency Operating Centers.	975	1,025	1,075	1,125
Department of Environmental Resources				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of support, day use, camping facilities, and utility systems at State parks; construction of district offices, central garages, radio communication systems, and rehabilitation of forest roads in State forest districts; and construction of flood protection projects. Also includes purchase of original furniture and equipment to furnish such facilities.	12,600	13,250	13,900	14,650
Department of General Services				
PUBLIC IMPROVEMENT PROJECTS: Provides for renovation and improvements of State office buildings and facilities.	5,500	5,800	6,075	6,400
Historical and Museum Commission				
PUBLIC IMPROVEMENT PROJECTS: Provides for restoration and renovation of historic facilities, installation of fire and security systems, development of fixed exhibits, and miscellaneous building and utility improvements at Commonwealth owned museums and historical sites. Also includes the purchase of original furniture and equipment to furnish such facilities.	6,750	7,100	7,450	7,825

CAPITAL BUDGET

Forecast of Future Projects

FROM BOND FUNDS (continued)	(Dollar Amounts in Thousands)			
	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
Department of Military Affairs				
PUBLIC IMPROVEMENT PROJECTS: Provides for land acquisition, renovations, additions and replacement facilities at the State armories and veterans' homes. Also includes the purchase of original furniture and equipment to furnish such facilities.				
	\$ 4,650	\$ 4,875	\$ 5,125	\$ 5,400
Department of Public Welfare				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of patient buildings, support facilities, and utilities at the State institutions for the mentally ill and mentally retarded, restoration center, and youth development centers. Also includes the purchase of original furniture and equipment to furnish such facilities.				
	17,975	18,900	19,825	20,875
State Police				
PUBLIC IMPROVEMENT PROJECTS: Provides for renovation, expansion, and construction of troop headquarters/station facilities.				
	3,025	3,175	3,350	3,525
Department of Transportation				
TRANSPORTATION ASSISTANCE PROJECTS: Provides for the purchase/rehabilitation of rolling stock and equipment and for construction/renovation of facilities operated by local mass transportation agencies. Also includes the purchase and improvement of rail lines.				
	51,000	54,000	57,000	60,000
Total—Public Improvement Program	\$ 155,000	\$ 163,000	\$ 171,000	\$ 180,000
Total—Transportation Assistance Program	51,000	54,000	57,000	60,000
SUBTOTAL—BOND FUNDS	\$ 206,000	\$ 217,000	\$ 228,000	\$ 240,000

CAPITAL BUDGET

Forecast of Future Projects

	(Dollar Amounts in Thousands)			
	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
FROM CURRENT REVENUES				
Game Commission				
PUBLIC IMPROVEMENT PROJECTS: Provides for acquisition of additional State game lands.	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Liquor Control Board				
PUBLIC IMPROVEMENT PROJECTS: Provides for improvement/renovations in the Northwest Office Building.	750	.....	.....	.....
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; and major Federally-designated safety projects.	35,000	35,000	35,000	35,000
Total—Public Improvement Program.....	\$ 3,750	\$ 3,000	\$ 3,000	\$ 3,000
Total—Highway Program	35,000	35,000	35,000	35,000
SUBTOTAL—CURRENT REVENUES.....	\$ 38,750	\$ 38,000	\$ 38,000	\$ 38,000
TOTAL—ALL PROGRAMS	\$ 244,750	\$ 255,000	\$ 266,000	\$ 278,000

CAPITAL BUDGET

SUMMARY OF ESTIMATED CAPITAL PROJECT EXPENDITURES STATE FUNDS

Department	(Dollar Amounts in Thousands)				
	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
Agriculture	\$ 1,469	\$ 1,909	\$ 1,963	\$ 2,024	\$ 2,109
Community Affairs	68,869	40,283	.....	.....	.....
Corrections	43,444	55,331	50,841	49,915	52,232
Education	72,268	78,921	67,720	67,471	64,623
Emergency Management Agency	672	1,009	1,059	1,300	1,756
Environmental Resources	27,495	45,143	27,533	25,401	23,682
Game Commission	3,000	3,000	3,000	3,000	3,000
General Services	28,098	25,015	8,355	8,318	8,277
Health	653	826	672	566	382
Historical and Museum Commission	3,637	3,991	3,871	4,415	5,313
Infrastructure Investment Authority	34,300	19,944	.....	.....	.....
Liquor Control Board .....	.....	750	.....	.....	.....
Military Affairs	4,673	6,171	5,202	5,727	6,735
Public Welfare	11,507	14,158	13,646	15,325	18,270
State Police	1,958	2,508	2,320	2,470	2,713
Transportation	356,015	249,556	193,681	180,042	171,936
TOTAL	\$ 658,058	\$ 548,515	\$ 379,863	\$ 365,974	\$ 361,028

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
BOND FUNDS	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
Department of Agriculture					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 1,469	\$ 1,859	\$ 1,513	\$ 1,274	\$ 859
Future Projects (1991-95)					
Buildings and Structures .....	.....	50	450	750	1,250
TOTAL—AGRICULTURE	<u>\$ 1,469</u>	<u>\$ 1,909</u>	<u>\$ 1,963</u>	<u>\$ 2,024</u>	<u>\$ 2,109</u>
Department of Community Affairs					
Redevelopment Assistance Projects					
Projects Currently Authorized					
Acquisition and Construction	\$ 65,869	\$ 40,283	.....	.....	.....
Projects in 1990-91 Budget					
Acquisition and Construction	3,000	.....	.....	.....	.....
TOTAL—COMMUNITY AFFAIRS	<u>\$ 68,869</u>	<u>\$ 40,283</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
Department of Corrections					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 42,102	\$ 52,667	\$ 42,855	\$ 36,105	\$ 24,326
Furniture and Equipment	650	650	.....	.....	.....
Projects in 1990-91 Budget					
Buildings and Structures	92	831	1,384	2,307	4,153
Future Projects (1991-95)					
Buildings and Structures .....	.....	431	4,344	11,127	22,624
Furniture and Equipment .....	.....	752	2,258	376	1,129
TOTAL—CORRECTIONS	<u>\$ 42,844</u>	<u>\$ 55,331</u>	<u>\$ 50,841</u>	<u>\$ 49,915</u>	<u>\$ 52,232</u>
Department of Education					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 65,662	\$ 70,427	\$ 57,308	\$ 48,282	\$ 32,531
Furniture and Equipment	5,805	4,633	1,200	.....	.....
Projects in 1990-91 Budget					
Buildings and Structures	9	81	135	225	405
Furniture and Equipment	792	2,376	.....	.....	.....
Future Projects (1991-95)					
Buildings and Structures .....	.....	554	5,611	14,590	29,816
Furniture and Equipment .....	.....	850	3,466	4,374	1,871
TOTAL—EDUCATION	<u>\$ 72,268</u>	<u>\$ 78,921</u>	<u>\$ 67,720</u>	<u>\$ 67,471</u>	<u>\$ 64,623</u>
Emergency Management Agency					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 653	\$ 826	\$ 672	\$ 568	\$ 382
Projects in 1990-91 Budget					
Buildings and Structures	19	174	290	484	871
Future Projects (1991-95)					
Buildings and Structures .....	.....	9	97	248	503
TOTAL—EMERGENCY MANAGEMENT	<u>\$ 672</u>	<u>\$ 1,009</u>	<u>\$ 1,059</u>	<u>\$ 1,300</u>	<u>\$ 1,756</u>

CAPITAL BUDGET

Estimate of Capital Expenditures

BOND FUNDS	(Dollar Amounts in Thousands)				
	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
Department of Environmental Resources					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 25,586	\$ 29,711	\$ 23,318	\$ 19,398	\$ 13,070
Furniture and Equipment	1,477	4,043	.....	.....	.....
Projects in 1990-91 Budget					
Buildings and Structures	38	344	574	957	1,723
Future Projects (1991-95)					
Buildings and Structures .....	.....	126	1,266	3,221	6,534
Furniture and Equipment .....	.....	.....	.....	.....	1,250
Subtotal	<u>\$ 27,101</u>	<u>\$ 34,224</u>	<u>\$ 25,158</u>	<u>\$ 23,576</u>	<u>\$ 22,577</u>
Flood Control Projects					
Projects Currently Authorized					
Structures and Improvements .....	.....	\$ 10,525	\$ 2,375	\$ 1,825	\$ 1,105
Projects in 1990-91 Budget					
Structures and Improvements	\$ 394	394	.....	.....	.....
Subtotal	<u>\$ 394</u>	<u>\$ 10,919</u>	<u>\$ 2,375</u>	<u>\$ 1,825</u>	<u>\$ 1,105</u>
TOTAL—ENVIRONMENTAL RESOURCES	<u>\$ 27,495</u>	<u>\$ 45,143</u>	<u>\$ 27,533</u>	<u>\$ 25,401</u>	<u>\$ 23,682</u>
Department of General Services					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 23,032	\$ 24,715	\$ 7,393	\$ 6,230	\$ 4,196
Furniture and Equipment	5,039	.....	.....	.....	.....
Projects in 1990-91 Budget					
Buildings and Structures	27	245	409	681	1,226
Future Projects (1991-95)					
Buildings and Structures .....	.....	55	553	1,407	2,855
TOTAL—GENERAL SERVICES	<u>\$ 28,098</u>	<u>\$ 25,015</u>	<u>\$ 8,355</u>	<u>\$ 8,318</u>	<u>\$ 8,277</u>
Department of Health					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 653	\$ 826	\$ 672	\$ 566	\$ 382
TOTAL—HEALTH	<u>\$ 653</u>	<u>\$ 826</u>	<u>\$ 672</u>	<u>\$ 566</u>	<u>\$ 382</u>
Historical and Museum Commission					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 3,614	\$ 3,924	\$ 3,193	\$ 2,690	\$ 1,813
Furniture and Equipment	23	.....	.....	.....	.....
Future Projects (1991-95)					
Buildings and Structures .....	.....	67	678	1,725	3,500
TOTAL—HISTORICAL AND MUSEUM	<u>\$ 3,637</u>	<u>\$ 3,991</u>	<u>\$ 3,871</u>	<u>\$ 4,415</u>	<u>\$ 5,313</u>

CAPITAL BUDGET

Estimate of Capital Expenditures

BOND FUNDS	(Dollar Amounts in Thousands)				
	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
Infrastructure Investment Authority					
Site Development Projects					
Projects Currently Authorized					
Water and Sewer	\$ 34,300	\$ 19,944	.....	.....	.....
TOTAL—INFRASTRUCTURE INVESTMENT AUTHORITY	<u>\$ 34,300</u>	<u>\$ 19,944</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
Department of Military Affairs					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 4,415	\$ 5,370	\$ 4,370	\$ 3,681	\$ 2,480
Furniture and Equipment	83	81	.....	.....	.....
Projects in 1990-91 Budget					
Buildings and Structures	24	219	366	610	1,097
Furniture and Equipment	151	455	.....	.....	.....
Future Projects (1991-95)					
Buildings and Structures .....	.....	46	466	1,186	2,408
Furniture and Equipment .....	.....	.....	.....	250	750
TOTAL—MILITARY AFFAIRS	<u>\$ 4,673</u>	<u>6,171</u>	<u>5,202</u>	<u>5,727</u>	<u>6,735</u>
Department of Public Welfare					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 10,685	\$ 13,425	\$ 10,924	\$ 9,203	\$ 6,201
Furniture and Equipment	761	4	.....	.....	.....
Projects in 1990-91 Budget					
Buildings and Structures	61	550	916	1,527	2,749
Future Projects (1991-95)					
Buildings and Structures .....	.....	179	1,806	4,595	9,320
TOTAL—PUBLIC WELFARE	<u>\$ 11,507</u>	<u>\$ 14,158</u>	<u>\$ 13,646</u>	<u>\$ 15,325</u>	<u>\$ 18,270</u>
State Police					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 1,958	\$ 2,478	\$ 2,017	\$ 1,699	\$ 1,145
Future Projects (1991-95)					
Buildings and Structures .....	.....	30	303	771	1,568
TOTAL—STATE POLICE	<u>\$ 1,958</u>	<u>\$ 2,508</u>	<u>\$ 2,320</u>	<u>\$ 2,470</u>	<u>\$ 2,713</u>

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
BOND FUNDS	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
Department of Transportation					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 13,708	\$ 17,349	\$ 14,117	\$ 11,893	\$ 8,013
Subtotal	<u>\$ 13,708</u>	<u>\$ 17,349</u>	<u>\$ 14,117</u>	<u>\$ 11,893</u>	<u>\$ 8,013</u>
Highway Projects					
Projects Currently Authorized					
Highway Construction and Restoration ..	\$ 23,508	\$ 42,209	\$ 4,465	\$ 400	.....
Bridge Restoration and Replacement ...	55,606	.....	.....	.....	.....
Advanced Construction Interstate	53,049	.....	.....	.....	.....
Subtotal	<u>\$ 132,163</u>	<u>\$ 42,209</u>	<u>\$ 4,465</u>	<u>\$ 400</u>	.....
Transportation Assistance Projects					
Projects Currently Authorized					
Mass Transit and Rail	\$ 81,937	\$ 57,134	\$ 39,234	\$ 20,585	\$ 4,248
Projects in 1990-91 Budget					
Mass Transit and Rail	3,063	15,316	15,316	15,315	12,252
Future Projects (1991-95)					
Mass Transit and Rail .....	.....	2,550	15,450	29,100	43,500
Subtotal	<u>\$ 85,000</u>	<u>\$ 75,000</u>	<u>\$ 70,000</u>	<u>\$ 65,000</u>	<u>\$ 60,000</u>
TOTAL—TRANSPORTATION	<u>\$ 230,871</u>	<u>\$ 134,558</u>	<u>\$ 88,582</u>	<u>\$ 77,293</u>	<u>\$ 68,013</u>
TOTAL—BOND FUNDS					
Public Improvement Projects					
Buildings and Structures	\$ 193,807	\$ 227,568	\$ 188,000	\$ 188,000	\$ 188,000
Furniture and Equipment	14,781	13,844	6,924	5,000	5,000
Redevelopment Assistance Projects					
Acquisition and Construction	68,869	40,283	.....	.....	.....
Flood Control Projects					
Structures and Improvements	394	10,919	2,375	1,825	1,105
Highway Projects					
Advanced Construction Interstate	53,049	.....	.....	.....	.....
Bridge Restoration and Replacement ...	55,606	.....	.....	.....	.....
Highway Construction and Restoration ..	23,508	42,209	4,465	400	.....
Transportation Assistance Projects					
Mass Transit and Rail	85,000	75,000	70,000	65,000	60,000
Site Development Projects					
Water and Sewer	34,300	19,944	.....	.....	.....
TOTAL	<u>\$ 529,314</u>	<u>\$ 429,767</u>	<u>\$ 271,764</u>	<u>\$ 260,225</u>	<u>\$ 254,105</u>

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
CURRENT REVENUES	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated
Department of Corrections					
Public Improvement Projects					
Projects in 1990-91 Budget					
Manufacturing Fund	\$ 600	.....	.....	.....	.....
TOTAL—CORRECTION	<u>\$ 600</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
Game Commission					
Public Improvement Projects					
Projects Currently Authorized					
Game Fund	\$ 2,935	\$ 2,510	.....	.....	.....
Projects in 1990-91 Budget					
Game Fund	65	490	\$ 2,445	.....	.....
Future Projects (1991-95)					
Game Fund .....	.....	.....	555	\$ 3,000	\$ 3,000
TOTAL—GAME COMMISSION	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>
Liquor Control Board					
Public Improvement Projects					
Future Projects (1991-95)					
Liquor License Fund .....	.....	\$ 750	.....	.....	.....
TOTAL—LIQUOR CONTROL BOARD	<u>.....</u>	<u>\$ 750</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
Department Transportation					
Highway Projects					
Projects Currently Authorized					
Motor License Fund	\$ 95,300	\$ 80,600	\$ 70,217	\$ 56,819	\$ 46,319
Motor License Fund Restricted Revenue	29,500	30,948	21,049	21,597	22,771
Projects in 1990-91 Budget					
Motor License Fund	344	3,100	10,333	10,333	10,333
Future Projects (1991-95)					
Motor License Fund .....	.....	350	3,500	14,000	24,500
TOTAL—TRANSPORTATION	<u>\$ 125,144</u>	<u>\$ 114,998</u>	<u>\$ 105,099</u>	<u>\$ 102,749</u>	<u>\$ 103,923</u>
TOTAL—CURRENT REVENUES					
Public Improvement Projects					
Game Fund	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Liquor License Fund .....	.....	750	.....	.....	.....
Manufacturing Fund	600	.....	.....	.....	.....
Highway Projects					
Motor License Fund	95,644	84,050	84,050	81,152	81,152
Motor License Fund Restricted Revenue	29,500	30,948	21,049	21,597	22,771
TOTAL	<u>\$ 128,744</u>	<u>\$ 118,748</u>	<u>\$ 108,099</u>	<u>\$ 105,749</u>	<u>\$ 106,923</u>
TOTAL—ALL STATE FUNDS	<u>\$ 658,058</u>	<u>\$ 548,515</u>	<u>\$ 379,863</u>	<u>\$ 365,974</u>	<u>\$ 361,028</u>

A black and white map of the state of Indiana, showing its geographical outline and internal county boundaries. The map is oriented vertically. In the top right corner, there is a callout box with a jagged, irregular border, containing the text "1990-91".

1990-91

SINKING FUNDS
AND
PUBLIC DEBT

PUBLIC DEBT

DEBT AUTHORIZED, ISSUED AND OUTSTANDING

The Commonwealth issues general obligation debt for purposes which cannot be financed from current revenues. Existing programs for which debt is proposed to be incurred in 1990-91 are Land and Water Development, PENNVEST, Economic Revitalization, Agricultural Conservation Easement and for Capital Budget projects.

The following statement reflects the debt of the Commonwealth as of December 31, 1989. Issues which have been completely redeemed are not included.

(Dollar Amounts in Thousands)

Debt Subject to Constitutional Limit	Total Debt Authorized	Total Debt Issued	Debt Redeemed or Escrowed	Debt Outstanding	Sinking Fund	Net Indebtedness
Capital Budget	\$ 15,490,186	\$ 5,924,830	\$ 2,261,775 ^a	\$ 3,663,055	\$ 740	\$ 3,662,315
Refunding Bonds		307,927	37,929	269,998		269,998
General State Authority	1,165,250	1,165,250	1,165,250 ^b			
State Highway and Bridge Authority ...	580,000	580,000	560,865	19,135		19,135
Subtotal	<u>\$ 17,235,436</u>	<u>\$ 7,978,007</u>	<u>\$ 4,025,819</u>	<u>\$ 3,952,188</u>	<u>\$ 740</u>	<u>\$ 3,951,448</u>
Debt Not Subject to Constitutional Limit						
Disaster Relief	\$ 192,708	\$ 170,800	\$ 76,690 ^c	\$ 94,110		\$ 94,110
Economic Revitalization	190,000	73,000	40,565	32,435	\$ 14	32,421
Land and Water Development	500,000	481,700	208,560 ^d	273,140	18	273,122
Nursing Home Loan Agency	100,000	69,000	31,960	37,040	75	36,965
Project 70 Land Acquisition	70,000	70,000	63,825	6,175		6,175
Vietnam Veterans' Compensation	65,000	62,000	26,805	35,195	1	35,194
Volunteer Companies Loan	25,000	25,000	9,735	15,265		15,265
Water Facilities—1981 Referendum	300,000	134,000	33,570 ^e	100,430	42	100,388
PENNVEST—1988 Referendum	300,000	35,000	250	34,750	1	34,749
Agricultural Conservation Easement	100,000					
Refunding Bonds		43,805	1,486	42,319		42,319
Matured Loans Unclaimed				141	145	(4)
Subtotal	<u>\$ 1,842,708</u>	<u>\$ 1,164,305</u>	<u>\$ 493,446</u>	<u>\$ 671,000</u>	<u>\$ 296</u>	<u>\$ 670,704</u>
TOTAL	<u>\$ 19,078,144</u>	<u>\$ 9,142,312</u>	<u>\$ 4,519,265</u>	<u>\$ 4,623,188</u>	<u>\$ 1,036</u>	<u>\$ 4,622,152</u>

^aReflects refunding of \$156,240,000 of outstanding bonds with Refunding Bonds.

^bFunds sufficient to pay, when due, the debt service on all outstanding bonds of the General State Authority have been deposited by the Commonwealth with an escrow agent for the GSA bonds. A Refunding Bond issue was the escrow funding source.

^cReflects refunding of \$15,780,000 of outstanding bonds with Refunding Bonds.

^dReflects refunding of \$15,780,000 of outstanding bonds with Refunding Bonds.

^eReflects refunding of \$7,100,000 of outstanding bonds with Refunding Bonds.

PUBLIC DEBT

PROJECTED BOND ISSUES AND DEBT OUTSTANDING 1989-90 Through 1994-95

This table shows the projected amount of general obligation bonds of the Commonwealth to be issued and the level of bonded debt outstanding at the end of the fiscal year. Outstanding debt levels are also shown for remaining principal payments on authority debt and for bond programs for which no additional bonds are planned to be issued. A detailed forecast of outstanding capital facilities debt by category of project and the comparison of debt subject to the debt limit is contained in the Capital Budget section of this volume.

	(Dollar Amounts in Thousands)					
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
Projected Bond Issues						
Capital Budget						
Buildings and Structures	\$ 75,000	\$ 180,000	\$ 210,000	\$ 180,000	\$ 180,000	\$ 180,000
Highways	8,000	24,000	40,000	2,500	.....	.....
Transportation Assistance	100,000	85,000	75,000	70,000	65,000	60,000
Furnishings and Equipment	8,000	13,500	17,500	6,000	5,000	5,000
Redevelopment Assistance	60,000	70,000	38,000	.....	.....	.....
Advance Construction Interstate	71,000	36,000	.....	.....	.....	.....
Flood Control .....	.....	.....	8,000	2,500	2,000	1,000
Site Development	38,000	35,000	17,000	.....	.....	.....
Bridges	22,000	54,000	.....	.....	.....	.....
Total	\$ 382,000	\$ 497,500	\$ 405,500	\$ 261,000	\$ 252,000	\$ 246,000
Special Purpose						
Economic Revitalization .....	.....	\$ 117,000	.....	.....	.....	.....
Land and Water Development	\$ 2,000	3,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Water Facilities Loan — 1981 Referendum .....	.....	20,000	45,000	40,000	40,000	21,000
PENNVEST — 1988 Referendum	40,000	40,000	65,000	60,000	65,000	5,000
Agricultural Conservation Easement ..	.....	10,000	10,000	10,000	10,000	10,000
Total	\$ 42,000	\$ 190,000	\$ 122,000	\$ 112,000	\$ 117,000	\$ 38,000
TOTAL	\$ 424,000	\$ 687,500	\$ 527,500	\$ 373,000	\$ 369,000	\$ 284,000
Debt Outstanding Projection						
Capital Budget	\$ 3,728,160	\$ 3,881,882	\$ 3,886,417	\$ 3,723,647	\$ 3,595,572	\$ 3,462,257
Refunding Bonds ^a	269,859	234,496	199,844	166,449	139,034	115,768
State Highway and Bridge Authority ..	19,135	6,940	.....	.....	.....	.....
Special Purpose						
Disaster Relief	89,885	84,150	78,100	71,720	65,000	57,910
Economic Revitalization	31,580	142,350	128,320	114,645	103,125	91,995
Land and Water Development	262,770	244,675	224,325	203,230	180,790	156,945
Nursing Home Loan	36,880	32,775	28,460	23,920	19,145	14,120
Project 70 Land Acquisition	5,785	5,370	4,920	4,440	3,930	3,380
Vietnam Veterans' Compensation	32,920	30,275	27,465	24,485	21,320	17,955
Volunteer Companies Loan	14,895	13,510	12,090	10,630	9,130	7,585
Water Facilities Loan — 1981 Referendum	97,205	110,260	140,370	170,175	197,980	211,730
PENNVEST — 1988 Referendum	63,750	100,500	160,250	211,750	265,250	255,500
Agricultural Conservation Easement ..	.....	10,000	19,500	28,500	37,000	45,000
Refunding Bonds ^a	42,183	38,726	35,038	30,748	26,573	22,684
TOTAL	\$ 4,695,007	\$ 4,935,909	\$ 4,945,099	\$ 4,784,339	\$ 4,663,849	4,462,829

^aRefunding Bonds used to refinance other general obligation bonds and lease rental payments to the General State Authority.

PUBLIC DEBT

FORECAST OF DEBT SERVICE ON BONDED DEBT

This table shows the amounts necessary to pay estimated debt service by the Commonwealth on currently outstanding bonded indebtedness and authority rentals and on projected bond issues. Further detail for Capital Budget bonds by category of project is contained in the Capital Budget section.

	(Dollar Amounts in Thousands)				
	1990-91	1991-92	1992-93	1993-94	1994-95
General Fund					
Capital Budget ^a	\$ 356,959	\$ 387,809	\$ 416,013	\$ 430,372	\$ 443,076
Disaster Relief	10,675	10,657	10,634	10,598	10,571
Economic Revitalization	9,305	24,145	22,770	19,692	18,452
Land and Water Development	36,553	36,632	36,130	36,211	36,288
Nursing Home Loan	6,377	6,319	6,270	6,219	6,167
Project 70 Land Acquisition	763	770	771	769	775
Vietnam Veterans' Compensation	4,559	4,561	4,560	4,562	4,568
Volunteer Companies Loan	2,509	2,437	2,366	2,293	2,220
Water Facilities Loan—1981 Referendum	15,045	17,338	22,327	26,508	30,150
PENNVEST—1988 Referendum	8,265	13,288	20,997	27,838	34,140
Refunding Bonds	6,235	6,256	6,605	6,223	5,673
Agricultural Conservation Easement		1,381	2,581	3,750	4,881
Less: Augmentations, Interest and Miscellaneous Revenue	-15,149	-14,282	-13,799	-13,794	-13,486
TOTAL	\$ 442,096	\$ 497,311	\$ 538,225	\$ 561,241	\$ 583,475
Motor License Fund					
Capital Budget—Highways	\$ 166,525	\$ 169,539	\$ 173,606	\$ 173,491	\$ 173,390
Capital Budget ^a	2,089	2,082	2,078	1,933	2,264
State Highway and Bridge Authority Rentals	12,824	7,183			
Advance Construction Interstate—Interest Payments ^b	14,658	11,815	6,086	741	
Less: Miscellaneous Revenue	-229	-152	-10		
TOTAL	\$ 195,867	\$ 190,467	\$ 181,760	\$ 176,165	\$ 175,654
Boat Fund					
Capital Budget ^a	\$ 2	\$ 2	\$ 2	\$ 1	\$ 1
Fish Fund					
Capital Budget ^a	\$ 58	\$ 50	\$ 43	\$ 34	\$ 24
Motor License Fund Restricted Receipts					
Aviation—Capital Budget ^a	\$ 180	\$ 1,540	\$ 1,536	\$ 1,530	\$ 1,527
Highway Bridge Improvement—Capital Budget	24,707	29,494	28,648	27,790	26,922
Less: Miscellaneous Revenue	-205				
TOTAL	\$ 24,682	\$ 31,034	\$ 30,184	\$ 29,320	\$ 28,449
TOTAL	\$ 662,705	\$ 718,864	\$ 750,214	\$ 766,761	\$ 787,603

^aIncludes bonds issued to refund Capital Budget Bonds and to refinance General State Authority Rentals.

^bPrincipal payments made from Federal reimbursements.

PUBLIC DEBT

TERMS OF BONDS ISSUED

The following table reflects the terms of the Commonwealth's general obligation bonds that were issued in the calendar year ending December 31, 1989.

Purpose of Bonds	Bond Date	Average Interest Rate	First and Last Year of Maturity	Original Amount in Thousands
Capital Budget — Buildings and Structures	June 1, 1989	6.74%	1990-09	\$ 42,000
	November 1, 1989	6.95%	1990-09	30,000
Subtotal				\$ 72,000
Capital Budget — Furnishings and Equipment . .	June 1, 1989	6.79%	1990-99	\$ 500
Capital Budget — Transportation Assistance . . .	June 1, 1989	6.74%	1990-09	\$ 30,000
	November 1, 1989	6.95%	1990-09	45,000
Subtotal				\$ 75,000
Capital Budget — Bridges	June 1, 1989	6.74%	1990-09	\$ 34,000
Capital Budget — Advance Construction				
Interstate	June 1, 1989	6.94%	1991-93	\$ 39,000
	November 1, 1989	6.69%	1991-93	39,000
Subtotal				\$ 78,000
Capital Budget — Redevelopment Assistance . .	June 1, 1989	6.74%	1990-09	\$ 30,000
	November 1, 1989	6.95%	1990-09	35,000
Subtotal				\$ 65,000
Capital Budget — Site Development (PENNVEST)	June 1, 1989	6.74%	1990-09	\$ 60,000
	November 1, 1989	6.95%	1990-09	18,000
Subtotal				\$ 78,000
PENNVEST — 1988 Referendum	June 1, 1989	6.74%	1990-09	\$ 20,000
	November 1, 1989	6.95%	1990-09	10,000
Subtotal				\$ 30,000
Land and Water Development	June 1, 1989	6.74%	1990-09	\$ 4,700
Disaster Relief	June 1, 1989	6.74%	1990-09	\$ 2,800
TOTAL				\$ 440,000

PUBLIC DEBT

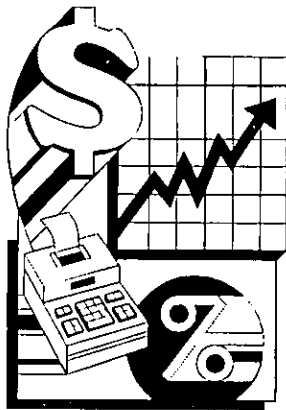
ANNUAL DEBT SERVICE ON OUTSTANDING GENERAL OBLIGATION BONDS AND AUTHORITY RENTALS Bonds Issued as of December 31, 1989

(Dollar Amounts in Thousands)

Fiscal Year	State Highway and Bridge Authority Rentals	Capital Budget (Non-highway) ^a	Highways	Advance Construction Interstate	Bridges	Land and Water	Disaster Relief	Vietnam Veterans' Compensation
1989-90	\$18,868	\$338,278	\$165,066	\$87,396	\$21,571	\$38,039	\$12,418	\$4,562
1990-91	12,824	334,570	165,074	78,428	21,016	36,243	10,675	4,559
1991-92	7,183	318,774	164,976	86,895	20,443	36,042	10,657	4,560
1992-93	305,309	164,850	51,531	19,866	35,307	10,633	4,559
1993-94	290,848	164,784	13,416	19,277	35,164	10,597	4,562
1994-95	276,747	164,956	.....	18,678	35,023	10,570	4,567
1995-96	254,155	136,009	.....	18,066	34,925	10,536	4,575
1996-97	228,438	103,992	.....	17,447	28,915	10,489	4,574
1997-98	214,235	99,942	.....	16,817	26,163	10,448	4,572
1998-99	193,701	97,184	.....	16,180	21,456	9,102	2,592
1999-00	176,890	84,609	.....	15,529	19,538	7,280	2,602
2000-01	153,316	66,564	.....	14,870	18,460	7,270	478
2001-02	130,827	46,501	.....	14,203	12,716	7,285	482
2002-03	108,238	27,775	.....	13,529	9,321	7,297	487
2003-04	89,815	17,469	.....	12,849	5,398	371	491
2004-05	67,852	.....	.....	12,166	441	311	.....
2005-06	54,233	.....	.....	11,476	417	177	.....
2006-07	43,935	.....	.....	10,784	394	168	.....
2007-08	31,663	.....	.....	8,341	370	159	.....
2008-09	18,851	.....	.....	2,227	251	149	.....
2009-10	6,627	.....	.....	.....	.....	.....	.....

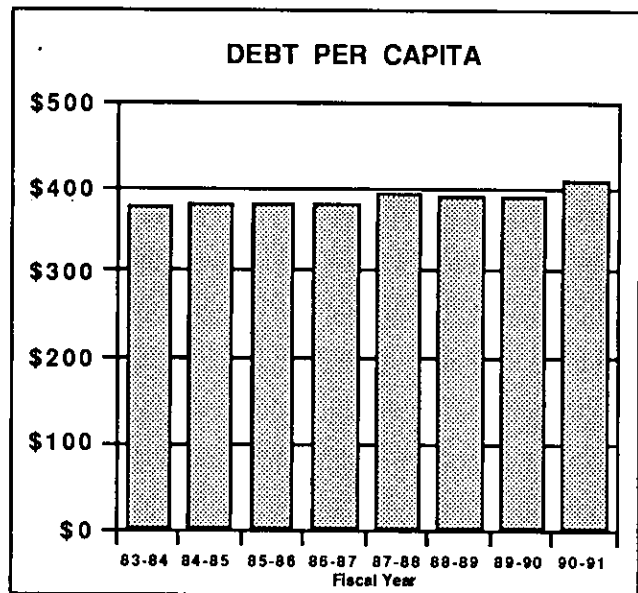
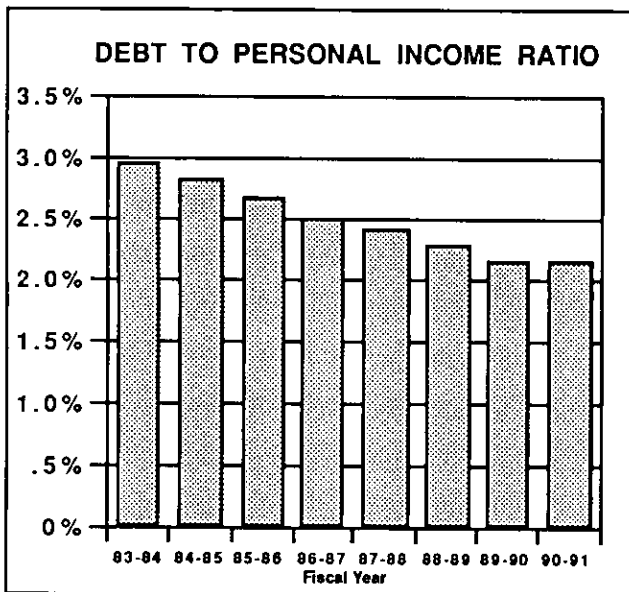
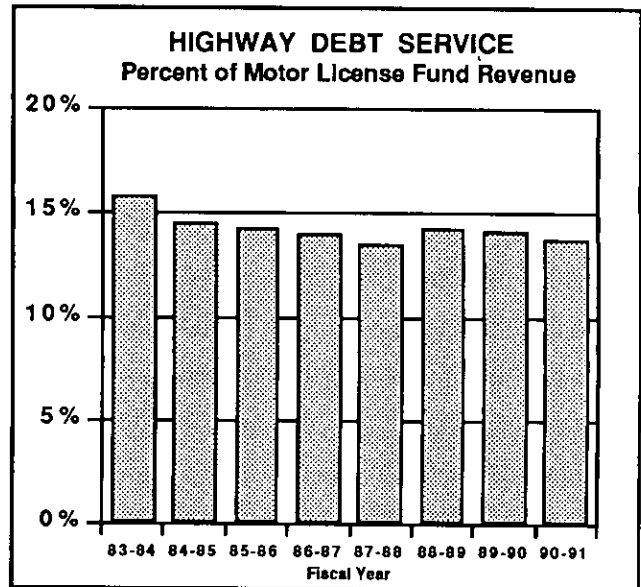
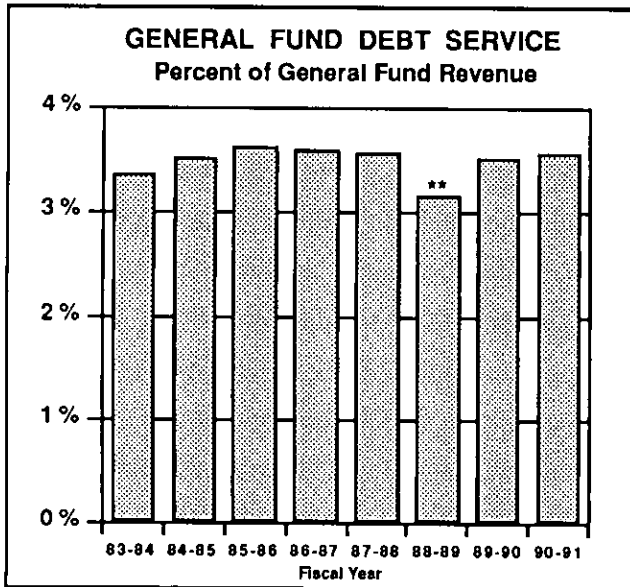
Fiscal Year	Project 70	Volunteer Companies Loan Fund	Nursing Home Loan Agency	Water Facilities Loan 1981 Referendum	PENNVEST 1988 Referendum	Economic Revitalization	Refunding Bonds (Non-capital)	Total
1989-90	\$764	\$2,578	\$6,441	\$15,197	\$3,224	\$10,623	\$3,396	\$728,421
1990-91	763	2,509	6,377	14,694	3,965	8,430	6,235	706,362
1991-92	770	2,436	6,319	14,180	3,853	7,983	6,256	691,327
1992-93	770	2,366	6,270	13,653	3,741	7,169	6,605	632,629
1993-94	769	2,292	6,218	13,111	3,628	4,653	6,223	575,542
1994-95	775	2,220	6,166	12,556	3,516	3,974	5,673	545,421
1995-96	779	2,143	3,848	11,235	3,402	1,344	5,707	486,724
1996-97	780	2,063	3,783	10,733	3,289	1,274	5,251	421,028
1997-98	778	1,114	2,429	10,289	3,174	1,202	4,879	396,042
1998-99	783	1,032	2,355	9,765	3,059	1,131	4,524	362,864
1999-00	785	950	1,105	9,233	2,942	971	3,613	326,047
2000-01	.....	868	1,034	8,699	2,825	547	1,922	276,853
2001-02	.....	789	963	8,164	2,707	514	1,415	226,566
2002-03	.....	440	940	7,677	2,590	481	822	179,597
2003-04	.....	.....	326	6,677	2,472	453	808	137,129
2004-05	.....	.....	185	4,491	2,353	370	.....	88,169
2005-06	.....	.....	175	1,436	2,235	.....	.....	70,149
2006-07	.....	.....	165	1,347	2,117	.....	.....	58,910
2007-08	.....	.....	.....	635	1,998	.....	.....	43,166
2008-09	.....	.....	.....	.....	1,878	.....	.....	23,356
2009-10	.....	.....	.....	.....	518	.....	.....	7,145

^aDebt service on bonds issued to refund Capital Budget Bonds and refinance General State Authority rentals is included.



Trends in Debt Service and Debt Ratios

1983-84 Through 1990-91



** Temporary drop due to refinancing of General State Authority rentals.

**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, 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, 1989
(in thousands)
Bonds and Notes

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.	\$ 53,410
Delaware River Port Authority	
Created by Pennsylvania and New Jersey to control and operate bridges crossing the Delaware River, it may construct or acquire other bridges, tunnels and other projects for port improvement and development. The authority operates a rapid transit system, which it constructed. Debt service on the bonds is paid from tolls, fares, rents and other revenue of the authority.	262,584
Pennsylvania Economic Development Financing Authority	
Created to offer pooled bond issues of both taxable and tax-exempt bonds on behalf of local industrial and commercial development authorities for economic development projects. Debt service on the bonds is paid by loan interest and repayments and other authority revenues.	85,190
Pennsylvania Energy Development Authority	
Makes or guarantees loans for energy projects including the conversion and technological improvement of energy systems utilizing Pennsylvania coal or renewable energy resources. Debt service on the bonds is paid from the revenues of the authority.	166,650
Pennsylvania Higher Education Assistance Agency	
Makes or guarantees student loans for graduate or undergraduate programs to students or parents, lending institutions or postsecondary institutions. Debt service on the bonds is paid by loan interest and repayments and by other agency revenues.	1,112,736
Pennsylvania Higher Educational Facilities Authority	
Acquires, constructs, improves and leases (as lessor) college facilities and makes loans to colleges and universities within the Commonwealth. Debt service on the bonds is paid from rentals and from loan repayments collected for the use of the facilities.	1,060,240
Pennsylvania Housing Finance Agency	
Makes construction and permanent mortgage loans to qualified borrowers for the purchase and construction of multi and single family housing for low and moderate income persons or families. Debt service on the bonds is paid from mortgage loan interest and repayments and further secured by a "moral obligation" of the Commonwealth.	1,887,423
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.	98,590
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.	1,037,837
State Public School Building Authority	
Constructs, improves, equips and makes loans to local school districts for school facilities. Debt service on the bonds is paid from rentals collected for the use of the facilities and from loan repayments.	249,285
TOTAL	<u><u>\$6,013,945</u></u>



1990-91

OTHER SPECIAL FUNDS



Commonwealth of Pennsylvania

OTHER SPECIAL FUNDS APPENDIX

This section provides brief descriptive and financial data for Commonwealth funds not given an expanded treatment in other sections of the Governor's Budget. This information is presented to demonstrate the magnitude and complexity of the Commonwealth's financial structure as well as give some details of the various funds.

OTHER SPECIAL FUNDS

This appendix contains a brief presentation of all active Commonwealth funds not given an expanded treatment in the other sections of the budget. Previously, the funds shown in this section were given occasional analytical review and information concerning these funds was presented on a selected basis to the extent that they had impact on annual budget considerations.

In a limited number of cases expenditures from funds presented in this section are included in other presentations.

Generally, the Commonwealth uses a modified accrual basis of accounting for financial reporting where certain revenues are accrued and expenditures are reflected when disbursed or committed. Unless otherwise noted in the fund description, all financial data shown herein is on a strictly cash basis, which means that the beginning and ending balances are cash plus investments. Receipts include only those items actually received and credited to the funds by the Department of Revenue. Disbursements represent checks drawn by the Treasury Department and do not include commitments, encumbrances or vouchers payable.

Several funds carrying long-term investments show an adjustment to reflect the current market value of those investments as of June 30, 1989.

This format for displaying financial data was chosen for its simplicity and easy adaptability to all funds. As such, the data may not present the best statement of the funds' condition nor accurately describe the operating characteristics of the funds.

One recurring detail on the financial statements requires further explanation. In those funds with complement, the State share of retirement is taken from general revenue of the fund and paid into a restricted account within the fund from which payments are made to the State Employees' Retirement Fund by the Executive Offices. Receipts and disbursements shown as a result of such transactions may not be equal within any given fiscal year.

A more comprehensive explanation of these funds is available in the "Report on the Funds of the Commonwealth of Pennsylvania" prepared by the Legislative Budget and Finance Committee. Additional details are also available from the Office of the Budget.

The vast majority of Commonwealth day-to-day activities are financed from the General Fund; however, over time a large number of other funds have been created to more closely relate specific revenue sources to specific programs or to identify particular government programs or activities. These special funds are categorized into six groups to aid in identifying their purpose. These groups are defined below.

Special Revenue Funds — These funds are used to account for revenues from specific taxes or other earmarked revenue sources which by law are designated to finance particular functions or activities.

Internal Service Funds — These funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the Commonwealth, or to other governmental units, on a cost-reimbursement basis.

Bond Funds — Bond Funds are used to account for the receipt and disbursement of bond sale proceeds which normally finance the construction or acquisition of designated fixed assets.

Debt Service Funds — These funds account for the accumulation of resources, principally from transfers from other funds, for the payment of general long-term debt principal and interest.

Trust and Agency Funds — These funds are used to account for assets held by the Commonwealth as trustee or agent for individuals, private organizations and other governmental units.

Enterprise Funds — These funds accommodate the operation of public service programs financed wholly or mostly by user charges, or where the periodic determination of net income is deemed appropriate.

ADMINISTRATION FUND

This fund was created for the administrative costs associated with the Unemployment Compensation Law and the State system of public employment offices (Office of Employment Security). While the fund can receive funds from any source, the majority of revenue results from moneys requisitioned from the Commonwealth's account in the Federal Unemployment Trust Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 9,844	\$ 10,225	\$ 9,515
Receipts:			
Federal Unemployment Trust Fund ..	\$ 133,716	\$ 140,982	\$ 146,009
Federal JTPA Funds	903	700	700
Other	18,747	17,108	17,880
Total Receipts	<u>153,366</u>	<u>158,790</u>	<u>164,589</u>
Total Funds Available	\$ 163,210	\$ 169,015	\$ 174,104
Disbursements:			
Executive Offices	\$ 10,127	\$ 10,500	\$ 11,000
Labor and Industry	142,858	149,000	154,000
Total Disbursements	<u>-152,985</u>	<u>-159,500</u>	<u>-165,000</u>
Cash Balance, Ending	<u>\$ 10,225</u>	<u>\$ 9,515</u>	<u>\$ 9,104</u>

AGRICULTURAL COLLEGE LAND SCRIP FUND

This fund was established in 1862 with \$500,000 received from the sale of lands and scrip which was donated to the Commonwealth by an Act of Congress to establish a college for the benefit of Agriculture and the Mechanical Arts (Pennsylvania State University). The income derived from the investment of the money in the fund plus appropriations which may be made from time to time by the General Assembly serve as revenue to the fund. Moneys in this fund can be disbursed only for use by the officially designated land grant college (Pennsylvania State University) for the benefit of Agriculture and Mechanical Arts.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 639	\$ 641	\$ 659
Receipts:			
Interest on Securities	\$ 45	\$ 48	\$ 49
Total Receipts	<u>45</u>	<u>48</u>	<u>49</u>
Total Funds Available	\$ 684	\$ 689	\$ 708
Disbursements:			
Treasury	\$ 43	\$ 30	\$ 30
Total Disbursements	<u>-43</u>	<u>-30</u>	<u>-30</u>
Cash Balance, Ending	<u>\$ 641</u>	<u>\$ 659</u>	<u>\$ 678</u>

AGRICULTURAL CONSERVATION EASEMENT PURCHASE FUND

This fund was created by Act 64 of 1988 to implement the referendum approved by the electorate November 8, 1988. That referendum authorized the Commonwealth to incur indebtedness of \$100 million to be used for the purchase of agricultural conservation easements.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning
Receipts:			
Sale of Bonds	\$ 10,000
Total Receipts	10,000
Total Funds Available	\$ 10,000
Disbursements:			
Agriculture	\$ 10,000
Total Disbursements	-10,000
Cash Balance, Ending

AGRICULTURAL CONSERVATION EASEMENT PURCHASE SINKING FUND

This fund was created by Act 64 of 1988 to implement the referendum approved by the electorate on November 8, 1988. That referendum authorized the Commonwealth to incur indebtedness of \$100 million to be used for the purchase of agricultural conservation easements.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning
Receipts:			
Transfer from General Fund
Accrued Interest on Bonds Sold	\$ 38
Total Receipts	38
Total Funds Available	\$ 38
Disbursements:			
Treasury
Total Disbursements
Cash Balance, Ending	\$ 38

ANTHRACITE EMERGENCY FUND

This fund was created by Act 171 of 1986 to provide loans for anthracite underground mine operators who cannot obtain necessary bonding or whose bonding has been cancelled due to insolvency or bankruptcy of the original bonding company.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 69	\$ 131	\$ 201
Receipts:			
Transfer from the General Fund	\$ 50	50	.....
Operator Payments	5	12	\$ 12
Production Fees .....	.....	6	6
Interest	7	7	9
Total Receipts	<u>62</u>	<u>75</u>	<u>27</u>
Total Funds Available	\$ 131	\$ 206	\$ 228
Disbursements:			
Environmental Resources .....	.....	\$ 5	\$ 5
Total Disbursements	<u>.....</u>	<u>-5</u>	<u>-5</u>
Cash Balance, Ending	<u>\$ 131</u>	<u>\$ 201</u>	<u>\$ 223</u>

CAPITAL DEBT FUND

Annual appropriations by the General Assembly for payment of interest and principal due on general obligation bonds are credited to this fund. Funds in excess of the interest and principal falling due in any one particular fiscal year may be used by the Board of Finance and Revenue to retire any other general obligation bonds issued to provide revenue to the Capital Facilities Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 746	\$ 1,006	.....
Receipts:			
Transfer from Other Funds	\$ 508,866	\$ 527,506	\$ 554,166
Rentals — Pier 124	2,762	2,762	2,762
Rentals — State-Aided and State- Related Institutions	5,393	7,015	6,163
Interest Subsidy — Higher Education Construction Projects	158	158	158
Sale of State Property	19	8	.....
Miscellaneous	3	5	.....
Refunding Bond Maturing Escrow Funds	145,543	60,695	81,627
Accrued Interest on Bonds Sold	2,128	1,320	1,891
Interest on Securities	57	38	38
Total Receipts	<u>664,929</u>	<u>599,507</u>	<u>646,805</u>
Total Funds Available	\$ 665,675	\$ 600,513	\$ 646,805
Disbursements:			
Treasury	\$ 664,669	\$ 600,513	\$ 646,805
Total Disbursements	<u>-664,669</u>	<u>-600,513</u>	<u>-646,805</u>
Cash Balance, Ending	<u>\$ 1,006</u>	<u>.....</u>	<u>.....</u>

CAPITAL FACILITIES FUND

Revenue for this fund comes principally from the sale of general obligation bonds. Such bonded debt may not exceed one and three quarter times the average of the annual tax revenues deposited in the preceding five fiscal years. This fund has at least one account for each category of capital projects. Interest earned on investment or deposit of moneys in the fund is credited to the account in the fund to which such invested or deposited money was originally credited. Moneys in this fund are used to meet the financial costs of capital projects as authorized by capital budget acts.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 190,171	\$ 174,221	\$ 70,586
Receipts:			
Sale of Bonds	\$ 340,426	\$ 382,000	\$ 497,500
Interest on Securities	7,419	8,123	3,069
Interest on Grant Funds — RAP	154	793	.....
Other	19,597	8,080	8,000
Total Receipts	<u>367,596</u>	<u>398,996</u>	<u>508,569</u>
Total Funds Available	\$ 557,767	\$ 573,217	\$ 579,155
Disbursements:			
Community Affairs	\$ 59,690	\$ 81,973	\$ 68,869
Environmental Resources .....	.....	.....	394
General Services	104,967	110,587	209,088
Infrastructure Investment Authority	19,955	77,123	34,300
Transportation	195,596	232,948	217,163
Treasury	3,338	.....	.....
Total Disbursements	<u>-383,546</u>	<u>-502,631</u>	<u>-529,814</u>
Cash Balance, Ending	<u>\$ 174,221</u>	<u>\$ 70,586</u>	<u>\$ 49,341</u>

CAPITOL RESTORATION TRUST FUND

This fund was created in 1982 to finance the maintenance, restoration, preservation and rehabilitation of artifacts, documents and other historical objects or resources located within and around or associated with the State Capitol Building; and the acquisition of artifacts, documents and other historical objects or resources which contribute to the historical significance of the State Capitol Building. This fund is administered by the Capitol Preservation Committee. Revenue is derived from gifts, donations and legacies of money from individuals, organizations, public or private corporations; and from the sale of commemorative medals and other items of a similar nature which promote the historic preservation and restoration of the State Capitol Building.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 169	\$ 73	\$ 78
Receipts:			
Contributions and Sales	\$ 13	\$ 10	\$ 10
Other	8	5	5
Total Receipts	21	15	15
Total Funds Available	\$ 190	\$ 88	\$ 93
Disbursements:			
Capitol Preservation Committee	\$ 117	\$ 10	\$ 20
Total Disbursements	-117	-10	-20
Cash Balance, Ending	\$ 73	\$ 78	\$ 73

CATASTROPHIC LOSS BENEFITS CONTINUATION FUND

This fund was established by Act 24 of 1989 to replace the Catastrophic Loss Trust Fund. The purpose of the Continuation Fund is to pay all medical claims resulting from motor vehicle accidents owed by the Catastrophic Loss Trust Fund. Monies in the former Catastrophic Loss Trust Fund have been transferred to this fund effective July 1, 1989. Additional revenue is obtained from a surcharge on certain motor vehicle moving violations.

No obligations or expense of, or claim against this fund constitutes a debt of the Commonwealth or a charge against the General Fund or Motor License Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning			\$ 1,171
Receipts:			
Transfer from Catastrophic Loss Trust Fund		\$ 45,671	
Moving Violation Surcharge		23,700	\$ 31,000
Interest		1,400	100
Total Receipts		70,771	31,100
Total Funds Available		\$ 70,771	\$ 32,271
Disbursements:			
Insurance		\$ 69,600	\$ 30,700
Total Disbursements		-69,600	-30,700
Cash Balance, Ending		\$ 1,171	\$ 1,571

CATASTROPHIC LOSS TRUST FUND

The purpose of this fund was to pay medical and rehabilitative expenses in excess of \$100,000 to residents of Pennsylvania injured in a motor vehicle accident as provided by The Motor Vehicle Financial Responsibility Law. The fund was administered by a nine-person administrative board in the Insurance Department. Act 144 of 1988 abolished the Catastrophic Loss Trust Fund (CLTF).

According to the enabling legislation, Act 12 of 1984, no obligation or expense of, or claim against the CLTF constitutes a debt of the Commonwealth or a charge against the General Fund or Motor License Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 81,099	\$ 45,671	.....
Receipts:			
Vehicle Fee	\$ 27,076	.....	.....
Interest	6,391	.....	.....
Total Receipts	<u>33,467</u>	<u>.....</u>	<u>.....</u>
Total Funds Available	\$ 114,566	\$ 45,671	.....
Disbursements:			
Insurance	\$ 68,895	.....	.....
Transfer to Catastrophic Loss Benefits Continuation Fund	<u>.....</u>	<u>\$ 45,671</u>	<u>.....</u>
Total Disbursements	<u>-68,895</u>	<u>-45,671</u>	<u>.....</u>
Cash Balance, Ending	<u>\$ 45,671</u>	<u>.....</u>	<u>.....</u>

CHILDREN'S TRUST FUND

Act 1988-151 created the Children's Trust Fund. Revenue is generated by \$10 fee on marriage licenses and divorce decrees. Expenditures are for community-based children's programs and services for child abuse and neglect prevention.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning .....	.....	\$ 304	\$ 1,571
Receipts:			
Marriage/Divorce Surcharge Act 151	\$ 302	\$ 1,531	\$ 1,531
Miscellaneous Revenue	<u>2</u>	<u>36</u>	<u>36</u>
Total Receipts	<u>304</u>	<u>1,567</u>	<u>1,567</u>
Total Funds Available	\$ 304	\$ 1,871	\$ 3,138
Disbursements:			
Public Welfare	<u>.....</u>	<u>\$ 300</u>	<u>\$ 625</u>
Total Disbursements	<u>.....</u>	<u>-300</u>	<u>-625</u>
Cash Balance, Ending	<u>\$ 304</u>	<u>\$ 1,571</u>	<u>\$ 2,513</u>

COAL AND CLAY MINE SUBSIDENCE INSURANCE FUND

This fund was created in 1961 to provide insurance to home owners in mining areas against damages resulting from subsidence. Revenue is derived from premiums paid by policy-holders for subsidence insurance.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 8,448	\$ 8,666	\$ 9,141
Receipts:			
Premiums Collected	\$ 2,164	\$ 2,725	\$ 3,045
Interest	734	750	775
Other .....	.....	.....	.....
Total Receipts	<u>2,898</u>	<u>3,475</u>	<u>3,820</u>
Total Funds Available	\$ 11,346	\$ 12,141	\$ 12,961
Disbursements:			
Environmental Resources	\$ 2,680	3,000	3,100
Total Disbursements	<u>-2,680</u>	<u>-3,000</u>	<u>-3,100</u>
Cash Balance, Ending	\$ 8,666	\$ 9,141	\$ 9,861

COAL LANDS IMPROVEMENT FUND

This fund was created in 1965 to finance the restoration of land acquired by the Commonwealth through eminent domain or amicable methods which has been defaced by open pit or strip mining and has been declared a health hazard. Initially the fund was provided a \$1 million appropriation, but subsequent revenue is derived from the sale of restored land and interest on investments.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 272	\$ 296	\$ 320
Receipts:			
Sale of Land .....	.....	.....	.....
Interest	24	\$ 24	\$ 25
Total Receipts	<u>24</u>	<u>24</u>	<u>25</u>
Total Funds Available	\$ 296	\$ 320	\$ 345
Disbursements:			
Environmental Resources .....	.....	.....	.....
Total Disbursements	<u>.....</u>	<u>.....</u>	<u>.....</u>
Cash Balance, Ending	\$ 296	\$ 320	\$ 345

CONRAD WEISER MEMORIAL PARK TRUST FUND

This fund was created to provide for control, management, supervision, restoration and improvement of the Conrad Weiser Memorial Park, Berks County. Source of revenue for the fund is income and interest from the \$20,000 perpetual endowment created by the estate of Colonel Conrad Weiser.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 37	\$ 40	\$ 43
Receipts:			
Interest on Securities	\$ 3	\$ 3	\$ 3
Redemption of Securities .....	.....	.....	.....
Total Receipts	<u>3</u>	<u>3</u>	<u>3</u>
Total Funds Available	\$ 40	\$ 43	\$ 46
Disbursements:			
Historical and Museum Commission .....	.....	.....	.....
Total Disbursements .....	.....	.....	.....
Cash Balance, Ending	<u>\$ 40</u>	<u>\$ 43</u>	<u>\$ 46</u>

DEFERRED COMPENSATION FUND

On November 6, 1987, Act 81 was signed into law establishing the Commonwealth Deferred Compensation Program. The program enables Commonwealth employees to defer a portion of their salaries into a retirement savings plan. The State Employees' Retirement System is responsible for administration of the act.

Contributions to the fund began in 1988. The disbursements shown under the Executive Offices are employee contribution funds transferred to one of the investment plan options. Those funds, together with the interest they earn, are available to employees upon retirement. Funds in this program, including interest, are expected to total \$85 million in 1990-91. The number of employees and the level of their contributions is expected to increase over the next several years.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning .....	.....	\$ 23	\$ 35
Receipts:			
Employee Contributions	\$ 9,403	\$ 29,435	\$ 40,303
Miscellaneous	<u>2</u>	.....	.....
Total Receipts	<u>9,405</u>	<u>29,435</u>	<u>40,303</u>
Total Funds Available	\$ 9,405	\$ 29,458	\$ 40,338
Disbursements:			
Executive Offices	\$ 8,310	\$ 26,061	\$ 35,703
State Employees' Retirement System	<u>1,072</u>	<u>3,362</u>	<u>4,606</u>
Total Disbursements	<u>-9,382</u>	<u>-29,423</u>	<u>-40,309</u>
Cash Balance, Ending	<u>\$ 23</u>	<u>\$ 35</u>	<u>\$ 29</u>

DEFERRED COMPENSATION FUND — SHORT TERM PORTFOLIO

On November 6, 1987, Act 81 was signed into law establishing the Deferred Compensation Program. The program will enable Commonwealth employees to defer a portion of their salaries into a retirement savings plan.

Available for the employees investment selection is the Treasury Short Term Money Market Account. In order to maintain the identity of the investments and deferred compensation contributions, the Deferred Compensation Fund — Short Term Portfolio was established.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning		\$ 1,188	\$ 4,640
Receipts:			
Investments	\$ 1,160	\$ 3,238	\$ 4,433
Interest	30	246	620
Total Receipts	<u>1,190</u>	<u>3,484</u>	<u>5,053</u>
Total Funds Available	\$ 1,190	\$ 4,672	\$ 9,693
Disbursements:			
State Employees' Retirement System	\$ 2	\$ 32	\$ 61
Total Disbursements	<u>-2</u>	<u>-32</u>	<u>-61</u>
Cash Balance, Ending	<u>\$ 1,188</u>	<u>\$ 4,640</u>	<u>\$ 9,632</u>

DISASTER RELIEF FUND

Act 4 of the 1972 Second Special Legislative Session provided authority for implementation of a \$140 million bond issue for redevelopment of flooded areas within the Commonwealth destroyed by the great storms and flood of September 1971 and June 1972. This was amended in October 1978 to include the flood of July 1977 and to increase the bond authority by \$50 million to \$190 million. The proceeds from these bonds are paid into the Disaster Relief Fund which is administered by the Department of Community Affairs. All activity in this program will be completed during the spring of 1990.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 192	\$ 2,888	
Receipts:			
Sale of Bonds on Securities	\$ 2,767		
Interest Earned	9	\$ 62	
Total Receipts	<u>2,776</u>	<u>62</u>	
Total Funds Available	\$ 2,968	\$ 2,950	
Disbursements:			
Community Affairs	\$ 80	\$ 2,950	
Total Disbursements	<u>-80</u>	<u>-2,950</u>	
Cash Balance, Ending	<u>\$ 2,888</u>	<u>.....</u>	<u>.....</u>

DISASTER RELIEF REDEMPTION FUND

This fund is used for the payment of interest and principal due on bonds issued for the Disaster Relief Fund. Funds in excess of the interest and principal due in any one fiscal period may be used for retirement of all or any part of such bonds issued which are still outstanding. The receipts of this fund include annual General Fund appropriations sufficient to pay interest and principal due on the disaster relief bonds and repayment of moneys provided from the Disaster Relief Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 2	\$ 11	.....
Receipts:			
Transfer from General Fund	\$ 12,233	\$ 12,407	\$ 8,425
Transfer from Disaster Relief Fund .....	.....	.....	2,250
Accrued Interest on Bonds Sold	11	.....	.....
Total Receipts	<u>12,244</u>	<u>12,407</u>	<u>10,675</u>
Total Funds Available	\$ 12,246	\$ 12,418	\$ 10,675
Disbursements:			
Treasury	\$ 12,235	\$ 12,418	\$ 10,675
Total Disbursements	<u>-12,235</u>	<u>-12,418</u>	<u>-10,675</u>
Cash Balance, Ending	<u>\$ 11</u>	<u>.....</u>	<u>.....</u>

EMERGENCY MEDICAL SERVICES OPERATING FUND

The purpose of this fund is to assist in activities relating to the prevention and reduction of premature death and disability in this Commonwealth; providing for assistance, coordination and support of the development and maintenance of a comprehensive emergency medical services system and for qualifications, eligibility and certification of emergency medical services personnel and funding ambulance services. The fund was created by The Emergency Medical Services Act (Act 45) enacted on July 7, 1985. The source of revenue is a \$10 fine levied on all moving traffic violations. Act 121 of 1988 added a \$25 fee on persons admitted to programs for Accelerated Rehabilitative Disposition (ARD) related to driving under the influence of drugs and/or alcohol. These fines are in addition to other fines imposed at the discretion of the court. This statement includes both the Emergency Medical and Catastrophic Medical and Rehabilitation components of the act.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 8,425	\$ 12,157	\$ 15,646
Receipts:			
Fines	\$ 7,693	\$ 11,016	\$ 11,016
Interest	335	473	473
Refunds	466	.....	.....
Total Receipts	<u>8,494</u>	<u>11,489</u>	<u>11,489</u>
Total Funds Available	\$ 16,919	\$ 23,646	\$ 27,135
Disbursements:			
Health	\$ 4,762	\$ 8,000	\$ 8,000
Total Disbursements	<u>-4,762</u>	<u>-8,000</u>	<u>-8,000</u>
Cash Balance, Ending	<u>\$ 12,157</u>	<u>\$ 15,646</u>	<u>\$ 19,135</u>

EMPLOYMENT FUND FOR THE BLIND

This fund, administered by the Department of Public Welfare, was created June 13, 1967, to make loans to blind persons to purchase equipment, stock, merchandise and accessories necessary to put into operation a vending or refreshment stand or other suitable business enterprises in some suitable location to be leased or arranged for by the Department of Public Welfare.

Monies credited to this fund include: (1) repayment of money advanced to blind persons for the purchase of merchandise, equipment, stock and accessories; (2) rental fees paid by blind persons for leasing equipment and accessories purchased, owned, installed and maintained by the Department of Public Welfare; (3) a percentage of the profits from vending machines in State buildings wherein a restaurant or cafeteria is operated by the Department of General Services and (4) any grants or contributions from the Federal government.

At no time is the fund to exceed the sum of \$150,000.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 323	\$ 356	\$ 126
Receipts:			
Federal Reimbursement — Business Enterprise Program	\$ 200	\$ 354	\$ 354
Vending Stand Equipment Rentals	310	280	280
Vending Machine Receipts	205	205	205
Other	42	26	26
Total Receipts	<u>757</u>	<u>865</u>	<u>865</u>
Total Funds Available	\$ 1,080	\$ 1,221	\$ 991
Disbursements:			
Public Welfare	\$ 724	\$ 1,095	\$ 991
Total Disbursements	<u>724</u>	<u>-1,095</u>	<u>-991</u>
Cash Balance, Ending	<u>\$ 356</u>	<u>\$ 126</u>	<u>.....</u>

ENERGY DEVELOPMENT FUND

The Energy Development Fund was created by Act 280 of 1982. The fund provides the vehicle to accomplish the purposes of the Pennsylvania Energy Development Authority including the sale of bonds. Activities of the fund include preparation of the energy development plan, payment of initial administrative costs, the making of grants and loans for limited research which will make the greatest possible contributions to energy conservation and development, and the establishment of reserves in respect to loans guaranteed or bonds issued by the authority.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 4,137	\$ 4,964	\$ 4,644
Receipts:			
Transfer from General Fund	\$ 1,500	\$ 1,500	\$ 750
Interest	410	350	300
Other	29	30	25
Total Receipts	<u>1,939</u>	<u>1,880</u>	<u>1,075</u>
Total Funds Available	\$ 6,076	\$ 6,844	\$ 5,719
Disbursements:			
Executive Offices	\$ 1,112	\$ 2,200	\$ 1,500
Total Disbursements	<u>-1,112</u>	<u>-2,200</u>	<u>-1,500</u>
Cash Balance, Ending	<u>\$ 4,964</u>	<u>\$ 4,644</u>	<u>\$ 4,219</u>

FINANCIALLY DISTRESSED MUNICIPALITIES REVOLVING AID FUND

This fund was created by Act 157 of 1988 to make loans and grants to assist municipalities that are declared financially distressed. Initial funding was provided through the transfer of all unused funds remaining from a 1986-87 General Fund Appropriation for Distressed Community Emergency Aid. In addition, Act 157 stipulated that all repayments on loans made from the fund should be redeposited into the fund and used to make additional loans and grants to distressed municipalities. This budget recommends that the 1990-91 Distressed Communities Assistance appropriation to Community Affairs from the General Fund also be transferred to this fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning		\$ 1,170	\$ 2,556
Receipts:			
Transfer from General Fund	\$ 1,368		\$ 500
Loan Repayments	292	\$ 1,415	600
Interest		134	100
Total Receipts	<u>1,660</u>	<u>1,549</u>	<u>1,200</u>
Total Funds Available	\$ 1,660	\$ 2,719	\$ 3,756
Disbursements:			
Community Affairs	\$ 490	\$ 163	\$ 3,500
Total Disbursements	<u>-490</u>	<u>-163</u>	<u>-3,500</u>
Cash Balance, Ending	<u>\$ 1,170</u>	<u>\$ 2,556</u>	<u>\$ 256</u>

FIRE INSURANCE TAX FUND

The revenue for the Fire Insurance Tax Fund results from the two percent tax paid upon premiums received from foreign (out-of-state) fire insurance companies on business done within the Commonwealth. The funds are distributed based on the population and market value of real estate of each municipality. In addition, the distribution formula provides for differential payment for paid and volunteer firefighters. The amount to be distributed based on paid firefighters is transferred to the Municipal Pension Aid Fund for payment. This money must be paid by the local governmental organization into the relief, pension or retirement fund of the recognized fire fighting organization serving the city, town, township or borough.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 42,133	\$ 46,667	\$ 46,798
Receipts:			
Foreign Fire Insurance Premiums			
Tax Payable to Municipalities ..	\$ 46,655	\$ 46,786	\$ 46,916
Total Receipts	<u>46,655</u>	<u>46,786</u>	<u>46,916</u>
Total Funds Available	\$ 88,788	\$ 93,453	\$ 93,714
Disbursements:			
Revenue	\$ 42,121	\$ 46,655	\$ 46,786
Total Disbursements	<u>-42,121</u>	<u>-46,655</u>	<u>-46,786</u>
Cash Balance, Ending	<u>\$ 46,667</u>	<u>\$ 46,798</u>	<u>\$ 46,928</u>

HAZARDOUS SITES CLEANUP FUND

This fund was created by Act 58 of 1987 to finance the cleanup and restoration of abandoned hazardous waste sites in the Commonwealth. Revenue is generated from a portion of the Capital Stock and Franchise Tax, and a new Hazardous Waste Fee. Expenditures are for cleaning up abandoned hazardous waste sites throughout the Commonwealth and restoring the land to productive use.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 12,750	\$ 33,269	\$ 68,210
Receipts:			
Capital Stock and Franchise Tax	\$ 18,372	\$ 19,873	\$ 32,300
Hazardous Waste Fee	943	4,500	4,500
Transfer From General Fund .....	.....	46,909 ^a	11,000
Interest	1,272	3,232	5,095
Federal Funds .....	.....	3,000	3,000
Total Receipts	<u>20,587</u>	<u>77,514</u>	<u>55,895</u>
Total Funds Available	\$ 33,337	\$ 110,783	\$ 124,105
Disbursements:			
Environmental Resources	\$ 68	\$ 42,573 ^b	32,941
Total Disbursements	<u>-68</u>	<u>-42,573</u>	<u>-32,941</u>
Cash Balance, Ending	<u>\$ 33,269</u>	<u>\$ 68,210</u>	<u>\$ 91,164</u>

^aIncludes unexpended balances from all prior General Fund appropriations.

^bIncludes \$934,000 to be borrowed from this fund as startup money for the program regulating above and below ground storage tanks. This money will be repaid within two years from proposed storage tank permit fees.

HAZARDOUS SITES LOAN FUND

This fund was established by Act 108 of 1988 to provide long term low-interest loans to fund response costs at hazardous sites in the event of a release or threatened release of hazardous substances. Revenues consist primarily of two percent of fees collected from haulers of hazardous waste and from operators of hazardous waste facilities.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning
Receipts:			
Fees	\$ 100
Loan Principal	1
Interest — Loans	2
Interest — Securities	8
Total Receipts	<u>.....</u>	<u>.....</u>	<u>111</u>
Total Funds Available	\$ 111
Disbursements:			
Economic Development Partnership	\$ 100
Total Disbursements	<u>.....</u>	<u>.....</u>	<u>-100</u>
Cash Balance, Ending	<u>.....</u>	<u>.....</u>	<u>\$ 11</u>

HIGHER EDUCATION ASSISTANCE FUND

Moneys in this fund are currently used for the following purposes: (1) maintenance of a monetary reserve to be used for all expenses associated with loans guaranteed by the Pennsylvania Higher Education Assistance Agency (PHEAA); (2) provision of grants to students; (3) provision of grants to nonsectarian private postsecondary educational institutions; (4) provision of grants to institutions of higher learning for the purpose of helping the institution secure Federal funds to provide direct financial aid to students; (5) provision of funds to institutions for College Work Study programs; (6) operation of the Information Technology Education program; and (7) payment of PHEAA administrative costs. Revenue to this fund is derived from appropriations by the General Assembly of General Fund money, gifts, Federal funds and interest earnings and servicing fees.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 164,985	\$ 151,305	\$ 145,207
Receipts:			
Transfer from General Fund	\$ 154,822	\$ 170,156	\$ 186,845
Interest Earning	12,741	12,635	13,713
Federal Revenue	67,621	68,141	68,783
Other	93,008	88,641	94,515
Total Receipts	<u>328,192</u>	<u>339,573</u>	<u>363,856</u>
Total Funds Available	\$ 493,177	\$ 490,878	\$ 509,063
Disbursements:			
Executive Offices	\$ 1,855	\$ 1,900	\$ 1,900
Pennsylvania Higher Education Assistance Agency	<u>340,017</u>	<u>343,771</u>	<u>378,313</u>
Total Disbursements	<u>-341,872</u>	<u>-345,671</u>	<u>-380,213</u>
Cash Balance, Ending	<u>\$ 151,305</u>	<u>\$ 145,207</u>	<u>\$ 128,850</u>

HIGHWAY BEAUTIFICATION FUND

The Highway Beautification Fund was created by Act 5, 1966, Third Special Session. Activities include control of outdoor advertising, control of junkyards and landscaping and scenic development. Although General Fund monies were initially appropriated to establish the fund, highway beautification activities are now supported fully by Federal aid, licenses and fees, fines, penalties and interest.

Each year the Governor issues executive authorizations which establish the amount to be spent by the Department of Transportation in each of the three highway beautification activities.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 864	\$ 712	\$ 873
Receipts:			
Licenses and Fees	\$ 322	\$ 340	\$ 340
Federal Highway Beautification Funds	14	400	400
Other	99	107	118
Total Receipts	<u>435</u>	<u>847</u>	<u>858</u>
Total Funds Available	\$ 1,299	\$ 1,559	\$ 1,731
Disbursements:			
Transportation	\$ 587	\$ 685	\$ 685
Treasury .....	.....	<u>1</u>	.....
Total Disbursements	<u>-587</u>	<u>-686</u>	<u>-685</u>
Cash Balance, Ending	<u>\$ 712</u>	<u>\$ 873</u>	<u>\$ 1,046</u>

HISTORICAL PRESERVATION FUND

This fund was created for expenditure by the Historical and Museum Commission for the preservation, care and maintenance of State historical properties, museums and records and for the financing of historical research and publication programs. Money in the fund can also be used to purchase publications and souvenirs of a historical nature for sale at commission administered properties. This fund is made up of moneys arising from the sale of publications of the Pennsylvania Historical and Museum Commission and all moneys received from admission fees or other sales by the commission at the State historical properties and/or museums. Most of the revenue results from admission fees and sale of publications and souvenirs.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 459	\$ 1,124	\$ 324
Receipts:			
Admission Fees	\$ 638	\$ 650	\$ 675
Other	1,601	1,050	1,125
Total Receipts	<u>2,239</u>	<u>1,700</u>	<u>1,800</u>
Total Funds Available	\$ 2,698	\$ 2,824	\$ 2,124
Disbursements:			
Historical and Museum Commission	\$ 1,574	\$ 2,500	\$ 1,824
Total Disbursements	<u>-1,574</u>	<u>-2,500</u>	<u>-1,824</u>
Cash Balance, Ending	<u>\$ 1,124</u>	<u>\$ 324</u>	<u>\$ 300</u>

INDUSTRIAL DEVELOPMENT FUND

To this fund are credited General Fund appropriations made by the General Assembly to the Pennsylvania Industrial Development Authority (PIDA). The monies are used to make loans to local industrial development agencies to stimulate economic activity in areas of high unemployment. Repayments of loans, while not credited to this fund, represent the primary source of revenue to PIDA and are used by PIDA to make additional loans.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 6,515	\$ 6,278	\$ 1,278
Receipts:			
Transfer from General Fund	\$ 12,500	\$ 12,500	
Interest on Securities	487	500	\$ 50
Total Receipts	<u>12,987</u>	<u>13,000</u>	<u>50</u>
Total Funds Available	\$ 19,502	\$ 19,278	\$ 1,328
Disbursements:			
Economic Development Partnership	\$ 13,224	\$ 18,000	\$ 1,300
Total Disbursements	<u>-13,224</u>	<u>-18,000</u>	<u>-1,300</u>
Cash Balance, Ending	<u>\$ 6,278</u>	<u>\$ 1,278</u>	<u>\$ 28</u>

INSURANCE LIQUIDATION FUND

The Insurance Department is responsible for administering the liquidation of insolvent domestic insurance carriers pursuant to orders of Commonwealth Court under Article V of the Insurance Department Act. This special fund is utilized to permit the Treasury Department to invest the assets of insolvent insurance carriers.

These assets are utilized to pay claims and expenses incurred in the administration of domestic insurance carrier insolvencies.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning			\$ 77,000
Receipts:			
Carrier Assets		\$ 76,000	
Interest		4,000	\$ 4,000
Total Receipts		<u>80,000</u>	<u>4,000</u>
Total Funds Available		\$ 80,000	\$ 81,000
Disbursements:			
Insurance		\$ 3,000	\$ 3,000
Total Disbursements		<u>-3,000</u>	<u>-3,000</u>
Cash Balance, Ending		<u>\$ 77,000</u>	<u>\$ 78,000</u>

KELLOGG FOUNDATION FUND

The W. K. Kellogg Foundation has provided the State Library of Pennsylvania with a three year grant to provide job and career information through centers in designated public libraries to the unemployed and underemployed.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 207	\$ 152	\$ 18
Receipts:			
Income, Kellogg Foundation	\$ 178	.....	.....
Interest Earnings	11	\$ 2	.....
Total Receipts	189	2	18
Total Funds Available	\$ 396	\$ 154	\$ 18
Disbursements:			
Education	\$ 244	\$ 136	\$ 18
Total Disbursements	-244	-136	-18
Cash Balance, Ending	\$ 152	18	.....

LAND AND WATER DEVELOPMENT FUND

This fund was created in 1968 to finance projects to eliminate land and water scars, air pollution and subsidence due to past coal mining operations, to aid political subdivisions in constructing or improving sewage treatment plants, to develop public outdoor recreation lands and to aid local governments in acquiring land for recreation purposes. In addition, administrative expenses incurred in support of any of these activities may be paid with monies in this fund. Revenue is derived from the sale of Land and Water Development Bonds as approved by the electorate on May 16, 1967. The bond proceeds are not to exceed \$500 million.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 2,584	\$ 3,775	\$ 2,815
Receipts:			
Sale of Bonds	\$ 4,645	\$ 2,000	\$ 3,000
Federal Augmentations	44	40	40
Other	333	.....	.....
Total Receipts	5,022	2,040	3,040
Total Funds Available	\$ 7,606	\$ 5,815	\$ 5,855
Disbursements:			
Executive Offices	316	.....	.....
Community Affairs	\$ 10	.....	.....
Historical and Museum Commission .....	.....	.....	.....
Environmental Resources	3,505	\$ 3,000	\$ 3,000
Total Disbursements	-3,831	-3,000	-3,000
Cash Balance, Ending	\$ 3,775	\$ 2,815	\$ 2,855

LAND AND WATER DEVELOPMENT SINKING FUND

Moneys in this fund are obtained from annual appropriations by the General Assembly and from interest on invested balances in this fund and in the Land and Water Development Fund. These moneys are used solely for payment of interest and principal due on outstanding land and water development bonds.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 18	\$ 18	.....
Receipts:			
Transfer from General Fund	\$ 37,161	\$ 37,757	\$ 36,285
Interest on Securities	92	257	257
Accrued Interest on Bonds Sold	18	8	11
Total Receipts	<u>37,271</u>	<u>38,022</u>	<u>36,553</u>
Total Funds Available	\$ 37,289	\$ 38,040	\$ 36,553
Disbursements:			
Treasury	<u>\$ 37,271</u>	<u>\$ 38,040</u>	<u>\$ 36,553</u>
Total Disbursements	<u>-37,271</u>	<u>-38,040</u>	<u>-36,553</u>
Cash Balance, Ending	<u>\$ 18</u>	<u>.....</u>	<u>.....</u>

LIQUID FUELS TAX FUND

The Liquid Fuels Tax Fund was created in 1931 by an act of the General Assembly to assist in funding the local roads system. One-half cent per gallon of the tax on gasoline and diesel fuel is deposited into the fund for semi-annual distribution to county governments and payment of registration fees for vehicles operated by mass transportation systems. After payment of fees, remaining funds are allocated to the counties on a road mileage-population formula and must be used for highway purposes. Since the majority of counties have direct jurisdiction over a limited number of roads, a large portion of these funds are further allocated by the counties to their political subdivisions.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 2,787	\$ 2,725	\$ 2,791
Receipts:			
Tax on Gasoline	\$ 22,609	\$ 22,719	\$ 22,827
Tax on Diesel Fuel	4,715	4,791	4,869
Total Receipts	<u>27,324</u>	<u>27,510</u>	<u>27,696</u>
Total Funds Available	\$ 30,111	\$ 30,235	\$ 30,487
Disbursements:			
Treasury .....	.....	\$ 120	\$ 62
Revenue	<u>\$ 27,386</u>	<u>27,324</u>	<u>27,710</u>
Total Disbursements	<u>-27,386</u>	<u>-27,444</u>	<u>-27,772</u>
Cash Balance, Ending	<u>\$ 2,725</u>	<u>\$ 2,791</u>	<u>\$ 2,715</u>

LIQUOR LICENSE FUND

This fund serves as a pass-through account for fees for hotel, restaurant and club liquor and/or beer licenses. These fees are returned semi-annually to the municipalities in which the licensees are located. Interest earned on fund deposits is credited to the General Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 2,525	\$ 2,628	\$ 2,613
Receipts:			
Liquor License Fees	\$ 5,094	\$ 5,250	\$ 5,250
Beer License Fees	124	130	130
Other	7	5	5
Total Receipts	<u>5,225</u>	<u>5,385</u>	<u>5,385</u>
Total Funds Available	\$ 7,750	\$ 8,013	\$ 7,998
Disbursements:			
Liquor Control Board	\$ 5,122	\$ 5,400	\$ 5,400
Total Disbursements	<u>-5,122</u>	<u>-5,400</u>	<u>-5,400</u>
Cash Balance, Ending	<u>\$ 2,628</u>	<u>\$ 2,613</u>	<u>\$ 2,598</u>

LOW-LEVEL WASTE FUND

This fund was created by Act 12 of 1988 to finance the selection, licensing, regulation, and long-term care of a low-level radioactive waste disposal facility. Revenue is derived from fees for licenses and permits to generate, store and transport waste, surcharges on the disposal of waste, and fines and penalties for violating the provisions of the Low-Level Radioactive Waste Disposal Act.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 123	\$ 898	\$ 384
Receipts:			
Transfer from General Fund	\$ 807	\$ 736	\$ 950
Federal Funds — DOE	822	.....	1,600
Fines and Penalties .....	.....	.....	.....
Licenses and Fees .....	.....	.....	.....
Surcharges .....	.....	.....	.....
Interest	80	50	60
Other	14	.....	.....
Total Receipts	<u>1,723</u>	<u>786</u>	<u>2,610</u>
Total Funds Available	\$ 1,846	\$ 1,684	\$ 2,994
Disbursements:			
Environmental Resources	\$ 939	\$ 1,300	\$ 1,400
Executive Offices	9	.....	.....
Total Disbursements	<u>-948</u>	<u>-1,300</u>	<u>-1,400</u>
Cash Balance, Ending	<u>\$ 898</u>	<u>\$ 384</u>	<u>\$ 1,594</u>

MACHINERY AND EQUIPMENT LOAN FUND

This fund was established by Act 120 of 1988 to provide low-interest machinery and equipment financing for Pennsylvania businesses in order to facilitate their growth, competitiveness and value-added capacity.

The fund was initially capitalized by an appropriation from the Pennsylvania Economic Revitalization Fund (PERF) and will continue to be funded through PERF as well as from loan repayments and interest earnings.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning		\$ 3,129	\$ 246
Receipts:			
Transfer from Economic Revitalization Fund	\$ 3,000	\$ 3,000	\$ 3,000
Loan Principal Repayments		511	1,136
Loan Interest		126	342
Interest on Securities	129	135	10
Miscellaneous			
Total Receipts	<u>\$ 3,129</u>	<u>\$ 3,772</u>	<u>\$ 4,488</u>
Total Funds Available	<u>\$ 3,129</u>	<u>\$ 6,901</u>	<u>\$ 4,734</u>
Disbursements:			
Economic Development Partnership		\$ 6,655	\$ 4,700
Total Disbursements		<u>-6,655</u>	<u>-4,700</u>
Cash Balance, Ending	<u>\$ 3,129</u>	<u>\$ 246</u>	<u>\$ 34</u>

MANUFACTURING FUND

This fund, created in 1915, is a self-sustaining enterprise that provides institutionalized offenders an opportunity for vocational rehabilitation. Receipts are derived from the sale of inmate manufactured goods to government agencies or government-aided organizations.

Expenditures are made for the purchase of raw materials, machinery replacement, inmate wages, and other costs related to the sale and manufacture of their products.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 3,401	\$ 1,882	\$ 2,250
Receipts:			
Sale of Manufactured Products	\$ 16,504	\$ 17,500	\$ 17,850
Interest	286	190	210
Other	625	810	690
Total Receipts	<u>17,415</u>	<u>18,500</u>	<u>18,750</u>
Total Funds Available	<u>\$ 20,816</u>	<u>\$ 20,382</u>	<u>\$ 21,000</u>
Disbursements:			
Executive Offices	\$ 572	\$ 532	\$ 650
Corrections	18,362	17,600	17,850
Total Disbursements	<u>-18,934</u>	<u>-18,132</u>	<u>-18,500</u>
Cash Balance, Ending	<u>\$ 1,882</u>	<u>\$ 2,250</u>	<u>\$ 2,500</u>

MEDICAL PROFESSIONAL LIABILITY CATASTROPHE LOSS FUND

This fund was created in 1975 to make available professional liability insurance at a reasonable cost to health care providers and to establish a system through which injured parties can obtain a prompt determination and adjudication of their claims. Revenue is derived by levying an annual surcharge on health care providers.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 157,178	\$ 143,543	\$ 86,064
Receipts:			
Surcharges	\$ 148,122	\$ 117,598	\$ 149,910
Interest	12,277	10,497	7,985
Other	201	.....	.....
Total Receipts	<u>160,600</u>	<u>128,095</u>	<u>157,895</u>
Total Funds Available	\$ 317,778	\$ 271,638	\$ 243,959
Disbursements:			
Executive Offices	\$ 174,235	\$ 185,574	\$ 170,464
Total Disbursements	<u>-174,235</u>	<u>-185,574</u>	<u>-170,464</u>
Cash Balance, Ending	<u>\$ 143,543</u>	<u>\$ 86,064</u>	<u>\$ 73,495</u>

MINORITY BUSINESS DEVELOPMENT FUND

This fund was created in 1974 to accommodate the operations of the Pennsylvania Minority Business Development Authority. Receipts come from loan repayments, transfer of General Fund appropriations and interest. The authority also has the power to issue bonds or other obligations which would provide another source of income. To date this has not been done.

Expenditures are made for loans to minority business enterprises and for operating expenses of the authority.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 10,149	\$ 12,072	\$ 12,506
Receipts:			
Transfer from General Fund	\$ 2,000	\$ 2,000	\$ 2,000
Loan Principal Repayments	1,055	1,305	1,555
Loan Interest	267	277	287
Interest on Securities	945	868	900
Other	279	270	143
Total Receipts	<u>\$ 4,546</u>	<u>\$ 4,720</u>	<u>\$ 4,885</u>
Total Funds Available	\$ 14,695	\$ 16,792	\$ 17,391
Disbursements:			
Economic Development Partnership	\$ 2,623	\$ 4,286	\$ 6,000
Total Disbursements	<u>-2,623</u>	<u>-4,286</u>	<u>-6,000</u>
Cash Balance, Ending	<u>\$ 12,072</u>	<u>\$ 12,506</u>	<u>\$ 11,391</u>

MUNICIPAL PENSION AID FUND

This fund was created by Act 205 of 1984, the Municipal Pension Plan Funding Standard and Recovery Act, and is administered by the Auditor General. Beginning on July 1, 1985, this fund receives a portion of the revenues from the Foreign Casualty Insurance Premium Tax and the Foreign Fire Insurance Premium Tax. These revenues and earnings are for distribution to municipalities for distribution to the various municipal, police, and fire pension funds.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 101,841	\$ 109,464	\$ 112,877
Receipts:			
Foreign Casualty Insurance			
Premium Tax	\$ 105,008	\$ 108,000	\$ 115,000
Foreign Fire Insurance Premium Tax	11,337	12,552	17,000
Interest	1,121	4,627	5,000
Total Receipts	<u>117,466</u>	<u>125,179</u>	<u>137,000</u>
Total Funds Available	\$ 219,307	\$ 234,643	\$ 249,877
Disbursements:			
Auditor General	\$ 109,843	\$ 121,766	\$ 130,000
Total Disbursements	<u>-109,843</u>	<u>-121,766</u>	<u>-130,000</u>
Cash Balance, Ending	<u>\$ 109,464</u>	<u>\$ 112,877</u>	<u>\$ 119,877</u>

NON-COAL SURFACE MINING CONSERVATION AND RECLAMATION FUND

This fund was created in 1986 to finance reclamation projects on land scarred by non-coal surface mining. Projects include recontouring, terracing and planting of trees, shrubs and grasses. Revenues are provided by charging non-coal surface mining operators for licenses and permits and by fining them for failing to apply for the licenses and permits as well as by forfeiture of collateral bonds, cash or securities for failure to comply with an approved reclamation plan.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 959	\$ 1,524	\$ 1,904
Receipts:			
License and Fees	\$ 156	\$ 170	\$ 170
Penalties	64	55	55
Interest	101	105	105
Collateral	168	150	150
Forfeiture of Bond	79	50	50
Total Receipts	<u>568</u>	<u>530</u>	<u>530</u>
Total Funds Available	\$ 1,527	\$ 2,054	\$ 2,434
Disbursements:			
Environmental Resources	\$ 3	\$ 150	\$ 150
Total Disbursements	<u>-3</u>	<u>-150</u>	<u>-150</u>
Cash Balance, Ending	<u>\$ 1,524</u>	<u>\$ 1,904</u>	<u>\$ 2,284</u>

NURSING HOME LOAN DEVELOPMENT FUND

This fund serves as a depository for proceeds from the sale of General Obligation Bonds approved by referendum May 21, 1974. Net proceeds are transferred to the Nursing Home Loan Fund as needed. Interest earnings in this fund and bond proceeds not required for nursing home loans are paid into the Nursing Home Loan Sinking Fund for debt retirement.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 12,755	\$ 11,656	\$ 10,456
Receipts:			
Bond Proceeds .....	.....	.....	.....
Total Receipts .....	.....	.....	.....
Total Funds Available	\$ 12,755	\$ 11,656	\$ 10,456
Disbursements:			
Treasury	\$ 1,099	\$ 1,200	\$ 2,000
Total Disbursements	-1,099	-1,200	-2,000
Cash Balance, Ending	<u>\$ 11,656</u>	<u>\$ 10,456</u>	<u>\$ 8,456</u>

NURSING HOME LOAN FUND

Loans to nursing homes for repairs, reconstruction and rehabilitation to meet safety code standards are made from this fund. Loans are made from bond proceeds transferred from the Nursing Home Loan Development Fund. Repayments of loans are transferred from this fund to the General Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning .....	.....	.....	.....
Receipts:			
Transfer from Nursing Home Loan Development Fund	\$ 1,099	\$ 1,200	\$ 2,000
Total Receipts	1,099	1,200	2,000
Total Funds Available	\$ 1,099	\$ 1,200	\$ 2,000
Disbursements:			
Economic Development Partnership	\$ 1,099	\$ 1,200	\$ 2,000
Total Disbursements	-1,099	-1,200	-2,000
Cash Balance, Ending	<u>.....</u>	<u>.....</u>	<u>.....</u>

NURSING HOME LOAN SINKING FUND

Moneys in this fund are used for the redemption of nursing home loan bonds at maturity and all interest payable on such bonds. The moneys used for this purpose are derived from earnings received from investment or deposit of balances in this fund and in the Nursing Home Loan Development Fund. An annual appropriation by the General Assembly for payment of the interest and principal falling due for nursing home loan bonds is also credited to this fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 78	\$ 1	.....
Receipts:			
Transfer from General Fund	\$ 5,365	\$ 5,379	\$ 6,277
Interest on Securities	1,056	1,061	100
Accrued Interest on Bonds Sold .....	.....	.....	.....
Total Receipts	<u>6,421</u>	<u>6,440</u>	<u>6,377</u>
Total Funds Available	\$ 6,499	\$ 6,441	\$ 6,377
Disbursements:			
Treasury	\$ 6,498	\$ 6,441	\$ 6,377
Total Disbursements	<u>-6,498</u>	<u>-6,441</u>	<u>-6,377</u>
Cash Balance, Ending	<u>\$ 1</u>	<u>.....</u>	<u>.....</u>

NUTRITION EDUCATION AND TRAINING FUND

As a result of successful antitrust litigation against the National Broiler Marketing Association, et al, the Attorney General of the Commonwealth of Pennsylvania, the State Treasurer and the Secretary of Education entered into an agreement with the United States District Court in January 1983 to establish the Nutrition Education and Training Fund to hold the proceeds of the court's award. Funds are distributed to areas of the Commonwealth that the Department of Health has designated as having the greatest need for nutrition education programs. The program ends in 1989.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 39	\$ 1	\$
Receipts:			
Revenue .....	.....	.....	.....
Interest	\$ 2	.....	.....
Total Receipts	<u>2</u>	<u>.....</u>	<u>.....</u>
Total Funds Available	\$ 41	.....	.....
Disbursements:			
Education	\$ 40	\$ 1	.....
Total Disbursements	<u>-40</u>	<u>-1</u>	<u>.....</u>
Cash Balance, Ending	<u>\$ 1</u>	<u>.....</u>	<u>.....</u>

OIL AND GAS LEASE FUND

Created in 1955, this fund is used to finance conservation, recreation, dams or flood control projects or to match any Federal grants made for those purposes. Revenues are derived from rents and royalties from oil and gas leases of Commonwealth owned land with the exception of rents and royalties from land owned by either the Pennsylvania Game or Fish Commissions. Those revenues are paid into the Game and Fish Funds.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 7,524	\$ 8,894	\$ 6,994
Receipts:			
Rents and Royalties	\$ 4,094	\$ 4,450	\$ 4,450
Interest	639	500	500
Other	190	50	50
Total Receipts	<u>4,923</u>	<u>5,000</u>	<u>5,000</u>
Total Funds Available	\$ 12,447	\$ 13,894	\$ 11,994
Disbursements:			
Executive Offices	\$ 21	.....	.....
Environmental Resources	<u>3,532</u>	<u>\$ 6,900</u>	<u>\$ 5,500</u>
Total Disbursements	<u>-3,553</u>	<u>-6,900</u>	<u>-5,500</u>
Cash Balance, Ending	<u>\$ 8,894</u>	<u>\$ 6,994</u>	<u>\$ 6,494</u>

OIL OVERCHARGE FUND

Act 122 of 1986 created the Energy Conservation and Assistance Fund and stipulated that all uncommitted oil overcharge settlements received prior to the act be transferred to this new fund. Only funds committed prior to Act 122 remain in the Oil Overcharge Fund. It is anticipated that all commitments in the Oil Overcharge Fund will be liquidated by June 30, 1990 and residual interest will be transferred.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 608	\$ 612	.....
Receipts:			
Settlements .....	.....	.....	.....
Interest	50	41	.....
Total Receipts	<u>\$ 658</u>	<u>\$ 653</u>	<u>.....</u>
Total Funds Available	\$ 658	\$ 653	.....
Disbursements:			
Executive Offices	\$ 46	.....	.....
Transfer to Energy Conservation and Assistance Fund .....	.....	<u>653</u>	<u>.....</u>
Total Disbursements	<u>-46</u>	<u>-653</u>	<u>.....</u>
Cash Balance, Ending	<u>\$ 612</u>	<u>.....</u>	<u>.....</u>

PENNSYLVANIA CAPITAL LOAN FUND

The Pennsylvania Capital Loan Program began in 1982 with funding from the U.S. Appalachian Regional Commission and the U.S. Economic Development Administration (EDA) to provide low interest loans to businesses for capital development projects. Act 109 of July 1984 created this fund and provided additional funding from the Pennsylvania Economic Revitalization Fund. This fund is also supported by a legislative appropriation.

Loans are used by manufacturing, industrial and export service businesses for the purchase of land, building, machinery, equipment and working capital. County and regional economic development organizations assist the department in packaging and reviewing the loan applications.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 18,136	\$ 21,642	\$ 11,874
Receipts:			
Loan Principal	\$ 6,837	\$ 8,844	\$ 10,691
Interest — Loans	1,424	1,592	2,563
Interest — Securities	1,803	1,420	940
Transfer From Economic Revitalization Fund	8,000	500	1,500
EDA Receipts	270	300	313
Total Receipts	18,334	12,656	16,007
Total Funds Available	\$ 36,470	\$ 34,298	\$ 27,881
Disbursements:			
Economic Development Partnership	\$ 14,828	\$ 22,424	\$ 23,570
Total Disbursements	-14,828	-22,424	-23,570
Cash Balance, Ending	\$ 21,642	\$ 11,874	\$ 4,311

PENNSYLVANIA ECONOMIC REVITALIZATION SINKING FUND

Annual appropriations from the General Fund by the General Assembly are deposited into this fund, and together with interest earned in this fund and interest earned in and transferred from the Pennsylvania Economic Revitalization Fund, are used to pay interest and principal payments due on outstanding economic revitalization bonds.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 2,282	\$ 3,182	.....
Receipts:			
Transfer from General Fund	\$ 7,743	\$ 3,889	\$ 8,567
Transfer from Pennsylvania Economic Revitalization Fund ..	4,528	3,405	267
Interest on Securities	73	147	26
Accrued Interest on Bonds Sold .....	.....	.....	445
Total Receipts	12,344	7,441	9,305
Total Funds Available	\$ 14,626	\$ 10,623	\$ 9,305
Disbursements:			
Treasury	\$ 11,444	\$ 10,623	\$ 9,305
Total Disbursements	-11,444	-10,623	-9,305
Cash Balance, Ending	\$ 3,182	.....	.....

PENNSYLVANIA HISTORICAL AND MUSEUM COMMISSION TRUST FUND

This fund, created under special Act No. 113 (P.L. 185), approved May 21, 1931, is administered by the Governor, Auditor General, State Treasurer and the Pennsylvania Historical and Museum Commission. The interest received from investment of the \$33,000 perpetual endowment to this fund in bonds of the Commonwealth, or any of its political subdivisions, is credited to the fund. Interest earned on investments is used for the restoration, maintenance and improvement of the Cornwall Charcoal Furnace, Cornwall Borough, Lebanon County.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 78	\$ 84	\$ 90
Receipts:			
Interest on Securities	\$ 6	\$ 6	\$ 6
Total Receipts	<u>6</u>	<u>6</u>	<u>6</u>
Total Funds Available	\$ 84	\$ 90	\$ 96
Disbursements:			
Historical and Museum Commission .....	.....	.....	.....
Total Disbursements	<u>.....</u>	<u>.....</u>	<u>.....</u>
Cash Balance, Ending	<u>\$ 84</u>	<u>\$ 90</u>	<u>\$ 96</u>

PENNSYLVANIA MUNICIPAL RETIREMENT FUND

Act 15 of 1974 created the Pennsylvania Municipal Retirement System and replaced the "Municipal Employees Retirement Law" and the "Municipal Police Retirement Law" and combined all employees covered under both into a State-related municipal system.

The fund established under that act provides for payment of retirement allowances to officers, employees, firemen and police of political subdivisions (county, cities, boroughs, and townships of the first and second class).

Any municipality may elect by ordinance to join the system. Revenues are generated from the contributions of the members of the system and investment earnings.

The board established under Act 15 has control over the system's operation. The net investment adjustment shown below is to reflect carrying value of long-term investments as of June 30.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 213,038	\$ 236,715	\$ 261,434
Receipts:			
Contributions	\$ 21,560	\$ 22,322	\$ 23,100
Other	54	.....	.....
Interest	21,199	19,011	19,790
Net Investment Adjustment .....	.....	408	624
Total Receipts	<u>42,813</u>	<u>41,741</u>	<u>43,514</u>
Total Funds Available	\$ 255,851	\$ 278,456	\$ 304,948
Disbursements:			
Executive Offices	\$ 52	\$ 1,570	\$ 1,593
Municipal Employees' Retirement Board	16,678	15,452	15,794
Net Investment Adjustment	2,406	.....	.....
Total Disbursements	<u>-19,136</u>	<u>-17,022</u>	<u>-17,387</u>
Cash Balance, Ending	<u>\$ 236,715</u>	<u>\$ 261,434</u>	<u>\$ 287,561</u>

PENNSYLVANIA VETERANS' MEMORIAL TRUST FUND

Act 1988-60 established this fund to be administered by the Pennsylvania Veterans' Memorial Commission whose purpose it is to erect on the grounds of Fort Indiantown Gap a monument or memorial to Pennsylvania veterans who served in armed conflicts in which the United States was a participant. Funds will be solicited from public and private sources.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning .....	.....	\$ 59	\$ 519
Receipts:			
Public/Private Donations	\$ 58	\$ 500	\$ 1,000
Interest	1	30	90
Total Receipts	59	530	1,090
Total Funds Available	\$ 59	\$ 589	\$ 1,609
Disbursements:			
Military Affairs .....	.....	\$ 70	\$ 500
Total Disbursements .....	.....	-70	-500
Cash Balance, Ending	\$ 59	\$ 519	\$ 1,109

PENNVEST BOND AUTHORIZATION FUND

This fund, created under the authority of Act 16 of 1988, receives the proceeds from the sale of bonds authorized by general referendum, transferred from the Water Facilities Loan Fund, or from the Capital Facilities Fund for site development. Expenditures are for transfers of funds to the PENNVEST Water Pollution Control Revolving Fund, the PENNVEST Revolving Fund, or the PENNVEST Non-Revolving Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning .....	.....	\$ 77,834	\$ 67,521
Receipts:			
Referendum Bonds	\$ 24,731	\$ 40,000	\$ 40,000
Water Facilities Bonds	58,957	.....	20,000
Site Development Bonds	19,955	77,282	35,000
Interest	1,531	7,000	4,000
Other .....	.....	.....	.....
Total Receipts	105,174	124,282	99,000
Total Funds Available	\$ 105,174	\$ 202,116	\$ 166,521
Disbursements:			
PENNVEST Fund	\$ 672	\$ 12,655	\$ 4,000
PENNVEST Water Pollution Control Revolving Fund .....	.....	1,074	3,400
PENNVEST Revolving Fund	26,668	120,866	144,225
PENNVEST Non-Revolving Fund .....	.....	.....	2,000
Total Disbursements	-27,340	-134,595	-153,625
Cash Balance, Ending	\$ 77,834	\$ 67,521	\$ 12,896

PENNVEST FUND

This fund was created under the authority of Act 16 of 1988 to receive funds from sources other than the sale of general obligation bonds. These sources include appropriations from the General Fund, payments of revolving loans, interest received from revolving and non-revolving loans, investment income, and the sale of assets. In addition to grants and loans for water and sewer projects, these funds can be used for administrative costs.

Statement of Cash Receipts and Disbursements

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 5,000	\$ 20,106	\$ 23,777
Receipts:			
Transfer from General Fund	\$ 15,000	\$ 11,500	\$ 11,000
Revolving loan payments	36	200	2,200
Interest	1,245	7,229	4,900
Investment income .....	.....	1,000	1,540
Bond Authorization Fund	672	8,581	.....
Other	35	.....	.....
Total Receipts	<u>16,988</u>	<u>28,510</u>	<u>19,640</u>
Total Funds Available	\$ 21,988	\$ 48,616	\$ 43,417
Disbursements:			
Executive Offices	\$ 21	.....	.....
Infrastructure			
Investment Authority:			
Loans and Grants	708	\$ 21,283	\$ 16,000
Administration	1,153	3,556	4,128
Total Disbursements	<u>-1,882</u>	<u>-24,839</u>	<u>-20,128</u>
Cash Balance, Ending	<u>\$ 20,106</u>	<u>\$ 23,777</u>	<u>\$ 23,289</u>

PENNVEST NON-REVOLVING FUND

This fund, created under the authority of Act 16 of 1988, receives moneys transferred from the PENNVEST Bond Authorization Fund and used for non-revolving loans authorized by the act. These non-revolving loans can be made to public or private entities for drinking water supply or sewer projects. Repayments of loans and interest are deposited in the PENNVEST Redemption Fund.

Statement of Cash Receipts and Disbursements

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Available	1990-91 Estimated
Cash Balance, Beginning
Receipts:			
Bond Authorization Fund	\$ 2,000
Total Receipts	<u>2,000</u>
Total Funds Available	\$ 2,000
Disbursements:			
Infrastructure Investment Authority	\$ 2,000
Total Disbursements	<u>-2,000</u>
Cash Balance, Ending

PENNVEST REDEMPTION FUND

This fund, created under the authority of Act 16 of 1988, receives repayments of non-revolving loans and investment interest along with annual appropriations by the General Assembly to be used to retire general obligation bonds.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning		\$ 77	
Receipts:			
Transfer from General Fund	\$ 139	\$ 2,990	\$ 8,108
Interest on Securities	1	5	5
Accrued Interest on Bonds Sold	104	152	152
Total Receipts	<u>244</u>	<u>3,147</u>	<u>8,265</u>
Total Funds Available	\$ 244	\$ 3,224	\$ 8,265
Disbursements:			
Treasury	\$ 167	\$ 3,224	\$ 8,265
Total Disbursements	<u>-167</u>	<u>-3,224</u>	<u>-8,265</u>
Cash Balance, Ending	\$ 77		

PENNVEST REVOLVING FUND

This fund, created under the authority of Act 16 of 1988, receives moneys transferred from the PENNVEST Bond Authorization Fund. Funds are used for revolving loans which can be made to public or private entities for drinking water supply or sewer projects. Repayments of loans and interest are deposited in the PENNVEST Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning		\$ 120	\$ 120
Receipts:			
Bond Authorization Fund	\$ 31,909 ^a	\$ 120,866	\$ 144,225
Total Receipts	<u>31,909</u>	<u>120,866</u>	<u>144,225</u>
Total Funds Available	\$ 31,909	\$ 120,986	\$ 144,345
Disbursements:			
Infrastructure Investment Authority:			
Drinking Water Projects	\$ 5,310	\$ 21,975	\$ 31,350
Sewer Projects	26,479	98,891	112,875
Total Disbursements	<u>-31,789</u>	<u>-120,866</u>	<u>-144,225</u>
Cash Balance, Ending	\$ 120	\$ 120	\$ 120

^aIncludes \$5,249,000 due to be transferred.

PENNVEST WATER POLLUTION CONTROL REVOLVING FUND

This fund was created under the authority of Act 16 of 1988 for funds received from the Federal Government to establish a revolving loan program for sewer projects. Required matching State funds are transferred from the PENNVEST Bond Authorization Fund.

Statement of Cash Receipts and Disbursements

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Available	1990-91 Estimated
Cash Balance, Beginning
Receipts:			
Bond Authorization Fund	\$ 1,074	\$ 3,400
Federal Funds	6,318	20,000
Total Receipts	7,392	23,400
Total Funds Available	\$ 7,392	\$ 23,400
Disbursements:			
Infrastructure Investment Authority	\$ 7,392	\$ 23,400
Total Disbursements	-7,392	-23,400
Cash Balance, Ending

PHARMACEUTICAL ASSISTANCE FUND (Contract For The Elderly)

This fund was created by Act 63 of 1983 in order to provide a limited pharmaceutical assistance program for older Pennsylvanians who are 65 years of age or over, and whose annual income does not exceed the maximum specified in the act for program eligibility. Funds not expended in the fiscal year in which they were appropriated shall be available for use in the following fiscal year. For additional information on the program, refer to the Department of Aging program description.

Statement of Cash Receipts and Disbursements

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 61,608	\$ 31,599	\$ 2,294
Receipts:			
Transfer from Lottery Fund	\$ 165,000	\$ 188,000	\$ 222,000
Interest on Securities	1,967	2,000	2,000
Other	40	31	27
Total Receipts	167,007	190,031	224,027
Total Funds Available	\$ 228,615	\$ 221,630	\$ 226,321
Disbursements:			
Executive Offices	\$ 38	\$ 30	\$ 27
Treasury .....	.....	15	15
Aging	196,978	219,291	224,443
Total Disbursements	-197,016	-219,336	-224,485
Cash Balance, Ending	\$ 31,599	\$ 2,294	\$ 1,836

PROJECT 70 LAND ACQUISITION SINKING FUND

Annual appropriations by the General Assembly for payment of interest and principal falling due on Project 70 bonds are credited to this fund. In addition, interest from the investment or deposit of money in the Project 70 Land Acquisition Fund is credited to this fund. Moneys reimbursed to the Commonwealth by political subdivisions for inappropriate use of Project 70 funds are credited to this fund. Moneys in this fund are used solely to pay interest and principal of Project 70 bonds.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 3		
Receipts:			
Transfer from General Fund	\$ 760	\$ 764	\$ 763
Total Receipts	760	764	763
Total Funds Available	\$ 763	\$ 764	\$ 763
Disbursements:			
Treasury	\$ 763	\$ 764	\$ 763
Total Disbursements	-763	-764	-763
Cash Balance, Ending			

PURCHASING FUND

Created in 1933, this fund finances the purchase of materials, supplies and equipment by the Department of General Services for use of other departments, boards and commissions. Also salaries for the personnel administering the fund are paid by the fund. Revenue sources are periodic appropriations from the General Fund and reimbursements by other departments, boards and commissions for the materials and supplies provided them.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 5,890	\$ 5,846	\$ 6,046
Receipts:			
Reimbursement from other agencies	\$ 63,612	\$ 66,000	\$ 68,000
General Fund Loan	7,500	7,500	7,500
Other	1,108	1,200	1,200
Total Receipts	72,220	74,700	76,700
Total Funds Available	\$ 78,110	\$ 80,546	\$ 82,746
Disbursements:			
Executive Office	\$ 412	\$ 500	\$ 500
General Services ^a	71,852	74,000	76,000
Total Disbursements	-72,264	-74,500	-76,500
Cash Balance, Ending	\$ 5,846	\$ 6,046	\$ 6,246

^aIncludes repayment of General Fund loan.

REAL ESTATE RECOVERY FUND

This fund was established in 1980 to reimburse aggrieved persons the amount unpaid upon judgements, from competent jurisdiction, against any person licensed by the Real Estate Commission. Revenue is derived from additional fees paid by licensees, with interest on investments being retained by the fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 1,314	\$ 1,441	\$ 1,394
Receipts:			
Additional License Fees	\$ 87	\$ 88	\$ 88
Interest	116	115	115
Total Receipts	<u>203</u>	<u>203</u>	<u>203</u>
Total Funds Available	\$ 1,517	\$ 1,644	\$ 1,597
Disbursements:			
State	\$ 76	\$ 250	\$ 50
Total Disbursements	<u>-76</u>	<u>-250</u>	<u>-50</u>
Cash Balance, Ending	<u>\$ 1,441</u>	<u>\$ 1,394</u>	<u>\$ 1,547</u>

RECYCLING FUND

This fund was created by Act 101 of 1988 to finance the planning, processing, resource recovery and recycling of solid waste. Revenue is generated by a fee on all waste disposed of in landfills or processed by resource recovery facilities. Expenditures are for recycling and planning grants, market studies, and waste minimization studies, and for public information and education activities throughout the Commonwealth.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning		\$ 10,033	\$ 11,156
Receipts:			
Recycling Fees	\$ 9,876	\$ 23,200	\$ 23,200
Fine and Penalties	2	800	1,160
Interest	183	873	935
Total Receipts	<u>10,061</u>	<u>24,873</u>	<u>25,295</u>
Total Funds Available	\$ 10,061	\$ 34,906	\$ 36,451
Disbursements:			
Environmental Resources	\$ 28	\$ 23,750	\$ 29,375
Commerce			100
Total Disbursements	<u>-28</u>	<u>-23,750</u>	<u>-29,475</u>
Cash Balance, Ending	<u>\$ 10,033</u>	<u>\$ 11,156</u>	<u>\$ 6,976</u>

REHABILITATION CENTER FUND

This fund was created May 13, 1959 for the operation of the Hiram G. Andrews Rehabilitation Center and is funded from fees for services rendered by the center. Most of these services are rendered to vocational rehabilitation clients.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 813	\$ 1,664	\$ 1,444
Receipts:			
Clients Fees	\$ 11,947	\$ 12,500	\$ 13,500
Other	1,649	1,300	1,700
Total Receipts	13,596	13,800	15,200
Total Funds Available	\$ 14,409	\$ 15,464	\$ 16,644
Disbursements:			
Executive Offices	\$ 757	\$ 834	\$ 917
Labor and Industry	11,988	13,186	14,505
Total Disbursements	-12,745	-14,020	-15,422
Cash Balance, Ending	\$ 1,664	\$ 1,444	\$ 1,222

REVENUE SHARING TRUST FUND

The Revenue Sharing Trust Fund was 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 placed no restrictions upon purposes for which the funds are spent; however, expenditures had to be in accordance with the laws and procedures applicable to expenditures of State revenues, including appropriation, accounting and audit.

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

Federal legislation eliminated Revenue Sharing Funds for state governments beginning with the 1981-82 fiscal year. However, in 1982-83 the Federal Government released a reserve held for contingencies. Certain prior year appropriations to the Department of Environmental Resources are still involved in litigation, and the funds invested remain in the Revenue Sharing Trust Fund and are earning interest.

Act 51-A of 1982 earmarked all such interest earnings for the use of the Department of General Services to pay for moving costs of Commonwealth agencies.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 364	\$ 281	\$ 101
Receipts:			
Interest on Securities	\$ 26	\$ 20	\$ 10
Total Receipts	26	20	10
Total Funds Available	\$ 390	\$ 301	\$ 111
Disbursements:			
General Services	\$ 109	\$ 200	\$ 111
Total Disbursements	-109	-200	-111
Cash Balance, Ending	\$ 281	\$ 101	\$

SCHOOL EMPLOYEES' RETIREMENT FUND

The Public School Employees' Retirement Fund provides for receipt and accounting of member and employer contributions, investment of those funds and payment of benefits to retired school employees.

The employer contribution, which is shared equally by the employing school district and the Commonwealth, is determined by the fund's actuary. The Commonwealth's contribution is made by an annual appropriation from the General Fund and paid quarterly to the fund.

Earnings from investments provide additional revenue and pay for the expenses of the Public School Employees' Retirement Board. The board is responsible for management of the fund and payment of benefits.

The cash balance shown in the statement includes substantial investment assets. The net investment adjustment item is included to reflect the carrying value of long term investments as of June 30.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 12,034,169	\$ 12,975,579	\$ 14,403,416
Receipts:			
Transfer from General Fund —			
Employer Contribution	\$ 477,891	\$ 551,011	\$ 570,858
Transfers from State Retirement System	1,402	2,500	3,000
Contribution of School Employees	274,466	280,000	290,000
Returned Contributions of School Employees	10,965	13,000	14,000
Contributions of School Districts	474,915	551,011	586,627
Interest on Securities	878,725	1,000,000	1,100,000
Other	670	990	1,020
Total Receipts	<u>2,119,034</u>	<u>2,398,512</u>	<u>2,565,505</u>
Total Funds Available	\$14,153,203	\$15,374,091	\$16,968,921
Disbursements:			
Executive Offices	\$ 647	\$ 650	\$ 700
Treasury	42	25	27
Public School Employees' Retirement Board	897,168	970,000	1,025,000
Net Investment Adjustment	<u>279,767</u>	<u>.....</u>	<u>.....</u>
Total Disbursements	<u>-1,177,624</u>	<u>-970,675</u>	<u>-1,025,727</u>
Cash Balance, Ending	<u>\$ 12,975,579</u>	<u>\$ 14,403,416</u>	<u>\$ 15,943,194</u>

SINKING FUND

This one sinking fund existed prior to the practice of having a sinking fund for each separate bond fund. Moneys are held in this fund to cover the possible redemption of Commonwealth notes and bonds which had maturity dates from 1841 through 1871. There has been no activity on these old outstanding obligations, reportedly, since 1929. The redemption value of those obligations is \$141,320.06. Money not needed to pay principal of or interest on Commonwealth debt may also be used to suppress insurrection or defend the State in war, in accordance with the Constitution of the Commonwealth of Pennsylvania. Money in this fund may be invested only in United States or Commonwealth bonds. Interest accumulating on moneys remaining in the fund is credited to the State School Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 145	\$ 145	\$ 145
Receipts:			
Interest on Securities .....	.....	.....	.....
Total Receipts .....	.....	.....	.....
Total Funds Available	\$ 145	\$ 145	\$ 145
Disbursements:			
Treasury .....	.....	.....	.....
Total Disbursements .....	.....	.....	.....
Cash Balance, Ending	\$ 145	\$ 145	\$ 145

SOCIAL SECURITY CONTRIBUTION FUND

This fund was established to hold both employers' and employees' share of Social Security deductions of Commonwealth and local government or other instrumentality employees for payment of Social Security benefits under the Federal Insurance Contribution Act (FICA). Withdrawals from the fund are made to the Federal Agency in amounts required to extend the benefits of eligible employees under the Federal old-age and survivors insurance system and for payment of refunds and overpayments made by a political subdivision.

Effective January 1, 1987, the states were removed from the intermediary role of collecting and reporting Social Security contributions. The State retains responsibility for wage information prior to January 1, 1987.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 14,238	\$ 15,158	\$ 13,077
Receipts:			
Social Security Contributions —			
Public	\$ 18,074	\$ 8,700	\$ 1,250
Other	1,392	1,250	1,100
Total Receipts	19,466	9,950	2,350
Total Funds Available	\$ 33,704	\$ 25,108	\$ 15,427
Disbursements:			
Labor and Industry	\$ 18,546	\$ 12,031	\$ 11,206
Total Disbursements	-18,546	-12,031	-11,206
Cash Balance, Ending	\$ 15,158	\$ 13,077	\$ 4,221

SOLID WASTE — RESOURCE RECOVERY DEVELOPMENT FUND

Created in 1974, this fund provides financial assistance to municipalities in the planning, development, construction and operation of resource recovery and solid waste disposal facilities. Loans for new facilities are restricted to municipalities in seventh and eighth class counties, while loans for existing facilities are restricted to municipalities in fifth through eighth class counties. Revenue is provided through appropriations by the General Assembly and by the repayment of loans made to municipalities.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 9,649	\$ 9,454	\$ 6,264
Receipts:			
Interest	\$ 804	\$ 810	\$ 810
Transfer From General Fund .....	.....	.....	.....
Transfer From Energy Assistance and Conservation Fund	2,251	.....	.....
Total Receipts	<u>3,055</u>	<u>810</u>	<u>810</u>
Total Funds Available	\$ 12,704	\$ 10,264	\$ 7,074
Disbursements:			
Environmental Resources	\$ 3,250	\$ 4,000	\$ 4,000
Total Disbursements	<u>-3,250</u>	<u>-4,000</u>	<u>-4,000</u>
Cash Balance, Ending	<u>\$ 9,454</u>	<u>\$ 6,264</u>	<u>\$ 3,074</u>

SPECIAL ADMINISTRATION FUND

The purpose of this fund, administered by the Department of Labor and Industry, is to cover those administrative expenses of the Unemployment Compensation Law not properly and validly chargeable to the Administration Fund. The receipts of the fund are generated from interest and penalties collected from claimants and employers under provisions of the Unemployment Compensation Law. All moneys in excess of \$200,000 in the fund at the end of the fiscal year are transferred to the Unemployment Compensation Contribution Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 200	\$ 2,112	\$ 200
Receipts:			
Interest and Penalties	\$ 5,541	\$ 6,000	\$ 6,000
Other	186	200	200
Total Receipts	<u>5,727</u>	<u>6,200</u>	<u>6,200</u>
Total Funds Available	\$ 5,927	\$ 8,312	\$ 6,400
Disbursements:			
Labor and Industry	\$ 3,815	\$ 8,112	\$ 6,200
Total Disbursements	<u>-3,815</u>	<u>-8,112</u>	<u>-6,200</u>
Cash Balances, Ending	<u>\$ 2,112</u>	<u>\$ 200</u>	<u>\$ 200</u>

STATE COLLEGE EXPERIMENTAL FARM FUND

Act 56, approved May 13, 1887, authorized the sale of the eastern and western experimental farms which were purchased with Federal land grant moneys in 1862. These farms were sold for \$17,000 in 1888 and the proceeds were placed in this fund to be invested in bonds of the Commonwealth at 6 percent per annum with the interest serving as an ongoing revenue to this fund.

Statement of Cash Receipts and Disbursements

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 25	\$ 25	\$ 25
Receipts:			
Miscellaneous	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>
Total Receipts	<u>2</u>	<u>2</u>	<u>2</u>
Total Funds Available	\$ 27	\$ 27	\$ 27
Disbursements:			
Treasury	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>
Total Disbursements	<u>-2</u>	<u>-2</u>	<u>-2</u>
Cash Balance, Ending	<u>\$ 25</u>	<u>\$ 25</u>	<u>\$ 25</u>

STATE EMPLOYES' RETIREMENT FUND

This fund was created in 1924 to accumulate reserves for the payment of pensions to former State employees. Money in this fund is used to pay retirement, disability, and death benefits to members of the State Employees' Retirement System and their beneficiaries. Membership in the system is mandatory for most State employees, and available to employees of nonstate entities; such as, the Pennsylvania State University, the Turnpike Commission, the Delaware River Port Authority, and other public and quasi-public institutions authorized by the Retirement Code.

Revenue to the fund comes from employe contributions, employer contributions from the Commonwealth and other employers, and income derived from investments of the fund. Employer contributions are an actuarially determined percentage of payroll sufficient to fund current and future benefit payments. Investment income is used to credit interest to each member's account; to pay the administrative expenses of the retirement system; and to accumulate reserves for the payment of future benefits.

Management of the fund and payment of benefits is overseen by the State Employees' Retirement Board.

The cash balance shown in the statement includes substantial investment assets; the net investment adjustment item is to reflect the carrying value of long term investments as of June 30.

Statement of Cash Receipts and Disbursements

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 7,009,635	\$ 7,627,112	\$ 8,116,412
Receipts:			
Contributions of Employes	\$ 158,680	\$ 168,200	\$ 178,300
State Share Contribution	398,004	421,900	447,200
Interest on Securities	557,970	466,200	510,400
Other	346	100	100
Net Investment Adjustment	50,740	.....	.....
Total Receipts	<u>1,165,740</u>	<u>1,056,400</u>	<u>1,136,000</u>
Total Funds Available	\$ 8,175,375	\$ 8,683,512	\$ 9,252,412
Disbursements:			
Executive Offices	\$ 318	\$ 303	\$ 304
Treasury	23	10	11
State Employees' Retirement System	547,922	566,787	586,585
Total Disbursements	<u>-548,263</u>	<u>-567,100</u>	<u>-586,900</u>
Cash Balance, Ending	<u>\$ 7,627,112</u>	<u>\$ 8,116,412</u>	<u>\$ 8,665,512</u>

STATE INSURANCE FUND

Created in 1915, this fund finances expenditures relating to the rebuilding, restoring or replacing of buildings, structures, equipment or other property owned by the Commonwealth which have been damaged or destroyed by fire or other casualty. This includes natural or man made disasters. Revenue is derived from interest earned by the fund, interest received from the Fire Insurance Tax Fund and from reimbursements by insurance companies. If needed, money may also be directly appropriated to this fund. Any amount in the fund in excess of \$3 million on December 31st of each year shall be transferred to the General Fund. This fund satisfies the requirements of the Federal Government for the Disaster Insurance Program.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 4,522	\$ 4,811	\$ 4,811
Receipts:			
Interest	1,588	1,400	1,400
Total Receipts	1,588	1,400	1,400
Total Funds Available	\$ 6,110	\$ 6,211	\$ 6,211
Disbursements:			
General Services	\$ 1,299	\$ 1,400	\$ 1,400
Total Disbursements	-1,299	-1,400	-1,400
Cash Balance, Ending	\$ 4,811	\$ 4,811	\$ 4,811

STATE RESTAURANT FUND

This fund was created in 1943 to finance the purchase and maintenance of equipment for the operation of the restaurant in the State Capitol as well as any other restaurants in other State Office Buildings. At present, the only restaurant operated within this fund is in the Main Capitol Building and revenue is derived from the profits earned from that operation. During fiscal year 1986-87 the Main Capitol Restaurant was enlarged and relocated into the Capitol Addition.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 595	\$ 680	\$ 730
Receipts:			
Revenue from General Operations ..	\$ 64	\$ 50	\$ 50
Other	53	35	35
Total Receipts	117	85	85
Total Funds Available	\$ 712	\$ 765	\$ 815
Disbursements:			
General Services	\$ 32	\$ 35	\$ 50
Total Disbursements	-32	-35	-50
Cash Balance, Ending	\$ 680	\$ 730	\$ 765

STATE SCHOOL FUND

The fund was established in 1911 and is funded primarily by the sale of escheated estates and other nonpublic real estate and interest earnings of the Sinking Fund. Recent changes in the escheat law and lack of interest earnings from the Sinking Fund or investment of moneys in the State School Fund have resulted in a low revenue level; this fund is active in only a limited sense.

The original purpose of the fund was to equalize educational advantages across the Commonwealth; to provide advancements to school districts temporarily in need of aid; and to promote education in the conservation of natural resources, forestry, agriculture and other industrial pursuits. The law was amended in 1960 to change the purpose to equalization of educational opportunities, and paying part of the cost of repair or alteration of local public school or State college buildings when they are required to satisfy requirements of the Department of Labor and Industry or another relevant governmental agency.

Expenditures from the fund are made at the direction of the State Board of Education.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 558	\$ 426	\$ 370
Receipts:			
Sinking Fund: Interest	\$ 12	\$ 9	\$ 8
Treasury: Interest	48	35	30
Total Receipts	60	44	38
Total Funds Available	\$ 618	\$ 470	\$ 408
Disbursements:			
Education	\$ 192	\$ 100	.....
Total Disbursements	-192	-100	.....
Cash Balance, Ending	\$ 426	\$ 370	\$ 408

STATE STORES FUND

The State Stores Fund serves as the general operating fund for the Liquor Control Board. The Pennsylvania State Police receive funds for the enforcement of the Liquor Code Law; the Department of Health receives funds for alcohol abuse programs. To this fund are credited revenues from the sale of goods in State Liquor Stores, fees not credited to the Liquor License Fund, fines and penalties, losses and damages recovered and loans from the General Fund to provide working capital. Expenditures cover all costs associated with the operation and administration of the Liquor Stores System and enforcement of the Liquor Control Law. Any surplus is transferred to the General Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 22,521	\$ 46,698	\$ 43,436
Receipts:			
Fees	\$ 6,023	\$ 6,000	\$ 6,000
Fines and Penalties	1,411	700	700
Sale of Goods	775,290	788,500	765,000
Recovered Losses and Damages	1,232	650	650
General Fund Loans	66,000	66,000	66,000
Other	14,379	13,000	13,000
Total Receipts	<u>864,335</u>	<u>874,850</u>	<u>851,350</u>
Total Funds Available	\$ 886,856	\$ 921,548	\$ 894,786
Disbursements:			
Executive Offices	\$ 11,072	\$ 13,500	\$ 13,500
State Police	12,219	14,300	12,982
Health	392	312	300
Liquor Control Board*	816,475	850,000	850,000
Total Disbursements	<u>-840,158</u>	<u>-878,112</u>	<u>-876,782</u>
Cash Balance, Ending	<u>\$ 46,698</u>	<u>\$ 43,436</u>	<u>\$ 18,004</u>

*Includes repayment of General Fund Loan

STATE TREASURY ARMORY FUND

Created in accordance with Act 126 of 1979 and Act 92 of 1975, this fund receives monies derived from the sale of any armory building, armory site or other real estate. Funds shall be expended solely for the purchase of equipment, furniture and fixtures or for the construction of new armories in the Commonwealth.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 181	\$ 67	\$ 47
Receipts:			
Interest	\$ 8	\$ 5	\$ 3
Armory Rentals .....	.....	100	200
Total Receipts	<u>8</u>	<u>105</u>	<u>203</u>
Total Funds Available	\$ 189	\$ 172	\$ 250
Disbursements:			
Military Affairs	\$ 122	\$ 125	\$ 200
Total Disbursements	<u>-122</u>	<u>-125</u>	<u>-200</u>
Cash Balance, Ending	<u>\$ 67</u>	<u>\$ 47</u>	<u>\$ 50</u>

STATE WORKMEN'S INSURANCE FUND

The State Workmen's Insurance Fund (SWIF) was created by the Act of June 2, 1915, and operates within the Department of Labor and Industry. It is a self-sustaining fund providing workmen's compensation insurance to employers, including those refused policies by private insurance firms. SWIF is subject to underwriting rules, classifications and rates promulgated by rating bureaus authorized by the State Insurance Commissioner. Premium rates are established by them based on the history of accidents by industry. Administrative costs are paid from the fund including expenses related to Insurance Department and Auditor General examinations.

The net investment adjustment shown below is to reflect the current market value of long-term investments as of June 30.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 1,019,265	\$ 1,025,213	\$ 1,023,043
Receipts:			
Premiums	\$ 138,812	\$ 150,000	\$ 165,000
Other	121,498	135,000	148,500
Net Investment Adjustment	30,348	.....	.....
Total Receipts	<u>290,658</u>	<u>285,000</u>	<u>313,500</u>
Total Funds Available	\$ 1,309,923	\$ 1,310,213	\$ 1,336,543
Disbursements:			
Executive Offices	\$ 600	\$ 660	\$ 726
Labor and Industry	174,107	191,510	210,661
Treasury	3	.....	.....
Transfer to General Fund	60,000	85,000	.....
Transfer to Sunny Day Fund	25,000	5,000	10,000
Transfer to Tax Stabilization Reserve Fund	25,000	5,000	25,000
Payment to General Fund in Lieu of Taxes — Prior Years .....	.....	.....	90,000
Payment to General Fund in Lieu of Taxes — 1990-91 .....	.....	.....	<u>37,000^a</u>
Total Disbursements	<u>-284,710</u>	<u>-287,170</u>	<u>-373,387</u>
Cash Balance, Ending	<u>\$ 1,025,213</u>	<u>\$ 1,023,043</u>	<u>\$ 963,156</u>

^aIncludes \$8,700,000 for the final 1990-91 quarterly payment which will be made in July of 1991.

STORAGE TANK FUND

This fund was created by Act 32 of 1989 for the operation of an aboveground and underground storage tank regulation, registration, and enforcement program. Revenues to the fund consist of registration and permit fees, fines, judgements, bond forfeitures, interest, and recovered costs. Expenditures include the remediation of leaking underground storage tanks.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning			\$ 6,857
Receipts:			
Registration Fees		\$ 7,500	\$ 9,500
Permit Fees		100	100
Federal Funds — EPA		2,450	3,365
Cost Recovery			
Fines and Penalties		5	10
Interest		202	581
Total Receipts		<u>10,257</u>	<u>13,556</u>
Total Funds Available		\$ 10,257	\$ 20,413
Disbursements:			
Environmental Resources		\$ 3,400	\$ 7,400
Total Disbursements		<u>-3,400</u>	<u>-7,400</u>
Cash Balance, Ending		<u>\$ 6,857</u>	<u>\$ 13,013</u>

STORAGE TANK LOAN FUND

This fund was established by Act 32 of 1989 to provide financial assistance to small tank facility owners or operators identified by the Department of Environmental Resources (DER) as potentially liable for a release or danger of a release of a regulated substance from a storage tank. The assistance will be in the form of low-interest loans to finance the cost of all or a portion of the ordered response actions. Consists primarily of two percent of fees collected from revenue registration of above-ground and underground tanks in Pennsylvania.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning			
Receipts:			
Fees			\$ 170
Loan Principal			2
Interest — Loans			4
Interest — Securities			10
Total Receipts			<u>186</u>
Total Funds Available			\$ 186
Disbursements:			
Economic Development Partnership			\$ 170
Total Disbursements			<u>-170</u>
Cash Balance, Ending			<u>\$ 16</u>

SUNNY DAY FUND

The purpose of this fund, created by Act 32 of 1985 and administered by the Treasury Department, is to provide assistance to the Governor and the Economic Development Partnership in their efforts to attract industrial, manufacturing or research and development enterprises to this Commonwealth. Revenue is provided through an appropriation by the General Assembly for transfer to this fund. Appropriations out of the fund require approval by two thirds of the members of the General Assembly.

This statement is presented on a modified accrual rather than a cash basis.

Statement of Cash Receipts and Disbursements

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Available	1990-91 Estimated
Beginning Balance^a	\$ 19,619	\$ 44,238	\$ 47,785
Receipts:			
Transfer from State Workmen's Insurance Fund	\$ 25,000	\$ 5,000	\$ 10,000
Loan Repayments	347	800	1,000
Interest on Securities	4,211	5,972	4,500
Interest on Loans	411	625	850
Miscellaneous	<u>1,150</u>	<u>1,150</u>	<u>1,150</u>
Total Receipts	<u>31,119</u>	<u>13,547</u>	<u>17,500</u>
Prior Year Lapses	<u>15,500</u>	<u>.....</u>	<u>.....</u>
Total Funds Available	\$ 66,238	\$ 57,785	\$ 65,285
Expenditures:			
Economic Development Partnership	\$ 22,000	\$ 10,000	\$ 30,000
Total Expenditures	<u>-22,000</u>	<u>-10,000</u>	<u>-30,000^b</u>
Ending Balance^a	<u>\$ 44,238</u>	<u>\$ 47,785</u>	<u>\$ 35,285</u>

^aCash balance less encumbrances.

^bAnticipated projects; however, this amount is not carried forward to other financial presentations since specific projects have not been determined.

SUPPLEMENTAL STATE ASSISTANCE FUND

This fund was created by Act 205 of 1984, the Municipal Pension Plan Funding Standard and Recovery Act, and is administered by the Auditor General. Effective July 1985, the fund includes a portion of the Foreign Casualty Insurance Premium Tax which in prior years was allocated to the State Employees Retirement Fund State Police account. Those revenues will be used for loans to municipalities in danger of default on their pension program. Loans have been available since 1985-86 fiscal year; however, no requests for assistance have been received and therefore no disbursements are anticipated. In 1988 a program of General Fund aid to distressed municipalities was started through this fund.

Statement of Cash Receipts and Disbursements

	1988-89 Actual	(Dollar Amounts in Thousands) 1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 17,483	\$ 143	.....
Receipts:			
Foreign Casualty Insurance Premium Tax for Loans to Municipalities	\$ 4,084	.....	.....
General Fund Appropriation	4,175	17,481	\$ 17,406
Interest	61	2	.....
Total Receipts	<u>8,320</u>	<u>17,483</u>	<u>17,406</u>
Total Funds Available	\$ 25,803	\$ 17,626	\$ 17,406
Disbursements:			
Auditor General	\$ 25,660	\$ 17,626	\$ 17,406
Total Disbursements	<u>-25,660</u>	<u>-17,626</u>	<u>-17,406</u>
Cash Balances, Ending	<u>\$ 143</u>	<u>.....</u>	<u>.....</u>

SURFACE MINING CONSERVATION AND RECLAMATION FUND

This fund was created in 1945 to finance reclamation projects on land scarred by surface mining. Projects include recontouring, terracing and planting of trees, shrubs and grasses. Revenues are provided by charging surface mining operators for licenses and permits and by fining them for failing to apply for the licenses and permits as well as by forfeiture of collateral bonds, cash or securities for failure to comply with an approved reclamation plan.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 17,094	\$ 18,229	\$ 18,084
Receipts:			
Licenses and Fees	\$ 922	\$ 1,625	\$ 1,625
Interest	1,483	1,500	1,500
Forfeiture of Bonds	1,784	2,000	2,000
Trust Account Collateral	206	200	200
Other	18	50	50
Total Receipts	<u>4,413</u>	<u>5,375</u>	<u>5,375</u>
Total Funds Available	\$ 21,507	\$ 23,604	\$ 23,459
Disbursements:			
Executive Offices	\$ 19	\$ 20	\$ 20
Environmental Resources	3,259	5,500	5,500
Total Disbursements	<u>-3,278</u>	<u>-5,520</u>	<u>-5,520</u>
Cash Balance, Ending	<u>\$ 18,229</u>	<u>\$ 18,084</u>	<u>\$ 17,939</u>

TAX NOTE SINKING FUND

Moneys in this fund are used solely for the payment of principal and interest on tax anticipation notes issued for the General Fund or the Motor License Fund. Repayment of tax anticipation notes must be accomplished before the end of the fiscal period in which the notes were issued. Repayment of commercial paper issued in anticipation of tax revenues is made directly from the issuing fund and is not recorded in this fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning .....	.....	.....	.....
Receipts:			
Transfer from General Fund	\$ 520,474	\$ 576,343	\$ 577,500
Total Receipts	<u>520,474</u>	<u>576,343</u>	<u>577,500</u>
Total Funds Available	\$ 520,474	\$ 576,343	\$ 577,500
Disbursements:			
Treasury	\$ 520,474	\$ 576,343	\$ 577,500
Total Disbursements	<u>-520,474</u>	<u>-576,343</u>	<u>-577,500</u>
Cash Balance, Ending	<u>.....</u>	<u>.....</u>	<u>.....</u>

TAX STABILIZATION RESERVE FUND

Created in July of 1985 by Act 32, this fund provides financial assistance to minimize future revenue shortfalls and deficits, and promote greater continuity and predictability in the funding of vital government services. It also minimizes the need to increase taxes to balance the budget of the Commonwealth during periods of economic distress. Revenue has been provided through a transfer from the State Workmen's Insurance Fund to this fund. Appropriations out of the fund require approval by two-thirds of the members of the General Assembly.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 80,253	\$ 112,220	\$ 125,720
Receipts:			
General Fund Transfer .....	.....	.....	.....
State Workmen's Insurance Fund Transfer	\$ 25,000	\$ 5,000	25,000
Interest on Securities	6,967	8,500	9,000
Total Receipts	<u>31,967</u>	<u>13,500</u>	<u>34,000</u>
Total Funds Available	\$ 112,220	\$ 125,720	\$ 159,720
Disbursements:			
Total Disbursements .....	.....	.....	.....
Cash Balance, Ending	<u>\$ 112,220</u>	<u>\$ 125,720</u>	<u>\$ 159,720</u>

UNEMPLOYMENT COMPENSATION BENEFIT PAYMENT FUND

Employers' and employees' contributions under the Unemployment Compensation Law are credited to the Commonwealth's account in the Federal Unemployment Trust Fund. Requisitions of money from the Trust Fund for the payment of unemployment compensation benefits to eligible individuals are the revenue for the Unemployment Compensation Benefit Payment Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning .....	.....	.....	.....
Receipts:			
Regular Unemployment Compensation Program	\$ 881,424	\$ 957,000	\$ 984,000
Federal Receipts in Transit ^a	7,845	8,000	8,000
Other	54,573	54,800	55,000
Total Receipts	<u>943,842</u>	<u>1,019,800</u>	<u>1,047,000</u>
Total Funds Available	\$ 943,842	\$ 1,019,800	\$ 1,047,000
Disbursements:			
Labor and Industry	\$ 943,842	\$ 1,019,800	\$ 1,047,000
Total Disbursements	<u>-943,842</u>	<u>-1,019,800</u>	<u>-1,047,000</u>
Cash Balance, Ending	<u>.....</u>	<u>.....</u>	<u>.....</u>

^aRepresents future receipt of funds from the Federal Government for checks issued to individual claimants.

UNEMPLOYMENT COMPENSATION CONTRIBUTION FUND

This fund was created to hold moneys collected from employers under the Unemployment Compensation Law and, except for refunds of collections or transfers to the Special Administration Fund, the moneys are transferred to the United States Treasury for credit to the Commonwealth's account in the Federal Unemployment Trust Fund established under Section 904 of the Social Security Act.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 1	\$ 2	\$ 2
Receipts:			
Contributions of Employers and Employes	\$ 1,380,134	\$ 1,160,000	\$ 1,154,000
Other	55	50	50
Total Receipts	<u>1,380,189</u>	<u>1,160,050</u>	<u>1,154,050</u>
Total Funds Available	\$ 1,380,190	\$ 1,160,052	\$ 1,154,052
Disbursements:			
Labor and Industry	\$ 1,380,188	\$ 1,160,050	\$ 1,154,050
Total Disbursements	<u>-1,380,188</u>	<u>-1,160,050</u>	<u>-1,154,050</u>
Cash Balance, Ending	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>

UNEMPLOYMENT COMPENSATION INTEREST FUND

This fund was created to pay the interest due on the Federal Unemployment Compensation Title XII Advances. The receipts in this fund are generated by employers under provisions of the Unemployment Compensation Law as amended in July 1983 and October 1988. Funds are used for interest payments with any excess payments exceeding interest requirements used for benefit payments. The 1988 amendment also required the transfer of \$41,000,000 to the General Fund. Act 2 of 1989 required the transfer of \$11,700,000 to the General Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 88,403	\$ 11,768	.....
Receipts:			
Employer's Interest Taxes	\$ 710	\$ 100	.....
Other	4,976	300	.....
Total Receipts	<u>5,686</u>	<u>400</u>	<u>.....</u>
Total Funds Available	\$ 94,089	\$ 12,168	.....
Disbursements:			
Labor and Industry	\$ 41,321	\$ 468	.....
Transfer to General Fund	41,000	11,700	.....
Total Disbursements	<u>-82,321</u>	<u>-12,168</u>	<u>.....</u>
Cash Balance, Ending	<u>\$ 11,768</u>	<u>.....</u>	<u>.....</u>

VIETNAM CONFLICT VETERANS' COMPENSATION FUND

Created in 1968, this fund provides payments to residents of the Commonwealth who were in active service in the Vietnam Theatre of Operations, as defined for the award of the Vietnam Service Medal, or their beneficiaries. The maximum compensation is \$750 except in case of death when it is \$1,000. Salaries and other necessary expenses for the proper administration of the Vietnam Conflict Veterans' Compensation Act are also paid from the fund. Revenue was derived from a bond issue that was approved by the electorate on November 6, 1973. After a final appeal for program participation, this fund was closed out at the end of 1988-89 by transferring the balance to the Vietnam Conflict Veterans' Compensation Sinking Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 476	.....	.....
Receipts:			
Interest	\$ 37	.....	.....
Total Receipts	37	.....	.....
Total Funds Available	\$ 513	.....	.....
Disbursements:			
Military Affairs	\$ 8	.....	.....
Transfer to Vietnam Conflict Veterans' Compensation Sinking Fund	505	.....	.....
Total Disbursements	-513	.....	.....
Cash Balance, Ending .....	.....	.....	.....

VIETNAM CONFLICT VETERANS' COMPENSATION SINKING FUND

Moneys in this fund are used to redeem or pay interest on bonds issued for the Vietnam Conflict Veterans' Compensation Fund. An appropriation from the General Fund provides the revenues of this fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 1	.....	.....
Receipts:			
Transfer from General Fund	\$ 4,050	\$ 4,560	\$ 4,559
Transfer from Vietnam Conflict Veterans' Compensation Fund ..	505	.....	.....
Interest on Securities	4	2	.....
Total Receipts	4,559	4,562	4,559
Total Funds Available	\$ 4,560	\$ 4,562	\$ 4,559
Disbursements:			
Treasury	\$ 4,560	\$ 4,562	\$ 4,559
Total Disbursements	-4,560	-4,562	-4,559
Cash Balance, Ending .....	.....	.....	.....

VOCATIONAL REHABILITATION FUND

This fund, administered by the State Board of Vocational Rehabilitation (Department of Labor and Industry), was created to provide vocational rehabilitation services to any person who has a disability (mental or physical) which constitutes a handicap to employment or to achievement of an independent living status. Services can be provided directly or through a purchase of service arrangement. Receipts for this fund come from Federal vocational rehabilitation funds, transfer of General Fund appropriations (for matching the Federal funds) and interest earned.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 2,907	\$ 4,018	\$ 2,528
Receipts:			
Transfer from General Fund	\$ 18,629	\$ 19,150	\$ 19,279
Federal Vocational Rehabilitation Funds	77,172	79,150	82,650
Other	1,326	1,800	2,100
Total Receipts	<u>97,127</u>	<u>100,100</u>	<u>104,029</u>
Total Funds Available	\$ 100,034	\$ 104,118	\$ 106,557
Disbursements:			
Executive Offices	\$ 2,203	\$ 2,250	\$ 2,292
Labor and Industry	93,813	99,340	103,413
Total Disbursements	<u>-96,016</u>	<u>-101,590</u>	<u>-105,705</u>
Cash Balance, Ending	<u>\$ 4,018</u>	<u>\$ 2,528</u>	<u>\$ 852</u>

VOLUNTEER COMPANIES LOAN FUND

On November 4, 1975, a voter referendum authorized a \$10,000,000 bond issue to be used for acquisition and replacement of volunteer fire, ambulance and rescue company equipment and facilities. A second voter referendum in November 1981 authorized an additional \$15,000,000 to be added to the fund. Act 208 of 1976 established a revolving loan fund known as the Volunteer Companies Loan Fund administered by the Pennsylvania Emergency Management Agency. As the low interest loans are repaid by the volunteer companies, the monies are returned to the fund for reuse.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 9,667	\$ 7,472	\$ 5,485
Receipts:			
Loan Principal Repayments	\$ 7,234	\$ 7,379	\$ 7,674
Loan Interest	748	763	794
Interest on Securities	736	729	714
Miscellaneous	9	9	9
Total Receipts	<u>8,727</u>	<u>8,880</u>	<u>9,191</u>
Total Funds Available	\$ 18,394	\$ 16,352	\$ 14,676
Disbursements:			
Pennsylvania Emergency Management Agency	\$ 10,922	\$ 10,867	\$ 10,921
Total Disbursements	<u>-10,922</u>	<u>-10,867</u>	<u>-10,921</u>
Cash Balance, Ending	<u>\$ 7,472</u>	<u>\$ 5,485</u>	<u>\$ 3,755</u>

VOLUNTEER COMPANIES LOAN SINKING FUND

Moneys in this fund are used to redeem or pay interest on bonds issued for the Volunteer Companies Loan Fund. An appropriation from the General Fund provides revenues to the fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 4		
Receipts:			
Transfer from General Fund	\$ 2,646	\$ 2,579	\$ 2,509
Total Receipts	<u>2,646</u>	<u>2,579</u>	<u>2,509</u>
Total Funds Available	\$ 2,650	\$ 2,579	\$ 2,509
Disbursements:			
Treasury	\$ 2,650	\$ 2,579	\$ 2,509
Total Disbursements	<u>-2,650</u>	<u>-2,579</u>	<u>-2,509</u>
Cash Balance, Ending	<u> </u>	<u> </u>	<u> </u>

WATER FACILITIES LOAN FUND

This fund was created by Act 167 of 1982 in order to implement the water project loan referendum approved by the electorate on November 3, 1981. That referendum authorized the Commonwealth to incur an indebtedness of \$300 million for use as loans to repair, construct, reconstruct, rehabilitate, extend and improve water supply systems or to repair, reconstruct or rehabilitate flood control facilities, dams and port facilities. Act 16 of 1988 transferred the functions of the Water Facilities Loan Board to the Pennsylvania Infrastructure Investment Authority as part of the PENNVEST program.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 74,489	\$ 6,670	\$ 1,670
Receipts:			
Sale of Bonds	<u> </u>	<u> </u>	\$ 20,000
Total Receipts	<u> </u>	<u> </u>	<u>20,000</u>
Total Funds Available	\$ 74,489	\$ 6,670	\$ 21,670
Disbursements:			
Environmental Resources	\$ 8,862	<u> </u>	<u> </u>
Infrastructure Investment Authority ..	\$ 58,957	\$ 5,000	\$ 20,000
Total Disbursements	<u>-67,819</u>	<u>-5,000</u>	<u>-20,000</u>
Cash Balance, Ending	<u> 6,670</u>	<u> 1,670</u>	<u> 1,670</u>

WATER FACILITIES LOAN REDEMPTION FUND

Moneys in this fund are obtained from annual appropriations by the General Assembly and from interest and dividends on moneys in the Water Facilities Loan Fund. These moneys are used solely for payment of interest and principal due on outstanding water facilities loan bonds.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 536	.....	.....
Receipts:			
Transfer from General Fund	\$ 10,692	\$ 14,713	\$ 14,869
Interest on Securities	4,459	484	100
Accrued Interest on Bonds Sold .....	.....	.....	76
Total Receipts	<u>15,151</u>	<u>15,197</u>	<u>15,045</u>
Total Funds Available	\$ 15,687	\$ 15,197	\$ 15,045
Disbursements:			
Treasury	\$ 15,687	\$ 15,197	\$ 15,045
Total Disbursements	<u>-15,687</u>	<u>-15,197</u>	<u>-15,045</u>
Cash Balance, Ending	<u>.....</u>	<u>.....</u>	<u>.....</u>

WILD RESOURCES CONSERVATION FUND

This fund was created by Act 170 of 1982. Revenue is derived primarily from tax rebate check-offs and voluntary contributions. The fund is to be used to collect information relating to population, distribution, habitat needs, limiting factors and other biological and ecological data to classify plants and to determine necessary management measures. These management measures will include promotion of a statewide system of private wild plant sanctuaries, permitting of removal, collection, or transplanting of endangered or threatened plant species, and regulation of the digging, harvesting, sale, and exploitation of designated species.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 900	\$ 867	\$ 742
Receipts:			
Tax Check-Offs	\$ 358	\$ 360	\$ 380
Interest on Securities	67	70	70
Voluntary Donations	40	40	45
Other	<u>3</u>	<u>5</u>	<u>5</u>
Total Receipts	<u>468</u>	<u>475</u>	<u>500</u>
Total Funds Available	\$ 1,368	\$ 1,342	\$ 1,242
Disbursements:			
Environmental Resources	\$ 501	\$ 600	\$ 500
Total Disbursements	<u>-501</u>	<u>-600</u>	<u>-500</u>
Cash Balance, Ending	<u>\$ 867</u>	<u>\$ 742</u>	<u>\$ 742</u>

WORKMEN'S COMPENSATION ADMINISTRATION FUND

This fund was created by Act 2 of 1976 to finance the expenses of the Department of Labor and Industry in administering the Pennsylvania Workmen's Compensation Act and the Pennsylvania Occupational Disease Act. The fund is supported by annual assessments on insurers and self-insurers under the act. These administrative funds are approved by the Legislature for expenditure through the appropriation process.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 9,228	\$ 10,203	\$ 11,403
Receipts:			
Assessments	\$ 14,966	\$ 17,067	\$ 19,701
Other	1,990	1,200	1,200
Total Receipts	16,956	18,267	20,901
Total Funds Available	\$ 26,184	\$ 28,470	\$ 32,304
Disbursements:			
Executive Offices	\$ 1,018	\$ 1,100	\$ 1,200
Labor and Industry	14,963	15,967	18,711
Total Disbursements	-15,981	-17,067	-19,911
Cash Balance, Ending	\$ 10,203	\$ 11,403	\$ 12,393

WORKMEN'S COMPENSATION SECURITY FUND

The purpose of this fund is payment of valid claims for compensation provided by the Workmen's Compensation Law to individuals who are insured by an insolvent stock company. Expenses for administration of the fund are also covered. One percent of the net written premiums by every stock insurance company received for Workmen's Compensation insurance policies written in the Commonwealth during the preceeding annual reporting period is credited to the fund. Such payments are required only if the balance (less known liabilities) of the fund is determined to be less than five percent of the loss reserves of all such stock companies for payments of benefits under the Workmen's Compensation Law.

As of June 30, 1989 the indemnity reserves were \$110.3 million and the medical reserves were \$24 million. The June 30, 1989 fund balance less reserves was \$117.4 million while five percent of the outstanding workers' compensation carrier reserves was \$244.6 million. A one percent assessment was made for 1988-89.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
Cash Balance, Beginning	\$ 236,530	\$ 239,003	\$ 253,903
Receipts:			
Premium Contributions .....	.....	\$ 25,500	\$ 27,500
Interest on Securities	\$ 22,400	17,300	18,500
Total Receipts	22,400	42,800	46,000
Total Funds Available	\$ 258,930	\$ 281,803	\$ 299,903
Disbursements:			
Insurance	\$ 17,172	\$ 27,900	\$ 28,200
Net Investment Adjustment	2,755	.....	.....
Total Disbursements	-19,927	-27,900	-28,200
Cash Balance, Ending	\$ 239,003	\$ 253,903	\$ 271,703

WORKMEN'S COMPENSATION SUPERSEDEAS FUND _____

The purpose of this fund is to reimburse insurers for payments made by them to claimants under the Workmen's Compensation Act who are later determined to be ineligible. The fund is maintained by annual assessments on insurers and self-insurers and is administered by the Department of Labor and Industry.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1988-89 Actual	1989-90 Available	1990-91 Estimated
	<u> </u>	<u> </u>	<u> </u>
Cash Balance, Beginning	\$ 85	\$ 2	.....
Receipts:			
Assessments	\$ 7,333	\$ 7,731	\$ 8,831
Other	135	.....	.....
Total Receipts	<u>7,468</u>	<u>7,731</u>	<u>8,831</u>
Total Funds Available	\$ 7,553	\$ 7,733	\$ 8,831
Disbursements:			
Labor and Industry	\$ 7,551	\$ 7,733	\$ 8,831
Total Disbursements	<u>-7,551</u>	<u>-7,733</u>	<u>-8,831</u>
Cash Balance, Ending	<u>\$ 2</u>	<u>.....</u>	<u>.....</u>

In Memoriam:

James M. Stevenson

1938-1989

Dedicated budget analyst, colleague and friend in the Governor's Office of Budget. He contributed his abilities, time and energy for twenty-one years to the Budgets of four Governors of the Commonwealth and taught other budget analysts who are working throughout State Government.

He will be missed.

