

1994-95

*G*overnor's
E X E C U T I V E
*B*udget



COMMONWEALTH OF PENNSYLVANIA

Robert P. Casey
Governor

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FOREWORD

TAX EXPENDITURES

Information in this section provides estimates of indirect expenditures that occur through preferential treatment within the Commonwealth's State tax structure. Preferential treatment provided in State law by exemption, reduction, deduction, limitation, exclusion, tax deferral, discount, commission, credit, or preferential rate produce lower tax revenues than would otherwise be received by the Commonwealth at current tax rates. The estimated tax revenues foregone because of preferential treatment under State tax law are "tax expenditures" described 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
- Intellectual Development and Education
- Health and Human Services
- 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 1994-95 are identified as departmental Program Revision Requests (PRRs) which provide explanations and justification for the change.

Beyond 1994-95, the projections of financial data, as well as impacts and other program measures, show the future implications of the 1994-95 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 1994-95 level of commitment.

To assist in understanding the individual agency presentations, the following information is provided.

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), 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.

The most common abbreviations used to identify Federal funds are:

ADA	Americans with Disabilities Act
ADA	Anti-Drug Abuse
AFDC	Aid to Families with Dependent Children
ARC	Appalachian Regional Commission
BG	Block Grant
BVS	Blind and Visual Services
CCDBG	Child Care and Development Block Grant
CSBG	Community Services Block Grant
DCSI	Drug Control and Systems Improvement Formula Grant Program
DFSC	Drug Free Schools and Communities Act
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
FTA	Federal Transit Administration
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
MHSBG	Mental Health Services Block Grant
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
SABG	Substance Abuse Block Grant
SCDBG	Small Communities Development Block Grant
SDA	Service Delivery Area
SSA	Social Security Act
SSBG	Social Services Block Grant
SSI	Supplemental Security Income
VA	Veterans Administration (now Department of Veterans Affairs)
YDC	Youth Development Center

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Governor's Executive Budget

Statements

GENERAL FUND

Five Year Financial Statement

The projections beyond the 1994-95 fiscal year show future implications of the present budgetary policies and recommendations only. Revenue estimates are based upon current and proposed tax rates.

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Beginning Balance ^a	\$ 8,818	\$ 218,033	\$ 267,139	.....	.....	.....	.....
Revenues ^b	\$ 14,633,118	\$ 15,172,100	\$ 15,758,000	\$ 16,450,500	\$ 17,055,900	\$ 17,817,200	\$ 18,710,100
Tax Stabilization Reserve Fund ^c .....	.....	.....	.....	100,000	.....	.....	.....
Adjustments ^d	<u>-464,154</u>	<u>-156,600</u>	<u>-358,000</u>	<u>-372,000</u>	<u>-387,000</u>	<u>-402,000</u>	<u>-418,000</u>
Funds Available	\$ 14,177,782	\$ 15,233,533	\$ 15,667,139	\$ 16,178,500	\$ 16,668,900	\$ 17,415,200	\$ 18,292,100
Expenditures	<u>-13,935,523</u>	<u>-14,936,712</u>	<u>-15,664,893</u>	<u>-16,176,416</u>	<u>-16,427,343</u>	<u>-16,614,087</u>	<u>-16,797,869</u>
Closing Balance	\$ 242,259	\$ 296,821	\$ 2,246	\$ 2,084	\$ 241,557	\$ 801,113	\$ 1,494,231
Less Transfer to Tax Stabilization Reserve Fund (10%)	<u>-24,226</u>	<u>-29,682</u>	<u>-225</u>	<u>-208</u>	<u>-24,156</u>	<u>-80,111</u>	<u>-149,423</u>
Ending Balance ^a	<u>\$ 218,033</u>	<u>\$ 267,139</u>	<u>\$ 2,021</u>	<u>\$ 1,876</u>	<u>\$ 217,401</u>	<u>\$ 721,002</u>	<u>\$ 1,344,808</u>

^aEnding balance not carried forward after 1994-95.

^bAssumes the transfer of corporate net income taxes to the Pennsylvania Industrial Development Authority ends at the close of 1993-94.

^cFunds available from a proposed recapitalizing and refinancing of prior Pennsylvania Industrial Development Authority bonds recommended to be deposited into the Tax Stabilization Reserve Fund to be available in 1995-96 to help offset the cost of tax reduction.

^dIncludes net reserve accruals, refunds, lapses and adjustments to beginning balance.

FIVE YEAR FINANCIAL STATEMENTS

Motor License Fund^a

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Beginning Balance	\$ 22,103	\$ 82,162	\$ 87,848	\$ 963	\$ 1,636	\$ 2,486	\$ 2,638
Receipts	1,509,298	1,502,117	1,493,241	1,499,356	1,506,106	1,508,437	1,509,937
Funds Available	<u>\$ 1,531,401</u>	<u>\$ 1,584,279</u>	<u>\$ 1,581,089</u>	<u>\$ 1,500,319</u>	<u>\$ 1,507,742</u>	<u>\$ 1,510,923</u>	<u>\$ 1,512,575</u>
Less Expenditures	-1,449,239	-1,496,431	-1,580,126	-1,498,683	-1,505,256	-1,508,285	-1,510,377
Ending Balance	<u>\$ 82,162</u>	<u>\$ 87,848</u>	<u>\$ 963</u>	<u>\$ 1,636</u>	<u>\$ 2,486</u>	<u>\$ 2,638</u>	<u>\$ 2,198</u>

Banking Department Fund

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Beginning Balance	\$ -56 ^b	\$ 1,267	\$ 974	\$ 1,266	\$ 1,563	\$ 1,882	\$ 2,238
Receipts	11,290	10,403	11,063	11,172	11,299	11,443	10,907
Funds Available	<u>\$ 11,234</u>	<u>\$ 11,670</u>	<u>\$ 12,037</u>	<u>\$ 12,438</u>	<u>\$ 12,862</u>	<u>\$ 13,325</u>	<u>\$ 13,145</u>
Less Expenditures	-9,967	-10,696	-10,771	-10,875	-10,980	-11,087	-11,194
Ending Balance	<u>\$ 1,267</u>	<u>\$ 974</u>	<u>\$ 1,266</u>	<u>\$ 1,563</u>	<u>\$ 1,882</u>	<u>\$ 2,238</u>	<u>\$ 1,951</u>

Boat Fund

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Beginning Balance	\$ 3,624	\$ 5,055	\$ 5,481	\$ 6,112	\$ 5,749	\$ 5,992	\$ 5,280
Receipts	8,540	8,165	8,491	7,886	8,926	8,305	9,373
Funds Available	<u>\$ 12,164</u>	<u>\$ 13,220</u>	<u>\$ 13,972</u>	<u>\$ 13,998</u>	<u>\$ 14,675</u>	<u>\$ 14,297</u>	<u>\$ 14,653</u>
Less Expenditures	-7,109	-7,739	-7,860	-8,249	-8,683	-9,017	-9,438
Ending Balance	<u>\$ 5,055</u>	<u>\$ 5,481</u>	<u>\$ 6,112</u>	<u>\$ 5,749</u>	<u>\$ 5,992</u>	<u>\$ 5,280</u>	<u>\$ 5,215</u>

^aExcludes restricted revenue.

^bIn order to meet the expected financial responsibilities on behalf of the two private banks closed in April, 1992 and placed under the authority of the Secretary of Banking in her role as receiver, as stated in the Department of Banking Code, encumbrances were not liquidated until after 6/30/92. These actions resulted in a deficit for 1991-92.

**FIVE YEAR FINANCIAL STATEMENTS
(Continued)**

Economic Revitalization Fund

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Beginning Balance	\$ 7,694	\$ 7,652	\$ 7,347	\$ 3,292	\$ 3,737	\$ 2,182	\$ 1,627
Receipts	59,600	69,700	62,200	66,700	69,200	69,200	69,200
Funds Available	<u>\$ 67,294</u>	<u>\$ 77,352</u>	<u>\$ 69,547</u>	<u>\$ 69,992</u>	<u>\$ 72,937</u>	<u>\$ 71,382</u>	<u>\$ 70,827</u>
Less Expenditures	-59,642	-70,005	-66,255	-66,255	-70,755	-69,755	-68,755
Ending Balance	<u>\$ 7,652</u>	<u>\$ 7,347</u>	<u>\$ 3,292</u>	<u>\$ 3,737</u>	<u>\$ 2,182</u>	<u>\$ 1,627</u>	<u>\$ 2,072</u>

Energy Conservation and Assistance Fund

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Beginning Balance	\$ 12,879	\$ 7,645	\$ 282	\$ 289	\$ 296	\$ 304	\$ 312
Receipts	8,366	1,437	7	7	8	8	9
Funds Available	<u>\$ 21,245</u>	<u>\$ 9,082</u>	<u>\$ 289</u>	<u>\$ 296</u>	<u>\$ 304</u>	<u>\$ 312</u>	<u>\$ 321</u>
Less Expenditures	-13,600	-8,800					
Ending Balance	<u>\$ 7,645</u>	<u>\$ 282</u>	<u>\$ 289</u>	<u>\$ 296</u>	<u>\$ 304</u>	<u>\$ 312</u>	<u>\$ 321</u>

Farm Products Show Fund

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Beginning Balance	\$ 431	\$ 442	\$ 580	\$ 531	\$ 500	\$ 450	\$ 321
Receipts	3,926	3,811	3,900	3,900	3,900	3,900	3,900
Funds Available	<u>\$ 4,357</u>	<u>\$ 4,253</u>	<u>\$ 4,480</u>	<u>\$ 4,431</u>	<u>\$ 4,400</u>	<u>\$ 4,350</u>	<u>\$ 4,221</u>
Less Expenditures	-3,915	-3,673	-3,949	-3,931	-3,950	-4,029	-4,109
Ending Balance	<u>\$ 442</u>	<u>\$ 580</u>	<u>\$ 531</u>	<u>\$ 500</u>	<u>\$ 450</u>	<u>\$ 321</u>	<u>\$ 112</u>

**FIVE YEAR FINANCIAL STATEMENTS
(Continued)**

Fish Fund

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Beginning Balance	\$ 10,612	\$ 9,298	\$ 9,881	\$ 8,452	\$ 6,053	\$ 2,583	.....
Receipts	34,646	36,806	34,271	35,177	36,107	37,007	\$ 37,949
Funds Available	<u>\$ 45,258</u>	<u>\$ 46,104</u>	<u>\$ 44,152</u>	<u>\$ 43,629</u>	<u>\$ 42,160</u>	<u>\$ 39,590</u>	<u>\$ 37,949</u>
Less Expenditures	-35,960	-36,223	-35,700	-37,576	-39,577	-39,590	-37,949
Ending Balance	<u>\$ 9,298</u>	<u>\$ 9,881</u>	<u>\$ 8,452</u>	<u>\$ 6,053</u>	<u>\$ 2,583</u>	.....	.....

Game Fund

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Beginning Balance	\$ 44,607	\$ 39,685	\$ 34,419	\$ 23,648	\$ 11,680	.....	.....
Receipts	50,984	51,659	48,655	48,655	48,655	\$ 48,655	\$ 48,655
Funds Available	<u>\$ 95,591</u>	<u>\$ 91,344</u>	<u>\$ 83,074</u>	<u>\$ 72,303</u>	<u>\$ 60,335</u>	<u>\$ 48,655</u>	<u>\$ 48,655</u>
Less Expenditures	-55,906	-56,925	-59,426	-60,623	-60,335	-48,655	-48,655
Ending Balance	<u>\$ 39,685</u>	<u>\$ 34,419</u>	<u>\$ 23,648</u>	<u>\$ 11,680</u>	.....	.....	.....

Lottery Fund

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Beginning Balance	\$ 69,133	\$ 90,648	\$ 5,756	\$ 5,168	\$ 5,400	\$ 5,704	\$ 5,656
Add Reserve From Previous Year .....	.....	.....	86,000	90,000	94,000	88,000	73,000
Receipts	830,518	804,727	805,064	810,957	816,320	821,056	824,918
Funds Available	<u>\$ 899,651</u>	<u>\$ 895,375</u>	<u>\$ 896,820</u>	<u>\$ 906,125</u>	<u>\$ 915,720</u>	<u>\$ 914,760</u>	<u>\$ 903,574</u>
Less Expenditures	-809,003	-803,619	-801,652	-806,725	-822,016	-836,104	-850,269
Less Reserve for Current Year .....	.....	-86,000	-90,000	-94,000	-88,000	-73,000	-48,000
Ending Balance	<u>\$ 90,648</u>	<u>\$ 5,756</u>	<u>\$ 5,168</u>	<u>\$ 5,400</u>	<u>\$ 5,704</u>	<u>\$ 5,656</u>	<u>\$ 5,305</u>

**FIVE YEAR FINANCIAL STATEMENTS
(continued)**

Milk Marketing Fund

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Beginning Balance	\$ 33	\$ 619	\$ 922	\$ 1,075	\$ 1,143	\$ 1,095	\$ 958
Receipts	2,338	2,200	2,201	2,201	2,201	2,201	2,201
Funds Available	<u>\$ 2,371</u>	<u>\$ 2,819</u>	<u>\$ 3,123</u>	<u>\$ 3,276</u>	<u>\$ 3,344</u>	<u>\$ 3,296</u>	<u>\$ 3,159</u>
Less Expenditures	-1,752	-1,897	-2,048	-2,133	-2,249	-2,338	-2,450
Ending Balance	<u>\$ 619</u>	<u>\$ 922</u>	<u>\$ 1,075</u>	<u>\$ 1,143</u>	<u>\$ 1,095</u>	<u>\$ 958</u>	<u>\$ 709</u>

Racing Fund

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Beginning Balance	\$ 2,604	\$ 958	\$ 3,096	\$ 3,381	\$ 2,841	\$ 2,209	\$ 1,674
Receipts	7,698	10,070	10,914	10,914	10,914	10,914	10,914
Funds Available	<u>\$ 10,302</u>	<u>\$ 11,028</u>	<u>\$ 14,010</u>	<u>\$ 14,295</u>	<u>\$ 13,755</u>	<u>\$ 13,123</u>	<u>\$ 12,588</u>
Less Expenditures	-9,344	-7,932	-10,629	-11,454	-11,546	-11,449	-11,551
Ending Balance	<u>\$ 958</u>	<u>\$ 3,096</u>	<u>\$ 3,381</u>	<u>\$ 2,841</u>	<u>\$ 2,209</u>	<u>\$ 1,674</u>	<u>\$ 1,037</u>

Five-Year Department Summary by Fund

	(Dollar Amounts in Thousands)							
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED	
GOVERNOR'S OFFICE								
General Fund.....	\$ 5,803	\$ 6,436	\$ 6,655	\$ 6,655	\$ 6,655	\$ 6,655	\$ 6,655	\$ 6,655
EXECUTIVE OFFICES								
General Fund.....	\$ 61,871	\$ 127,431	\$ 93,132	\$ 85,956	\$ 86,276	\$ 86,423	\$ 87,081	\$ 87,081
Lottery Fund.....	97	109	114	120	127	132	139	139
Motor License Fund.....	4,723	5,269	4,215	4,455	4,713	4,911	5,161	5,161
Energy Conservation And Assistance Fund..	3,400	3,000	0	0	0	0	0	0
TOTAL.....	\$ 70,091	\$ 135,809	\$ 97,461	\$ 90,531	\$ 91,116	\$ 91,466	\$ 92,381	\$ 92,381
LIEUTENANT GOVERNOR'S OFFICE								
General Fund.....	\$ 874	\$ 927	\$ 1,034	\$ 1,034	\$ 1,034	\$ 1,034	\$ 1,034	\$ 1,034
OFFICE OF ATTORNEY GENERAL								
General Fund.....	\$ 44,929	\$ 50,453	\$ 54,484	\$ 54,484	\$ 54,484	\$ 54,484	\$ 54,484	\$ 54,484
AUDITOR GENERAL								
General Fund.....	\$ 44,379	\$ 43,259	\$ 44,388	\$ 44,113	\$ 44,113	\$ 44,113	\$ 44,113	\$ 44,113
TREASURY								
General Fund.....	\$ 514,382	\$ 573,375	\$ 556,843	\$ 618,338	\$ 654,359	\$ 663,215	\$ 653,097	\$ 653,097
Lottery Fund.....	14	150	150	150	150	150	150	150
Racing Fund.....	5	10	10	10	10	10	10	10
Motor License Fund.....	195,143	193,874	191,335	161,006	129,374	125,052	122,144	122,144
Game Fund.....	0	5	5	5	5	5	5	5
Fish Fund.....	43	49	39	19	16	15	15	15
Banking Department Fund.....	0	5	5	5	5	5	5	5
Milk Marketing Fund.....	0	10	10	10	10	10	10	10
Farm Products Show Fund.....	0	5	5	5	5	5	5	5
Boat Fund.....	2	6	5	5	5	5	5	5
Economic Revitalization Fund.....	0	5	5	5	5	5	5	5
TOTAL.....	\$ 709,589	\$ 767,494	\$ 748,412	\$ 779,558	\$ 783,944	\$ 788,477	\$ 775,451	\$ 775,451
AGING								
General Fund.....	\$ 8,544	\$ 8,850	\$ 9,151	\$ 9,151	\$ 9,151	\$ 9,151	\$ 9,151	\$ 9,151
Lottery Fund.....	342,990	342,694	359,404	359,917	366,696	372,692	377,809	377,809
TOTAL.....	\$ 351,534	\$ 351,544	\$ 368,555	\$ 369,068	\$ 375,847	\$ 381,843	\$ 386,960	\$ 386,960
AGRICULTURE								
General Fund.....	\$ 38,189	\$ 40,712	\$ 43,746	\$ 43,693	\$ 43,726	\$ 43,750	\$ 43,780	\$ 43,780
Racing Fund.....	9,153	7,927	10,456	11,272	11,354	11,249	11,341	11,341
Farm Products Show Fund.....	3,215	2,994	3,244	3,226	3,245	3,324	3,404	3,404
Economic Revitalization Fund.....	885	1,000	1,000	1,000	1,000	1,000	1,000	1,000
TOTAL.....	\$ 51,442	\$ 52,633	\$ 58,446	\$ 59,191	\$ 59,325	\$ 59,323	\$ 59,525	\$ 59,525
BANKING								
Banking Department Fund.....	\$ 9,619	\$ 10,343	\$ 10,413	\$ 10,517	\$ 10,622	\$ 10,729	\$ 10,836	\$ 10,836
CIVIL SERVICE COMMISSION								
General Fund.....	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1

Five-Year Department Summary by Fund

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
COMMUNITY AFFAIRS							
General Fund.....	\$ 45,498	\$ 82,639	\$ 47,461	\$ 47,453	\$ 47,463	\$ 47,471	\$ 47,481
Economic Revitalization Fund.....	19,885	25,000	21,500	21,500	21,500	21,500	21,500
TOTAL.....	\$ 65,383	\$ 107,639	\$ 68,961	\$ 68,953	\$ 68,963	\$ 68,971	\$ 68,981
CORRECTIONS							
General Fund.....	\$ 499,499	\$ 604,400	\$ 729,961	\$ 770,940	\$ 788,450	\$ 803,012	\$ 808,798
ECONOMIC DEVELOPMENT PARTNERSHIP							
General Fund.....	\$ 125,002	\$ 150,573	\$ 150,786	\$ 147,636	\$ 148,136	\$ 147,136	\$ 146,136
Economic Revitalization Fund.....	33,052	41,000	37,750	37,750	42,250	41,250	40,250
TOTAL.....	\$ 158,054	\$ 191,573	\$ 188,536	\$ 185,386	\$ 190,386	\$ 188,386	\$ 186,386
EDUCATION							
General Fund.....	\$ 6,200,113	\$ 6,432,567	\$ 6,629,283	\$ 6,595,425	\$ 6,595,425	\$ 6,595,425	\$ 6,595,425
Motor License Fund.....	1,650	1,804	1,672	1,672	1,672	1,672	1,672
TOTAL.....	\$ 6,201,763	\$ 6,434,371	\$ 6,630,955	\$ 6,597,097	\$ 6,597,097	\$ 6,597,097	\$ 6,597,097
EMERGENCY MANAGEMENT AGENCY							
General Fund.....	\$ 4,929	\$ 4,751	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,133	\$ 5,133
ENVIRONMENTAL RESOURCES							
General Fund.....	\$ 205,007	\$ 218,414	\$ 237,607	\$ 239,714	\$ 239,170	\$ 239,181	\$ 238,678
FISH AND BOAT COMMISSION							
General Fund.....	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9
Fish Fund.....	21,868	22,263	21,870	23,117	24,458	23,859	21,543
Boat Fund.....	5,985	6,471	6,584	6,959	7,363	7,672	8,063
TOTAL.....	\$ 27,862	\$ 28,743	\$ 28,463	\$ 30,085	\$ 31,830	\$ 31,540	\$ 29,615
GAME COMMISSION							
Game Fund.....	\$ 50,076	\$ 50,665	\$ 53,668	\$ 54,865	\$ 54,577	\$ 42,897	\$ 42,897
GENERAL SERVICES							
General Fund.....	\$ 73,292	\$ 74,583	\$ 76,497	\$ 77,299	\$ 82,945	\$ 82,945	\$ 82,948
Lottery Fund.....	238	213	185	185	185	185	185
Motor License Fund.....	17,500	32,000	27,212	27,212	27,212	27,212	27,212
Banking Department Fund.....	348	348	353	353	353	353	353
TOTAL.....	\$ 91,378	\$ 107,144	\$ 104,247	\$ 105,049	\$ 110,695	\$ 110,695	\$ 110,698
HEALTH							
General Fund.....	\$ 191,384	\$ 211,347	\$ 217,507	\$ 216,820	\$ 216,849	\$ 216,871	\$ 216,901
HIGHER EDUCATION ASSISTANCE AGENCY							
General Fund.....	\$ 209,381	\$ 234,628	\$ 253,662	\$ 253,662	\$ 253,662	\$ 253,662	\$ 253,662
HISTORICAL AND MUSEUM COMMISSION							
General Fund.....	\$ 17,322	\$ 18,745	\$ 18,649	\$ 18,262	\$ 18,279	\$ 18,291	\$ 18,308

Five-Year Department Summary by Fund

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
HOUSING FINANCE AGENCY							
General Fund.....	\$ 0	\$ 19,500	\$ 23,500	\$ 19,500	\$ 19,500	\$ 19,500	\$ 19,500
INFRASTRUCTURE INVESTMENT AUTHORITY (PENNVEST)							
General Fund.....	\$ 1,900	\$ 10,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
INSURANCE							
General Fund.....	\$ 12,817	\$ 10,677	\$ 11,195	\$ 70	\$ 70	\$ 70	\$ 70
LABOR AND INDUSTRY							
General Fund.....	\$ 49,465	\$ 55,149	\$ 55,000	\$ 54,975	\$ 54,855	\$ 54,725	\$ 54,595
Economic Revitalization Fund.....	5,820	6,000	6,000	6,000	6,000	6,000	6,000
TOTAL.....	\$ 55,285	\$ 61,149	\$ 61,000	\$ 60,975	\$ 60,855	\$ 60,725	\$ 60,595
MILITARY AFFAIRS							
General Fund.....	\$ 41,764	\$ 47,698	\$ 57,091	\$ 61,287	\$ 61,287	\$ 61,287	\$ 61,287
MILK MARKETING BOARD							
General Fund.....	\$ 125	\$ 125	\$ 125	\$ 125	\$ 125	\$ 125	\$ 125
Milk Marketing Fund.....	1,638	1,757	1,907	1,992	2,108	2,197	2,309
TOTAL.....	\$ 1,763	\$ 1,882	\$ 2,032	\$ 2,117	\$ 2,233	\$ 2,322	\$ 2,434
BOARD OF PROBATION AND PAROLE							
General Fund.....	\$ 42,407	\$ 52,278	\$ 57,443	\$ 57,397	\$ 57,467	\$ 57,525	\$ 57,576
PUBLIC TELEVISION NETWORK							
General Fund.....	\$ 8,583	\$ 8,973	\$ 9,161	\$ 9,161	\$ 9,161	\$ 9,161	\$ 9,161
PUBLIC WELFARE							
General Fund.....	\$ 4,577,652	\$ 4,998,644	\$ 5,274,523	\$ 5,737,254	\$ 5,928,461	\$ 6,094,428	\$ 6,283,360
Lottery Fund.....	40,000	20,000	0	0	0	0	0
Energy Conservation And Assistance Fund..	10,200	9,000	0	0	0	0	0
TOTAL.....	\$ 4,627,852	\$ 5,027,644	\$ 5,274,523	\$ 5,737,254	\$ 5,928,461	\$ 6,094,428	\$ 6,283,360
REVENUE							
General Fund.....	\$ 245,424	\$ 249,818	\$ 258,784	\$ 258,784	\$ 258,784	\$ 257,086	\$ 257,086
Lottery Fund.....	318,609	328,026	330,774	330,543	334,286	337,216	340,884
Racing Fund.....	145	159	163	172	182	190	200
Motor License Fund.....	15,942	16,641	17,259	17,770	18,319	18,740	19,272
TOTAL.....	\$ 580,120	\$ 594,644	\$ 606,980	\$ 607,269	\$ 611,571	\$ 613,232	\$ 617,442
SECURITIES COMMISSION							
General Fund.....	\$ 2,913	\$ 2,737	\$ 2,353	\$ 2,353	\$ 2,353	\$ 2,353	\$ 2,353
STATE							
General Fund.....	\$ 2,805	\$ 1,729	\$ 2,435	\$ 2,513	\$ 2,464	\$ 2,370	\$ 2,301

Five-Year Department Summary by Fund

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
STATE EMPLOYEES' RETIREMENT SYSTEM							
General Fund.....	\$ 600	\$ 600	\$ 560	\$ 560	\$ 560	\$ 560	\$ 560
STATE POLICE							
General Fund.....	\$ 106,855	\$ 108,825	\$ 114,680	\$ 114,807	\$ 115,166	\$ 115,219	\$ 115,286
Motor License Fund.....	213,426	222,104	232,737	231,757	232,519	232,631	232,774
TOTAL.....	\$ 320,281	\$ 330,929	\$ 347,417	\$ 346,564	\$ 347,685	\$ 347,850	\$ 348,060
TAX EQUALIZATION BOARD							
General Fund.....	\$ 1,201	\$ 1,236	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400
TRANSPORTATION							
General Fund.....	\$ 269,111	\$ 275,217	\$ 282,441	\$ 282,239	\$ 282,157	\$ 282,170	\$ 282,188
Lottery Fund.....	107,055	112,427	111,025	115,810	120,572	125,729	131,102
Motor License Fund.....	1,000,855	1,047,575	1,105,696	1,054,811	1,091,447	1,098,067	1,102,142
TOTAL.....	\$ 1,377,021	\$ 1,435,219	\$ 1,499,162	\$ 1,452,860	\$ 1,494,176	\$ 1,505,966	\$ 1,515,432
LEGISLATURE							
General Fund.....	\$ 141,300	\$ 161,329	\$ 168,149	\$ 168,149	\$ 168,149	\$ 168,149	\$ 168,149
JUDICIARY							
General Fund.....	\$ 140,193	\$ 153,077	\$ 162,997	\$ 162,997	\$ 162,997	\$ 162,997	\$ 162,997
COMMONWEALTH TOTALS							
GENERAL FUND.....	\$13,935,523	\$15,041,712	\$15,664,893	\$16,176,416	\$16,427,343	\$16,614,087	\$16,797,869
LOTTERY FUND.....	809,003	803,619	801,652	806,725	822,016	836,104	850,269
RACING FUND.....	9,303	8,096	10,629	11,454	11,546	11,449	11,551
MOTOR LICENSE FUND.....	1,449,239	1,519,267	1,580,126	1,498,683	1,505,256	1,508,285	1,510,377
GAME FUND.....	50,076	50,670	53,673	54,870	54,582	42,902	42,902
FISH FUND.....	21,911	22,312	21,909	23,136	24,474	23,874	21,558
BANKING DEPARTMENT FUND.....	9,967	10,696	10,771	10,875	10,980	11,087	11,194
MILK MARKETING FUND.....	1,638	1,767	1,917	2,002	2,118	2,207	2,319
FARM PRODUCTS SHOW FUND.....	3,215	2,999	3,249	3,231	3,250	3,329	3,409
BOAT FUND.....	5,987	6,477	6,589	6,964	7,368	7,677	8,068
ECONOMIC REVITALIZATION FUND.....	59,642	73,005	66,255	66,255	70,755	69,755	68,755
ENERGY CONSERVATION AND ASSISTANCE FUND..	13,600	12,000	0	0	0	0	0
GRAND TOTAL.....	\$16,369,104	\$17,552,620	\$18,221,663	\$18,660,611	\$18,939,688	\$19,130,756	\$19,328,271

GENERAL FUND AND SPECIAL FUNDS

Five Year Commonwealth Program Summary

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
Commonwealth Program							
Direction and Supportive Services	\$ 711,319	\$ 843,515	\$ 819,872	\$ 817,674	\$ 831,481	\$ 835,250	\$ 841,532
Protection of Persons and Property . . .	1,458,071	1,642,096	1,823,554	1,871,028	1,899,144	1,917,061	1,922,899
Intellectual Development and Education	6,565,251	6,826,662	7,025,580	7,009,955	7,019,803	7,023,245	7,023,402
Health and Human Services	5,492,460	5,925,202	6,195,167	6,668,110	6,872,342	7,047,931	7,244,363
Economic Development	489,743	610,095	582,621	588,661	596,535	594,910	583,955
Transportation and Communication . . .	1,414,504	1,455,075	1,520,189	1,443,983	1,457,269	1,460,879	1,464,401
Recreation and Cultural Enrichment . . .	237,756	249,975	254,680	261,200	263,114	251,480	247,719
GENERAL FUND AND SPECIAL FUNDS TOTAL	\$ 16,369,104	\$ 17,552,620	\$ 18,221,663	\$ 18,660,611	\$ 18,939,688	\$ 19,130,756	\$ 19,328,271

Distribution of the Commonwealth Dollar GENERAL FUND AND SPECIAL FUNDS

1994-95 Fiscal Year
(Dollar Amounts in Thousands)



Intellectual Development
and Education \$7,025,580
38.6%

Health and Human Services \$6,195,167
34.0%

Protection of Persons and Property \$1,823,554
10.0%

Transportation and Communication \$1,520,189
8.3%

Direction and Supportive Services \$819,872
4.5%

TOTAL \$18,221,663

Economic Development \$582,621
3.2%

Recreation and Cultural Enrichment \$254,680
1.4%

GENERAL FUND

Five Year Commonwealth Program Summary

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
Commonwealth Program							
Direction and Supportive Services	\$ 452,174	\$ 555,771	\$ 530,601	\$ 526,848	\$ 535,066	\$ 534,256	\$ 535,050
Protection of Persons and Property	1,141,661	1,300,075	1,467,362	1,516,372	1,543,569	1,559,214	1,562,304
Intellectual Development and Education	6,563,601	6,824,858	7,023,908	7,008,283	7,018,131	7,021,573	7,021,730
Health and Human Services	4,887,676	5,337,081	5,624,738	6,093,383	6,287,074	6,452,510	6,639,452
Economic Development	427,586	535,095	517,371	523,411	526,785	526,160	516,205
Transportation and Communication	303,043	318,291	328,379	331,864	340,003	343,322	347,912
Recreation and Cultural Enrichment	159,782	170,541	172,534	176,255	176,715	177,052	175,216
GENERAL FUND TOTAL	\$ 13,935,523	\$ 15,041,712	\$ 15,664,893	\$ 16,176,416	\$ 16,427,343	\$ 16,614,087	\$ 16,797,869

Distribution of the Commonwealth Dollar GENERAL FUND

1994-95 Fiscal Year



Intellectual Development
and Education 44.8¢

Health and Human Services 35.9¢

Protection of Persons and Property 9.4¢

Direction and Supportive Services 3.4¢

Economic Development 3.3¢

Transportation and Communication 2.1¢

Recreation and Cultural Enrichment 1.1¢

\$1.00

GENERAL FUND

Program Summary

(Dollar Amounts in Thousands)

	1993-94		1994-95	
Direction and Supportive Services	\$ 555,771	3.7%	\$ 530,601	3.4%
Protection of Persons and Property	1,300,075	8.6%	1,467,362	9.4%
Intellectual Development and Education	6,824,858	45.4%	7,023,908	44.8%
Health and Human Services	5,337,081	35.5%	5,624,738	35.9%
Economic Development	535,095	3.6%	517,371	3.3%
Transportation and Communication	318,291	2.1%	328,379	2.1%
Recreation and Cultural Enrichment	170,541	1.1%	172,534	1.1%
GENERAL FUND TOTAL	<u>\$ 15,041,712</u>	<u>100.0%</u>	<u>\$ 15,664,893</u>	<u>100.0%</u>

General Fund

1994-95 Fiscal Year



Income

(Dollar Amounts In Thousands)

TOTAL INCOME	\$ 15,884,700
Refunds	-358,000
Less Tax Reduction	-126,700
Beginning Balance	267,139

TOTAL

\$ 15,667,139

SALES \$5,364,800	33.8%
PERSONAL INCOME \$5,129,500	32.3%
OTHER BUSINESS \$2,168,000	13.6%
CORPORATE NET INCOME \$1,695,800	10.7%
OTHER REVENUES \$885,100	5.6%
INHERITANCE \$641,500	4.0%

Outgo

(Dollar Amounts In Thousands)

TOTAL OUTGO	\$ 15,664,893
Tax Stabilization Reserve Fund ...	225
Ending Surplus	2,021

TOTAL

\$ 15,667,139

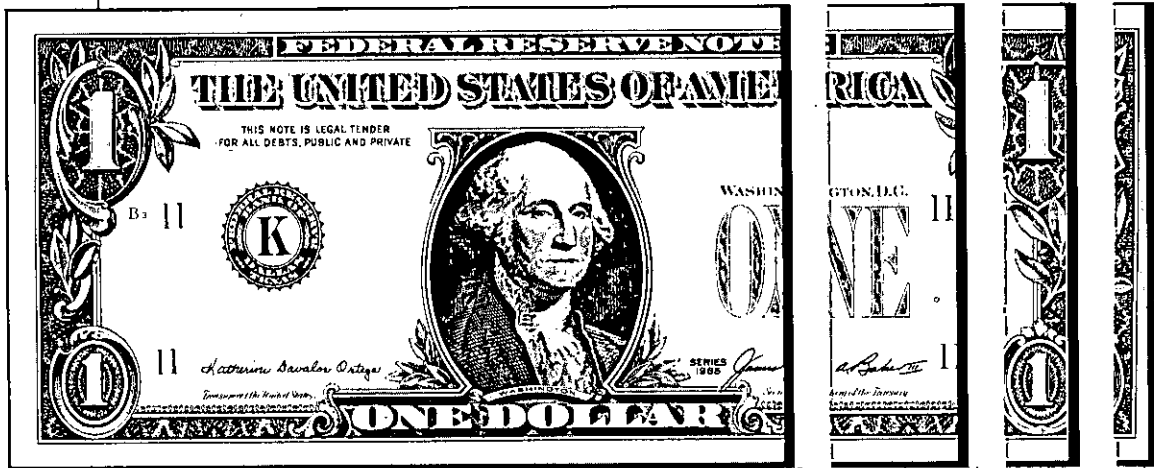


INTELLECTUAL DEVELOPMENT AND EDUCATION \$7,023,908	44.8%
HEALTH AND HUMAN SERVICES \$5,624,738	35.9%
PROTECTION \$1,467,362	9.4%
DIRECTION \$530,601	3.4%
ECONOMIC DEVELOPMENT \$517,371	3.3%
OTHER PROGRAMS \$500,913	3.2%

USE OF THE GENERAL FUND DOLLAR

1994-95 Fiscal Year

GRANTS AND SUBSIDIES 77.3¢



GENERAL GOVERNMENT 10.3¢

INSTITUTIONAL 9.0¢

DEBT SERVICE REQUIREMENTS 3.4¢

\$1.00

Commitment to Economic Development and Job Training

This Administration is committed to promoting, enhancing and maximizing economic opportunities for all of our citizens, communities and businesses. Pennsylvania possesses the resources necessary to advance its economic development, including a skilled and hardworking labor force, the technological resources of its businesses, educational and research institutions, and unmatched natural resources. At the same time, Pennsylvania faces increased competition in national and international markets and must react to changes in its major industries and its workforce.

This budget continues the Administration's commitment to strengthen and diversify Pennsylvania's economy by recommending economic development initiatives that include additional funding for the Sunny Day Fund to attract new businesses to Pennsylvania through low-interest loans, increased support for the Pennsylvania Minority Business Development Authority to assist in the creation and retention of minority businesses, and additional job training grants to businesses increasing or upgrading manpower requirements.

Recommended Program Revisions: _____

This Budget recommends the following Program Revision which is explained in more detail in the agency presentation.

	1994-95	
Program Revision / Department / Appropriation	General Fund	Federal and Other Funds
	(Dollar Amounts in Thousands)	
ENHANCED ECONOMIC DEVELOPMENT EFFORTS		
ECONOMIC DEVELOPMENT PARTNERSHIP:		
Transfer to Sunny Day Fund	\$ 25,000	....
Minority Business Development Authority	7,950	....
EDUCATION:		
Customized Job Training	2,245	....
Subtotal	\$ 35,195	....

This Program Revision provides funds to improve Pennsylvania's ability to create, attract and retain jobs and business investment. Funding is provided for the Sunny Day Fund to make low-interest loans to businesses seeking to locate in the Commonwealth. Funding is also provided to enhance the State's efforts to provide business acquisition and expansion loans and technical assistance to minority firms through the Pennsylvania Minority Business Development Authority. In addition, funds are provided for additional job training grants to businesses which are increasing or upgrading their manpower needs.

Improving Basic and Higher Education

Quality education is important if our children are to compete in the emerging technical and knowledge-based economy. This Administration's efforts have enabled our schools to attract and retain quality teachers, successfully educate regular and special education students in schools, and encourage more graduates to go on to college.

In the area of basic education, this budget continues those efforts by: providing additional funding for programs for preschool children with developmental disabilities including a new funding approach which distributes these funds to school districts; providing equity funding which directs additional funding to higher taxing and lower spending school districts and to school districts with students from low-income families; providing additional funding to school districts for special education programs including supplemental funding for school districts with high special education costs; and providing transitional funding to distressed school districts.

Higher education recommendations in this budget include a tuition challenge grant to encourage public universities to hold down tuition and fee increases. Increased funds are also provided for full-time student grants and grants for part-time students enrolled in degree granting programs to improve access to higher education.

Recommended Program Revisions: _____

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

	1994-95	
	General Fund	Federal and Other Funds
Program Revision / Department / Appropriation	(Dollar Amounts in Thousands)	
IMPROVING PRESCHOOL EDUCATION _____		
EDUCATION:		
Early Intervention	\$ 3,500	.....
PUBLIC WELFARE:		
Early Intervention	3,392	.....
Subtotal	\$ 6,892	.....
<i>This Program Revision provides a new funding approach for early intervention services which distributes funds to school districts based upon the number of children, ages three to five, residing within the district and includes funding for services to an additional 1,533 children. Also, funding is provided to the Department of Public Welfare for early intervention services for 1,000 additional children.</i>		
BASIC EDUCATION EQUITY FUNDING _____		
EDUCATION:		
Foundation Funding for Equity	\$ 108,000	.....

This Program Revision directs funding to school districts whose combined State and local support is less than \$4,700 per student and to school districts with students from low-income families.

1994-95

Program Revision / Department / Appropriation

General Fund Federal and Other Funds
(Dollar Amounts in Thousands)

IMPROVING SPECIAL EDUCATION _____
EDUCATION:
Special Education

\$ 23,675

This Program Revision increases reimbursement rates to school districts for special education students and sets aside funding for school districts with high special education costs.

DISTRESSED SCHOOL DISTRICT ASSISTANCE _____
EDUCATION:
Distressed School District Assistance

\$ 4,000

This Program Revision provides funding to financially distressed school districts which experienced declines in assessed property values over a seven-year period.

TUITION CHALLENGE GRANTS _____
EDUCATION:
Tuition Challenge Grants

\$ 31,758

This Program Revision will improve access to higher education through Tuition Challenge, which offers public universities approximately \$200 for each Pennsylvania resident full-time student if the institution's tuition and fee increases do not exceed 4.5 percent.

AID TO STUDENTS _____
HIGHER EDUCATION ASSISTANCE AGENCY:
Grants to Students

\$ 18,750

This Program Revision provides a 10 percent increase in the amount of grant funds available to students at postsecondary institutions and expands the current grant program to include those students enrolled on a part-time basis in a degree granting program.

Services for Children

Over the last seven years, substantial funding increases have been provided for an array of services for children, including early intervention, day care, child welfare and nutritional programs. In addition, this Administration has made health care services more affordable and accessible. Major initiatives include the expansion of Medical Assistance eligibility for pregnant women and children, extensive outreach efforts to increase enrollment of children, and the creation of a children's insurance program to provide free and subsidized health care coverage for children of families who are not insured by their employers but whose income is too high to qualify for Medical Assistance.

This Administration also established the Children's Cabinet in 1992 to provide leadership and management to State administered programs designed to serve children and families. In recognition that the needs of children and families are diverse and that State Government currently supports over 90 different programs to address these needs, the Children's Cabinet, together with the Children's Coalition, coordinates and integrates efforts between the Departments of Health, Education and Public Welfare to better meet the needs of children and families.

This budget supports the efforts of the Children's Cabinet with additional resources for services to children and families. Specifically, this budget proposes the following initiatives:

- Family Center Expansion: Allocates up to \$1.858 million from various State appropriations and \$7.919 million from new and existing Federal funds for community-based family centers. This \$9.777 million will provide for the continuation and/or enhancement of the 33 existing family centers and for the establishment of approximately 16 new family centers in 1994-95. Of the State funds provided through this initiative, up to \$150,000 is available for the development of training programs and local governance structures that support family center objectives.

- Expansion of School-Based Health Care Centers: Provides \$125,000 in Federal funds to establish four additional school-based health care centers intended to improve accessibility and availability of quality, comprehensive health services in a school setting.

- Women and Children Expanded Visitation: Provides \$200,000 in State funds to establish a nursery and living area for incarcerated mothers and their children at Muncy State Correctional Institution.

This budget also recommends funding for additional improvements to prenatal, infant and child health care services as outlined in the Program Revision summary below.

Recommended Program Revisions: _____

This Budget recommends the following Program Revision which is explained in more detail in the agency presentation.

Program Revision / Department / Appropriation	1994-95	
	General Fund	Federal and Other Funds
	(Dollar Amounts in Thousands)	
MATERNAL AND CHILD HEALTH CARE SERVICE INITIATIVES _____		
HEALTH:		
MCHSBG - Program Services .....	.....	\$ 200
PUBLIC WELFARE:		
County Administration - Statewide	\$ 177	.....
Medical Assistance - Statewide .....	.....	\$ 177
Medical Assistance - Outpatient	7,472	.....
Medical Assistance .....	.....	8,433
Medical Assistance - Inpatient	-3,512	.....
Medical Assistance .....	.....	-4,182
	<hr/>	<hr/>
Subtotal	\$ 4,137	\$ 4,628

This Program Revision provides funds to improve prenatal, infant and child health care services. The components of the Program Revision include: increasing Medical Assistance fees for selected dental, obstetrical and pediatric services; providing a primary care physician for an additional 232,000 children; providing medically necessary case management services to 23,328 children; and enhancing the State's maternal and child health public awareness campaign.

Improving the Quality of Individual and Family Life

Improving the quality of individual and family life is an important goal of this Administration. In order to reach this goal, this budget contains initiatives to enhance the well-being of persons with AIDS and their families, older Pennsylvanians and the economically disadvantaged. Special emphasis is placed on human dignity, self-worth and independence.

The budget recommends expanding services available to HIV infected individuals and their families, increasing fees for certain services and providing community-based services to persons with higher medical costs. This budget recommends funding for improvements to senior centers, and provides increased support for disease prevention and health promotion programs, in-home services and abuse intervention programs for older Pennsylvanians. An additional initiative provides deferred low-interest loans to developers to increase the supply of affordable rental housing.

This budget also recommends restructuring the General Assistance program to promote family health and stability, provide incentives to employers who hire and train welfare recipients, and encourage welfare recipients to develop life skills leading to financial independence.

Finally, this budget recommends funding to expand voter registration activities and integrate the voter registration process with the driver license application process in order to increase participation in State and national elections.

Recommended Program Revisions:

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

	1994-95	
Program Revision / Department / Appropriation	General Fund	Federal and Other Funds
	(Dollar Amounts in Thousands)	
AIDS SERVICE INITIATIVES		
HEALTH:		
AIDS Programs	\$ 791	.....
HIVCare .....	.....	\$ 1,600
PUBLIC WELFARE:		
County Administration - Statewide	68	.....
Medical Assistance - Statewide .....	.....	68
Medical Assistance - Outpatient	481	.....
Medical Assistance .....	.....	573
Medical Assistance - Inpatient	-706	.....
Medical Assistance .....	.....	-841
Subtotal	\$ 634	\$ 1,400

This Program Revision provides funds to expand direct care services available to HIV infected individuals and their families and establish two early assessment and treatment clinics. In addition, the Medical Assistance AIDS waiver program will be expanded through fee increases for certain services and will provide community-based services to persons with higher medical costs.

Program Revision / Department / Appropriation

General Fund	Federal and Other Funds
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(Dollar Amounts in Thousands)

ENHANCING SERVICES FOR OLDER PENNSYLVANIANS _____**AGING:**

PENNCARE	\$	6,698
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This Program Revision provides \$6.698 million from the Lottery Fund to enhance the continuum of services provided to older Pennsylvanians. The components of the Program Revision include: improving the quality of the physical plants of senior centers; expanding the disease prevention and health promotion programs currently offered through senior centers; providing basic in-home services to an additional 1,255 individuals; and increasing the number of older Pennsylvanians assisted through the Abuse Intervention Program by over 10 percent.

LOW-INCOME HOUSING LOAN PROGRAM _____**HOUSING FINANCE AGENCY:**

PennHOMES	\$	4,000
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This Program Revision provides funds to support the Housing Finance Agency's efforts to increase the Commonwealth's supply of affordable rental housing. These funds will be used to provide financing for developers of multifamily housing through the PennHOMES program.

RESTRUCTURING GENERAL ASSISTANCE _____**PUBLIC WELFARE:**

County Assistance Offices	\$	400	.....
Maintenance Assistance - County Assistance			\$ 400
Cash Grants	-76,378		.....
Maintenance Assistance - Cash Grants			208
Medical Assistance - Outpatient	-12,059		.....
Medical Assistance			36
Medical Assistance - Inpatient	-26		.....
Medical Assistance			30
Subtotal	\$ -88,063		\$ 674

This Program Revision provides a restructuring of the existing General Assistance program to promote family health and stability. It also implements a pilot program aimed at reducing welfare dependency and improving welfare recipients' work skills.

VOTER REGISTRATION ENHANCEMENT _____**STATE:**

General Government Operations	\$	-34	.....
Voter Registration		500	.....

TRANSPORTATION:

Voter Registration		740	.....
Subtotal	\$	1,206	.....

This Program Revision provides funds to expand current voter registration activities, to conduct training and outreach programs for counties and to produce public service announcements as part of a campaign to increase awareness of the expanded opportunities for voter registration. The Department of Transportation will integrate voter registration with its driver license application process at the photo license centers.

Safety

Protecting the health and safety of its citizens, establishing clear and effective regulations and enforcing the laws are basic functions of State Government.

This budget continues the Commonwealth's efforts to create a safe society for its citizens by establishing a new 100-bed maximum security facility to house violent juvenile offenders and by enhancing adult probation and parole supervision techniques. This includes increasing electronic monitoring, establishing a day reporting program, providing upgraded safety equipment, improving office security and additional parole supervision training. In addition, this budget recommends developing a plan to comply with new Federal transportation guidelines related to improving the planning and management of surface transportation resources.

This budget provides \$3.2 million to the Department of Environmental Resources to implement new Federal Safe Drinking Water regulations, conduct sanitary surveys, set performance standards for water quality, approve tap water monitoring programs, test for copper and lead, and provide inspection and enforcement training.

Recommended Program Revisions:

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

	1994-95	
Program Revision / Department / Appropriation	General Fund	Federal and Other Funds
	(Dollar Amounts in Thousands)	
JUVENILE JUSTICE SYSTEM EXPANSION		
EDUCATION:		
Youth Development Centers - Education	\$ 471	....
PUBLIC WELFARE:		
Youth Development Institutions and Forestry Camps	2,927	....
Subtotal	\$ 3,398	....

This Program Revision provides funds to establish a new 100-bed maximum security Youth Development Center in central Pennsylvania to house violent juvenile offenders. Emphasis will be placed on security and control, with program and treatment services available as appropriate. The staff supervision and physical plant of this new facility will be similar to that of an adult correctional institution while program and treatment services will be similar to those currently provided by secure Youth Development Centers' Educational Services. In addition, \$736,000 in Federal Drug Control and System Improvement (DCSI) funds will support this Program Revision.

SUPERVISION AND SAFETY IMPROVEMENTS

BOARD OF PROBATION AND PAROLE:

General Government Operations	\$ 1,024
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This Program Revision improves supervision capacity, increases electronic monitoring to divert offenders from higher levels of custody, establishes a day reporting program to facilitate the reintegration of offenders into society, provides upgraded parole officer safety equipment and improved office security, and provides training on effective parole supervision methods.

Program Revision / Department / Appropriation

1994-95

MANAGEMENT SYSTEM ENHANCEMENTS _____

TRANSPORTATION:

	General Fund	Federal and Other Funds
	(Dollar Amounts in Thousands)	
Highway and Safety Improvement	\$ 400
Highway Research, Planning and Construction	1,600
Subtotal	\$ 2,000

This Program Revision provides funding to initiate compliance with Intermodal Surface Transportation Efficiency Act guidelines which require states to improve the planning and management of surface transportation resources.

Cost Containment

The Medical Assistance Program continues to experience dramatic increases in expenditures due to growing caseloads and escalating costs for medical services. Between fiscal years 1990-91 and 1992-93, the Commonwealth addressed these cost increases by financing a portion of this program using voluntary private donations from Medical Assistance providers to generate additional Federal funds, a process known as pooling. However, Federal law prohibits states from using voluntary pooling after fiscal year 1992-93.

In 1993-94, the Commonwealth implemented additional cost containment initiatives that resulted in earning Federal reimbursement for medical services provided to General Assistance and Social Security Disability clients. In addition, contributions from county governments were used to earn additional Federal reimbursement, thereby reducing State fund expenditures for long-term care services.

As a further cost containment effort, this budget recommends revising the Medical Assistance pharmaceutical reimbursement formula for brand name and generic drugs to be consistent with payment rates of other third party payors and Federal regulations.

Recommended Program Revisions: _____

This Budget recommends the following Program Revision which is explained in more detail in the agency presentation.

	1994-95	
Program Revision / Department / Appropriation	General Fund	Federal and Other Funds
	(Dollar Amounts in Thousands)	
PHARMACEUTICAL COST CONTAINMENT _____		
PUBLIC WELFARE:		
Medical Assistance - Outpatient	\$ -10,170	.....
Medical Assistance .....	.....	\$ -10,363

This Program Revision revises the Medical Assistance pharmaceutical reimbursement formula for brand name and generic drugs by redefining usual and customary charges to reflect payment rates made by cash paying customers and all other third party payors, and readopting the maximum Federal reimbursement rates for generic drugs as the State's payment standard.



Commonwealth of Pennsylvania

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. The Federal Omnibus Budget Reconciliation Act of 1990 created a new block grant called Child Care and Development. 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 Alcohol, Drug Abuse and Mental Health Administration Reorganization Act of 1992 split the Alcohol, Drug Abuse and Mental Health Services block grant into separate mental health and substance abuse block grants.

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 1993-94 estimated block amounts reflect the best current estimate of the amounts available and, therefore, may be different from the amounts appropriated.

The recommended distribution by program for 1994-95 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.

SUMMARY OF FEDERAL BLOCK GRANTS

(Dollar Amounts in Thousands)

	1992-93 Actual Block	1993-94 Estimated Block	1994-95 Recommended Block
Community Services	\$ 16,564	\$ 16,888	\$ 16,921
Small Communities	55,833	61,068	66,134
Education	19,355	19,618	16,387
Maternal and Child Health	29,270	39,820	33,377
Preventive Health and Health Services ...	5,786	10,472	9,935
Substance Abuse	54,366	60,248	55,669
Job Training Partnership	190,288	233,167	270,079
Child Care and Development	28,259	30,914	35,154
Low-Income Home Energy Assistance ...	101,807	93,506	98,621
Mental Health Services	14,768	12,629	12,630
Social Services	137,017	133,592	148,569
Anti-Drug Abuse	40,521	45,480	36,964
TOTAL	<u>\$ 693,834</u>	<u>\$ 757,402</u>	<u>\$ 800,440</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 and 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 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	1992-93 Actual Block	1993-94 Estimated Block	1994-95 Recommended Block
Community Affairs			
Administration	\$ 725	\$ 818	\$ 851 ^a
Community Services	<u>15,839</u>	<u>16,070</u>	<u>16,070</u>
TOTAL	<u>\$ 16,564</u>	<u>\$ 16,888</u>	<u>\$ 16,921</u>

^aIncludes carryover.

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 of which 24 percent is 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	1992-93	1993-94	1994-95
	Actual Block	Estimated Block	Recommended Block
Community Affairs			
Administration	\$ 1,115	\$ 1,068	\$ 1,134
Small Communities	54,718	60,000	65,000
TOTAL	<u>\$ 55,833</u>	<u>\$ 61,068</u>	<u>\$ 66,134</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 for each new grant. The recommended budget includes 80 percent for school districts.

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

Department / Appropriation	(Dollar Amounts in Thousands)		
	1992-93 Actual Block	1993-94 Estimated Block	1994-95 Recommended Block
Education:			
Education Block Grant—Administration	\$ 457	\$ 615	\$ 772
Education Block Grant—Targeted Assistance and Effective Schools	3,248 ^a	3,140 ^a	2,935 ^a
Subtotal	<u>\$ 3,705</u>	<u>\$ 3,755</u>	<u>\$ 3,707</u>
School Districts:			
Education Block Grant — School District Distribution	\$ 15,650	\$ 15,863	\$ 12,680
Subtotal	<u>\$ 15,650</u>	<u>\$ 15,863</u>	<u>\$ 12,680</u>
TOTAL	<u><u>\$ 19,355</u></u>	<u><u>\$ 19,618</u></u>	<u><u>\$ 16,387</u></u>

^aIncludes carryover in all three years.

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 disabling conditions among children, rehabilitative services for visually impaired and disabled individuals under age 16, and treatment and care for disabled children.

Consolidated programs include maternal and child health services and services for children with special needs.

The Omnibus Budget Reconciliation Act of 1981 provides that the Federal Department of Health and Human Services (DHHS) monitors 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)		
	1992-93 Actual Block	1993-94 Estimated Block	1994-95 Recommended Block
Health:			
Administration	\$ 1,441	\$ 2,116	\$ 1,996
Program Services	27,829 ^a	37,704 ^b	31,381
TOTAL.....	\$ 29,270	\$ 39,820	\$ 33,377

^aActually appropriated as - Disabled Children, \$7,720,000, and - Maternal Services \$20,109,000.

^bActually appropriated as - Disabled Children, \$10,560,000, and - Maternal Services \$27,144,000.

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 by the Omnibus Budget Reconciliation Act of 1981 include emergency medical services, health incentive grants, hypertension control, rodent control, health education/risk reduction, and rape prevention and crisis services. Administration is limited to ten percent.

The Preventive Health Act Amendments of 1992 also allow funds to be spent on achieving Year 2000 Health Objectives and work toward eliminating disparities between the health status of the general population and that of identifiable subpopulations including geographical, racial, ethnic, gender or other groups.

(Dollar Amounts in Thousands)

Department / Appropriation	1992-93 Actual Block	1993-94 Estimated Block	1994-95 Recommended Block
Health:			
Administration	\$ 433	\$ 600	\$ 650
Program Services	2,575 ^a	5,481 ^b	6,694
Tuberculosis Programs	995	1,491	1,500
Diabetes	402	560	731
Subtotal	<u>\$ 4,405</u>	<u>\$ 8,132</u>	<u>\$ 9,575</u>
Public Welfare:			
Rape Crisis Centers	\$ 360	\$ 360	\$ 360
Environmental Resources:			
Administration	\$ 49	\$ 180 ^c	.....^c
Rodent Control	972	1,800 ^c	.....^c
Subtotal	<u>\$ 1,021</u>	<u>\$ 1,980</u>	.....
TOTAL	<u><u>\$ 5,786</u></u>	<u><u>\$ 10,472</u></u>	<u><u>\$ 9,935</u></u>

^aActually appropriated as PHHSBG — Health Education & Prevention, \$975,000; PHHSBG — Hypertension Services, \$1,599,000; and PHHSBG — Fluoridation, \$1,000.

^bActually appropriated as PHHSBG — Health Education & Prevention, \$3,369,000; PHHSBG — Hypertension Services, \$2,012,000; and PHHSBG — Fluoridation \$100,000.

^cRodent control will be conducted by the Department of Health under Program Services in 1993-94 and 1994-95. An amount of \$546,000 will be subgranted from Environmental Resources to Health for this purpose during 1993-94.

Substance Abuse

This block grant provides funds to establish and maintain programs to combat alcohol and drug abuse. These programs include individual substance abuse services, community services, drug and alcohol formula grants and alcoholism treatment and rehabilitation services.

Department / Appropriation	(Dollar Amounts in Thousands)		
	1992-93 Actual Block	1993-94 Estimated Block	1994-95 Recommended Block
Executive Offices:			
State Employees Assistance Program	\$ 566 ^a	\$ 576	\$
Corrections:			
Rehabilitation — Administration	\$ 110 ^a	\$ 110 ^a	\$ 110 ^a
Drug and Alcohol Services	1,990 ^a	2,040 ^a	1,990 ^a
Subtotal	\$ 2,100	\$ 2,150	\$ 2,100
Health:			
SABG Administration	\$ 1,444	\$ 1,644	\$ 1,669
Drug and Alcohol Services	52,922 ^b	58,028 ^c	54,000
Subtotal	\$ 54,366	\$ 59,672	\$ 55,669
 TOTAL	 \$ 54,366	 \$ 60,248	 \$ 55,669

^aSubgrants not added to total to avoid double counting

^bActually appropriated as Alcohol Services, \$25,328,000, and Drug Services, \$27,594,000.

^cActually appropriated as Alcohol Services, \$29,014,000, and Drug Services, \$29,014,000.

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) serves economically disadvantaged adults, youth and older workers. Title III (Employment and Training Assistance for Dislocated Workers) serves dislocated workers.

Title II is divided into three categories. Title II-A, Adult Training Programs, requires that 77 percent of its funds pass through to Service Delivery Areas (SDAs) to establish programs to prepare adults for participation in the labor force by increasing their occupational and educational skills. The remainder of the funds under this title are spent as follows: 8 percent for educational training programs, 5 percent for incentive grants, 5 percent for older workers programs and 5 percent for administration. Title II-C, Youth Training Programs, requires that 82 percent of its funds pass through the SDAs to improve the long-term employability of youth, enhance the educational, occupation, and citizenship skills of youth, reduce welfare dependency, and assist youth in addressing problems that impair their ability to make successful transitions from school to work, apprenticeship, the military, or postsecondary education and training. The remainder of the funds under this title are spent as follows: 8 percent for educational training program, 5 percent for incentive grants and 5 percent for administration. Title II-B (Summer Youth Employment and Training Programs) requires that 100 percent of its funds pass through the SDAs to enhance the basic educational skills of youth; to encourage school completion or enrollment in supplementary or alternative school programs; to provide eligible youth with exposure to the world of work; and to enhance the citizenship skills to youth.

Title III (Employment and Training Assistance for Dislocated Workers) funds are used to provide rapid response assistance; to deliver, coordinate, and integrate basic readjustment services and support services; to provide retraining services; to provide needs-related payments; and to provide for coordination with the unemployment compensation system. The Dislocated Worker program has been expanded to address readjustment needs under the North American Free Trade Agreement, defense downsizing and environmental protection, as well as dislocation for any other cause.

In 1992-93 the Commonwealth received Emergency Summer Youth funds as a result of the Federal emergency urban aid package. In addition in 1993-94 Summer Youth received \$7.1 million in Federal stimulus funds which are included in the appropriation.

Administration of these titles is shared by the Departments of Labor and Industry, Education and the Office of the Budget.

Department / Appropriation	(Dollar Amounts in Thousands)		
	1992-93	1993-94	1994-95
	Actual Block	Estimated Block	Recommended Block
Executive Offices:			
Office of the Budget	\$ 498	\$ 650	\$ 590
Education:			
Linkages	\$ 940	\$ 1,630	\$ 1,293
Corrections Education	245	365	370
Educational Training	4,487	6,111	6,372
Emergency Summer Youth	14,072 ^a		
Subtotal	<u>\$ 19,744</u>	<u>\$ 8,106</u>	<u>\$ 8,035</u>
Labor and Industry:			
Administration	\$ 2,455	\$ 3,538	\$ 3,670
Grants to Service Delivery Areas	70,000	74,000	76,800
Summer Youth Program	36,000	85,000	85,000
Emergency Summer Youth	20,545		
Incentive Grants	6,862	6,500	6,743
Older Workers	3,900	4,500	4,668
Dislocated Workers	43,483	50,000	83,700
Veterans' Employment	873	873	873
Subtotal	<u>\$ 184,118</u>	<u>\$ 224,411</u>	<u>\$ 261,454</u>
TOTAL	<u>\$ 190,288</u>	<u>\$ 233,167</u>	<u>\$ 270,079</u>

^aSubgrant not added to total to avoid double counting.

Child Care and Development

The Omnibus Budget Reconciliation Act of 1990 created a new block grant which provided funds to the states starting in September 1991. This block grant has no State match requirements. Funds are distributed to states by formula. Seventy-five percent of the grant may be used either to provide child care services directly to families with incomes below 75 percent of the state median income or to increase the availability or quality of child care.

Of the remaining 25 percent, three-fourths has to be spent on programs to provide preschool education or to serve school-age children before and/or after school. Another 20 percent must be spent on quality improvement activities. Pennsylvania could spend the remaining five percent of the funds on either activity.

Department / Appropriation	(Dollar Amounts in Thousands)		
	1992-93 Actual Block	1993-94 Estimated Block	1994-95 Recommended Block
Education			
Child Care Block Grant Services	\$ 5,575	\$ 5,797	\$ 5,937
Public Welfare			
Child Care Block Grant Administration	\$ 1,003	\$ 2,043	\$ 2,243
Child Care Block Grant Services	21,681	23,074	26,974
Subtotal	<u>\$ 22,684</u>	<u>\$ 25,117</u>	<u>\$ 29,217</u>
TOTAL	<u>\$ 28,259</u>	<u>\$ 30,914</u>	<u>\$ 35,154</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 the past, the Department of Public Welfare's energy assistance program received supplemental funding from the Energy Conservation and Assistance Fund. The fund provided \$10,200,000 in 1992-93 and \$6,600,000 during 1993-94 for the Low-Income Home Energy Assistance Program (LIHEAP). This funding is no longer available.

Department / Appropriation	(Dollar Amounts in Thousands)		
	1992-93 Actual Block	1993-94 Estimated Block	1994-95 Recommended Block
Community Affairs:			
Low-Income Home Energy Assistance Block Grant — Administration	\$ 328	\$ 440	\$ 440
Low-Income Home Energy Assistance Block Grant — Grants	8,238	8,360	8,360
Subtotal	<u>\$ 8,566</u>	<u>\$ 8,800</u>	<u>\$ 8,800</u>
Public Welfare:			
Low-Income Home Energy Assistance Block Grant — Administration	\$ 8,326	\$ 7,805	\$ 8,857
Low-Income Home Energy Assistance Block Grant — Grants	84,915	76,901	80,964
Subtotal	<u>\$ 93,241</u>	<u>\$ 84,706</u>	<u>89,821</u>
TOTAL	<u>\$ 101,807</u>	<u>\$ 93,506</u>	<u>\$ 98,621</u>

Mental Health Services

This block grant provides funds for the provision of services to adults with serious mental illness or children with serious emotional disturbance. Services may be provided by a variety of community-based programs including community mental health programs, psychosocial rehabilitation programs, mental health peer support programs and mental health primary consumer directed programs.

(Dollar Amounts in Thousands)

Department / Appropriation	1992-93 Actual Block	1993-94 Estimated Block	1994-95 Recommended Block
Public Welfare			
Administration	\$ 139	\$ 150	\$ 150
Mental Health Services	14,629	12,479	12,480
TOTAL	\$ 14,768	\$ 12,629	\$ 12,630

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. The Omnibus Reconciliation Act of 1993 included a new grant program to states under the Social Services Block Grant for the establishment of empowerment zones and enterprise communities. Federal funds will be targeted to specific urban or rural areas in proven economic distress. Funds received by the State will go directly to eligible communities.

(Dollar Amounts in Thousands)

Department / Appropriation	1992-93	1993-94	1994-95
	Actual Block	Estimated Block	Recommended Block
Public Welfare:			
General Government	\$ 4,849	\$ 4,743	\$ 4,743
County Assistance Offices	11,908	11,649	11,649
Youth Development	1,688	1,378	1,355
Closing Philadelphia State Hospital	4,431	4,334	.....
Community Mental Health	14,106	13,799	18,133
Community Mental Retardation	17,490	17,124	17,124
Early Intervention	2,747	2,687	2,687
County Child Welfare	15,793	15,449	15,449
Day Care	38,775	37,931	37,931
Domestic Violence	1,508	1,476	1,476
Rape Crisis	793	776	776
Family Planning	4,813	4,708	4,708
Legal Services	6,321	6,183	6,183
Homeless Assistance	2,732	2,673	2,673
Developmentally Disabled	150	147	147
Attendant Care	8,913	8,535	8,535
Enterprise Communities .....	.....	.....	15,000
TOTAL	\$ 137,017	\$ 133,592	\$ 148,569

Anti-Drug Abuse

Two grant programs initially authorized by the Anti-Drug Abuse Act of 1986: the Drug Control and System Improvement (DCSI) grant and the Drug Free Schools and Communities (DFSC) Grant are presented below.

The objective of the Drug Control and System Improvement Grant is to assist states and units of local-government for the purpose of increasing the apprehension, prosecution, adjudication, detention, rehabilitation and treatment of persons who violate State and local laws relating to the production, possession and transfer of controlled substances, and to improve the criminal justice system.

The objective of the Drug Free Schools and Community program is to establish state and local programs for alcohol and drug abuse education and prevention coordinated with related community efforts and resources. Most of the allocation made to Pennsylvania is administered by the Department of Education with the majority of these funds going to local education agencies. The remainder of the amount allocated to the State is used by the Governor's Office for grants and contracts with community based organizations for the development and implementation of broadly based programs for alcohol and drug abuse education and prevention.

The Commonwealth also receives funds for the Substance Abuse Block Grant. This program along with funding recommendations is described elsewhere in this section.

(Dollar Amounts in Thousands)

Department / Appropriation	1992-93 Actual Block	1993-94 Estimated Block	1994-95 Recommended Block
DRUG CONTROL AND SYSTEMS			
IMPROVEMENT FORMULA GRANT			
PROGRAM (DCSI)			
Executive Offices			
<i>Juvenile Court Judges Commission</i>			
DCSI-Juvenile Drug & Alcohol Probation Units	\$ 1,093 ^a	\$ 657 ^a	\$ 219 ^a
DCSI-Juvenile Disposition Data Collection			206 ^a
Subtotal	\$ 1,093	\$ 657	\$ 425
<i>Commission on Crime and Delinquency</i>			
DCSI-Administration	449	564	598
DCSI-Program Grants	16,283	19,900	18,200
DCSI-Criminal History Records	7	10	10
Subtotal	\$ 16,739	\$ 20,474	\$ 18,808
<i>Drug Policy Council</i>			
DCSI-Administration	\$ 39 ^a	\$ 60 ^a	\$ 40 ^a
Attorney General			
DCSI-Drug Transportation Interdiction	\$ 278 ^a	\$ 152 ^a	
DCSI-Combatting Drug Gang Activities		600 ^a	\$ 400 ^a
DCSI-Criminal History Records Audits		258 ^a	430 ^a
DCSI-Continuation of the Philadelphia Initiative	660 ^a	330 ^a	
DCSI-Task Force Maintenance	1,400 ^a	700 ^a	
DCSI-Local Drug Task Forces	422 ^a	234 ^a	
Subtotal	\$ 2,760	\$ 2,274	\$ 830
Community Affairs			
DCSI-Regional Police Assistance	\$ 239 ^a	\$ 317 ^a	\$ 300 ^a
Corrections			
DCSI-Correctional Institutions	\$ 1,362 ^a	\$ 865 ^a	\$ 300 ^a
DCSI-Women and Children		450 ^a	390 ^a
DCSI-County Data Automation		92 ^a	
DCSI-Tracking System			282 ^a
Subtotal	\$ 1,362	\$ 1,407	\$ 972

^aSubgrants not added to total to avoid double counting.

Anti-Drug Abuse (continued)

(Dollar Amounts in Thousands)

Department / Appropriation	1992-93 Actual Block	1993-94 Estimated Block	1994-95 Recommended Block
Education			
DCSI-Statewide Juvenile Records Center		\$ 40 ^a	\$ 27 ^a
Probation and Parole			
DCSI-State Parole Services	\$ 618 ^a	\$ 315 ^a	\$ 60 ^a
DCSI-Local Probation Services	240 ^a		
DCSI-Electronic Monitoring	172 ^a		
DCSI-Community Control Electronic Monitoring			171 ^a
DCSI-Parole Officer Distance Learning			50 ^a
DCSI-Safety Equipment for Supervisory Personnel			718 ^a
Subtotal	\$ 1,030	\$ 315	\$ 999
Public Welfare			
DCSI-Transition/Reentry		\$ 979 ^a	\$ 461 ^a
DCSI-Youth Development Centers	\$ 1,988 ^a	1,902 ^a	248 ^a
DCSI-Southeast Secure Unit		34 ^a	23 ^a
DCSI-Alternatives to Institutionalization	377 ^a	377 ^a	
DCSI-Juvenile Justice System Enhancements Subtotal	\$ 2,365	\$ 3,292	\$ 1,468
State Police			
ADA-Drug Identification	\$ 124 ^a		
DCSI-Drug Law Enforcement	788 ^a	\$ 500 ^a	
DCSI-Municipal Police Drug Law Enforcement DCSI-Crime Lab Upgrade	1,152 ^a 601 ^a	1,000 ^a 1,250 ^a	\$ 250 ^a 150 ^a
DCSI-Communications Processor		783 ^a	
Subtotal	\$ 2,665	\$ 3,533	\$ 400
TOTAL	\$ 16,739	\$ 20,474	\$ 18,808
DRUG FREE SCHOOLS AND COMMUNITIES (DFSC)			
Executive Offices			
<i>Commission on Crime and Delinquency</i>			
DFSC Special Programs - Drug Abuse Resistance Education (DARE)	\$ 65 ^a	\$ 70 ^a	\$ 70 ^a
<i>Drug Policy Council</i>			
DFSC-Administration	\$ 174 ^a	\$ 180 ^a	\$ 200 ^a
<i>Juvenile Court Judges Commission</i>			
DFSC-Special Programs-Probation Services	\$ 150 ^a		
Education			
DFSC-Administration	\$ 950	\$ 1,041	\$ 768
DFSC-School Districts	17,416	18,783	13,864
DFSC-Special Programs	4,852	4,522	3,074
DFSC-Special Programs/Dropout Prevention	564	660	450
DFSC-Special Programs/Scotland School for Veterans' Children		20 ^a	
Subtotal	\$ 23,782	\$ 25,026	\$ 18,156
Health			
DFSC-Special Programs-Student Assistance Program	\$ 1,000 ^a	\$ 1,000 ^a	\$ 680 ^a
Public Welfare			
DFSC-Special Programs-Juvenile Aftercare Services	\$ 1,250 ^a	\$ 1,250 ^a	\$ 850 ^a
DFSC-Special Programs-Domestic Violence	449 ^a	449 ^a	305 ^a
DFSC-Special Programs-Rape Crisis	125 ^a	125 ^a	85 ^a
Subtotal	\$ 1,824	\$ 1,824	\$ 1,240
TOTAL	\$ 23,782	\$ 25,006	\$ 18,156
GRAND TOTAL ALL PROGRAMS	\$ 40,521	\$ 45,480	\$ 36,964

^aSubgrants not added to total to avoid double counting.

Americans with Disabilities Act

The Americans with Disabilities Act (ADA) was signed into law on July 26, 1990. The ADA provides individuals with disabilities comprehensive civil rights protections similar to those currently provided on the basis of race, sex, religion and national origin. It established a clear and comprehensive national mandate to end discrimination against individuals with disabilities, to bring persons with disabilities into the economic and social mainstream of American life, and to provide enforceable standards addressing discrimination against individuals with disabilities.

The ADA requires that individuals with disabilities be provided access to public services and programs and employment opportunities. Requirements to provide equal employment opportunities took effect on July 26, 1992 for large employers such as the Commonwealth. Structural changes needed to provide access to services or programs are required to be made as soon as possible but no later than January 26, 1995.

The Commonwealth made large capital outlays to bring facilities and programs into compliance with the Rehabilitation Act of 1973 and various related state laws. However, the implementation of the ADA will require the Commonwealth to make modifications to infrastructure, facilities, and programs that have not been addressed in the past. These modifications were started in 1992-93 and will continue through 1993-94 and 1994-95.

Department / Appropriation	(Dollar Amounts in Thousands)	
	1993-94 Estimated	1994-95 Recommended
Executive Offices:		
General Fund		
Office of Administration .....	.....	\$ 25
 Agriculture:		
General Fund		
General Government Operations	\$ 5	\$ 15
Farm Products Show Fund		
General Operations .....	.....	15
Subtotal	\$ 5	\$ 30
 Civil Service Commission:		
Other Funds		
General Government Operations	\$ 2	\$ 2
 Education:		
General Fund		
Scranton State School for the Deaf .....	.....	\$ 4
 General Services:		
General Fund		
General Government Operations	\$ 100	\$ 100
 Health:		
General Fund		
State Health Care Centers	\$ 120	.....
 Historical and Museum Commission:		
General Fund		
General Government Operations	\$ 41	\$ 403

Americans with Disabilities Act (continued)

Department / Appropriation	(Dollar Amounts in Thousands)	
	1993-94 Estimated	1994-95 Recommended
Insurance:		
General Fund		
General Government Operations .....	.....	\$ 2
Labor and Industry:		
Vocational Rehabilitation Fund		
General Government Operations	\$ 50	\$ 50
Military Affairs:		
General Fund		
General Government Operations	\$ 52	.....
Pennsylvania Soldiers and Sailors Home	12	.....
Hollidaysburg Veterans Home	6	.....
Southeastern Pennsylvania Veterans Center	3	.....
Subtotal	\$ 73	.....
Probation and Parole:		
General Fund		
General Government Operations .....	.....	\$ 32
Public Welfare:		
General Fund		
General Government Operations .....	.....	\$ 16
County Assistance Offices	\$ 33	265
Information Systems .....	.....	3
Subtotal	\$ 33	\$ 284
Revenue:		
General Fund		
General Government Operations .....	.....	\$ 110
State:		
General Fund		
General Government Operations .....	.....	\$ 32
Corporation Bureau (EA) .....	.....	13
Professional and Occupational Affairs .....	.....	18
Subtotal .....	.....	\$ 63
State Police:		
General Fund		
General Government Operations	\$ 104	\$ 106
Motor License Fund		
General Government Operations	221	224
Subtotal	\$ 325	\$ 330

Americans with Disabilities Act (continued)

(Dollar Amounts in Thousands)

Department / Appropriation	1993-94 Estimated	1994-95 Recommended
Transportation:		
Motor License Fund		
General Government Operations	\$ 776	.....
Highway and Safety Improvement	250	.....
Highway Maintenance	2,712	\$ 7,537
Safety Administration and Licensing	398	660
Aviation Operations	390	86
Subtotal	<u>\$ 4,526</u>	<u>\$ 8,283</u>
 TOTAL	 <u>\$ 5,275</u>	 <u>\$ 9,718</u>
Summary:		
General Fund	\$ 476	\$ 1,144
Motor License Fund	4,747	8,507
Other Funds	<u>52</u>	<u>67</u>
 TOTAL — OPERATING FUNDS	 <u>\$ 5,275</u>	 <u>\$ 9,718</u>

In addition to the above, funds are also available from the Capital Budget as follows:

Corrections:		
State Correctional Institutions	<u>\$ 1,631</u>	.....
 TOTAL	 <u>\$ 6,906</u>	 <u>\$ 9,718</u>

PROGRAM EVALUATION REPORTS

In order that the decision making process has access to objective and in-depth assessments of program performance, the Office of the Budget publishes program evaluation reports. While these reports have addressed many types of questions, the policy has been to emphasize one of two perspectives: (a) evaluating program impact which concerns the definition and measurement of program accomplishments; and (b) evaluating program efficiency in terms of the relationship between program costs and activity levels.

Summaries of reports recently completed or nearing completion are provided below.

Performance Audit of Local Registrar Revenue Accounting System

This audit of the Local Registrar Revenue Accounting System examined the accounting procedures, records and reports prepared and maintained by the Department of Health, Division of Vital Records, and local registrars. The objectives of the audit were to: (1) determine if adequate internal administration and accounting controls existed over the Local Registrar Revenue Accounting System; (2) determine if Comptroller's Office and Department of Health personnel were monitoring the Local Registrar Revenue Accounting System properly; (3) determine if Comptroller Office and Department of Health personnel and the local registrars were making efficient and effective use of available cash management techniques; and (4) determine if local registrars were in compliance with applicable laws, regulations and procedures.

The report recommended that the Department of Health pursue legislation to increase the fees charged for birth and death certificates since the current fees have been in effect since 1980. The audit identified where improvements could be made to the procedures and processes used for: (1) processing birth certificates; (2) verifying local registrars monthly reports; (3) accounting; (4) security over blank certificates; and (5) cash management. The audit also identified noncompliance and the use of some questionable practices by local registrars.

Performance Audit of Special Education

This audit focused on the Department of Education, Bureau of Special Education's implementation of special education funding changes mandated by Act 25 of 1991, its implementation of the revisions to Chapter 14 and 342 of Title 22 special education regulations and examined the bureau's implementation of findings from a previous audit completed in June 1989.

The audit report findings indicated that improvements could be made to the process used to review intermediate units and school districts special education budgets and plans. The report also recommended State statute changes in order to allow the Department of Education to more appropriately and cost effectively fund Intermediate Units core services and Intermediate Units Early Intervention programs. The audit report contains recommendations for improving various other operating and administrative procedures in the Bureau of Special Education.

Performance Audit of Early Intervention Program

This audit will assess the efficiency and effectiveness of the Early Intervention Program. Early Intervention provides services to children from birth to school age who are developmentally delayed. The audit seeks to determine if the program has developed the appropriate management procedures to provide maximum benefit for the dollars invested and, to the extent possible, determine whether the provisions of Act 212 have been effectively implemented.

The specific objectives of the audit are to determine: (1) whether the Departments of Public Welfare and Education effectively and efficiently administer the Early Intervention Program; (2) the quality, effectiveness and efficiency of services provided by the recipients (counties, intermediate units, etc.) of Early Intervention Program funds and/or by contracted professionals; and (3) if the Early Intervention Program is reaching the targeted population in all communities in the Commonwealth.

Preliminary findings indicate: (1) that improvements are needed in the data collection systems and data analysis procedures currently used by the departments; (2) Pennsylvania has an insufficient supply of physical and occupational therapists to effectively meet the needs of the Early Intervention Program; (3) significant differences exist across the State in the cost of providing and methods of delivering Early Intervention services; and (4) the current Early Intervention funding methodology lacks incentives to insure the appropriate and cost-effective provision of Early Intervention services.

PUBLIC INFORMATION AND COMMUNICATIONS

The Commonwealth spends funds on activities to provide government information to the news media and the general public and for other essential communications efforts. Funds are budgeted in 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)	
	1993-94 <u>Estimate</u>	1994-95 <u>Estimate</u>
Governor's Office	\$ 385	\$ 291
Executive Offices	501	526
Lieutenant Governor's Office	97	115
Department of Aging	140	146
Department of Agriculture	240	251
Banking Department	104	105
Civil Service Commission	59	63
Department of Community Affairs	265	281
Department of Corrections	142	148
Economic Development Partnership	285	300
Department of Education	274	283
Emergency Management Agency	107	111
Department of Environmental Resources	1,333	1,413
Fish and Boat Commission	78	80
Game Commission	252	256
Department of General Services	188	197
Department of Health	178	190
Historical and Museum Commission	84	90
Insurance Department	177	179
Department of Labor and Industry	343	353
Liquor Control Board	122	123
Department of Military Affairs	112	117
Milk Marketing Board	174	177
Board of Probation and Parole	27	29
Public Television Network	12	17
Public Utility Commission	150	155
Department of Public Welfare	272	278
Department of Revenue	139	144
Securities Commission	15	16
Department of State	170	178
State Police	176	186
Department of Transportation	523	548
TOTAL	<u>\$ 7,124</u>	<u>\$ 7,346</u>

The Commonwealth also spends funds in these areas:

- *Lottery sales promotion* — \$16 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 older Pennsylvanians during 1993-94. These expenditures are expected to generate approximately \$791 million in lottery revenues during 1993-94.
- *Economic development* — A total of \$7.25 million is recommended from the General Fund to promote tourism and economic development. This has contributed to an estimated \$10 billion in 1993-94 travel revenues to Pennsylvania and supports the State's aggressive effort to preserve and create jobs.



Governor's Executive Budget

*P*rogram
*B*udget
*S*ummary



Commonwealth of Pennsylvania

Commonwealth Program Budget

This section summarizes the 1994-95 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)

	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
DIRECTION AND SUPPORTIVE SERVICES							
GENERAL FUND.....	\$ 452,174	\$ 555,771	\$ 530,601	\$ 526,848	\$ 535,066	\$ 534,256	\$ 535,050
SPECIAL FUNDS.....	259,145	287,744	289,271	290,826	296,415	300,994	306,482
FEDERAL FUNDS.....	1,461	1,558	96,729	96,951	93,248	93,248	93,248
OTHER FUNDS.....	121,750	123,178	142,516	143,478	134,542	135,977	138,170
TOTAL OPERATING.....	\$ 834,530	\$ 968,251	\$ 1,059,117	\$ 1,058,103	\$ 1,059,271	\$ 1,064,475	\$ 1,072,950
CAPITAL BOND AUTHORIZATION.....	\$ 96,194	\$ 32,791	\$ 12,302	\$ 11,181	\$ 9,513	\$ 9,989	\$ 10,488
PROGRAM TOTAL.....	\$ 930,724	\$ 1,001,042	\$ 1,071,419	\$ 1,069,284	\$ 1,068,784	\$ 1,074,464	\$ 1,083,438
PROTECTION OF PERSONS AND PROPERTY							
GENERAL FUND.....	\$ 1,141,661	\$ 1,300,075	\$ 1,467,362	\$ 1,516,372	\$ 1,543,569	\$ 1,559,214	\$ 1,562,304
SPECIAL FUNDS.....	316,410	342,021	356,192	354,656	355,575	357,847	360,595
FEDERAL FUNDS.....	112,514	165,969	149,302	146,638	145,936	145,669	145,670
OTHER FUNDS.....	795,367	1,166,080	1,071,329	1,062,435	1,089,887	1,116,221	1,143,183
TOTAL OPERATING.....	\$ 2,365,952	\$ 2,974,145	\$ 3,044,185	\$ 3,080,101	\$ 3,134,967	\$ 3,178,951	\$ 3,211,752
CAPITAL BOND AUTHORIZATION.....	\$ 59,322	\$ 58,353	\$ 24,998	\$ 43,174	\$ 50,400	\$ 52,920	\$ 55,566
PROGRAM TOTAL.....	\$ 2,425,274	\$ 3,032,498	\$ 3,069,183	\$ 3,123,275	\$ 3,185,367	\$ 3,231,871	\$ 3,267,318
INTELLECTUAL DEVELOPMENT AND EDUCATION							
GENERAL FUND.....	\$ 6,563,601	\$ 6,824,858	\$ 7,023,908	\$ 7,008,283	\$ 7,018,131	\$ 7,021,573	\$ 7,021,730
SPECIAL FUNDS.....	1,650	1,804	1,672	1,672	1,672	1,672	1,672
FEDERAL FUNDS.....	761,708	914,095	814,498	814,434	813,621	813,621	813,621
OTHER FUNDS.....	344,533	351,977	344,108	351,591	353,647	354,608	355,783
TOTAL OPERATING.....	\$ 7,671,492	\$ 8,092,734	\$ 8,184,186	\$ 8,175,980	\$ 8,187,071	\$ 8,191,474	\$ 8,192,806
CAPITAL BOND AUTHORIZATION.....	\$ 223,070	\$ 94,080	\$ 22,428	\$ 47,176	\$ 44,919	\$ 47,165	\$ 49,523
PROGRAM TOTAL.....	\$ 7,894,562	\$ 8,186,814	\$ 8,206,614	\$ 8,223,156	\$ 8,231,990	\$ 8,238,639	\$ 8,242,329
HEALTH AND HUMAN SERVICES							
GENERAL FUND.....	\$ 4,887,676	\$ 5,337,081	\$ 5,624,738	\$ 6,093,383	\$ 6,287,074	\$ 6,452,510	\$ 6,639,452
SPECIAL FUNDS.....	604,784	588,121	570,429	574,727	585,268	595,421	604,911
FEDERAL FUNDS.....	5,133,872	6,022,406	6,247,270	5,814,233	6,011,941	6,183,586	6,367,955
OTHER FUNDS.....	1,043,775	722,447	712,819	430,468	447,016	459,696	475,737
TOTAL OPERATING.....	\$11,670,107	\$12,670,055	\$13,155,256	\$12,912,811	\$13,331,299	\$13,691,213	\$14,088,055
CAPITAL BOND AUTHORIZATION.....	\$ 25,783	\$ 62,009	\$ 6,943	\$ 22,639	\$ 22,657	\$ 23,789	\$ 24,980
PROGRAM TOTAL.....	\$11,695,890	\$12,732,064	\$13,162,199	\$12,935,450	\$13,353,956	\$13,715,002	\$14,113,035
ECONOMIC DEVELOPMENT							
GENERAL FUND.....	\$ 427,586	\$ 535,095	\$ 517,371	\$ 523,411	\$ 526,785	\$ 526,160	\$ 516,205
SPECIAL FUNDS.....	62,157	75,000	65,250	65,250	69,750	68,750	67,750
FEDERAL FUNDS.....	334,648	446,862	492,545	470,135	453,990	441,880	441,068
OTHER FUNDS.....	480,891	549,903	566,378	510,022	502,882	418,577	413,604
TOTAL OPERATING.....	\$ 1,305,282	\$ 1,606,860	\$ 1,641,544	\$ 1,568,818	\$ 1,553,407	\$ 1,455,367	\$ 1,438,627
CAPITAL BOND AUTHORIZATION.....	\$ 267,522	\$ 209,988	\$ 0	\$ 225	\$ 0	\$ 0	\$ 0
PROGRAM TOTAL.....	\$ 1,572,804	\$ 1,816,848	\$ 1,641,544	\$ 1,569,043	\$ 1,553,407	\$ 1,455,367	\$ 1,438,627

Five-Year Summary of Commonwealth Programs

(Dollar Amounts in Thousands)

	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
TRANSPORTATION AND COMMUNICATION							
GENERAL FUND.....	\$ 303,043	\$ 318,291	\$ 328,379	\$ 331,864	\$ 340,003	\$ 343,322	\$ 347,912
SPECIAL FUNDS.....	1,111,461	1,136,784	1,191,810	1,112,119	1,117,266	1,117,557	1,116,489
FEDERAL FUNDS.....	585,281	756,487	831,360	823,285	853,785	839,285	838,785
OTHER FUNDS.....	697,700	698,925	752,102	652,041	666,748	687,493	683,008
TOTAL OPERATING.....	\$ 2,697,485	\$ 2,910,487	\$ 3,103,651	\$ 2,919,309	\$ 2,977,802	\$ 2,987,657	\$ 2,986,194
CAPITAL BOND AUTHORIZATION.....	\$ 1,432,480	\$ 177,801	\$ 45,226	\$ 55,564	\$ 55,125	\$ 57,881	\$ 60,775
PROGRAM TOTAL.....	\$ 4,129,965	\$ 3,088,288	\$ 3,148,877	\$ 2,974,873	\$ 3,032,927	\$ 3,045,538	\$ 3,046,969
RECREATION AND CULTURAL ENRICHMENT							
GENERAL FUND.....	\$ 159,782	\$ 170,541	\$ 172,534	\$ 176,255	\$ 176,715	\$ 177,052	\$ 175,216
SPECIAL FUNDS.....	77,974	79,434	82,146	84,945	86,399	74,428	72,503
FEDERAL FUNDS.....	20,365	27,964	27,598	27,865	28,117	28,419	28,696
OTHER FUNDS.....	30,868	51,403	58,901	70,845	66,741	62,798	61,469
TOTAL OPERATING.....	\$ 288,989	\$ 329,342	\$ 341,179	\$ 359,910	\$ 357,972	\$ 342,697	\$ 337,884
CAPITAL BOND AUTHORIZATION.....	\$ 11,826	\$ 19,022	\$ 2,327	\$ 25,150	\$ 30,012	\$ 31,513	\$ 33,088
PROGRAM TOTAL.....	\$ 300,815	\$ 348,364	\$ 343,506	\$ 385,060	\$ 387,984	\$ 374,210	\$ 370,972
COMMONWEALTH TOTALS							
GENERAL FUND.....	\$13,935,523	\$15,041,712	\$15,664,893	\$16,176,416	\$16,427,343	\$16,614,087	\$16,797,869
SPECIAL FUNDS.....	2,433,581	2,510,908	2,556,770	2,484,195	2,512,345	2,516,669	2,530,402
FEDERAL FUNDS.....	6,949,849	8,335,341	8,659,302	8,193,541	8,400,638	8,545,708	8,729,043
OTHER FUNDS.....	3,514,884	3,663,913	3,648,153	3,220,880	3,261,463	3,235,370	3,270,954
TOTAL OPERATING.....	\$26,833,837	\$29,551,874	\$30,529,118	\$30,075,032	\$30,601,789	\$30,911,834	\$31,328,268
CAPITAL BOND AUTHORIZATION.....	\$ 2,116,197	\$ 654,044	\$ 114,224	\$ 205,109	\$ 212,626	\$ 223,257	\$ 234,420
PROGRAM TOTAL.....	\$28,950,034	\$30,205,918	\$30,643,342	\$30,280,141	\$30,814,415	\$31,135,091	\$31,562,688

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)

	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
Administrative And Support Services..... \$	47,666	\$ 111,642	\$ 75,382	\$ 68,344	\$ 68,861	\$ 69,142	\$ 70,057
Executive Direction.....	45,431	109,228	73,008	65,970	66,487	66,768	67,683
Personnel Selection.....	1	1	1	1	1	1	1
State Retirement System.....	600	600	560	560	560	560	560
Legal Services.....	1,634	1,813	1,813	1,813	1,813	1,813	1,813
 Fiscal Management..... \$	404,775	\$ 435,294	\$ 447,536	\$ 447,250	\$ 452,574	\$ 455,252	\$ 460,483
Revenue Collection And Administration	324,736	338,058	353,980	355,269	360,571	363,232	368,442
Disbursement.....	44,570	59,859	52,464	51,164	51,186	51,203	51,224
Auditing.....	35,469	37,377	41,092	40,817	40,817	40,817	40,817
 Physical Facilities And Commodities							
Management..... \$	91,378	\$ 107,144	\$ 104,247	\$ 105,049	\$ 110,695	\$ 110,695	\$ 110,698
Facility, Property And Commodity							
Management.....	91,378	107,144	104,247	105,049	110,695	110,695	110,698
 Legislative Processes..... \$	141,300	\$ 161,329	\$ 168,149	\$ 168,149	\$ 168,149	\$ 168,149	\$ 168,149
Legislature.....	141,300	161,329	168,149	168,149	168,149	168,149	168,149
 Interstate Relations..... \$	754	\$ 785	\$ 815	\$ 815	\$ 815	\$ 815	\$ 815
Interstate Relations.....	754	785	815	815	815	815	815
 Debt Service..... \$	25,446	\$ 27,321	\$ 23,743	\$ 28,067	\$ 30,387	\$ 31,197	\$ 31,330
Debt Service.....	25,446	27,321	23,743	28,067	30,387	31,197	31,330
 PROGRAM TOTAL..... \$	711,319	\$ 843,515	\$ 819,872	\$ 817,674	\$ 831,481	\$ 835,250	\$ 841,532
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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, 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 Department 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)

	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
General Administration And Support..... \$	25,076	25,846	27,899	27,928	27,931	27,934	27,937
Criminal & Juvenile Justice Planning.	2,174	2,678	2,527	2,527	2,527	2,527	2,527
Environmental Support Services.....	22,902	23,168	25,372	25,401	25,404	25,407	25,410
Public Protection And Law Enforcement.. \$	427,290	460,986	482,792	482,188	485,700	488,323	491,069
State Police.....	320,281	330,929	347,417	346,564	347,685	347,850	348,060
Attorney General.....	44,929	50,453	54,484	54,484	54,484	54,484	54,484
Highway Safety Administration And Licensing.....	62,080	79,604	80,891	81,140	83,531	85,989	88,525
Control And Reduction Of Crime..... \$	541,906	656,678	787,404	828,337	845,917	860,537	866,374
Institutionalization Of Offenders....	499,499	604,400	729,961	770,940	788,450	803,012	808,798
Reintegration Of Adult Offenders.....	42,407	52,278	57,443	57,397	57,467	57,525	57,576
Juvenile Crime Prevention..... \$	4,270	4,927	5,468	5,756	5,824	5,893	5,893
Reintegration Of Juvenile Delinquents	4,270	4,927	5,468	5,756	5,824	5,893	5,893
Adjudication Of Defendants..... \$	140,193	153,077	162,997	162,997	162,997	162,997	162,997
State Judicial System.....	140,193	153,077	162,997	162,997	162,997	162,997	162,997
Public Order & Community Safety..... \$	17,136	17,019	18,171	18,171	18,171	18,104	18,104
Emergency Management.....	3,966	3,478	3,952	3,952	3,952	3,885	3,885
State Military Readiness.....	13,170	13,541	14,219	14,219	14,219	14,219	14,219
Protection From Natural Hazards & Disasters..... \$	123,124	130,267	143,685	145,531	144,953	144,936	144,400
Environmental Protection And Management.....	123,124	130,267	143,685	145,531	144,953	144,936	144,400

Protection of Persons and Property (continued)

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
Consumer Protection..... \$	71,021	68,428	74,257	63,964	64,270	64,370	64,722
Consumer Protection.....	2,805	1,729	2,435	2,513	2,464	2,370	2,301
Financial Institution Regulation.....	9,619	10,343	10,413	10,517	10,622	10,729	10,836
Securities Industry Regulation.....	2,913	2,737	2,353	2,353	2,353	2,353	2,353
Insurance Industry Regulation.....	12,817	10,677	11,195	70	70	70	70
Horse Racing Regulation.....	8,996	7,756	10,291	11,098	11,170	11,057	11,139
Milk Industry Regulation.....	1,763	1,882	2,032	2,117	2,233	2,322	2,434
Medical Malpractice Arbitration and Health Facilities.....	658	427	383	203	203	203	203
Protection & Development Of Agricultural Industries.....	31,450	32,877	35,155	35,093	35,155	35,266	35,386
Community And Occupational Safety and Stability..... \$	14,896	19,597	19,340	19,340	19,340	19,340	19,340
Community And Occupational Safety And Stability.....	13,933	18,324	18,092	18,092	18,092	18,092	18,092
Fire Prevention And Safety.....	963	1,273	1,248	1,248	1,248	1,248	1,248
Prevention And Elimination Of Discriminatory Practices..... \$	7,818	8,632	9,166	9,166	9,166	9,166	9,166
Prevention And Elimination Of Discriminatory Practices.....	7,818	8,632	9,166	9,166	9,166	9,166	9,166
Debt Service..... \$	85,341	96,639	92,375	107,650	114,875	115,461	112,897
Debt Service.....	85,341	96,639	92,375	107,650	114,875	115,461	112,897
PROGRAM TOTAL.....	\$ 1,458,071	\$ 1,642,096	\$ 1,823,554	\$ 1,871,028	\$ 1,899,144	\$ 1,917,061	\$ 1,922,899

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 preschool, 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)

	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
Educational Support Services.....	\$ 19,510	\$ 26,273	\$ 21,637	\$ 21,637	\$ 21,637	\$ 21,637	\$ 21,637
Education Support Services.....	19,510	26,273	21,637	21,637	21,637	21,637	21,637
Basic Education.....	\$ 5,147,027	\$ 5,300,633	\$ 5,465,898	\$ 5,432,040	\$ 5,432,040	\$ 5,432,040	\$ 5,432,040
Basic Education.....	5,059,528	5,210,124	5,376,149	5,342,291	5,342,291	5,342,291	5,342,291
Information Technology Education.....	.....	2,000	1,000	1,000	1,000	1,000	1,000
Public Utility Realty Payments.....	87,499	88,509	88,749	88,749	88,749	88,749	88,749
Higher Education.....	\$ 1,285,274	\$ 1,378,538	\$ 1,432,239	\$ 1,432,239	\$ 1,432,239	\$ 1,432,239	\$ 1,432,239
Higher Education.....	1,075,893	1,145,910	1,179,577	1,179,577	1,179,577	1,179,577	1,179,577
Financial Assistance To Students.....	180,137	199,675	218,812	218,812	218,812	218,812	218,812
Financial Assistance To Institutions.	29,244	32,953	33,850	33,850	33,850	33,850	33,850
Debt Service.....	\$ 113,440	\$ 121,218	\$ 105,806	\$ 124,039	\$ 133,887	\$ 137,329	\$ 137,486
Debt Service.....	113,440	121,218	105,806	124,039	133,887	137,329	137,486
PROGRAM TOTAL.....	\$ 6,565,251	\$ 6,826,662	\$ 7,025,580	\$ 7,009,955	\$ 7,019,803	\$ 7,023,245	\$ 7,023,402

Health and Human Services

The goals of this program are 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 that maximize the capacity of individuals and families to adjust to society and to minimize socially aberrant behavior.

This program deals with the following substantive areas: research; prevention and treatment of physical, mental health and mental retardation disorders; 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.

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)

	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
Human Services Support..... \$	65,255	75,591	65,951	65,740	65,750	65,758	65,768
Human Services Support.....	65,255	75,591	65,951	65,740	65,750	65,758	65,768
Social Development Of Individuals..... \$	426,171	507,343	486,557	481,355	482,189	482,668	482,963
Human Services.....	426,171	507,343	486,557	481,355	482,189	482,668	482,963
Support Of Older Pennsylvanians..... \$	588,218	593,061	604,670	608,968	619,509	629,662	639,152
Community Services For Older Pennsylvanians.....	151,534	160,544	172,555	177,068	183,847	190,843	197,960
Older Pennsylvanians Transit.....	132,145	137,517	136,115	140,900	145,662	150,819	156,192
Homeowners And Renters Assistance....	104,539	104,000	100,000	99,000	98,000	97,000	96,000
Pharmaceutical Assistance.....	200,000	191,000	196,000	192,000	192,000	191,000	189,000
Income Maintenance..... \$	1,082,993	1,142,915	1,099,565	1,113,204	1,122,219	1,131,321	1,140,560
Income Maintenance.....	1,074,089	1,134,581	1,091,663	1,105,327	1,114,462	1,123,694	1,133,063
Workers Compensation And Assistance..	5,529	5,005	4,525	4,500	4,380	4,250	4,120
Crime Victims' Assistance.....	599	609	657	657	657	657	657
Military Compensation And Assistance..	2,776	2,720	2,720	2,720	2,720	2,720	2,720
Physical Health Treatment..... \$	2,177,274	2,562,715	2,823,034	3,149,455	3,330,924	3,487,357	3,666,851
Medical Assistance.....	1,949,076	2,307,931	2,552,375	2,875,287	3,056,727	3,213,138	3,392,602
Health Treatment Services.....	21,031	22,528	22,519	22,757	22,763	22,767	22,773
Health Support Services.....	17,108	18,917	21,633	21,758	21,772	21,783	21,797
Health Research.....	12,693	13,441	14,002	14,002	14,002	14,002	14,002
Emergency Food Assistance.....	10,996	12,000	13,000	13,000	13,000	13,000	13,000
Prevention and Treatment of Drug and Alcohol Abuse.....	32,130	34,556	37,031	36,431	36,431	36,431	36,431
Preventive Health.....	108,422	121,905	122,322	121,872	121,881	121,888	121,898
Veterans Homes.....	25,818	31,437	40,152	44,348	44,348	44,348	44,348

Health and Human Services (continued)

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
Mental Health.....	\$ 539,208	\$ 391,765	\$ 427,217	\$ 544,148	\$ 544,148	\$ 544,148	\$ 544,148
Mental Health.....	539,208	391,765	427,217	544,148	544,148	544,148	544,148
Mental Retardation.....	\$ 574,053	\$ 610,433	\$ 650,760	\$ 665,397	\$ 665,185	\$ 665,022	\$ 664,816
Mental Retardation.....	574,053	610,433	650,760	665,397	665,185	665,022	664,816
Debt Service.....	\$ 39,288	\$ 41,379	\$ 37,413	\$ 39,843	\$ 42,418	\$ 41,995	\$ 40,105
Debt Service.....	39,288	41,379	37,413	39,843	42,418	41,995	40,105
PROGRAM TOTAL.....	\$ 5,492,460	\$ 5,925,202	\$ 6,195,167	\$ 6,668,110	\$ 6,872,342	\$ 7,047,931	\$ 7,244,363
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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 efforts of the Economic Development Partnership, Infrastructure Investment Authority (PENNVEST) and the Department of Community Affairs are devoted to this program. The Executive Offices, Auditor General, the Department of Education, 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)

	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
Economic Development Support Services.. \$	27,828	36,314	27,413	27,413	27,413	27,413	27,413
Management And Policy.....	27,828	36,314	27,413	27,413	27,413	27,413	27,413
Commonwealth Economic Development..... \$	137,226	170,278	170,362	167,212	172,212	170,212	168,212
Investment In Private Capital.....	17,984	24,875	57,325	34,675	36,175	35,175	33,175
Investment In Public Capital.....	82,297	95,844	71,008	90,508	93,008	93,008	93,008
Investment In Technology Transfer....	29,945	34,540	32,790	32,790	33,790	32,790	32,790
Energy Management And Conservation...	5,100	5,019	2,239	2,239	2,239	2,239	2,239
Environmental Infrastructure.....	1,900	10,000	7,000	7,000	7,000	7,000	7,000
Economic Development of the							
Disadvantaged and Disabled..... \$	52,734	58,826	60,653	60,653	60,653	60,653	60,653
Job Training.....	16,911	21,006	22,270	22,270	22,270	22,270	22,270
Job Training Development.....	11,917	13,665	13,665	13,665	13,665	13,665	13,665
Vocational Rehabilitation.....	23,906	24,155	24,718	24,718	24,718	24,718	24,718
Community Development..... \$	125,492	188,632	154,851	150,943	150,953	150,961	150,971
Community Development And							
Conservation.....	62,146	105,055	67,100	67,192	67,202	67,210	67,220
Housing Assistance.....		19,500	23,500	19,500	19,500	19,500	19,500
Public Utility Realty Payments.....	63,346	64,077	64,251	64,251	64,251	64,251	64,251
Local Government Assistance..... \$	12,147	8,466	5,157	5,057	5,057	5,057	5,057
Municipal Administrative Support							
Capability.....	3,237	2,584	1,861	1,761	1,761	1,761	1,761
Municipal Pension Systems.....	8,910	5,882	3,296	3,296	3,296	3,296	3,296
Debt Service..... \$	134,316	147,579	164,185	177,383	180,247	180,614	171,649
Debt Service.....	134,316	147,579	164,185	177,383	180,247	180,614	171,649
PROGRAM TOTAL..... \$	489,743	610,095	582,621	588,661	596,535	594,910	583,955

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 and 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)

	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
Transportation Systems And Services....	\$ 1,182,796	\$ 1,218,098	\$ 1,282,156	\$ 1,230,820	\$ 1,264,983	\$ 1,269,158	\$ 1,270,715
State Highway and Bridge Construction and Reconstruction.....	127,657	140,000	176,400	160,800	171,200	160,200	160,100
Local Highway and Bridge Assistance..	162,868	165,310	169,757	168,608	169,623	169,924	170,431
Urban Mass Transportation.....	233,256	238,131	245,275	245,275	245,275	245,275	245,275
Rural and Intercity Rail and Bus Transportation.....	6,749	7,805	6,805	6,805	6,805	6,805	6,805
Air Transportation.....	100	95					
State Highway and Bridge Maintenance.	623,600	635,890	652,144	616,871	638,871	652,871	653,121
Transportation Support Services.....	28,566	30,867	31,775	32,461	33,209	34,083	34,983
 Debt Service.....	 \$ 231,708	 \$ 236,977	 \$ 238,033	 \$ 213,163	 \$ 192,286	 \$ 191,721	 \$ 193,686
Debt Service.....	231,708	236,977	238,033	213,163	192,286	191,721	193,686
 PROGRAM TOTAL.....	 \$ 1,414,504	 \$ 1,455,075	 \$ 1,520,189	 \$ 1,443,983	 \$ 1,457,269	 \$ 1,460,879	 \$ 1,464,401
	=====	=====	=====	=====	=====	=====	=====

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 and Boat 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

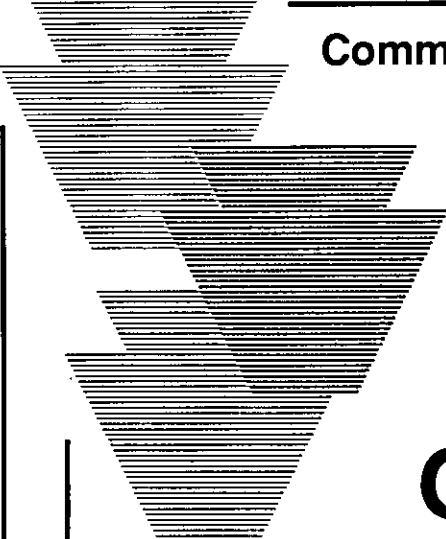
(Dollar Amounts in Thousands)

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
	ACTUAL	AVAILABLE	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED
Recreation.....	\$ 136,919	\$ 144,387	\$ 150,681	\$ 153,732	\$ 155,220	\$ 143,275	\$ 141,380
Parks And Forests Management.....	58,981	64,979	68,550	68,782	68,813	68,838	68,868
Recreational Fishing And Boating.....	27,862	28,743	28,463	30,085	31,830	31,540	29,615
Wildlife Management.....	50,076	50,665	53,668	54,865	54,577	42,897	42,897
Cultural Enrichment.....	\$ 66,111	\$ 69,851	\$ 70,421	\$ 70,034	\$ 70,051	\$ 70,063	\$ 70,080
State Historical Preservation.....	14,712	16,139	16,043	15,656	15,673	15,685	15,702
Local Museum Assistance.....	2,610	2,606	2,606	2,606	2,606	2,606	2,606
Development Of Artists And Audiences.	9,084	9,839	9,889	9,889	9,889	9,889	9,889
State Library Services.....	31,122	32,294	32,722	32,722	32,722	32,722	32,722
Public Television Services.....	8,583	8,973	9,161	9,161	9,161	9,161	9,161
Debt Service.....	\$ 34,726	\$ 35,737	\$ 33,578	\$ 37,434	\$ 37,843	\$ 38,142	\$ 36,259
Debt Service.....	34,726	35,737	33,578	37,434	37,843	38,142	36,259
PROGRAM TOTAL.....	\$ 237,756	\$ 249,975	\$ 254,680	\$ 261,200	\$ 263,114	\$ 251,480	\$ 247,719
	=====	=====	=====	=====	=====	=====	=====



Governor's Executive Budget

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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Estimated
Beginning Balance	\$ 8,818	\$ 218,033	\$ 267,139
Revenue:			
Revenue Receipts ^a	\$ 14,633,118	\$ 15,172,100	\$ 15,884,700
Less Refunds Reserve	-530,000	-214,600	-358,000
Less Proposed Tax Reduction .....	.....	.....	-126,700
Total Revenue	<u>\$ 14,103,118</u>	<u>\$ 14,957,500</u>	<u>\$ 15,400,000</u>
Prior Year Lapses	65,846	58,000	.....
Funds Available	<u>\$ 14,177,782</u>	<u>\$ 15,233,533</u>	<u>\$ 15,667,139</u>
Expenditures:			
Appropriations	\$ 14,175,640	\$ 14,995,348	\$ 15,664,893
Supplemental Appropriations .....	.....	46,364	.....
Less Current Year Lapses	<u>-240,117</u>	<u>-105,000</u>	<u>.....</u>
Estimated Expenditures	<u>-13,935,523</u>	<u>-14,936,712</u>	<u>-15,664,893</u>
Closing Balance	<u>\$ 242,259</u>	<u>\$ 296,821</u>	<u>\$ 2,246</u>
Less Transfer to Tax Stabilization Reserve Fund	<u>-24,226</u>	<u>-29,682</u>	<u>-225</u>
Fund Balance	<u>\$ 218,033</u>	<u>\$ 267,139</u>	<u>\$ 2,021</u>

^aThe 1994-95 amount assumes that the transfer of \$70 million of corporate net income taxes to the Pennsylvania Industrial Development Authority ends at the close of 1993-94.

GENERAL FUND

NOTES ON FINANCIAL STATEMENT

(Dollar Amounts in Thousands)

SUPPLEMENTAL APPROPRIATIONS

	1993-94 Estimated
Executive Offices	
Health Care Arbitration Panels	\$ 240
Audit Payments to HHS	27,347
Executive Offices Total	<u>\$ 27,587</u>
Education	
Hahnemann Medical College:	
Medical Programs	\$ 6,185
Allied Health Programs	1,148
Disadvantaged Students	362
Education Total	<u>\$ 7,695</u>
Higher Education Assistance Agency	
Loan Forgiveness	<u>\$ 982</u>
Public Welfare	
Low Income Home Energy Assistance Program (LIHEAP) ..	<u>\$ 10,100</u>
TOTAL	<u>\$ 46,364</u>

PROPOSED FUND TRANSFER CHANGES

Corporate Net Income Tax Transfer to PIDA

The statutory transfer of \$70 million per fiscal year to the Pennsylvania Industrial Development Authority (PIDA) is proposed to end at the close of the 1993-94 fiscal year instead of at the end of calendar year 1995. This proposal is part of a proposed recapitalization and a refinancing of prior PIDA bonds resulting in \$100 million being deposited into the Tax Stabilization Reserve Fund.

Transfer To Tax Stabilization Reserve Fund

This budget proposes that \$100 million of prior fiscal year capital contributions by the Commonwealth be transferred from the Pennsylvania Industrial Development Authority (PIDA) to the Tax Stabilization Reserve Fund to be available in 1995-96 to help offset the cost of the tax reduction. The transfer will be made from bond proceeds issued for a proposed recapitalization and a refinancing of prior PIDA bond issues resulting in interest savings. With these additional funds the Tax Stabilization Reserve Fund will total approximately \$160 million at the end of 1994-95.

NOTES ON FINANCIAL STATEMENT

(Dollar Amounts in Thousands)

PROPOSED TAX REDUCTION

1994-95
Estimated

Corporate Net Income Tax **\$ -72,700**

A three-year phased reduction of the tax rate to reduce the rate to 9.99% is proposed. The first step of the reduction will begin with the 1994 tax year when the rate will be 11.99%. For tax years 1995 and 1996 the rate will decrease by one percentage point each year. The permanent rate will be 9.99%.

Personal Income Tax **-52,000**

Increase in the amount of income on which families will not pay the personal income tax. The eligibility income limit per dependent is proposed to increase from \$1,500 for the first dependent and \$1,000 for each additional dependent to \$3,000 for each dependent effective January 1, 1994.

Neighborhood Assistance Tax Credit **-2,000**

Increase the maximum tax credits per fiscal year allowed under the Neighborhood Assistance Act by \$2 million to \$14.75 million. The additional \$2 million will be allocated to community service projects that will rehabilitate entire neighborhoods.

Utility Gross Receipts Tax

Correction of an oversight in Act 22 of 1991 by which an increase in the utility gross receipts tax rate was applied to all utilities except electric utilities. The proposed change will raise the tax rate from 55 mills to 60 mills effective January 1, 1995 with the first payments due in the 1995-96 fiscal year.

TOTAL PROPOSED TAX REDUCTION **\$ -126,700**

GENERAL FUND

STATE FUNDS BY DEPARTMENT

The following is a summary, by department, of 1992-93 expenditures, 1993-94 amounts available and 1994-95 amounts budgeted from the General Fund as presented in the budget.

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Budget
Governor's Office	\$ 5,803	\$ 6,436	\$ 6,655
Executive Offices	61,871	127,431	93,132
Lieutenant Governor's Office	874	927	1,034
Office of Attorney General	44,929	50,453	54,484
Auditor General's Office	44,379	43,259	44,388
Treasury Department	514,382	573,375	556,843
Department of Aging	8,544	8,850	9,151
Department of Agriculture	38,189	40,712	43,746
Civil Service Commission	1	1	1
Department of Community Affairs	45,498	82,639	47,461
Department of Corrections	499,499	604,400	729,961
Economic Development Partnership	125,002	150,573	150,786
Department of Education ^a	6,200,113	6,432,567	6,629,283
Emergency Management Agency	4,929	4,751	5,200
Department of Environmental Resources ^b	205,007	218,414	237,607
Fish and Boat Commission	9	9	9
Department of General Services	73,292	74,583	76,497
Department of Health	191,384	211,347	217,507
Higher Education Assistance Agency	209,381	234,628	253,662
Historical and Museum Commission	17,322	18,745	18,649
Housing Finance Agency	0	19,500	23,500
Infrastructure Investment Authority (PENNVEST)	1,900	10,000	7,000
Department of Insurance	12,817	10,677	11,195
Department of Labor and Industry	49,465	55,149	55,000
Department of Military Affairs	41,764	47,698	57,091
Milk Marketing Board	125	125	125
Board of Probation and Parole	42,407	52,278	57,443
Public Television Network	8,583	8,973	9,161
Department of Public Welfare	4,577,652	4,998,644	5,274,523
Department of Revenue ^c	245,424	249,818	258,784
Securities Commission	2,913	2,737	2,353
Department of State	2,805	1,729	2,435
State Employees' Retirement System	600	600	560
State Police	106,855	108,825	114,680
Tax Equalization Board	1,201	1,236	1,400
Department of Transportation	269,111	275,217	282,441
Legislature ^d	141,300	161,329	168,149
Judiciary	140,193	153,077	162,997
TOTAL	\$ 13,935,523	\$ 15,041,712	\$ 15,664,893

^a Includes SSHE.

^b Includes Environmental Hearing Board.

^c Excludes refunds.

^d Includes Ethics Commission and Health Care Cost Containment Council.

GENERAL FUND

FEDERAL FUNDS BY DEPARTMENT

The following is a summary of Federal funds, by department, of 1992-93 expenditures, the 1993-94 amounts available and the 1994-95 amounts budgeted as presented in the General Fund budget. The General Assembly specifically appropriates Federal funds by Federal source.

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Budget
Executive Offices	\$ 23,915	\$ 29,082	\$ 121,267
Office of Attorney General	8,452	8,490	6,831
Department of Agriculture	3,261	4,097	4,074
Department of Community Affairs	102,234	110,071	128,350
Department of Corrections	3,814	3,919	3,342
Economic Development Partnership	794	1,551	600
Department of Education	781,636	923,418	823,388
Emergency Management Agency	2,359	2,893	3,237
Department of Environmental Resources ^a	70,141	109,405	108,008
Department of Health	238,879	298,342	302,757
Higher Education Assistance Agency	405	411	412
Historical & Museum Commission	1,115	1,257	1,576
Infrastructure Investment Authority (PENNVEST) .....	.....	60,100	51,500
Department of Labor and Industry	261,757	322,836	358,929
Department of Military Affairs	5,709	22,717	17,874
Board of Probation and Parole	1,030	315	999
Public Utility Commission	725	915	960
Department of Public Welfare	4,775,381	5,585,640	5,806,726
State Police	5,047	9,151	3,721
Department of Transportation	11,124	18,347	17,239
Legislature ^b .....	.....	.....	1,000
TOTAL	<u>\$ 6,297,778</u>	<u>\$ 7,512,957</u>	<u>\$ 7,762,790</u>

^a Includes Environmental Hearing Board.

^b Includes Health Care Cost Containment Council.

GENERAL FUND

AUGMENTATIONS BY DEPARTMENT

The following is a summary of augmentations, by department, of 1992-93 expenditures, the 1993-94 amounts available and the 1994-95 amounts budgeted as presented in the General Fund budget.

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Budget
Governor's Office	\$ 852	\$ 852	\$ 852
Executive Offices	55,026	57,210	70,892
Lieutenant Governor's Office	70	151	95
Office of Attorney General ^a	6,603	7,432	7,726
Auditor General's Office	8,549	8,260	7,700
Treasury Department	6,533	3,943	5,203
Department of Agriculture	2,009	2,349	2,409
Civil Service Commission	10,451	11,084	12,116
Department of Community Affairs	5,054	8,000	7,451
Department of Corrections	414	1,165	785
Economic Development Partnership ^a	5,863	10,533	9,715
Department of Education	8,269	6,193	6,437
Emergency Management Agency	96	281	287
Department of Environmental Resources ^b	35,820	43,643	42,745
Department of General Services	13,324	12,122	15,004
Department of Health	7,383	37,563	50,266
Historical & Museum Commission	565	580	602
Department of Insurance	2,429	6,115	6,288
Department of Labor And Industry	22,145	19,172	20,588
Department of Military Affairs	6,456	8,482	10,938
Board of Probation and Parole	6,713	4,918	6,030
Public Television Network	383	163	.....
Public Utility Commission ^a	34,033	36,795	39,132
Department of Public Welfare	779,503	420,210	376,365
Department of Revenue	11,812	10,893	11,516
Securities Commission	91	1,500	1,516
Department of State ^a	19,687	21,488	20,890
State Police	20,070	19,908	20,713
Department of Transportation ^a	2,620	5,440	4,928
Legislature	2	2	.....
Judiciary ^a	13,445	15,146	15,233
TOTAL	\$ 1,086,270	\$ 781,593	\$ 774,422

^a Includes funds appropriated from restricted revenues.

^b Includes Environmental Hearing Board.

General Fund Revenue Summary

Five Year Revenue Projections

(Dollar Amounts in Thousands)

	1992-93 Actual	1993-94 Estimated	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
TAX REVENUE							
Corporation Taxes							
Corporate Net Income ^a	\$ 1,456,128	\$ 1,538,000	\$ 1,695,800	\$ 1,754,100	\$ 1,856,200	\$ 1,889,600	\$ 1,990,100
Capital Stock and Franchise	875,105	886,500	941,300	994,000	1,051,700	1,114,800	1,179,500
Selective Business:							
Gross Receipts Tax	637,999	646,900	667,100	681,100	701,500	722,400	743,900
Public Utility Realty	156,269	156,700	157,100	157,600	159,700	161,100	162,600
Insurance Premiums	235,855	239,500	243,400	259,000	271,800	288,300	301,100
Financial Institutions	141,067	143,100	149,100	155,700	163,000	171,500	180,200
Other	21,734	10,000	10,000	10,000	10,000	10,000	10,000
Total—Corporation Taxes	\$ 3,524,157	\$ 3,620,700	\$ 3,863,800	\$ 4,011,500	\$ 4,213,900	\$ 4,357,700	\$ 4,567,400
Consumption Taxes							
Sales and Use	\$ 4,828,823	\$ 5,116,900	\$ 5,364,800	\$ 5,645,500	\$ 5,907,900	\$ 6,222,000	\$ 6,566,000
Cigarette	330,065	300,400	280,900	272,800	264,900	257,200	249,700
Malt Beverage	25,812	27,000	27,000	27,000	27,000	27,000	27,000
Liquor	122,746	122,600	122,500	123,700	124,900	126,100	127,400
Total—Consumption Taxes	\$ 5,307,446	\$ 5,566,900	\$ 5,795,200	\$ 6,069,000	\$ 6,324,700	\$ 6,632,300	\$ 6,970,100
Other Taxes							
Personal Income Tax	\$ 4,789,995	\$ 4,927,100	\$ 5,129,500	\$ 5,375,000	\$ 5,641,600	\$ 5,941,400	\$ 6,260,700
Realty Transfer	181,749	209,800	196,800	217,300	232,400	239,000	251,000
Inheritance	562,880	599,800	641,500	674,000	708,000	743,000	780,000
Minor and Repealed	1,833	1,000	1,000	1,000	1,000	1,000	1,000
Total—Other Taxes	\$ 5,536,457	\$ 5,737,700	\$ 5,968,800	\$ 6,267,300	\$ 6,583,000	\$ 6,924,400	\$ 7,292,700
TOTAL TAX REVENUE	\$ 14,368,060	\$ 14,925,300	\$ 15,627,800	\$ 16,347,800	\$ 17,121,600	\$ 17,914,400	\$ 18,830,200
NONTAX REVENUE							
Liquor Store Transfer	\$ 33,000	\$ 47,000	\$ 50,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000
Licenses, Fees and Miscellaneous:							
Licenses and Fees	55,470	61,500	63,300	63,300	63,300	63,300	63,300
Miscellaneous	153,495	114,300	119,600	119,600	119,600	119,600	119,600
Fines, Penalties and Interest:							
On Taxes	21,624	22,700	22,700	22,700	22,700	22,700	22,700
Other	1,469	1,300	1,300	1,300	1,300	1,300	1,300
TOTAL NONTAX REVENUES	\$ 265,058	\$ 246,800	\$ 256,900	\$ 251,900	\$ 251,900	\$ 251,900	\$ 251,900
GENERAL FUND TOTAL	\$ 14,633,118	\$ 15,172,100	\$ 15,884,700	\$ 16,599,700	\$ 17,373,500	\$ 18,166,300	\$ 19,082,100

^aThe 1994-95 amount assumes that the transfer of \$70 million of corporate net income taxes to the Pennsylvania Industrial Development Authority ends at the close of 1993-94.

General Fund Revenues

Adjustments To Revenue Estimate

On May 28, 1993, the Official Estimate for 1993-94 was certified to be \$15,172,100,000.

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)		
	1993-94 Official Estimate	Adjustments	1993-94 Revised Estimate
TAX REVENUE			
Corporation Taxes			
Corporate Net Income	\$ 1,613,000	\$ -75,000	\$ 1,538,000
Capital Stock and Franchise	862,800	23,700	886,500
Selective Business:			
Gross Receipts	657,500	-10,600	646,900
Public Utility Realty	156,700	.....	156,700
Insurance Premiums	252,700	-13,200	239,500
Financial Institutions	146,100	-3,000	143,100
Other	10,000	.....	10,000
Total—Corporation Taxes	\$ 3,698,800	\$ -78,100	\$ 3,620,700
Consumption Taxes			
Sales and Use	\$ 5,043,200	\$ 73,700	\$ 5,116,900
Cigarette	296,600	3,800	300,400
Malt Beverage	27,000	.....	27,000
Liquor	122,600	.....	122,600
Total—Consumption Taxes	\$ 5,489,400	\$ 77,500	\$ 5,566,900
Other Taxes			
Personal Income Tax	\$ 4,947,100	\$ -20,000	\$ 4,927,100
Realty Transfer	197,800	12,000	209,800
Inheritance	599,800	.....	599,800
Minor and Repealed	1,000	.....	1,000
Total—Other Taxes	\$ 5,745,700	\$ -8,000	\$ 5,737,700
TOTAL TAX REVENUE	\$ 14,933,900	\$ -8,600	\$ 14,925,300
NONTAX REVENUE			
Liquor Store Profits	\$ 40,000	7,000	\$ 47,000
Licenses, Fees and Miscellaneous:			
Licenses and Fees	59,700	\$ 1,800	61,500
Miscellaneous	114,600	-300	114,300
Fines, Penalties and Interest:			
On Taxes	22,700	.....	22,700
Other	1,200	100	1,300
TOTAL NONTAX REVENUES	\$ 238,200	\$ 8,600	\$ 246,800
GENERAL FUND TOTAL	\$ 15,172,100	\$	\$ 15,172,100

General Fund Revenue Sources

This section provides a brief description of the tax and non-tax State revenue sources for the General Fund. For more complete information refer to the *Pennsylvania Tax Compendium* prepared by the Department of Revenue.

Corporate Net Income Tax

Tax Base: This tax is paid by all domestic and foreign business corporations for the privilege of doing business, carrying on activities, 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.

Tax Rates:	January 1, 1991 to current	10.5% plus 1.75% surcharge
	January 1, 1987 to December 31, 1990 . . .	8.5%.
	January 1, 1985 to December 31, 1986 . . .	9.5%.
	January 1, 1977 to December 31, 1984 . . .	10.5%.

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

Capital Stock and Franchise Taxes

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. The first \$50,000 of capital stock value is exempt and a minimum tax payment of \$300 is required.

Tax Rates:	January 1, 1992 to current	11 mills plus a 1.75 mill surtax (including 0.5 mill for transfer semiannually to the Hazardous Sites Cleanup Fund).
	January 1, 1991 to December 31, 1991 . . .	11 mills plus a 2 mill surtax (including 0.5 mill for transfer semiannually to the Hazardous Sites Cleanup Fund and 0.25 mill for transfer semiannually to the State Lottery Fund).
	January 1, 1988 to December 31, 1990 . . .	9.5 mills (including 0.5 mill for transfer semiannually to the Hazardous Sites Cleanup Fund).
	January 1, 1987 to December 31, 1987 . . .	9 mills.
	Prior to January 1, 1987	10 mills.

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

Gross Receipts Tax

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

Tax Rates:	For all companies except motor transportation companies:	
	July 1, 1991 to current	45 mills plus a 5 mill surtax (electric utilities pay 44 mills).
	January 1, 1988 to July 1, 1991	44 mills.
	Prior to January 1, 1988	45 mills.
	Motor transportation companies are taxed at the rate of 8 mills.	

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

Public Utility Realty Tax

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

Tax Rates: 30 mills on each dollar of State taxable value. Revenue from an additional 12 mills is deposited in the Public Transportation Assistance Fund.

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

General Fund Revenue Sources

Insurance Premiums Tax

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

Tax Rates: The rate is 2 percent of gross premiums and annuity considerations plus a retaliatory tax where applicable. Marine insurance companies pay a 5 percent tax on underwriting profits attributable to Pennsylvania in lieu of the gross premiums tax. A tax of 3 percent is imposed on all gross premiums of surplus lines agents less any return premiums placed with an unlicensed insurer.

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

Financial Institutions Taxes

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

Tax Rates: Since calendar year 1990 the tax rate for the Bank Shares Tax and Title Insurance and Trust Companies Shares Tax has been 1.25 percent. For calendar year 1989 the rate was 10.77 percent. Before January 1, 1989, the rate for both taxes was 1.075 percent on the value of capital stock shares. 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.

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 Shares Act

Other Selective Business Taxes

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; and Agricultural Cooperative Associations Corporate Tax, Act of May 23, 1945, P.L. 893.

Tax Rates: The Loans Tax rate is 4 mills on each dollar of taxable indebtedness. Electric cooperative corporations annually pay a fee of \$10 for each 100 members. The rate for the Agricultural Cooperative Associations Corporate Tax is 4 percent on net income.

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.

Sales and Use Tax

Tax Base: The tax is levied on the sale at retail, including rental, of tangible personal property and certain services, or upon the use within Pennsylvania of tangible personal property or taxable services purchased at retail if the tax was not paid at time of purchase. A tax on the occupancy of hotel rooms is imposed as part of the sales and use tax law. The portion of the tax applicable to periodicals is transferred to the Public Transportation Assistance Fund. The revenue estimate is net of this transfer.

Tax 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.

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

General Fund Revenue Sources

Cigarette Tax

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.

Tax Rate: The rate is 1.55 cents per cigarette. Prior to August 19, 1991 the rate was 0.9 cents per cigarette. Two thirty-firsts of receipts are to be transferred semiannually beginning in 1992-93 to the Children's Health Fund. In 1993-94 an additional two thirty-firsts of receipts are to be transferred semiannually to the Agricultural Conservation Easement Purchase Fund. The revenue estimates are net of these transfers.

Reference: Purdon's Title 72 P.S. §8201 et seq.

Malt Beverage Tax

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.

Tax Rates: The tax rate is two-thirds of a 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.

Reference: Purdon's Title 72 P.S. §9001 et seq.

Liquor Tax

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

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

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

Personal Income Tax

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.

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

1993 to Present	2.80%
1992	2.95%
1991	2.60%
1987 to 1990	2.10%
1986	2.16%
1985	2.35%

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

Realty Transfer Tax

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

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

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

General Fund Revenue Sources

Inheritance Tax

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.

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.

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

Minor and Repealed Taxes

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).

Liquor Store Transfer

The Liquor Store Transfer is an amount determined by the Liquor Control Board to be available for transfer 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. §744-907b).

Licenses, Fees and Miscellaneous Revenue

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. One large 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 1986-87 are to be deposited in the Judicial Computer System Augmentation Account in accordance with Act 1987-64 (Purdon's Title 42 Pa.C.S.A. § 3733). Any fines, fees or costs which are allocated to counties and municipalities are not affected by this act.

Fines, Penalties and Interest

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 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)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
TAX REVENUE			
Corporate Net Income Tax	\$ 1,456,128	\$ 1,538,000	\$ 1,695,800
Capital Stock and Franchise Taxes			
Capital Stock Taxes—Domestic	\$ 512,498	\$ 519,171	\$ 551,265
Franchise Taxes—Foreign	362,607	367,329	390,035
Subtotal	\$ 875,105	\$ 886,500	\$ 941,300
Gross Receipts Tax			
Electric, Hydroelectric and Water Power	\$ 413,908	\$ 376,315	\$ 411,707
Gas	88,948	120,153	108,087
Motor Transportation	2,228	2,000	2,000
Telephone and Telegraph	131,071	146,432	143,306
Transportation	1,844	2,000	2,000
Subtotal	\$ 637,999	\$ 646,900	\$ 667,100
Public Utility Realty Tax	\$ 156,269	\$ 156,700	\$ 157,100
Insurance Premiums Tax			
Domestic Casualty	\$ 39,818	\$ 41,000	\$ 43,067
Domestic Fire	24,663	23,530	24,875
Domestic Life and Previously Exempted Lines	9,869	10,162	10,674
Excess Insurance Brokers	6,753	6,954	7,304
Foreign Excess Casualty	9,823	10,115	10,625
Foreign Excess Fire	5,705	5,874	6,171
Foreign Life	135,660	138,195	136,829
Marine	155	160	167
Title Insurance	1,797	1,850	1,944
Unauthorized Insurance	1,612	1,660	1,744
Subtotal	\$ 235,855	\$ 239,500	\$ 243,400
Financial Institutions Taxes			
Federal Mutual Thrift Institutions	\$ 6,680	\$ 5,605	\$ 5,819
National Banks	69,882	78,511	81,854
State Banks	17,435	19,630	20,466
State Mutual Thrift Institutions	23,946	15,395	15,981
Trust Companies	23,124	23,959	24,980
Subtotal	\$ 141,067	\$ 143,100	\$ 149,100

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Other Selective Business Taxes			
Corporate Loans—Domestic	\$ 15,419	\$ 7,543	\$ 7,543
Corporate Loans—Foreign	2,453	2,308	2,308
Corporate Net Income Tax on Agricultural Cooperative Associations	117	110	110
Corporation Taxes — Clearing Accounts Undistributed	3,728	23	23
Department of Justice Collections .....	.	.	.
Tax on Electric Cooperative Corporations	17	16	16
Subtotal	<u>\$ 21,734</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>
Sales and Use Tax			
Motor Vehicle	\$ 632,676	\$ 705,200	\$ 733,000
Non-Motor Vehicle	4,196,147	4,411,700	4,631,800
Subtotal	<u>\$ 4,828,823</u>	<u>\$ 5,116,900</u>	<u>\$ 5,364,800</u>
Cigarette Tax	<u>\$ 330,065</u>	<u>\$ 300,400</u>	<u>\$ 280,900</u>
Malt Beverage Tax	<u>\$ 25,812</u>	<u>\$ 27,000</u>	<u>\$ 27,000</u>
Liquor Tax	<u>\$ 122,746</u>	<u>\$ 122,600</u>	<u>\$ 122,500</u>
Personal Income Tax			
Non-Withholding	\$ 1,056,792	\$ 1,055,100	\$ 1,075,500
Withholding	3,733,203	3,872,000	4,054,000
Subtotal	<u>\$ 4,789,995</u>	<u>\$ 4,927,100</u>	<u>\$ 5,129,500</u>
Realty Transfer Tax	<u>\$ 181,749</u>	<u>\$ 209,800</u>	<u>\$ 196,800</u>
Inheritance Tax			
Nonresident Transfer Inheritance and Estate Tax	\$ 2,685	\$ 2,861	\$ 3,060
Resident Transfer Inheritance and Estate Tax	560,195	596,939	638,440
Subtotal	<u>\$ 562,880</u>	<u>\$ 599,800</u>	<u>\$ 641,500</u>
Minor and Repealed Taxes			
Distilled Spirits	\$ -46	\$ -25	\$ -25
Rectified Spirits .....	.	.	.
Tax on Writs, Wills and Deeds	1,163	634	634
Wines	33	18	18
Unallocated EFT Payments	683	373	373
Subtotal	<u>\$ 1,833</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>
TOTAL TAX REVENUE	<u>\$ 14,368,060</u>	<u>\$ 14,925,300</u>	<u>\$ 15,627,800</u>
NONTAX REVENUES			
Liquor Store Transfer	<u>\$ 33,000</u>	<u>\$ 47,000</u>	<u>\$ 50,000</u>

* Less than \$500.

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Licenses, Fees and Miscellaneous			
Executive Offices			
LICENSES AND FEES			
Attorney Continuing Legal Education	\$ 2	\$ 2	\$ 2
MISCELLANEOUS REVENUE			
Crime Victim's Award Restitution	83	60	60
Union Political Action Committee	1	1	1
Miscellaneous	150	7	7
Subtotal	\$ 235	\$ 70	\$ 70
Lieutenant Governor's Office			
LICENSES AND FEES			
Board of Pardons Copying Fees	*	.	.
Board of Pardons Fees	\$ 3	\$ 3	\$ 2
Board of Pardons Filing Fees	7	6	6
Subtotal	\$ 10	\$ 9	\$ 8
Auditor General			
LICENSES AND FEES			
Filing Fees	\$ 9	\$ 15	\$ 1
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations .....	.	1	15
Subtotal	\$ 9	\$ 16	\$ 16
Attorney General			
MISCELLANEOUS REVENUE			
Assessed Civil Penalties Payments	\$ 65	\$ 113	\$ 119
Miscellaneous	4	1	1
Refunds of Expenditures Not Credited to Appropriations	4	2	1
Subtotal	\$ 73	\$ 116	\$ 121
Treasury Department			
MISCELLANEOUS REVENUE			
Allocation of Treasury Cost	\$ 2,954	\$ 2,250	\$ 2,250
Clearing Account — Returned PA EFTS	202	.	.
Depository Adjustments	5	.	.
Interest Cleared to Hodge Trust Fund	-6	.	.
Interest on Average Collected Balance — WIC Program	42	.	.
Interest on Deposits	282	336	336
Interest on Deposits — Liquor License Fund	-48	.	.
Interest on Securities	44,764	36,833	36,833
Interest on Securities—Liquor License Fund	73	79	79
Premium and Discount on Tax Notes Sold	2,727	.	.
Redeposit of Checks	914	500	500
Refunds of Expenditure Not Credited to Appropriation	4	.	.
Miscellaneous	24	2	2
Unclaimed Property — Administration Cost Reimbursements	-262	-1,500	-1,500
Unclaimed Property — Claim Payments	-799	-8,500	-8,500
Unclaimed Property — Financial Institution Deposits	74	12,000	12,000
Unclaimed Property — Other Holder Deposits	1,117	19,000	19,000
Subtotal	\$ 52,067	\$ 61,000	\$ 61,000

* Less than \$500.

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Department of Agriculture			
LICENSES AND FEES			
Abattoir Licenses	\$ 14	\$ 8	\$ 7
Approved Inspector's Certificate and Registration Fees	5	6	6
Bakery Licenses	297	290	290
Carbonated Beverage Licenses	18	17	17
Cold Storage Warehouse Licenses	4	4	4
Domestic Animal Dealers Licenses	6	6	6
Egg Certification Fees	20	24	20
Egg Opening Licenses	1	-	1
Farm Product Inspection Fees	36	11	24
Garbage Feeders Licenses	-	1	1
Horse Slaughtering Licenses	-	-	-
Ice Cream Licenses	168	163	168
Inspection/Registration of Plants & Trees — Nurseries	-	-	-
Inspection/Registration of Plants & Trees — Nursery Dealers	1	-	-
Livestock Branding Fees	-	-	-
Miscellaneous Licenses and Fees	14	14	15
Poultry Technician Licenses	1	1	1
Public Weighmaster's Liquid Fuels Licenses	74	70	74
Public Weighmaster's Solid Fuels Licenses	23	25	24
Rendering Plant Licenses	1	1	1
Seed Testing and Certification Fees	64	50	64
Veterinarian Diagnostic Lab Fees	252	269	270
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	-	-	2
Miscellaneous	-	-	600
Subtotal	<u>\$ 999</u>	<u>\$ 960</u>	<u>\$ 1,595</u>
Civil Service Commission			
MISCELLANEOUS REVENUE			
Miscellaneous	-	\$ 1	\$ 1
Department of Commerce			
MISCELLANEOUS REVENUE			
Nursing Home Loans — Repayments	\$ 3,446	\$ 3,446	.....
Miscellaneous	82	.....	.....
Subtotal	<u>\$ 3,528</u>	<u>\$ 3,446</u>	<u>.....</u>
Department of Community Affairs			
LICENSES AND FEES			
Municipal Indebtedness Fees	\$ 227	\$ 225	\$ 232
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 107	\$ 105	\$ 108
Refunds of Expenditures Not Credited to Appropriations	2,136	2,445	2,518
Subtotal	<u>\$ 2,470</u>	<u>\$ 2,775</u>	<u>\$ 2,858</u>

* Less than \$500.

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Department of Corrections			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 3	\$ 1	.....
Refunds of Expenditures Not Credited to Appropriations	2	40	\$ 40
Subtotal	<u>\$ 5</u>	<u>\$ 41</u>	<u>\$ 40</u>
Department of Education			
LICENSES AND FEES			
Fees For Licensing Private Schools	\$ 160	\$ 171	\$ 173
PDE — Fees Transcripts/Closed Private Schools .....	.	.....	.....
Private Academic School License Fees .....	.	.....	.....
Private Driver Training School Fees	106	70	73
Secondary Education Evaluation Fees	45	45	46
Teachers Certification Fees	455	481	500
Teachers Certification Fees — Private Academy	12	13	14
MISCELLANEOUS REVENUE			
Miscellaneous	1	.....	.....
Refunds of Expenditures Not Credited to Appropriations	1	.....	.....
Subtotal	<u>\$ 780</u>	<u>\$ 780</u>	<u>\$ 806</u>
Department of Environmental Resources			
LICENSES AND FEES			
Anthrarcite Miners' Examination and Certificate Fees .....	.	.	.
Bathing Place Licenses	\$ 1	\$ 1	\$ 1
Bituminous Miners' Examination and Certificate Fees	1	1	1
Bituminous Shot Firers' and Machine Runners' Examination and Certificates .....	.	.	.
Blasters' Examination and Licensing Fees	31	31	31
Dams and Encroachment Fees	148	148	148
Examination and Certificate Fees	4	4	4
Explosive Storage Permit Fees	94	95	95
Hazardous Waste Transporter Licenses Application Fees	49	49	49
Hazardous Waste Treatment Storage or Disposal Fees	51	51	51
Infectious and Chemical Waste Transport Fees	9	9	9
Miscellaneous Licenses and Fees	22	22	22
Municipal Waste Annual Permit Administration Fees	300	300	300
Municipal Waste Permit Application Fees	675	675	675
Registration Fees for Organized Camps .....	.	.	.
Residual Waste Permit App/Modif Fees .....	.	55	55
Restaurant Licenses	1,108	1,108	1,108
Sewage and Industrial Waste Permit Fees	320	319	319
Sewage Enforcement-Certificate Renewed Fees	1	1	1
Sewage Enforcement Examination Fees	9	9	9
Submerged Land Fees	57	56	56
Water Bacteriological Examinations	34	34	34
Water Power and Supply Permit Fees	84	84	84
MISCELLANEOUS REVENUE			
Camp Leases	400	400	400
Ground Rents	31	31	31
Housing Rents	22	22	22
Interest on Loan Payments	4,926	3,488	3,252
Interest Payments — Mine Subsidence	4	4	4
Minerals Sales	154	154	154

* Less Than \$500.

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Department of Environmental Resources (continued)			
MISCELLANEOUS REVENUE (continued)			
Payment to Occupy Submerged Lands	\$ 89	\$ 89	\$ 89
Penalty Charges — Delinquent Interest	25	25	25
Recovered Damages	1	1	1
Repayment of Loans — Water Facilities Loans	14,710	1,916	1,574
Rights-of-Way	251	252	252
Royalties for Recovery of Materials-Schuylkill River	55	55	55
Sales Tax Escrow Account	4	5	5
Sewage Treatment and Waterworks Application Fee	62	62	62
Stumpage	3	3	3
Surface Subsidence Assistance Loans—Repayments	29	29	29
Water Leases	17	17	17
Miscellaneous	39	39	39
Refunds of Expenditures Not Credited to Appropriations	16	16	16
Residual Waste Permit App/Modif Fees	55		
Subtotal	\$ 23,891	\$ 9,660	\$ 9,082
Department of General Services			
MISCELLANEOUS REVENUE			
Allocation of Purchasing Fund Property Costs	\$ 7,182	\$ 7,183	\$ 7,183
Mileage of State Automobiles	515	515	515
Real Estate Services	325	325	325
Recovery on Insurance and Surety Bonds	*		
Rental of State Property	63	63	63
Sale of Publications	84	84	84
Sale of State Property	91	91	91
Sale of Unserviceable Property	282	283	283
Miscellaneous	602	610	610
Subtotal	\$ 9,144	\$ 9,154	\$ 9,154
Department of Health			
LICENSES AND FEES			
Certificate of Need	\$ 460	\$ 460	\$ 460
Immunization Service Fees	255	255	255
Life Safety Code Inspection Fees	298	297	297
Miscellaneous Licensure Fees	69	70	70
Nursing Home Licenses	253	253	253
Profit Making Hospital Licenses	175	175	175
Registration Fees — Hearing Aid Act	68	68	68
Registration Fees-Drugs Devices and Cosmetics Act	284	284	284
Vital Statistics Fees	2,467	2,467	2,467
MISCELLANEOUS REVENUE			
Miscellaneous	47	47	47
Subtotal	\$ 4,376	\$ 4,376	\$ 4,376
Historical and Museum Commission			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	\$ 15		
Subtotal	\$ 15		

* Less than \$500

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Insurance Department			
LICENSES AND FEES			
Agents' and Brokers' Certification Fees	\$ 246	\$ 239	\$ 239
Agents' Licenses	9,518	7,900	9,000
Brokers' Licenses	327	607	500
Continuing Education Fee			250
Division of Companies Certification — Certificates and Filing Fees	587	587	587
Examination Fees and Expenses	1,592	1,570	1,570
Market Conduct Examination	159	120	120
Miscellaneous Fees	10	6	6
Miscellaneous Licenses	46	60	60
Physical Damage Appraiser Licenses	49	67	67
Valuation of Policies Fees	2,104	2,000	2,000
Single License Conversion Fee		50	600
MISCELLANEOUS REVENUE			
Miscellaneous	232	232	232
Subtotal	<u>\$ 14,870</u>	<u>\$ 13,438</u>	<u>\$ 15,231</u>
Labor and Industry			
LICENSES AND FEES			
Approval of Building Plan Fees	\$ 3,576	\$ 3,690	\$ 3,690
Approval of Elevator Plan Fees	299	250	250
Bedding and Upholstery Fees	524	515	515
Boiler Inspection Fees	2,188	2,200	2,200
Elevator Inspection Fees	1,725	1,600	1,600
Employment Agents' Licenses	38	40	40
Employment Agents' Registration Fees	4	6	6
Industrial Homework Permit Fees	*	*	*
Liquefied Petroleum Gas Registration Fees	186	214	214
Projectionists' Examination and License Fees	5	5	5
Stuffed Toys Manufacturers' Registration Fees	42	38	38
MISCELLANEOUS REVENUE			
CETA Audit Settlement	8		
Miscellaneous	17	3	3
Refunds of Expenditures Not Credited to Appropriations	33		
Subtotal	<u>\$ 8,645</u>	<u>\$ 8,561</u>	<u>\$ 8,561</u>
Department of Military Affairs			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 90		
Refunds of Expenditures Not Credited to Appropriations	1		
Subtotal	<u>\$ 91</u>		
Board of Probation and Parole			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	\$ 2		
Subtotal	<u>\$ 2</u>		

* Less than \$500.

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Public Utility Commission			
LICENSES AND FEES			
General Assessment Fees .....	.....	*	.....
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	*	*	*
Subtotal	*	*	*
Department of Public Welfare			
LICENSES AND FEES			
Private Mental Hospital Licenses	\$ 37	\$ 45	\$ 45
MISCELLANEOUS REVENUE			
Miscellaneous	11	5	5,005
Refunds of Expenditures Not Credited to Appropriations	139	50	50
Subtotal	\$ 187	\$ 100	\$ 5,100
Department of Revenue			
LICENSES AND FEES			
Certificate and Copy Fees	\$ 32	\$ 32	\$ 31
Cigarette Permit Fees	819	850	850
Domestic Violence and Rape Crisis Program Fees	1,822	1,860	1,900
Secretary's Writ Collections .....	*	.....	*
Uniform Commercial Fee Act 167-92	3,018	9,100	9,400
MISCELLANEOUS REVENUE			
Abandoned Property — Administration Cost Reimbursements	-1,567	.....	.....
Abandoned Property — Claim Payments	-7,797	.....	.....
Abandoned Property — Financial Institutions Deposits	14,205	.....	.....
Abandoned Property — Other Holder Deposits	26,267	.....	.....
Distribution Due Absentee	-149	400	400
District Justice Cost	7,631	7,600	7,700
Exempt Collections Per Act 1992-167	1,524	12,145	12,595
Income Tax Check-offs — Olympics	41	50	50
Voluntary Donations — Olympics	*	*	*
Miscellaneous	27	30	30
Subtotal	\$ 45,873	\$ 32,067	\$ 32,956
Pennsylvania Securities Commission			
LICENSES AND FEES			
Associated Persons — Initial	\$ 32	\$ 37	\$ 40
Associated Persons — Renewal	114	124	138
Associated Persons — Transfer	2	1	2
Brokers/Dealers' Registration Fees — Initial	76	80	84
Brokers/Dealers' Registration Fees — Renewal	442	465	488
Costs — Examination, Auditing, Investigation, Prosecution — Except Takeover Costs	175	70	70
Investment Advisors' Filing Fees — Initial	28	30	33
Investment Advisors' Filing Fees — Renewal	120	138	151
Mutual Funds and Investment Company Section 2031-205-206	4,652	4,650	4,745

* Less than \$500.

General Fund Revenue Detail

(Dollar Amounts in Thousands)

	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Pennsylvania Securities Commission (continued)			
LICENSES AND FEES (continued)			
Section 202(G) Security Exemption Fees	\$ 4	\$ 4	\$ 5
Section 203(D) Increase in Amount of Filing	1	1	1
Section 203(D) Initial Filing	309	300	310
Section 203(I) and 203(O)(II) Security Exemption Fees	12	11	12
Section 203(N) Initial Filing	4	5	5
Section 203(P) Initial Filing	1	1	1
Section 205 — Security Registration and Amendment Fees ..	188	200	200
Section 206 — Increase in Amount of Filing	*	1	1
Section 206 — Qualification Filing — Initial	60	62	62
Securities Agents' Filing Fees — Initial	1,228	1,350	1,418
Securities Agents' Filing Fees — Mass Transfer	11	262	25
Securities Agents' Filing Fees — Renewal	3,341	3,675	3,859
Securities Agents' Filing Fees — Transfer	118	120	120
MISCELLANEOUS REVENUE			
Miscellaneous	*	1	1
Subtotal	\$ 10,918	\$ 11,588	\$ 11,771
Department of State			
LICENSES AND FEES			
Commissions and Filing Fees — Bureau of Elections	\$ 217	\$ 180	\$ 180
Commissions and Filing Fees — Corporation Bureau	5,164	5,850	5,284
Commission Fees	22	20	20
Notary Public Commission Fees	844	800	800
Recorder of Deeds Fees	*	40	40
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	1	*	*
Subtotal	\$ 6,248	\$ 6,890	\$ 6,324
State Police			
MISCELLANEOUS REVENUE			
Reimbursement for Lost Property	\$ 4	\$ 4	\$ 4
Miscellaneous	249	250	250
Refunds of Expenditures Not Credited to Appropriations	140	140	140
Subtotal	\$ 393	\$ 394	\$ 394
Department of Transportation			
MISCELLANEOUS REVENUE			
Interest — Railroad Rehabilitation	\$ -54	*	*
Refunds of Expenditures Not Credited to Appropriations	74	*	*
VW Rail Spur Lease Recovery	*	*	*
Subtotal	\$ 20	*	*
Commonwealth Court			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	\$ 8	*	*

* Less than \$500.

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Other			
MISCELLANEOUS REVENUE			
Conscience Money	\$ 2		
Payments in Lieu of Taxes — SWIF	7,482	\$ 9,400	\$ 10,340
Transfer from State Stores Fund	769		
Transfer from State Insurance Fund	698		
Transfer from State Racing Fund	2,604	958	3,096
Transfer from State Employees Retirement System	12,553		
Subtotal	<u>\$ 24,108</u>	<u>\$ 10,358</u>	<u>\$ 13,436</u>
TOTAL LICENSES, FEES AND MISCELLANEOUS	<u>\$ 208,965</u>	<u>\$ 175,800</u>	<u>\$ 182,900</u>
Fines, Penalties and Interest on Taxes			
Corporation Net Income Tax	\$ 10,011	\$ 12,179	\$ 12,179
Interest on Excise Taxes — Corporations (Department of Revenue)	10,788	9,700	9,700
Penalties on Excise Taxes — Corporations	668	623	623
Realty Transfer Tax	157	198	198
Other Fines and Penalties			
Department of Agriculture			
Amusement Rides and Attractions — Fines		2	2
Egg Fines		1	1
General Food Fines	16	22	25
Harness Racing Fines and Penalties	29	35	35
Horse Racing Fines and Penalties	51	36	36
Marking Law Fines	*	1	*
Miscellaneous	2	*	*
Department of Environmental Resources			
Blasters' Fines	*	*	*
Miscellaneous Fines	17	17	17
Ethics Commission			
Violations Act 170-1978	7	14	14
Department of General Services			
Traffic Violations	27	26	26
Department of Health			
Non-Compliance Fines and Penalties	82	82	82
Department of Insurance			
Miscellaneous Fines	698	524	521
Department of Labor and Industry			
Minor Labor Law Fines	5	21	21
Miscellaneous Fines	15	16	16
Public Utility Commission			
Violation of Order Fines	518	500	500
Department of Revenue			
Malt Liquor Fines and Penalties	2	2	2
Motor Law Fines Prior to July 1, 1976	*	1	1
Spiritous and Vinous Liquor Fines and Penalties	*	1	1
TOTAL FINES, PENALTIES AND INTEREST	<u>\$ 23,093</u>	<u>\$ 24,000</u>	<u>\$ 24,000</u>
TOTAL NONTAX REVENUE	<u>\$ 265,058</u>	<u>\$ 246,800</u>	<u>\$ 256,900</u>
TOTAL GENERAL FUND REVENUES	<u>\$ 14,633,118</u>	<u>\$ 15,172,100</u>	<u>\$ 15,884,700</u>

*Less Than \$500

General Fund Revenue Summary

Revenue History

	(Dollar Amounts in Thousands)					
	1987-88 Actual	1988-89 Actual	1989-90 Actual	1990-91 Actual	1991-92 Actual	1992-93 Actual
TAX REVENUE						
Corporation Taxes						
Corporate Net Income	\$ 1,039,775	\$ 1,158,777	\$ 1,081,437	\$ 1,000,583	\$ 1,613,290	\$ 1,456,128
Capital Stock and Franchise	491,654	530,419	571,797	585,007	886,021	875,105
Selective Business:						
Gross Receipts Tax	486,312	541,116	556,447	588,374	660,117	637,999
Public Utility Realty	130,463	138,409	163,447	149,788	202,941	156,269
Insurance Premiums	200,347	187,073	197,648	203,995	243,410	235,855
Financial Institutions	106,604	133,740	286,855	120,242	147,044	141,067
Other	10,713	9,155	8,977	8,290	8,342	21,734
Total—Corporation Taxes	<u>\$ 2,465,868</u>	<u>\$ 2,698,689</u>	<u>\$ 2,866,608</u>	<u>\$ 2,656,279</u>	<u>\$ 3,761,165</u>	<u>\$ 3,524,157</u>
Consumption Taxes						
Sales and Use	\$ 3,846,585	\$ 4,085,875	\$ 4,224,983	\$ 4,197,700	\$ 4,499,734	\$ 4,828,823
Cigarette	228,881	223,903	216,852	213,418	336,245	330,065
Malt Beverage	27,598	27,704	27,541	27,545	26,983	25,812
Liquor	110,732	109,617	112,411	115,328	117,645	122,746
Total—Consumption Taxes	<u>\$ 4,213,796</u>	<u>\$ 4,447,099</u>	<u>\$ 4,581,787</u>	<u>\$ 4,553,991</u>	<u>\$ 4,980,607</u>	<u>\$ 5,307,446</u>
Other Taxes						
Personal Income Tax	\$ 2,879,970	\$ 3,146,956	\$ 3,294,309	\$ 3,363,587	\$ 4,807,421	\$ 4,789,995
Realty Transfer	212,027	217,184	200,799	164,510	171,804	181,749
Inheritance	401,404	446,708	474,694	497,565	537,732	562,880
Minor and Repealed	990	963	964	942	1,093	1,833
Total—Other Taxes	<u>\$ 3,494,391</u>	<u>\$ 3,811,811</u>	<u>\$ 3,970,766</u>	<u>\$ 4,026,604</u>	<u>\$ 5,518,050</u>	<u>\$ 5,536,457</u>
TOTAL TAX REVENUE	<u>\$ 10,174,055</u>	<u>\$ 10,957,599</u>	<u>\$ 11,419,161</u>	<u>\$ 11,236,874</u>	<u>\$ 14,259,822</u>	<u>\$ 14,368,060</u>
NONTAX REVENUE						
Liquor Store Profits	\$ 26,000	\$ 16,000	\$ 41,250	\$ 38,000	\$ 41,000	\$ 33,000
Licenses, Fees and Miscellaneous:						
Licenses and Fees	37,841	39,429	44,402	46,140	56,200	55,470
Miscellaneous	107,385	224,420	304,008	519,629	139,104	153,495
Fines, Penalties and Interest:						
On Taxes	13,332	18,372	24,624	20,430	19,406	21,624
Other	625	831	924	1,199	1,265	1,469
TOTAL NONTAX REVENUES	<u>\$ 185,183</u>	<u>\$ 299,052</u>	<u>\$ 415,208</u>	<u>\$ 625,398</u>	<u>\$ 256,975</u>	<u>\$ 265,058</u>
GENERAL FUND TOTAL	<u>\$ 10,359,238</u>	<u>\$ 11,256,651</u>	<u>\$ 11,834,369</u>	<u>\$ 11,862,272</u>	<u>\$ 14,516,797</u>	<u>\$ 14,633,118</u>



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*

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Beginning Balance	\$ 22,103	\$ 82,162	\$ 87,848
Adjustment to Beginning Balance ..	.....	487	.....
Total Beginning Balance	<u>\$ 22,103</u>	<u>\$ 82,649</u>	<u>\$ 87,848</u>
Revenue:			
Revenue Estimate	\$ 1,524,578	\$ 1,474,300	\$ 1,492,550
Adjustment to Official Estimate .....	.....	12,950	.....
Accrued Revenues Unrealized	115,967	112,147	112,838
Less Revenues Accrued Previously ..	-148,279	-115,967	-112,147
Total Revenue	<u>\$ 1,492,266</u>	<u>\$ 1,483,430</u>	<u>\$ 1,493,241</u>
Prior Year Lapses	17,032	18,200	.....
Funds Available	<u>\$ 1,531,401</u>	<u>\$ 1,584,279</u>	<u>\$ 1,581,089</u>
Expenditures:			
Appropriations	\$ 1,449,239	\$ 1,519,267	\$ 1,580,126
Less Current Year Lapses .....	.....	-22,836	.....
Estimated Expenditures	<u>-1,449,239</u>	<u>-1,496,431</u>	<u>-1,580,126</u>
Ending Balance	<u>\$ 82,162</u>	<u>\$ 87,848</u>	<u>\$ 963</u>

*Excludes restricted revenue

Motor License Fund

Summary by Department

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Budget
Executive Offices			
General Government			
Office of the Budget—Comptroller Operations	\$ 4,723	\$ 5,269	\$ 4,215
TOTAL STATE FUNDS	<u>\$ 4,723</u>	<u>\$ 5,269</u>	<u>\$ 4,215</u>
Augmentations	\$ 642	\$ 624	\$ 843
DEPARTMENT TOTAL	<u>\$ 5,365</u>	<u>\$ 5,893</u>	<u>\$ 5,058</u>
Treasury Department			
General Government			
Replacement Checks	\$ 100	\$ 240	\$ 240
Refunding Liquid Fuel Tax — Agricultural Use	2,112	3,400	3,400
Administration of Refunding Liquid Fuel Tax	274	343	360
Refunding Liquid Fuel Tax	179	400	400
Refunding Emergency Liquid Fuel Tax .....	.....	1	1
Refunding Liquid Fuel Tax — Political Subdivision Use	1,349	2,100	2,100
Refunding Liquid Fuel Tax — Volunteer Fire Companies, Ambulance Services and Rescue Squads	74	150	150
Refunding Marine Liquid Fuel Tax — Boat Fund	1,871	2,000	2,000
Subtotal	<u>\$ 5,959</u>	<u>\$ 8,634</u>	<u>\$ 8,651</u>
Debt Service Requirements			
Capital Debt — Transportation Projects	\$ 177,535	\$ 178,930	\$ 179,099
General Obligation Debt Service	1,861	1,697	1,674
Advance Construction Interstate—Interest Payments	9,684	4,478	1,776
Loan and Transfer Agent	104	135	135
Subtotal	<u>\$ 189,184</u>	<u>\$ 185,240</u>	<u>\$ 182,684</u>
TOTAL STATE FUNDS	<u>\$ 195,143</u>	<u>\$ 193,874</u>	<u>\$ 191,335</u>
Restricted Revenue	\$ 117,816	\$ 70,382	\$ 80,380
DEPARTMENT TOTAL	<u>\$ 312,959</u>	<u>\$ 264,256</u>	<u>\$ 271,715</u>
Department of Education			
Grants and Subsidies			
Safe Driving Course	\$ 1,650	\$ 1,804	\$ 1,672
DEPARTMENT TOTAL	<u>\$ 1,650</u>	<u>\$ 1,804</u>	<u>\$ 1,672</u>

Motor License Fund

Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Budget
Department of Environmental Resources			
Restricted Revenue	\$ 117	\$ 2,860	\$ 7,224
DEPARTMENT TOTAL	<u>\$ 117</u>	<u>\$ 2,860</u>	<u>\$ 7,224</u>
Department of General Services			
Grants and Subsidies			
Tort Claims Payments	\$ 17,500	\$ 32,000	\$ 27,000
Harristown Rental Charges .....	.....	.....	82
Harristown Utility and Municipal Charges .....	.....	.....	130
DEPARTMENT TOTAL	<u>\$ 17,500</u>	<u>\$ 32,000</u>	<u>\$ 27,212</u>
Department of Revenue			
General Government			
Collection — Liquid Fuels Tax	\$ 7,642	\$ 8,341	\$ 8,959
Refunding Liquid Fuels Taxes	8,300	8,300	8,300
TOTAL STATE FUNDS	<u>\$ 15,942</u>	<u>\$ 16,641</u>	<u>\$ 17,259</u>
Augmentations .....	.....	127	127
DEPARTMENT TOTAL	<u>\$ 15,942</u>	<u>\$ 16,768</u>	<u>\$ 17,386</u>
Pennsylvania State Police			
General Government			
General Government Operations	\$ 205,550	\$ 213,498	\$ 224,234
Commercial Driver Licensing	1,077	.....	.....
Municipal Police Training	2,528	4,390	4,403
Patrol Vehicles	4,271	4,216	4,100
DEPARTMENT TOTAL	<u>\$ 213,426</u>	<u>\$ 222,104</u>	<u>\$ 232,737</u>
Department of Transportation			
General Government			
General Government Operations	\$ 24,892	\$ 26,893	\$ 27,594
Refunding Collected Monies	2,296	2,500	2,500
Highway and Safety Improvement	127,657	135,000	171,400
Metric Conversion .....	.....	5,000	5,000
Highway Maintenance	548,318	538,947	571,967
Highway Maintenance—Supplemental	17,384	37,575	16,903
Reinvestment — Facilities	2,000	3,000	6,000
Local Bridge Inspection	270	625	425
Secondary Roads — Maintenance and Resurfacing	55,000	55,452	56,130
Safety Administration and Licensing	60,440	77,898	78,445
Subtotal	<u>\$ 838,257</u>	<u>\$ 882,890</u>	<u>\$ 936,364</u>

Motor License Fund

Summary by Department (Continued)

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Budget
Department of Transportation (continued)			
Grants and Subsidies			
Local Road Maintenance and Construction Payments	\$ 157,598	\$ 159,685	\$ 164,332
Supplemental Local Road Maintenance and Construction Payments	5,000	5,000	5,000
Subtotal	\$ 162,598	\$ 164,685	\$ 169,332
TOTAL STATE FUNDS	\$ 1,000,855	\$ 1,047,575	\$ 1,105,696
Federal Funds	\$ 575,546	\$ 738,770	\$ 814,421
Augmentations	30,422	32,726	38,822
Restricted Revenue	333,572	362,725	398,312
DEPARTMENT TOTAL	\$ 1,940,395	\$ 2,181,796	\$ 2,357,251
Fund Summary			
State Funds — Transportation	\$ 1,000,855	\$ 1,047,575	\$ 1,105,696
State Funds — Other Departments	448,384	471,692	474,430
TOTAL STATE FUNDS	\$ 1,449,239	\$ 1,519,267	\$ 1,580,126
Motor License Fund Total — All Funds			
State Funds	\$ 1,449,239	\$ 1,519,267	\$ 1,580,126
Federal Funds	575,546	738,770	814,421
Augmentations	31,064	33,477	39,792
Restricted Revenue	451,505	435,967	485,916
FUND TOTAL	\$ 2,507,354	\$ 2,727,481	\$ 2,920,255

Motor License Fund

REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Estimated	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
Liquid Fuels Taxes	\$ 985,955	\$ 941,900	\$ 946,900	\$ 892,500	\$ 962,800	\$ 999,400	\$ 955,100
Motor Licenses and Fees	471,953	473,100	473,700	480,300	486,200	485,000	485,500
Other Motor License Fund Revenues	66,670	72,250	71,950	68,950	69,050	69,150	69,250
TOTAL MOTOR LICENSE FUND REVENUES	<u>\$ 1,524,578</u>	<u>\$ 1,487,250</u>	<u>\$ 1,492,550</u>	<u>\$ 1,441,750</u>	<u>\$ 1,518,050</u>	<u>\$ 1,553,550</u>	<u>\$ 1,509,850</u>
Aviation Restricted Revenues	\$ 17,230	\$ 19,510	\$ 19,675	\$ 20,110	\$ 20,430	\$ 20,750	\$ 21,070
Highway Bridge Improvement Restricted Revenues	\$ 38,924	\$ 68,500	\$ 70,050	\$ 67,190	\$ 64,330	\$ 64,430	\$ 64,630
State Highway Transfer Restricted Revenues	\$ 16,369	\$ 15,074	\$ 15,153	\$ 14,305	\$ 15,479	\$ 16,095	\$ 15,353
Oil Company Franchise Tax Restricted Account Revenues	\$ 288,863	\$ 276,351	\$ 277,798	\$ 262,263	\$ 283,781	\$ 295,070	\$ 281,465

Adjustments to 1993-94 Revenue Estimate

On May 28, 1993, an official estimate for 1993-94 of \$1,474,300,000 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)		
	1993-94 Official Estimate	Adjustments	1993-94 Revised Estimate
Liquid Fuels Taxes	\$ 937,500	\$ 4,400	\$ 941,900
Motor Licenses and Fees	467,400	5,700	473,100
Other Motor License Fund Revenues	69,400	2,850	72,250
TOTAL	<u>\$ 1,474,300</u>	<u>\$ 12,950</u>	<u>\$ 1,487,250</u>

Motor License Fund

Revenue Sources

		Liquid Fuels Taxes	
Actual		(Dollar Amounts in Thousands)	
		Estimated	
1987-88	\$ 923,396	1993-94	\$ 941,900
1988-89	923,416	1994-95	946,900
1989-90	928,189	1995-96	892,500
1990-91	926,026	1996-97	962,800
1991-92	925,019	1997-98	999,400
1992-93	985,955	1998-99	955,100

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 — Motorbus 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 115 mills of the average wholesale price; and a six cent per gallon surtax levied by Act 56 of 1987. The surtax, effective July 1, 1987, 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.

The Motorbus Road Tax is imposed on the amount of motor fuel used by bus companies in their operations on highways within this Commonwealth. The tax contains the liquid fuels tax rate of twelve cents per gallon and an oil company franchise tax element based upon 115 mills of the average wholesale price of motor fuels.

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

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. Effective January 1, 1993, this tax was repealed and replaced by the Motorbus Road Tax.

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 115 mills of the average wholesale price of motor fuels used for motor vehicles in the Commonwealth became effective September 1, 1991. Previously, the tax rate was 60 mills of the wholesale price. Three mills of the current tax rate is dedicated to funding for the local highway turnback program, and fifty-five mills of the current tax rate is distributed to various restricted accounts. These dedicated and restricted taxes are not included in the above estimates.

Motor License Fund

Revenue Sources (continued)

Exclusions, 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 vehicles' fuel supply tanks (applicable to fuel use tax only) and fuels used for certain agricultural purposes are not taxable.

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

Motor Licenses and Fees

Actual	(Dollar Amounts in Thousands)	Estimated	
1987-88	\$ 444,798	1993-94	\$ 473,100
1988-89	455,782	1994-95	473,700
1989-90	455,961	1995-96	480,300
1990-91	459,321	1996-97	486,200
1991-92	467,094	1997-98	485,000
1992-93	471,953	1998-99	485,500

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

Other Motor License Fund Revenues

Actual	(Dollar Amounts in Thousands)	Estimated	
1987-88	\$ 83,231	1993-94	\$ 72,250
1988-89	78,656	1994-95	71,950
1989-90	99,551	1995-96	68,950
1990-91	87,793	1996-97	69,050
1991-92	74,580	1997-98	69,150
1992-93	66,670	1998-99	69,250

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 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 1986-87 is to be deposited in the Judicial Computer System Augmentation Account in accordance with Act 64 of 1987. 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, State highway turnback programs and the Oil Company Franchise Tax restricted account are not included in these amounts.

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
LIQUID FUELS TAXES			
Liquid Fuels Tax			
Liquid Fuels Tax	\$ 556,305	\$ 529,934	\$ 531,933
Liquid Fuels Tax Interest	142	135	136
Liquid Fuels Tax Penalties	242	231	231
Subtotal	<u>\$ 556,689</u>	<u>\$ 530,300</u>	<u>\$ 532,300</u>
Fuel Use Tax			
Fuel Use Tax	\$ 112,272	\$ 111,055	\$ 112,447
Fuel Use Tax Interest	207	205	207
Fuel Use Tax Penalties	445	440	446
Subtotal	<u>\$ 112,924</u>	<u>\$ 111,700</u>	<u>\$ 113,100</u>
Motor Carriers Road Tax — Motorbus Road Tax			
Motor Carriers Road/Motorbus Road — Fuels Tax	\$ 9,283	\$ 9,155	\$ 9,223
Motor Carriers Road/Motorbus Road — Registration Fees and Special Permit Fees	4,406	4,345	4,377
Subtotal	<u>\$ 13,689</u>	<u>\$ 13,500</u>	<u>\$ 13,600</u>
Interstate Bus Compact Fuels Tax			
Interstate Bus Compact Fuels Tax	\$ 495	.....	.....
Interstate Bus Compact Fuels Tax Interest	2	.....	.....
Interstate Bus Compact Fuels Tax Penalties	3	.....	.....
Subtotal	<u>\$ 500</u>	.....	.....
Oil Company Franchise Tax			
Oil Company Franchise Tax	\$ 302,153	\$ 286,400	\$ 287,900
Subtotal	<u>\$ 302,153</u>	<u>\$ 286,400</u>	<u>\$ 287,900</u>
TOTAL LIQUID FUELS TAXES	<u>\$ 985,955</u>	<u>\$ 941,900</u>	<u>\$ 946,900</u>
MOTOR LICENSES AND FEES			
Operators' Licenses	\$ 48,625	\$ 46,400	\$ 44,900
Other Fees Collected by Bureau of Motor Vehicles	20,477	20,500	20,500
Registration Fees Received from other States/IRP	22,751	22,000	22,000
Special Hauling Permit Fees	7,357	7,700	7,900
Vehicle Registration and Titling	372,743	376,500	378,400
TOTAL MOTOR LICENSES AND FEES	<u>\$ 471,953</u>	<u>\$ 473,100</u>	<u>\$ 473,700</u>

Less than \$500.

Motor License Fund

Revenue Detail (continued)

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
OTHER MOTOR LICENSE FUND REVENUES			
Gross Receipts Tax			
Gross Receipts Tax	\$ 748	\$ 750	\$ 650
Subtotal	<u>\$ 748</u>	<u>\$ 750</u>	<u>\$ 650</u>
Fines and Penalties			
Department of Revenue			
Vehicle Code Fines	\$ 26,026	\$ 27,132	\$ 27,562
Department of Transportation			
Vehicle Code Fines	4,190	4,368	4,438
Subtotal	<u>\$ 30,216</u>	<u>\$ 31,500</u>	<u>\$ 32,000</u>
Miscellaneous Revenues			
Treasury Department			
Interest on Deposits — Cash Advancement Accounts ..	\$ 27	\$ 29	\$ 29
Interest on Securities	9,650	10,129	10,511
Interest on Securities — Liquid Fuels Tax Fund	328	344	357
Redeposit of Checks	87	91	95
Interest on Deposits of Motor License Fund	7	7	8
Subtotal	<u>\$ 10,099</u>	<u>\$ 10,600</u>	<u>\$ 11,000</u>
Department of General Services			
Sale of Unserviceable Property	\$ 489	\$ 500	\$ 500
Subtotal	<u>\$ 489</u>	<u>\$ 500</u>	<u>\$ 500</u>
Department of Transportation			
Advance Construction Interstate Interest			
Reimbursement	\$ 1	\$ 1,000	\$ 4,500
Contract Deposit Forfeitures	1	1	1
Fees for Reclaiming Abandoned Vehicles	25	26	25
Highway Bridges Income	109	115	109
Highway Encroachment Permits	1,264	1,331	1,269
Recovered Damages	*	*	*
Sale of Abandoned Vehicles	3	3	3
Sale of Bid Proposals and Contract Specifications	727	766	730
Sale of Inspection Stickers	19,050	20,062	19,119
Sale of Maps and Plans	290	305	291
Sale of Right-of-Ways	1,697	4,500	1,000
Miscellaneous Revenues	1,712	539	514
Refunds of Expenditures Not Credited to Appropriations or Allocations	239	252	239
Subtotal	<u>\$ 25,118</u>	<u>\$ 28,900</u>	<u>\$ 27,800</u>
TOTAL OTHER MOTOR LICENSE FUND REVENUES ...	<u>\$ 66,670</u>	<u>\$ 72,250</u>	<u>\$ 71,950</u>
TOTAL MOTOR LICENSE FUND REVENUES	<u>\$ 1,524,578</u>	<u>\$ 1,487,250</u>	<u>\$ 1,492,550</u>

* Less than \$500.

Motor License Fund

Restricted Revenues Not Included in Department Total

Aviation Revenues			
Actual	(Dollar Amounts in Thousands)		Estimated
1987-88	\$ 13,235	1993-94	\$ 19,510
1988-89	15,937	1994-95	19,675
1989-90	14,823	1995-96	20,110
1990-91	17,478	1996-97	20,430
1991-92	17,469	1997-98	20,750
1992-93	17,230	1998-99	21,070

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 164 of 1984 the aviation gasoline rate is not to exceed 6.0 cents per gallon nor be less than 3.0 cents per gallon. The jet fuel tax is not to exceed 2.0 cents per gallon nor be less than 1.5 cents per gallon. The tax rate as of January 1, 1994, is 3.6 cents per gallon on aviation gasoline and 1.8 cents per gallon on jet fuel. Airport income consists primarily of rents, concessions, utility refunds and landing fees. Aviation restricted revenues are not included in Motor License Fund revenue totals.

	1992-93 Actual	1993-94 Estimated	1994-95 Budget
AVIATION REVENUES			
Aviation Liquid Fuels Tax	\$ 9,264	\$ 9,335	\$ 9,335
Harrisburg International Airport Industrial Park	630	540	510
Harrisburg International Airport Operations	7,200	9,500	9,700
State Airport Operations	136	135	130
TOTAL AVIATION REVENUES	<u>\$ 17,230</u>	<u>\$ 19,510</u>	<u>\$ 19,675</u>

Highway Bridge Improvement Revenues

Actual	(Dollar Amounts in Thousands)		Estimated
1987-88	\$ 42,862	1993-94	\$ 68,500
1988-89	63,862	1994-95	70,050
1989-90	71,106	1995-96	67,190
1990-91	68,201	1996-97	64,330
1991-92	35,498 ^a	1997-98	64,430
1992-93	38,924 ^a	1998-99	64,630

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.

	1992-93 Actual	1993-94 Estimated	1994-95 Budget
HIGHWAY BRIDGE IMPROVEMENT REVENUES			
Motor Carrier Surcharge	\$ 22,152 ^a	\$ 52,500	\$ 53,200
Registration Fee Portion—PA-Based Motor Vehicles	15,618	15,000	15,700
Temporary Permit Fees	1,154	1,000	1,150
TOTAL HIGHWAY BRIDGE IMPROVEMENT REVENUES	<u>\$ 38,924</u>	<u>\$ 68,500</u>	<u>\$ 70,050</u>

^aThe Motor Carrier Surcharge amounts are net of \$32.0 million of Axle Tax refunds in 1991-92 and \$30.4 million in 1992-93.

Motor License Fund

Restricted Revenues Not Included in Department Total (continued)

State Highway Transfer Revenues


Actual	(Dollar Amounts in Thousands)	Estimated	
1987-88	\$ 14,841	1993-94	\$ 15,074
1988-89	14,855	1994-95	15,153
1989-90	15,061	1995-96	14,305
1990-91	15,231	1996-97	15,479
1991-92	14,903	1997-98	16,095
1992-93	16,369	1998-99	15,353

State highway transfer restricted revenues are provided by three mills of the Oil Company Franchise Tax. Act 32 of 1983 established a local highway turnback program funded by a restricted revenue account within the Motor License Fund.

Oil Company Franchise Tax Restricted Account Revenues

Actual	(Dollar Amounts in Thousands)	Estimated	
1987-88		1993-94	\$ 276,351
1988-89		1994-95	277,798
1989-90		1995-96	262,263
1990-91		1996-97	283,781
1991-92	\$ 176,918	1997-98	295,070
1992-93	288,863	1998-99	281,465

Oil Company Franchise Tax Restricted Account revenues are provided by a 55 mill tax on the average wholesale price of motor fuels as a result of passage of Act 26 of 1991. Monies are restricted in their usage by the following percentages: 42 percent for maintenance, 17 percent for capital projects, 13 percent for bridges, 12 percent for municipalities, 14 percent for toll roads and 2 percent for county or forestry bridges.



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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Estimated
Beginning Balance	\$ -56 ^a	\$ 1,267	\$ 974
Receipts:			
Revenue Estimate	\$ 10,559	\$ 10,403	\$ 11,063 ^b
Prior Year Lapses	<u>731</u>	<u>.....</u>	<u>.....</u>
Total Receipts	11,290	10,403	11,063
Funds Available	\$ 11,234	\$ 11,670	\$ 12,037
Expenditures:			
Appropriated	\$ 9,967	\$ 10,696	\$ 10,771
Estimated Expenditures	<u>-9,967</u>	<u>-10,696</u>	<u>-10,771</u>
Ending Balance	\$ <u>1,267</u>	\$ <u>974</u>	\$ <u>1,266</u>

^aIn order to meet the expected financial responsibilities on behalf of the two private banks closed in April, 1992 and placed under the authority of the Secretary of Banking in her role as receiver, as stated in the Department of Banking Code, encumbrances were not liquidated until after 6/30/92. These actions resulted in a deficit for 1991-92.

^bThe revenue estimate for 1994-95 includes \$875,000 of projected receiverships' administrative costs and legal fees which are to be reimbursed to the Secretary of Banking, as Receiver of the private banks, as the banks' assets are liquidated.

Summary by Department

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Estimated	1994-95 Budget
Treasury Department			
General Government			
Replacement Checks		\$ 5	\$ 5
Banking Department			
General Government			
General Operations	\$ 9,619	\$ 10,343	\$ 10,413
DEPARTMENT TOTAL	<u>\$ 9,619</u>	<u>\$ 10,343</u>	<u>\$ 10,413</u>
Department of General Services			
General Government			
Harristown Rental Charges	\$ 151	\$ 162	\$ 162
Harristown Utility and Municipal Charges	197	186	191
DEPARTMENT TOTAL	<u>\$ 348</u>	<u>\$ 348</u>	<u>\$ 353</u>
FUND TOTAL	<u>\$ 9,967</u>	<u>\$ 10,696</u>	<u>\$ 10,771</u>

Banking Department Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1992-93 Actual	1993-94 Estimated	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
Licenses and Fees	\$ 10,440	\$ 10,323	\$ 10,983	\$ 11,092	\$ 11,219	\$ 11,363	\$ 10,827
Fines and Penalties	40	1	1	1	1	1	1
Miscellaneous	79	79	79	79	79	79	79
TOTAL BANKING DEPARTMENT FUND RECEIPTS	\$ 10,559	\$ 10,403	\$ 11,063	\$ 11,172	\$ 11,299	\$ 11,443	\$ 10,907

Revenue Sources

Licenses and Fees

Actual		Estimated	
1987-88	\$ 7,324	1993-94	\$ 10,323
1988-89	7,190	1994-95	10,983
1989-90	7,497	1995-96	11,092
1990-91	8,566	1996-97	11,219
1991-92	9,058	1997-98	11,363
1992-93	10,440	1998-99	10,827

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.

Fines and Penalties

Actual		Estimated	
1987-88		1993-94	\$ 1
1988-89		1994-95	1
1989-90		1995-96	1
1990-91		1996-97	1
1991-92	\$ 14	1997-98	1
1992-93	40	1998-99	1

The Commonwealth receives fines and penalties collected from companies illegally doing business in the Commonwealth as well as companies that file financial statements beyond deadlines established in regulations.

Miscellaneous Revenues

Actual		Estimated	
1987-88	\$ 232	1993-94	\$ 79
1988-89	290	1994-95	79
1989-90	427	1995-96	79
1990-91	389	1996-97	79
1991-92	162	1997-98	79
1992-93	79	1998-99	79

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)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Licenses and Fees			
Banking Examinations	\$ 3,640	\$ 3,754	\$ 3,480
Banking — Overhead Assessments	2,084	2,215	2,392
Banking — Application Fees	77	61	63
Banking — Publications	2	1	1
Banking — Miscellaneous Fees	23	13	13
Banking — Interstate Application Fees	20	20	20
Banking — Intrastate Application Fees .....	.....	10	10
Banking — Receiverships .....	.....	.....	875
Savings Associations — Examinations	1,214	907	816
Savings Associations — Overhead Assessments	269	162	145
Savings Associations — Application Fees	40	8	22
Savings Associations — Interstate Application Fees	10	10	10
Consumer Credit — Examinations	279	209	215
Consumer Credit — Overhead Assessments	255	275	260
Consumer Credit — Pawnbroker Licenses	20	31	31
Consumer Credit — Installment Seller Licenses	857	949	949
Consumer Credit — Consumer Discount Company Licenses	231	237	237
Consumer Credit — Money Transmitter Licenses	36	31	31
Consumer Credit — Sales Finance Licenses	297	314	314
Consumer Credit — Collector-Repossessor Licenses	32	40	40
Consumer Credit — Second Mortgage Licenses	313	323	323
Examinations — Credit Union	367	396	377
Examinations — Pawnbrokers	14	12	12
Examinations — Second Mortgage	71	52	54
Examinations — First Mortgage	4	3	3
First Mortgage Company — Licenses	256	254	254
Mutual Holding Companies — Reorganization Application Fees .....	.....	30	30
Miscellaneous	29	6	6
TOTAL	<u>\$ 10,440</u>	<u>\$ 10,323</u>	<u>\$ 10,983</u>
Fines and Penalties			
Banking Law — Fines and Penalties	\$ 40	\$ 1	\$ 1
TOTAL	<u>\$ 40</u>	<u>\$ 1</u>	<u>\$ 1</u>
Miscellaneous Revenues			
Interest on Securities	\$ 77	\$ 77	\$ 77
Interest on Deposits	2	2	2
TOTAL	<u>\$ 79</u>	<u>\$ 79</u>	<u>\$ 79</u>
TOTAL REVENUES	<u>\$ 10,559</u>	<u>\$ 10,403</u>	<u>\$ 11,063</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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Estimated
Beginning Balance	\$ 3,624	\$ 5,055	\$ 5,481
Receipts:			
Revenue Estimate	\$ 7,896	\$ 7,621	\$ 8,491
Prior Year Lapses	644	544	.....
Total Receipts	8,540	8,165	8,491
Funds Available	\$ 12,164	\$ 13,220	\$ 13,972
Expenditures:			
Appropriated	\$ 7,109	\$ 7,739	\$ 7,860
Estimated Expenditures	-7,109	-7,739	-7,860
Ending Balance	\$ 5,055	\$ 5,481	\$ 6,112

Summary by Department

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Estimated	1994-95 Budget
Treasury Department			
General Government			
Replacement Checks .....	.....	\$ 5	\$ 5
Debt Service Requirements			
General Obligation Debt Service	\$ 2	1	1
DEPARTMENT TOTAL	\$ 2	\$ 6	\$ 6
Fish and Boat Commission			
General Government			
General Operations	\$ 5,985	\$ 6,471	\$ 6,584
TOTAL STATE FUNDS	\$ 5,987	\$ 6,477	\$ 6,590
Federal Funds	\$ 1,105	\$ 1,252	\$ 1,260
Other Funds	17	10	10
FUND TOTAL	\$ 7,109	\$ 7,739	\$ 7,860

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1992-93 Actual	1993-94 Estimated	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
Licenses and Fees	\$ 4,331	\$ 3,832	\$ 4,675	\$ 3,955	\$ 4,855	\$ 4,109	\$ 5,037
Fines and Penalties	108	150	150	150	160	160	170
Miscellaneous	2,335	2,377	2,396	2,496	2,596	2,696	2,796
TOTAL BOAT FUND REVENUES ...	\$ 6,774	\$ 6,359	\$ 7,221	\$ 6,601	\$ 7,611	\$ 6,965	\$ 8,003
Augmentations	\$ 1,122	\$ 1,262	\$ 1,270	\$ 1,285	\$ 1,315	\$ 1,340	\$ 1,370
TOTAL BOAT FUND RECEIPTS	\$ 7,896	\$ 7,621	\$ 8,491	\$ 7,886	\$ 8,926	\$ 8,305	\$ 9,373

Revenue Sources

Licenses and Fees

Actual		Estimated	
1987-88	\$ 1,344	1993-94	\$ 3,832
1988-89	1,402	1994-95	4,675
1989-90	1,491	1995-96	3,955
1990-91	2,262	1996-97	4,855
1991-92	3,259	1997-98	4,109
1992-93	4,331	1998-99	5,037

The Boat Fund receives revenue from boat registration fees. Act 39 of 1991 increased and added fees. For motorboats up to 16 feet in length, the annual registration fee is \$10.00. For those between 16 and 20 feet, the fee is \$15.00 per year. The annual fee for motorboats over 20 feet is \$20.00. There is also a voluntary registration fee of \$5.00 per year for all boats not equipped with motors. Other fees, such as duplicate registrations (\$5.00 each) and commercial passenger boat registrations (\$25.00 each), were also affected by Act 39.

Fines and Penalties

Actual		Estimated	
1987-88	\$ 74	1993-94	\$ 150
1988-89	69	1994-95	150
1989-90	99	1995-96	150
1990-91	118	1996-97	160
1991-92	103	1997-98	160
1992-93	108	1998-99	170

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

Miscellaneous Revenues

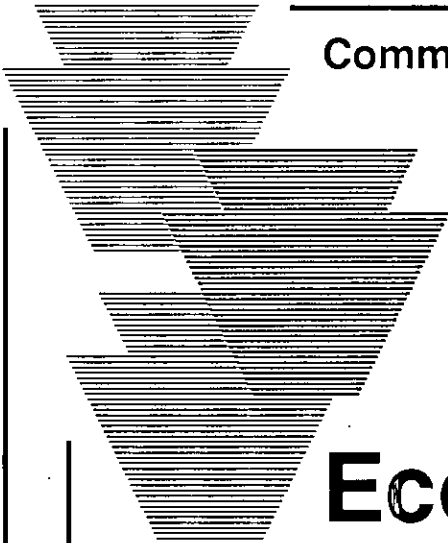
Actual		Estimated	
1987-88	\$ 2,320	1993-94	\$ 2,377
1988-89	1,169	1994-95	2,396
1989-90	2,872	1995-96	2,496
1990-91	2,218	1996-97	2,596
1991-92	2,189	1997-98	2,696
1992-93	2,335	1998-99	2,796

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 *Bout Pennsylvania*.

Revenue Detail

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

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Licenses and Fees			
Motor Boat Registration Fees	\$ 4,286	\$ 3,780	\$ 4,630
Boat Mooring Permits—Walnut Creek Access	27	40	30
Boat Capacity Plate Fees	18	12	15
TOTAL	<u>\$ 4,331</u>	<u>\$ 3,832</u>	<u>\$ 4,675</u>
Fines and Penalties			
Motor Boat Fines	\$ 108	\$ 150	\$ 150
TOTAL	<u>\$ 108</u>	<u>\$ 150</u>	<u>\$ 150</u>
Miscellaneous			
Transfer From Motor License and Liquid Fuels Tax Funds	\$ 1,952	\$ 1,991	\$ 2,000
Miscellaneous:	16	15	20
Interest on Securities	266	300	300
Sale of Unserviceable Property	38	10	15
Sales Tax Agent Fee PFC Share	39	35	35
Sale of <i>Boat Pennsylvania</i>	24	26	26
TOTAL	<u>\$ 2,335</u>	<u>\$ 2,377</u>	<u>\$ 2,396</u>
TOTAL REVENUES	<u>\$ 6,774</u>	<u>\$ 6,359</u>	<u>\$ 7,221</u>
Augmentations			
Sale of Automobiles	\$ 17	\$ 10	\$ 10
U.S. Coast Guard Grant for Boating Safety	880	958	959
Sport Fish Restoration	225	294	301
TOTAL	<u>\$ 1,122</u>	<u>\$ 1,262</u>	<u>\$ 1,270</u>
TOTAL RECEIPTS	<u>\$ 7,896</u>	<u>\$ 7,621</u>	<u>\$ 8,491</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. The fund was formally established in the 1988-89 budget as a permanent economic development fund. Programs receiving appropriations from PERF are being continued with General Fund transfers to PERF as well as, in this budget, a one-time transfer to PERF of surplus funds from the Pennsylvania Capital Loan Fund.

Economic Revitalization Fund

Financial Statement

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Estimated
Beginning Balance	\$ 7,694	\$ 7,652	\$ 7,347
Receipts:			
Transfer from General Fund	\$ 55,691 ^a	\$ 65,500	\$ 44,500
Transfer from Pennsylvania Capital Loan Fund .....	.....	.....	15,000
Revenue Estimate	9,051 ^b	3,300	3,300
Less transfer of interest to sinking fund	-622	-600	-600
Total Receipts	64,120	68,200	62,200
Bonds authorized, unissued as of 6/30/92	-26,460	.....	.....
Bonds authorized, unissued as of 6/30/93	20,580	.....	.....
Prior Year Lapses	1,360	1,500	.....
Funds Available	\$ 67,294	\$ 77,352	\$ 69,547
Expenditures:			
Appropriated	\$ 63,021	\$ 73,005	\$ 66,255
Less Current Year Lapses	-3,379	-3,000	.....
Estimated Expenditures	-59,642	-70,005	-66,255
Ending Balance	<u>\$ 7,652</u>	<u>\$ 7,347</u>	<u>\$ 3,292</u>

^aIncludes \$5.967 million of 1992-93 General Fund appropriation which was not actually transferred until 1993-94 and excludes \$15.7 million of 1991-92 General Fund appropriation which was not actually transferred until 1992-93.

^bIncludes bonds issued but excludes \$21,000 expense of issuing bonds.

Economic Revitalization Fund

Summary by Department

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Treasury Department			
General Government			
Replacement Checks .....	.....	\$ 5	\$ 5
Department of Agriculture			
Grants and Subsidies			
PENNAG — Transfer to Pennsylvania Capital Loan Fund	\$ 885	\$ 1,000	\$ 1,000
Department of Community Affairs			
Grants and Subsidies			
Recreational Improvement and Rehabilitation	\$ 3,395	\$ 3,500	.....
Housing and Redevelopment — Economic Development Setaside	16,490	21,500	\$ 21,500
DEPARTMENT TOTAL	<u>\$ 19,885</u>	<u>\$ 25,000</u>	<u>\$ 21,500</u>
Economic Development Partnership			
Grants and Subsidies			
Engineering School Equipment .....	.....	\$ 1,000	.....
Business Infrastructure Development	\$ 12,080	14,500	\$ 14,500
Employe Ownership—Technical Assistance	236	250	250
Mon Valley Revitalization	970	1,000	.....
Beaver Valley Revitalization	243	250	.....
Shenango Valley Revitalization	243	250	.....
Community Economic Recovery	2,000	1,500	1,500
Butler Revitalization	237	250	.....
Lawrence Revitalization	121	250	.....
Alle-Kiske Valley Revitalization	243	250	.....
Machinery and Equipment Loan Fund	7,200	7,800	7,800
Industrial Communities Site Development and Action	9,479	13,700	13,700
DEPARTMENT TOTAL	<u>\$ 33,052</u>	<u>\$ 41,000</u>	<u>\$ 37,750</u>
Department of Labor and Industry			
Grants and Subsidies			
Pennsylvania Conservation Corps	\$ 5,820	\$ 6,000	\$ 6,000
ECONOMIC REVITALIZATION FUND TOTAL — ALL FUNDS			
State Funds	\$ 59,642	\$ 73,005	\$ 66,255
FUND TOTAL	<u>\$ 59,642</u>	<u>\$ 73,005</u>	<u>\$ 66,255</u>

Economic Revitalization Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
Transfer from General Fund	\$ 55,691	\$ 65,500	\$ 44,500	\$ 64,000	\$ 66,500	\$ 66,500	\$ 66,500
Miscellaneous	9,051	3,300	18,300	3,300	3,300	3,300	3,300
Interest Transferred to Sinking Fund	-622	-600	-600	-600	-600	-600	-600
TOTAL ECONOMIC REVITALIZATION FUND REVENUES	\$ 64,120	\$ 68,200	\$ 62,200	\$ 66,700	\$ 69,200	\$ 69,200	\$ 69,200

Revenue Sources

Transfer from General Fund

Actual	Estimated
1987-88	\$ 59,000
1988-89	41,500
1989-90	33,600
1990-91	6,600
1991-92	54,200
1992-93	55,691
1993-94	\$ 65,500
1994-95	44,500
1995-96	64,000
1996-97	66,500
1997-98	66,500
1998-99	66,500

Initially funded from the sale of bonds, this fund's primary source of revenue is now an annual transfer from the General Fund. The 1991-92 amount includes \$15.7 million which was not actually transferred until 1992-93, while the 1992-93 amount includes \$5.967 million which was not actually transferred until 1993-94.

Miscellaneous Revenues

Actual	Estimated
1987-88	\$ 4,297
1988-89	5,470
1989-90	3,999
1990-91	56,723
1991-92	37,115
1992-93	9,051
1993-94	\$ 3,300
1994-95	18,300
1995-96	3,300
1996-97	3,300
1997-98	3,300
1998-99	3,300

Miscellaneous Revenue includes bond sales net of discount and cost of issuance, interest earnings, loan repayments and other miscellaneous revenue, including a proposed transfer of \$15 million from the Pennsylvania Capital Loan Fund in 1994-95.

Interest Transferred to Sinking Fund

Actual	Estimated
1987-88	\$ -5,026
1988-89	-4,528
1989-90	-3,439
1990-91	-1,770
1991-92	-323
1992-93	-622
1993-94	\$ -600
1994-95	-600
1995-96	-600
1996-97	-600
1997-98	-600
1998-99	-600

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 a detailed list of all Pennsylvania Economic Revitalization Fund revenues.

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Estimated	1994-95 Budget
Transfer from General Fund	\$ 55,691	\$ 65,500	\$ 44,500
Miscellaneous Revenue	9,051	3,300	18,300
Interest Transferred to Sinking Fund	-622	-600	-600
TOTAL RECEIPTS	<u>\$ 64,120</u>	<u>\$ 68,200</u>	<u>\$ 62,200</u>



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 were made from the fund for supplemental low-income weatherization and home energy assistance programs, and energy conservation activities.

Energy Conservation and Assistance Fund

Financial Statement

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Estimated
Beginning Balance	\$ 12,879	\$ 7,645	\$ 282
Receipts:			
Revenue Estimate	\$ 8,006	\$ 353	\$ 7
Prior Year Lapses	360	1,084	.....
Total Receipts	<u>8,366</u>	<u>1,437</u>	<u>7</u>
Funds Available	<u>\$ 21,245</u>	<u>\$ 9,082</u>	<u>\$ 289</u>
Expenditures:			
Appropriated	\$ 13,600	\$ 12,000	.....
Less Current Year Lapses .....	.....	-3,200	.....
Estimated Expenditures	<u>-13,600</u>	<u>-8,800</u>	<u>.....</u>
Ending Balance	<u>\$ 7,645</u>	<u>\$ 282</u>	<u>\$ 289</u>

Summary by Department

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Estimated	1994-95 Budget
Department of Public Welfare			
General Government			
Low Income Home Energy Assistance	\$ 10,200	\$ 9,000	.....
Energy Office			
General Government			
Energy Conservation Programs	<u>3,400</u>	<u>3,000</u>	<u>.....</u>
TOTAL STATE FUNDS	<u>\$ 13,600</u>	<u>\$ 12,000</u>	<u>.....</u>
FUND TOTAL	<u>\$ 13,600</u>	<u>\$ 12,000</u>	<u>.....</u>

Energy Conservation and Assistance Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1992-93 Actual	1993-94 Estimated	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
Court Settlements	\$ 7,186	\$ 53					
Miscellaneous	820	300	\$ 7	\$ 7	\$ 8	\$ 8	\$ 9
TOTAL ENERGY CONSERVATION AND ASSISTANCE FUND RECEIPTS	\$ 8,006	\$ 353	\$ 7	\$ 7	\$ 8	\$ 8	\$ 9

Revenue Sources

Court Settlements

Actual	Estimated
1987-88	1993-94
\$ 15,666	\$ 53
1988-89	1994-95
6,144	*
1989-90	1995-96
11,099	*
1990-91	1996-97
7,001	*
1991-92	1997-98
8,999	*
1992-93	1998-99
7,186	*

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.

No amounts are estimated for 1994-95 through 1998-99 due to the inability to project when the last three outstanding oil overcharge cases will be settled.

Miscellaneous Revenues

Actual	Estimated
1987-88	1993-94
\$ 7,640	\$ 300
1988-89	1994-95
7,162	7
1989-90	1995-96
6,200	7
1990-91	1996-97
3,505	8
1991-92	1997-98
1,666	8
1992-93	1998-99
820	9

Miscellaneous revenues include earned interest.

Energy Conservation and Assistance Fund

Revenue Detail

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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Estimated	1994-95 Budget
Court Settlements	\$ 7,186	\$ 53	.....
Interest Earned	765	300	\$ 7
Miscellaneous	55	.....	.....
TOTAL RECEIPTS	<u>\$ 8,006</u>	<u>\$ 353</u>	<u>\$ 7</u>



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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Estimated
Beginning Balance	\$ 431	\$ 442	\$ 580
Receipts:			
Revenue Estimate	\$ 3,106	\$ 3,111	\$ 3,200
Transfer from General Fund	700	700	700
Prior Year Lapses	120	.....	.....
Total Receipts	<u>3,926</u>	<u>3,811</u>	<u>3,900</u>
Funds Available	<u>\$ 4,357</u>	<u>\$ 4,253</u>	<u>\$ 4,480</u>
Expenditures:			
Appropriated	\$ 3,915	\$ 3,699	\$ 3,949
Less Current Year Lapses .....	.....	-26	.....
Estimated Expenditures	<u>-3,915</u>	<u>-3,673</u>	<u>-3,949</u>
Ending Balance	<u>\$ 442</u>	<u>\$ 580</u>	<u>\$ 531</u>

Summary by Department

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Estimated	1994-95 Budget
Treasury Department			
General Government			
Replacement Checks .....	.....	\$ 5	\$ 5
Department of Agriculture			
General Government			
General Operations	\$ 3,215	\$ 2,994	\$ 3,244
DEPARTMENT TOTAL	<u>\$ 3,215</u>	<u>\$ 2,994</u>	<u>\$ 3,244</u>
TOTAL STATE FUNDS	<u>\$ 3,215</u>	<u>\$ 2,999</u>	<u>\$ 3,249</u>
Augmentations	\$ 700	\$ 700	\$ 700
FUND TOTAL	<u>\$ 3,915</u>	<u>\$ 3,699</u>	<u>\$ 3,949</u>

Farm Products Show Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Estimated	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
Fees	\$ 276	\$ 286	\$ 276	\$ 276	\$ 276	\$ 276	\$ 276
Miscellaneous	2,830	2,825	2,924	3,924	2,924	2,924	2,924
Total Farm Products Show Fund Revenues	<u>\$ 3,106</u>	<u>\$ 3,111</u>	<u>\$ 3,200</u>	<u>\$ 3,200</u>	<u>\$ 3,200</u>	<u>\$ 3,200</u>	<u>\$ 3,200</u>
Augmentations	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700
TOTAL FARM PRODUCTS SHOW FUND RECEIPTS	<u>\$ 3,806</u>	<u>\$ 3,811</u>	<u>\$ 3,900</u>	<u>\$ 3,900</u>	<u>\$ 3,900</u>	<u>\$ 3,900</u>	<u>\$ 3,900</u>

Revenue Sources

Fees

Actual	(Dollar Amounts in Thousands)		Estimated
1987-88	\$ 249	1993-94	\$ 286
1988-89	265	1994-95	276
1989-90	265	1995-96	276
1990-91	267	1996-97	276
1991-92	263	1997-98	276
1992-93	276	1998-99	276

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
1987-88	\$ 1,786	1993-94	\$ 2,825
1988-89	2,271	1994-95	2,924
1989-90	3,489	1995-96	2,924
1990-91	2,424	1996-97	2,924
1991-92	2,651	1997-98	2,924
1992-93	2,830	1998-99	2,924

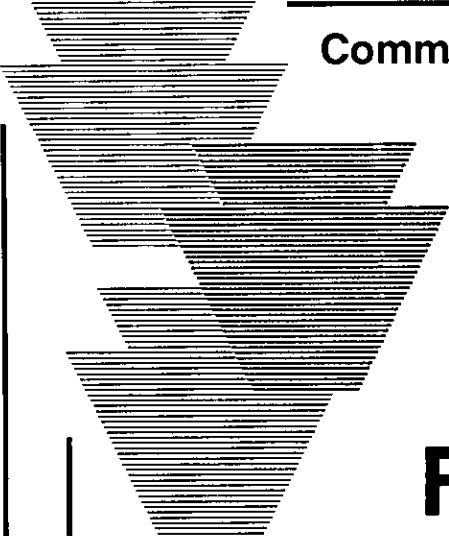
Miscellaneous revenue is raised through the leasing of the State Farm Show Buildings for exhibitions, conventions or other purposes; collection of service charges, net proceeds and commissions from the sale of exhibits; sale of unserviceable property; collection of interest on securities and deposits; and fees from parking. Included in the 1988-89 and 1989-90 revenue are the proceeds from the sale of the Woodville Farm as mandated by Act 64 of 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)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Licenses and Fees			
Exhibit Fees — Competitive — Farm Show	\$ 22	\$ 23	\$ 22
Exhibit — Commercial	254	263	254
TOTAL	<u>\$ 276</u>	<u>\$ 286</u>	<u>\$ 276</u>
Miscellaneous Revenue			
Concession Revenue	\$ 882	\$ 920	\$ 945
Service Charges	317	310	260
Rentals	1,187	1,155	1,275
Sale of Exhibits — Net Proceeds	4	5	3
Miscellaneous Revenue	7	8	7
Interest on Securities, Deposits, Returned Checks	18	22	.....
Parking Fees	375	364	392
Salary Reimbursement — Dairy and Livestock Association	37	39	38
Sign Shop Sales	3	2	4
TOTAL	<u>\$ 2,830</u>	<u>\$ 2,825</u>	<u>\$ 2,924</u>
TOTAL REVENUES	<u>\$ 3,106</u>	<u>\$ 3,111</u>	<u>\$ 3,200</u>
Augmentations			
Transfer from General Fund	\$ 700	\$ 700	\$ 700
TOTAL	<u>\$ 700</u>	<u>\$ 700</u>	<u>\$ 700</u>
TOTAL RECEIPTS	<u>\$ 3,806</u>	<u>\$ 3,811</u>	<u>\$ 3,900</u>



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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Beginning Balance	\$ 10,612	\$ 9,298	\$ 9,881
Receipts:			
Miscellaneous	\$ 33,616	\$ 35,094	\$ 34,271
Prior Year Lapses	1,030	1,712	.....
Total Receipts	<u>34,646</u>	<u>36,806</u>	<u>34,271</u>
Funds Available	\$ 45,258	\$ 46,104	\$ 44,152
Expenditures:			
Appropriated	\$ 35,960	\$ 36,223	\$ 35,700
Estimated Expenditures	-35,960	-36,223	-35,700
Ending Balance	<u>\$ 9,298</u>	<u>\$ 9,881</u>	<u>\$ 8,452</u>

Summary by Department

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Treasury Department			
General Government			
Replacement Checks		\$ 15	\$ 15
Debt Service Requirements			
General Obligation Debt Service	\$ 43	34	24
DEPARTMENT TOTAL	<u>\$ 43</u>	<u>\$ 49</u>	<u>\$ 39</u>
Fish and Boat Commission			
General Government			
General Operations	\$ 21,868	\$ 22,263	\$ 21,870
TOTAL STATE FUNDS	<u>\$ 21,911</u>	<u>\$ 22,312</u>	<u>\$ 21,909</u>
Federal Funds	\$ 6,895	\$ 6,078	\$ 5,830
Other Funds	7,154	7,833	7,961
FUND TOTAL	<u>\$ 35,960</u>	<u>\$ 36,223</u>	<u>\$ 35,700</u>

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1992-93 Actual	1993-94 Estimated	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
Licenses and Fees	\$ 17,239	\$ 18,320	\$ 17,900	\$ 18,085	\$ 18,270	\$ 18,485	\$ 18,670
Fines and Penalties	293	300	310	310	320	320	330
Miscellaneous	2,035	2,563	2,270	2,342	2,414	2,486	2,558
Total Fish Fund Revenues	<u>\$ 19,567</u>	<u>\$ 21,183</u>	<u>\$ 20,480</u>	<u>\$ 20,737</u>	<u>\$ 21,004</u>	<u>\$ 21,291</u>	<u>\$ 21,558</u>
Augmentations	\$ 14,049	\$ 13,911	\$ 13,791	\$ 14,440	\$ 15,103	\$ 15,716	\$ 16,391
TOTAL FISH FUND RECEIPTS	<u>\$ 33,616</u>	<u>\$ 35,094</u>	<u>\$ 34,271</u>	<u>\$ 35,177</u>	<u>\$ 36,107</u>	<u>\$ 37,007</u>	<u>\$ 37,949</u>

Revenue Sources

Actual	Licenses and Fees	Estimated
1987-88	\$ 13,544	1993-94
1988-89	13,717	1994-95
1989-90	14,182	1995-96
1990-91	16,595	1996-97
1991-92	17,027	1997-98
1992-93	17,239	1998-99

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 of 1982 the resident fees were increased to \$12.00. The Commonwealth also issues senior resident fishing licenses to persons 65 years of age and older for a fee of \$2.00. An individual eligible for a senior resident license can purchase a lifetime license for a fee of \$10.00. Act 180 of 1982 also increased nonresident fees to \$20.00 and the tourist fishing license to \$15.00. Tourist licenses are valid for a period of seven consecutive days. Effective January 1991, persons fishing for trout or salmon are now 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 hatchery licenses.

Actual	Fines and Penalties	Estimated
1987-88	\$ 211	1993-94
1988-89	181	1994-95
1989-90	230	1995-96
1990-91	275	1996-97
1991-92	261	1997-98
1992-93	293	1998-99

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
1987-88	\$ 1,922	1993-94
1988-89	2,104	1994-95
1989-90	3,157	1995-96
1990-91	2,748	1996-97
1991-92	2,297	1997-98
1992-93	2,035	1998-99

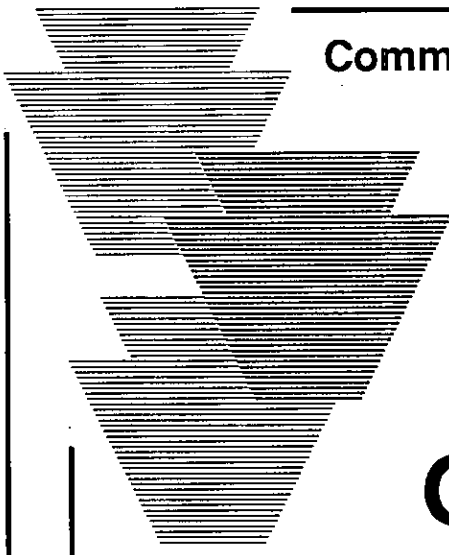
The Commonwealth receives contributions for restocking of streams principally from persons or businesses that pollute, dam or interfere with fish propagation and survival. Monies are received from the Commission publication, *The Pennsylvania Angler*, from the sale of unserviceable and confiscated property, and from other miscellaneous sources.

Fish Fund

Revenue Detail

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

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Licenses and Fees			
Resident Fishing Licenses	\$ 11,483	\$ 12,240	\$ 11,820
Resident Senior Fishing Licenses	50	65	60
Nonresident Fishing Licenses	1,552	1,640	1,650
Tourist Fishing Licenses	283	355	340
Lake Erie Licenses	2	3	4
Commercial Hatchery Licenses	8	9	9
Fishing Lake Licenses	23	23	24
Miscellaneous Permits and Fees	29	31	32
Scientific Collector's Permits	5	6	7
Lifetime Fishing Licenses — Senior Resident	164	185	180
Membership Fees — Pennsylvania League of Angling			
Youth	6	10	10
H.R. Stackhouse Facilities User Fees	3	3	4
Trout/Salmon Stamp	3,631	3,750	3,760
TOTAL	<u>\$ 17,239</u>	<u>\$ 18,320</u>	<u>\$ 17,900</u>
Fines and Penalties			
Fish Law Fines	\$ 293	\$ 300	\$ 310
TOTAL	<u>\$ 293</u>	<u>\$ 300</u>	<u>\$ 310</u>
Miscellaneous Revenue			
Sale of Publications	\$ 19	\$ 40	\$ 25
Sale of Unserviceable Property	1	20	20
Miscellaneous Revenue	34	110	115
Refund of Expenditures not Credited to Appropriations	9		
Interest on Securities and Deposits	451	700	500
Rental of Fish and Boat Commission Property	27	65	65
Income from Sand and Gravel Dredging	259	330	330
In Lieu Payments for Fishways	75	75	75
Sale of Pennsylvania Angler	249	250	250
Deputy Waterways Patrolmen—Reimbursements	1		
Van Dyke Shad Station—Reimbursements	87	158	90
Pollution and Stream Disturbance Settlements	786	750	750
Sale of Recreational Fishing Promotional Items	23	40	20
Royalty Payments	5	10	10
Contributions — Land and Water Acquisition	9	15	20
TOTAL	<u>\$ 2,035</u>	<u>\$ 2,563</u>	<u>\$ 2,270</u>
TOTAL REVENUES	<u>\$ 19,567</u>	<u>\$ 21,183</u>	<u>\$ 20,480</u>
Augmentations			
Sale of Automobiles and Other Vehicles	\$ 47	\$ 50	\$ 55
Reimbursement for Services—Boating Fund	7,107	7,733	7,854
Reimbursement for Services—Department of			
Transportation		50	52
Federal Reimbursement—Sport Fish Restoration	6,854	6,000	5,750
Federal Reimbursement—Mid-Atlantic Management			
Council	10	10	10
Federal Reimbursement—Surface Mine Regulation	31	38	40
Federal Reimbursement—NOAA		30	30
TOTAL	<u>\$ 14,049</u>	<u>\$ 13,911</u>	<u>\$ 13,791</u>
TOTAL RECEIPTS	<u>\$ 33,616</u>	<u>\$ 35,094</u>	<u>\$ 34,271</u>



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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Beginning Balance	\$ 44,607	\$ 39,685	\$ 34,419
Receipts:			
Revenue Estimate	\$ 50,070	\$ 49,407	\$ 48,655
Prior Year Lapses	914	2,252	.....
Total Receipts	50,984	51,659	48,655
Funds Available	\$ 95,591	\$ 91,344	\$ 83,074
Expenditures:			
Appropriated	\$ 55,906	\$ 56,925	\$ 59,426
Estimated Expenditures	-55,906	-56,925	-59,426
Ending Balance	\$ 39,685	\$ 34,419	\$ 23,648

Summary by Department

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Treasury Department			
General Government			
Replacement Checks .....	.....	\$ 5	\$ 5
Game Commission			
General Government			
General Operations	\$ 47,462	\$ 47,665	\$ 50,668
Land Acquisition and Development	2,614	3,000	3,000
TOTAL STATE FUNDS	<u>\$ 50,076</u>	<u>\$ 50,670</u>	<u>\$ 53,673</u>
Federal Funds	\$ 5,586	\$ 6,057	\$ 5,555
Other Funds	244	198	198
FUND TOTAL	<u>\$ 55,906</u>	<u>\$ 56,925</u>	<u>\$ 59,426</u>

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1992-93 Actual	1993-94 Estimated	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
Licenses and Fees	\$ 25,646	\$ 25,777	\$ 25,777	\$ 25,777	\$ 25,777	\$ 25,777	\$ 25,777
Fines and Penalties	1,809	1,750	1,750	1,750	1,750	1,750	1,750
Miscellaneous	16,785	15,625	15,375	15,375	15,375	15,375	15,375
TOTAL GAME FUND REVENUES ...	\$ 44,240	\$ 43,152	\$ 42,902	\$ 42,902	\$ 42,902	\$ 42,902	\$ 42,902
Augmentations	\$ 5,830	\$ 6,255	\$ 5,753	\$ 5,753	\$ 5,753	\$ 5,753	\$ 5,753
TOTAL GAME FUND RECEIPTS	\$ 50,070	\$ 49,407	\$ 48,655	\$ 48,655	\$ 48,655	\$ 48,655	\$ 48,655

Revenue Sources

Licenses and Fees

Actual	Estimated
1987-88	1993-94
\$ 24,445	\$ 25,777
1988-89	1994-95
25,150	25,777
1989-90	1995-96
25,274	25,777
1990-91	1996-97
26,047	25,777
1991-92	1997-98
26,246	25,777
1992-93	1998-99
25,646	25,777

The current fees for licenses became effective September 1985. For resident hunting and resident furtaker licenses, the fees are: ages 17 to 64, \$12.00; over age 65, \$10.00; ages 12 to 16, \$5.00. A resident senior lifetime hunting license is \$50.00. For nonresidents of the Commonwealth, hunting and furtaker licenses are: over age 17, \$80.00; ages 12 to 16, \$40.00. In addition, a license for a nonresident to hunt bear is \$25.00. Archery, muzzleloader and antlerless deer licenses are \$5.00. Nonresidents may also buy a special three-day license to hunt on a regulated shooting ground for \$3.00; a five-day license to hunt small game costs \$15.00.

Fines and Penalties

Actual	Estimated
1987-88	1993-94
\$ 930	\$ 1,750
1988-89	1994-95
1,010	1,750
1989-90	1995-96
1,101	1,750
1990-91	1996-97
2,439	1,750
1991-92	1997-98
1,685	1,750
1992-93	1998-99
1,809	1,750

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

Game Fund

Revenue Sources (continued)

Miscellaneous Revenues			
Actual	(Dollar Amounts in Thousands)		Estimated
1987-88	\$ 9,252	1993-94	\$ 15,625
1988-89	12,826	1994-95	15,375
1989-90	14,924	1995-96	15,375
1990-91	13,647	1996-97	15,375
1991-92	14,729	1997-98	15,375
1992-93	16,785	1998-99	15,375

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

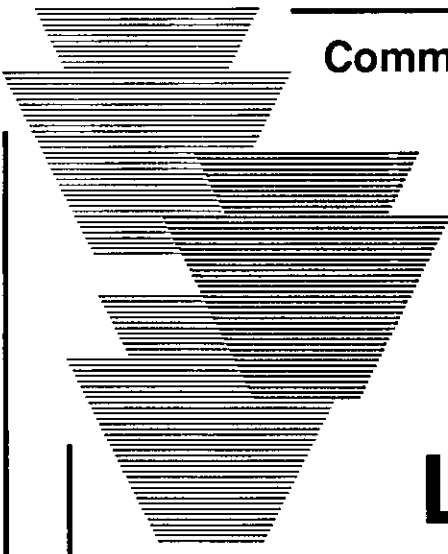
The following is a detailed list of all Game Fund Revenue available for appropriations and executive authorizations.

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Licenses and Fees			
Resident Hunting Licenses	\$ 10,969	\$ 11,000	\$ 11,000
Resident Junior Hunting Licenses	520	515	515
Nonresident Hunting Licenses	5,782	5,800	5,800
Special Game Permits	196	175	175
Special Antlerless Deer Licenses	3,554	3,740	3,740
Special Archery Licenses	1,531	1,475	1,475
Landowner Hunting Licenses	20	20	20
Resident Senior Hunting Licenses	645	636	636
Muzzle-loading Hunting Licenses	526	518	518
Right-of-Way Licenses	312	320	320
Resident Bear Licenses	924	935	935
Nonresident Bear Licenses	53	58	58
Hunting License Issuing Agents' Application Fees	49	40	40
Nonresident Junior Hunting License	96	95	95
Nonresident 5-Day Hunting License	64	65	65
Senior Resident — Lifetime Hunting License	162	150	150
Adult Resident Furtaker License	200	197	197
Junior Resident Furtaker License	10	10	10
Senior Resident Furtaker License	14	13	13
Nonresident Furtaker License	14	12	12
Nonresident Junior Furtaker License	1		
Senior Lifetime Furtaker License	4	3	3
TOTAL	\$ 25,646	\$ 25,777	\$ 25,777
Fines and Penalties			
Game Law Fines	\$ 1,809	\$ 1,750	\$ 1,750
TOTAL	\$ 1,809	\$ 1,750	\$ 1,750

Game Fund

Revenue Detail (continued)

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Miscellaneous Revenue			
Sports Promotional Publications and Materials	\$ 15	\$ 15	\$ 15
Sale of Coal	603	250	250
Sale of Wood Products	10,181	9,500	9,500
Interest on Deposits	27	38	38
Sale of Unserviceable Property	50	1	1
Sale of Skins and Guns	28	25	25
Rental of State Property	9	10	10
Miscellaneous Revenue	122	80	80
Interest on Securities	3,766	4,000	3,750
Gas and Oil Ground Rentals and Royalties	261	370	370
Refund of Expenditures Not Credited to Appropriations	4	20	20
Sale of Nonusable Property	27	2	2
Miscellaneous Revenue License Division	32	15	15
Sale of Game News	709	649	649
Sale of Stone, Sand, Gravel and Limestone	29	10	10
Sale of Grain and Hay	50	20	20
Sale of Maps	28	30	30
Wildlife Management Promotional Revenue	237	150	150
Sale of Wood Products — PR Tracts	360	250	250
Working Together For Wildlife — Non-Game Fund	181	90	90
Waterfowl Management Stamp Sales and Royalties	66	100	100
TOTAL	\$ 16,785	\$ 15,625	\$ 15,375
TOTAL REVENUES	\$ 44,240	\$ 43,152	\$ 42,902
Augmentations			
Sale of Automobiles	\$ 123	\$ 125	\$ 125
Federal Reimbursement—Pittman Robinson Act	5,554	6,000	5,500
Endangered Species Program .....	.....	12	10
Pennsylvania Conservation Corps	74	50	50
Federal Reimbursement—Surface Mine Regulatory Program	32	45	45
Private Donations	25	8	8
Hunter — Trapper Ed Camp Program	8	10	10
Youth Shooting Sports Program	14	5	5
TOTAL—AUGMENTATIONS	\$ 5,830	\$ 6,255	\$ 5,753
TOTAL RECEIPTS	\$ 50,070	\$ 49,407	\$ 48,655

A stylized map of Pennsylvania, composed of horizontal lines, is positioned on the left side of the page. It is partially overlapped by the text 'Commonwealth of Pennsylvania' and 'Lottery Fund'.

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, community care programs, mass transit fare subsidies and partial rebate of drug costs.

Lottery Fund

Financial Statement

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Estimated
Beginning Balance	\$ 69,133	\$ 90,648	\$ 5,756
Reserve from Previous Year .....	.....	.....	86,000
Adjustment to Beginning Balance .....	.....	5	.....
	<hr/>	<hr/>	<hr/>
Total Beginning Balance	\$ 69,133	\$ 90,653	\$ 91,756
Receipts:			
Revenue Estimate	\$ 812,492	\$ 797,259	\$ 805,064
Prior Year Lapses	18,026	7,463	.....
	<hr/>	<hr/>	<hr/>
Total Receipts	830,518	804,722	805,064
	<hr/>	<hr/>	<hr/>
Funds Available	\$ 899,651	\$ 895,375	\$ 896,820
Expenditures:			
Appropriated	\$ 809,003	\$ 803,619	\$ 801,652
	<hr/>	<hr/>	<hr/>
Estimated Expenditures	-809,003	-803,619	-801,652
Reserve for Current Year .....	.....	-86,000	-90,000
	<hr/>	<hr/>	<hr/>
Ending Balance	<u>\$ 90,648</u>	<u>\$ 5,756</u>	<u>\$ 5,168</u>

Lottery Fund

Summary by Department

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Executive Offices			
General Government			
OB — Ridership Verification	\$ 97	\$ 109	\$ 114
Treasury Department			
General Government			
Replacement Checks	\$ 14	\$ 150	\$ 150
Department of Aging			
General Government			
General Government Operations	\$ 3,344	\$ 3,378	\$ 3,345
Grants and Subsidies			
PENNCARE	\$ 139,646 ^a	\$ 148,316 ^b	\$ 160,059
Pharmaceutical Assistance Fund	200,000	191,000	196,000
Subtotal	<u>\$ 339,646</u>	<u>\$ 339,316</u>	<u>\$ 356,059</u>
TOTAL STATE FUNDS	<u>\$ 342,990</u>	<u>\$ 342,694</u>	<u>\$ 359,404</u>
Federal Funds	\$ 62,939	\$ 70,227	\$ 69,446
Augmentations	3,451	4,456	7,164
DEPARTMENT TOTAL	<u>\$ 409,380</u>	<u>\$ 417,377</u>	<u>\$ 436,014</u>
Department of General Services			
General Government			
Harristown Rental Charges	\$ 103	\$ 92	\$ 72
Harristown Utility and Municipal Charges	135	121	113
DEPARTMENT TOTAL	<u>\$ 238</u>	<u>\$ 213</u>	<u>\$ 185</u>
Department of Public Welfare			
Grants and Subsidies			
Medical Assistance—Long-Term Care Facilities	\$ 40,000	\$ 20,000	\$

^aActually appropriated as Aging Programs \$62,911,000, PENNCARE \$72,575,000 and Abuse Intervention Services for Older Pennsylvanians \$4,160,000.

^bActually appropriated as Aging Programs \$67,359,000, PENNCARE \$78,797,000 and Abuse Intervention Services for Older Pennsylvanians \$4,160,000.

Lottery Fund

Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Department of Revenue			
General Government			
General Operations	\$ 44,423	\$ 49,742	\$ 61,820
On-line Commissions	18,943	22,833	22,339
Personal Income Tax for Lottery Prizes	19,951	22,557	21,836
Payment of Prize Money	130,753	128,894	124,779
Subtotal	<u>\$ 214,070</u>	<u>\$ 224,026</u>	<u>\$ 230,774</u>
Grants and Subsidies			
Property Tax and Rent Assistance for Older Pennsylvanians	<u>\$ 104,539</u>	<u>\$ 104,000</u>	<u>\$ 100,000</u>
TOTAL STATE FUNDS	<u>\$ 318,609</u>	<u>\$ 328,026</u>	<u>\$ 330,774</u>
Augmentations	<u>\$ 3,849</u>	<u>\$ 3,819</u>	<u>\$ 3,858</u>
DEPARTMENT TOTAL	<u>\$ 322,458</u>	<u>\$ 331,845</u>	<u>\$ 334,632</u>
 Department of Transportation			
Grants and Subsidies			
Older Pennsylvanians Free Transit	\$ 53,400	\$ 56,527	\$ 56,100
Older Pennsylvanians Shared Ride	53,655	55,900	54,925
DEPARTMENT TOTAL	<u>\$ 107,055</u>	<u>\$ 112,427</u>	<u>\$ 111,025</u>
TOTAL STATE FUNDS	<u>\$ 809,003</u>	<u>\$ 803,619</u>	<u>\$ 801,652</u>
Federal Funds	\$ 62,939	\$ 70,227	\$ 69,446
Augmentations	7,300	8,275	11,022
FUND TOTAL	<u>\$ 879,242</u>	<u>\$ 882,121</u>	<u>\$ 882,120</u>

Lottery Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1992-93 Actual	1993-94 Estimated	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
Collections	\$ 797,097	\$ 790,546	\$ 798,251	\$ 803,728	\$ 809,310	\$ 814,999	\$ 820,741
Capital Stock and Franchise Taxes	3,758						
Miscellaneous Revenue	11,637	6,713	6,813	7,229	7,010	6,057	4,177
TOTAL LOTTERY FUND REVENUES..	\$ 812,492	\$ 797,259	\$ 805,064	\$ 810,957	\$ 816,320	\$ 821,056	\$ 824,918

Revenue Sources

Net Lottery Collections

	Actual		Estimated
1987-88	\$ 775,534	1993-94	\$ 790,546
1988-89	893,431	1994-95	798,251
1989-90	843,655	1995-96	803,728
1990-91	809,825	1996-97	809,310
1991-92	800,309	1997-98	814,999
1992-93	797,097	1998-99	820,741

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 on-line games and prizes of \$100 or less for instant games can be paid by the ticket agents. The State Lottery is currently operating six 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 February 1988, the "Super 7" introduced in August 1986 and "Cash 5" introduced in April 1992 all utilize computer sales terminals located across the Commonwealth. The sixth game is the instant game which consists of variations of instant game tickets introduced at routine intervals during the year. Ticket prices are \$1 for "Instant Game" tickets, "Cash 5" which consists of 1 play to pick 5 of 39 numbers and "Super 7" which consists of 1 play to pick 7 of 10 of 74 numbers. Wild Card Lotto is priced at 2 plays for \$1. "Daily Number" and "Big 4" game ticket prices range from \$.50 to \$5.

Net lottery collections as reported above correspond 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. The table below shows the calculation of the net revenue amount.

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Ticket Sales	\$ 1,427,402	\$ 1,547,100	\$ 1,532,600	\$ 1,543,000	\$ 1,553,600	\$ 1,564,400	\$ 1,575,300
Commissions	-69,964	-83,977	-81,513	-82,059	-82,616	-83,184	-83,756
Field Paid Prizes	-560,341	-672,577	-652,836	-657,213	-661,674	-666,217	-670,803
NET LOTTERY COLLECTIONS	\$ 797,097	\$ 790,546	\$ 798,251	\$ 803,728	\$ 809,310	\$ 814,999	\$ 820,741

Lottery Fund

Revenue Sources (continued)

Capital Stock and Franchise Tax

	Actual		Estimated
1987-88			
1988-89			
1989-90			
1990-91			
1991-92	\$ 12,492		
1992-93	3,758		
1993-94			
1994-95			
1995-96			
1996-97			
1997-98			
1998-99			

Tax Base and Rate: Act 22 of 1991 provided that the proceeds of one-quarter mill of the Capital Stock and Franchise tax from any taxable year beginning in 1991 shall be transferred to the State Lottery Fund. Transfers, as determined by the Secretary of Revenue, shall be made by December 15 and June 15 of each year. See the description of the Capital Stock and Franchise Taxes in the General Fund Revenue Sources.

Miscellaneous Revenue


	Actual	(Dollar Amounts in Thousands)	Estimated
1987-88	\$ 26,553		\$ 6,713
1988-89	26,059		6,813
1989-90	19,837		7,229
1990-91	12,484		7,010
1991-92	5,776		6,057
1992-93	11,637		4,177
1993-94			\$ 6,713
1994-95			6,813
1995-96			7,229
1996-97			7,010
1997-98			6,057
1998-99			4,177

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)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Collections	\$ 797,097	\$ 790,546	\$ 798,251
Capital Stock and Franchise Taxes	3,758	.....	.....
Miscellaneous	11,637	6,713	6,813
TOTAL LOTTERY FUND REVENUES	\$ 812,492	\$ 797,259	\$ 805,064



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.

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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Estimated
Beginning Balance	\$ 33	\$ 619	\$ 922
Receipts:			
Revenue Estimate	\$ 2,182	\$ 2,070	\$ 2,070
Transfer from General Fund	114	125	125
Milk Producers Security Fund .....	.....	5	6
Prior Year Lapses	42	.....	.....
	2,338	2,200	2,201
Funds Available	\$ 2,371	\$ 2,819	\$ 3,123
Expenditures:			
Appropriated	\$ 1,752	\$ 1,897	\$ 2,048
Estimated Expenditures	-1,752	-1,897	-2,048

Ending Balance	\$ 619	\$ 922	\$ 1,075

Summary by Department

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Estimated	1994-95 Budget
Treasury Department			
Replacement Checks .....	.....	\$ 5	\$ 5
Refund Milk Marketing Licenses and Fees .....	.....	5	5
DEPARTMENT TOTAL .....	.....	\$ 10	\$ 10
Milk Marketing Board			
General Government	\$ 1,638	\$ 1,757	\$ 1,907
TOTAL STATE FUNDS	\$ 1,638	\$ 1,767	\$ 1,917
Augmentations	\$ 114	\$ 130	\$ 131
FUND TOTAL	\$ 1,752	\$ 1,897	\$ 2,048

Milk Marketing Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1992-93 Actual	1993-94 Estimated	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
Licenses and Fees	\$ 2,053	\$ 2,017	\$ 2,017	\$ 2,017	\$ 2,017	\$ 2,017	\$ 2,017
Fines and Penalties	92	31	31	31	31	31	31
Miscellaneous Revenue	37	22	22	22	22	22	22
Total Milk Marketing Fund Revenues	\$ 2,182	\$ 2,070	\$ 2,070	\$ 2,070	\$ 2,070	\$ 2,070	\$ 2,070
Augmentations	\$ 114	\$ 130	\$ 131	\$ 131	\$ 131	\$ 131	\$ 131
TOTAL MILK MARKETING FUND RECEIPTS	\$ 2,296	\$ 2,200	\$ 2,201	\$ 2,201	\$ 2,201	\$ 2,201	\$ 2,201

Revenue Sources

Licenses and Fees

Actual	(Dollar Amounts in Thousands)	Estimated	
1987-88	\$ 590	1993-94	\$ 2,017
1988-89	604	1994-95	2,017
1989-90	897	1995-96	2,017
1990-91	1,178	1996-97	2,017
1991-92	1,299	1997-98	2,017
1992-93	2,053	1998-99	2,017

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 allows the Milk Marketing Board to set fees by regulation.

Fines and Penalties

Actual	(Dollar Amounts in Thousands)	Estimated	
1987-88	\$ 8	1993-94	\$ 31
1988-89	47	1994-95	31
1989-90	25	1995-96	31
1990-91	19	1996-97	31
1991-92	61	1997-98	31
1992-93	92	1998-99	31

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	
1987-88	\$ 51	1993-94	\$ 22
1988-89	60	1994-95	22
1989-90	97	1995-96	22
1990-91	95	1996-97	22
1991-92	31	1997-98	22
1992-93	37	1998-99	22


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)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Licenses and Fees			
Milk Dealers Licenses	\$ 1,429	\$ 1,411	\$ 1,411
Milk Testers Certificate Fees	4	4	4
Milk Weighers Certificate Fees	29	28	28
Milk Testers and Weighers Examination Fees	4	3	3
Milk Haulers Licenses Fees	540	530	530
Milk Sub Dealers Licenses	16	16	16
Service Contract Fees	31	25	25
TOTAL	<u>\$ 2,053</u>	<u>\$ 2,017</u>	<u>\$ 2,017</u>
Fines and Penalties			
Milk Marketing Act Fines	\$ 92	\$ 31	\$ 31
TOTAL	<u>\$ 92</u>	<u>\$ 31</u>	<u>\$ 31</u>
Miscellaneous Revenue			
Interest on Securities	\$ 35	\$ 20	\$ 20
Miscellaneous	2	2	2
TOTAL	<u>\$ 37</u>	<u>\$ 22</u>	<u>\$ 22</u>
TOTAL REVENUES	<u>\$ 2,182</u>	<u>\$ 2,070</u>	<u>\$ 2,070</u>
Augmentations			
Transfer from General Fund	\$ 114	\$ 125	\$ 125
Milk Producers Security Fund .....	.....	5	6
TOTAL	<u>\$ 114</u>	<u>\$ 130</u>	<u>\$ 131</u>
TOTAL RECEIPTS	<u>\$ 2,296</u>	<u>\$ 2,200</u>	<u>\$ 2,201</u>



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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Beginning Balance	\$ 2,604	\$ 958	\$ 3,096
Receipts:			
Revenue Estimate	\$ 7,575 ^a	\$ 10,070	\$ 10,914
Prior Year Lapses	123	.....	.....
Total Receipts	<u>7,698</u>	<u>10,070</u>	<u>10,914</u>
Funds Available	<u>\$ 10,302</u>	<u>\$ 11,028</u>	<u>\$ 14,010</u>
Expenditures:			
Appropriated	\$ 9,344	\$ 8,096	\$ 10,629
Less Current Year Lapses .....	.....	-164	.....
Estimated Expenditures	<u>-9,344</u>	<u>-7,932</u>	<u>-10,629</u>
Ending Balance	<u>\$ 958</u>	<u>\$ 3,096</u>	<u>\$ 3,381</u>

^a1992-93 revenue reflects a nonrecurring payment to the Sire Stakes Fund for a prior year underpayment.

Summary by Department

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Treasury Department			
General Government			
Replacement Checks	\$ 5	\$ 10	\$ 10
Department of Agriculture			
General Government			
State Racing Commissions	\$ 5,486	\$ 5,817	\$ 6,089
Equine Toxicology and Research Laboratory	906	981	1,106
Payments to Pennsylvania Fairs — Administration	157	171	165
Subtotal	<u>\$ 6,549</u>	<u>\$ 6,969</u>	<u>\$ 7,360</u>
Grants and Subsidies			
Transfer to the General Fund	\$ 2,604	\$ 958	\$ 3,096
TOTAL STATE FUNDS	<u>\$ 9,153</u>	<u>\$ 7,927</u>	<u>\$ 10,456</u>
Augmentations	\$ 41	.....	.....
DEPARTMENT TOTAL	<u>\$ 9,194</u>	<u>\$ 7,927</u>	<u>\$ 10,456</u>
Department of Revenue			
General Government			
Collections — Racing	\$ 145	\$ 159	\$ 163
FUND TOTAL	<u>\$ 9,344</u>	<u>\$ 8,096</u>	<u>\$ 10,629</u>

Racing Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1992-93 Actual	1993-94 Estimated	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
Tax Revenues	\$ 5,463	\$ 8,310	\$ 9,214	\$ 9,214	\$ 9,214	\$ 9,214	\$ 9,214
Licenses and Fees	491	400	412	412	412	412	412
Miscellaneous Revenue	1,580	1,360	1,288	1,288	1,288	1,288	1,288
TOTAL RACING FUND REVENUES .	\$ 7,534	\$ 10,070	\$ 10,914	\$ 10,914	\$ 10,914	\$ 10,914	\$ 10,914
Augmentations	41	.....	.....	.....	.....	.....	.....
TOTAL RACING FUND RECEIPTS ..	\$ 7,575	\$ 10,070	\$ 10,914	\$ 10,914	\$ 10,914	\$ 10,914	\$ 10,914

Revenue Sources

Tax Revenues					
Actual		(Dollar Amounts in Thousands)		Estimated	
1987-88	\$ 5,963	1993-94	\$ 8,310		
1988-89	5,916	1994-95	9,214		
1989-90	5,479	1995-96	9,214		
1990-91	6,879	1996-97	9,214		
1991-92	6,884	1997-98	9,214		
1992-93	5,463	1998-99	9,214		

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.

The 1992-93 revenue reflects a nonrecurring payment to the Sire Stakes Fund for a prior year underpayment.

Licenses and fees					
Actual		(Dollar Amounts in Thousands)		Estimated	
1987-88	\$ 739	1993-94	\$ 400		
1988-89	528	1994-95	412		
1989-90	503	1995-96	412		
1990-91	530	1996-97	412		
1991-92	515	1997-98	412		
1992-93	491	1998-99	412		

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
1987-88	\$ 935	1993-94	\$ 1,360
1988-89	1,011	1994-95	1,288
1989-90	1,202	1995-96	1,288
1990-91	1,323	1996-97	1,288
1991-92	1,360	1997-98	1,288
1992-93	1,580	1998-99	1,288

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.

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Estimated	1994-95 Budget
Tax Revenue			
State Admission Tax	\$ 132	\$ 115	\$ 127
Wagering Tax	4,699	7,372	8,304
Breakage Tax	632	823	783
TOTAL	\$ 5,463	\$ 8,310	\$ 9,214
Licenses and Fees			
License Fees	\$ 491	\$ 400	\$ 412
TOTAL	\$ 491	\$ 400	\$ 412
Miscellaneous			
Uncashed Tickets	\$ 1,426	\$ 1,000	\$ 1,130
Interest on Securities	135	350	140
Miscellaneous	1	2	1
Redeposit of Checks	14	4	15
Interest on Deposits	2	4	2
Refunds of Expenditures Not Credited to Appropriation	2	.....	.....
TOTAL	\$ 1,580	\$ 1,360	\$ 1,288
TOTAL REVENUES	\$ 7,534	\$ 10,070	\$ 10,914
Augmentations			
Out-of-State Testing	\$ 41	.....	.....
TOTAL	\$ 41	.....	.....
TOTAL RECEIPTS	\$ 7,575	\$ 10,070	\$ 10,914



Governor's Executive Budget

*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 EXPENDITURE ANALYSIS

The traditional budget process involves estimating Commonwealth revenues and appropriating these monies for numerous programs. The process is subject to intense scrutiny by interests inside and outside government. Constrained by available revenues, programs are initiated, limited or deleted based on merit. To augment the traditional budget process, this 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. Cumulatively, they are referred to in this budget as "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. The expenditures listed in this budget 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 1994-95 Governor's Executive Budget presents this tax expenditure analysis. All Commonwealth taxes with annual receipts of at least \$10 million are included in this analysis. A complete list is shown in the Table of Contents. Future enhancements will include additional analyses for certain expenditures as provided by Act 180 of 1992. The intended purposes of the current analyses are to:

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

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) 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.

Tax Expenditure Analysis (continued)

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

Financial institutions and insurance companies are exempted from Corporate Net Income Tax (CNIT) 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.

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

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

All estimates appear in 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 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 up to 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)

Estimates:

Corporate Net Income Tax		1995-96		1996-97		1997-98	
1993-94	1994-95	1995-96	1996-97	1996-97	1997-98	1997-98	1997-98
\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000

Capital Stock/Franchise Tax		1995-96		1996-97		1997-98	
1993-94	1994-95	1995-96	1996-97	1996-97	1997-98	1997-98	1997-98
\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500

Selective Business Taxes		1995-96		1996-97		1997-98	
1993-94	1994-95	1995-96	1996-97	1996-97	1997-98	1997-98	1997-98
\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000

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 are not available for employees hired after June 30, 1993 unless legislation extending the credit is enacted.

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>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 1,000	\$ 700	\$ 400	Nominal	Nominal
	Personal Income Tax				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 500	\$ 400	\$ 300	Nominal	Nominal

HOMEOWNERS' EMERGENCY MORTGAGE ASSISTANCE FUND

Authorization: Act of December 23, 1983 (P.L. 385, No. 91) as amended by Act of December 18, 1992 (No. 182).

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.

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. There has been no application of credits during FY 1985-86 through FY 1992-93. Limited participation in this program, at best, is expected in the future.

General Fund Tax Expenditures

CORPORATE NET INCOME TAX

Authorization: Article IV of the Tax Reform Code of 1971 (P.L. 6, No. 2) as amended.

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 12.25 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.

FEDERAL JOBS CREDIT

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,300

DIVIDENDS PAID

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400

NONPROFIT CORPORATIONS

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, educational and scientific organizations which are perceived as providing social benefit.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

PENNSYLVANIA S CORPORATIONS

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 425,600	\$ 478,000	\$ 536,200	\$ 591,900	\$ 643,400

CAPITAL STOCK/FRANCHISE TAX

Authorization: Article VI of the Tax Reform Code of 1971 (P.L. 6, No. 2).

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 \$50,000. Beginning with the 1992 tax year the tax rate is 12.75 mills, with a 0.5 mill for the Hazardous Sites Cleanup Fund. The Lottery Fund portion of 0.25 mill expired with 1991 tax year. The estimates in this analysis include only the 12.25 mill, General Fund portion of the tax. Act 22-1991 established a minimum tax of \$300 for tax years beginning in 1991 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

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.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

FAMILY FARM CORPORATIONS

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.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200

ASSETS USED IN MANUFACTURING, PROCESSING, AND RESEARCH AND DEVELOPMENT

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. Pollution control assets are included for these corporations. 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>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 482,300	\$ 500,300	\$ 520,800	\$ 537,800	\$ 546,200

APPORTIONMENT FORMULA OPTIONS

Description: Corporations which have multistate operations 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 and able to use the three-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>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 35,200	\$ 37,400	\$ 39,500	\$ 41,800	\$ 44,300

General Fund Tax Expenditures

POLLUTION CONTROL DEVICES

Description: Equipment, machinery, facilities and other tangible property 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 for manufacturing, processing, and research and development.

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>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 29,100	\$ 32,600	\$ 36,500	\$ 40,800	\$ 43,700

DEDUCTION FROM THE FIXED FORMULA

Description: For tax years beginning in 1991 and thereafter, corporations may deduct \$50,000 from the capital stock value which is then subject to apportionment to determine the taxable base. For the three years prior to 1991 this deduction was \$100,000.

Purpose: This exemption provides a tax-free portion of capital stock 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>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 27,300	\$ 28,300	\$ 29,300	\$ 30,400	\$ 31,500

HOLDING COMPANIES

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>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 12,800	\$ 13,600	\$ 14,600	\$ 15,100	\$ 16,000

General Fund Tax Expenditures

REGULATED INVESTMENT COMPANIES

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 13,300	\$ 13,700	\$ 14,800	\$ 16,600	\$ 17,700

UTILITY GROSS RECEIPTS TAX

Authorization: Article XI of the Tax Reform Code of 1971 (P.L. 6, No. 2) as amended.

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 is levied at 50 mills on gross receipts from passengers, baggage, freight and oil transported within the state; sales of gas by regulated utilities; telephone and telegraph messages transmitted within the state; and at 44 mills on sales of electric energy.

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. (P.L. 694, No. 255).

MUNICIPALLY-OWNED PUBLIC UTILITIES

Description: Gross receipts of public utilities owned or operated by a municipality are exempt from tax to the extent the gross receipts are derived from business done inside the limits of the municipality. The estimates below are based on a 44 mill tax rate for electric utilities through the forecast period.

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 73,100	\$ 76,200	\$ 77,700	\$ 80,000	\$ 82,400

General Fund Tax Expenditures

NUCLEAR GENERATING FACILITY DAMAGE

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	NA	NA	NA	NA	NA

RAILROAD CREDIT

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 1997.

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 7,600	\$ 7,800	\$ 8,000	\$ 8,300	\$ 8,500

UTILITY REALTY TAX

Authorization: Article XI-A, of the Tax Reform Code of 1971 (P.L. 6, No. 2) as amended.

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 (with an additional 12 mills for the Public Assistance Transportation Fund beginning in 1991) 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 estimates in this analysis include only the 30 mill portion of the tax.

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

General Fund Tax Expenditures

PROPERTY SUBJECT TO LOCAL TAXATION

Description: Property subject to local real estate taxation under any law in effect on April 23, 1968 is excluded from the 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>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 11,400	\$ 11,500	\$ 11,600	\$ 11,700	\$ 11,800

MACHINERY AND EQUIPMENT

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>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 789,400	\$ 785,800	\$ 788,400	\$ 799,500	\$ 806,900

EASEMENTS

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>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 9,900	\$ 9,900	\$ 9,800	\$ 10,000	\$ 10,100

General Fund Tax Expenditures

RAILROAD RIGHTS-OF-WAY

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 24,900	\$ 25,700	\$ 26,500	\$ 27,400	\$ 28,300

LINES

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 320,000	\$ 323,300	\$ 328,300	\$ 330,000	\$ 333,900

HYDROELECTRIC PROPERTY

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

SEWAGE SERVICES

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

Purpose: This provides tax relief to companies that are in the business of sewage treatment and encourages investment in sewage treatment facilities 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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 27,800	\$ 28,200	\$ 28,500	\$ 28,400	\$ 28,700

MUNICIPALITIES

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 17,000	\$ 17,300	\$ 17,500	\$ 17,400	\$ 17,600

INSURANCE PREMIUMS TAX

Authorization: Article XI of the Tax Reform Code of 1971 (P.L. 6, No. 2) as amended.

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 and annuity considerations 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 and annuity considerations 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.

The estimates in this analysis include the full amount of revenues that would be received from all domestic insurance companies and foreign life insurance companies, and only the retaliatory charges that would be received from the foreign fire and casualty insurance companies.

MUTUAL BENEFICIAL ASSOCIATIONS

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. For purpose of this tax expenditure, these associations are treated as life insurance companies.

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.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 7,300	\$ 8,300	\$ 9,500	\$ 10,800	\$ 12,300

General Fund Tax Expenditures

NONPROFIT HOSPITAL AND MEDICAL CARE SERVICE ORGANIZATIONS

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 Independence Blue Cross; Blue Cross of Western Pa; Capital Blue Cross; Hospital Service Association of Northeastern Pa; Inter-County Hospital 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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 182,000	\$ 198,400	\$ 216,200	\$ 235,700	\$ 256,900

EXTRAORDINARY MEDICAL BENEFIT

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

Description: An exemption is allowed for any premiums written 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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 300	\$ 400	\$ 400	\$ 500	\$ 500

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. The companies may also raise premium rates to recoup the portion of the assessments not recoverable through the credit. This could result in an increase in insurance premiums tax revenue. The increase in impaired or insolvent member insurers has led to assessments against members and a resultant increase in credit usage during the forecast period.

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.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 4,400	\$ 5,100	\$ 6,800	\$ 6,800	\$ 3,400

General Fund Tax Expenditures

ANNUITIES FUNDING QUALIFIED OR EXEMPT PENSIONS

Authorization: Act 22 of 1991 (Approved August 4, 1992)

Description: Annuity considerations received in connection with the funding of a pension qualified or exempt under section 401, 403, 404, 408, 457, or 501 of the Internal Revenue Code of 1986 are not taxable under Article IX.

Purpose: The purpose of benefit programs of the type listed above is to help persons provide for their retirement. This exemption benefits contributors to the extent that it is reflected in reduced premiums.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 93,000	\$ 99,800	\$ 107,100	\$ 115,000	\$ 123,400

BANK SHARES TAX

Authorization: Article VII of the Tax Reform Code of 1971 (P.L. 6, No. 2) as amended

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.

The bank shares tax contains no expenditures as defined for this tax expenditure analysis.

TITLE INSURANCE AND TRUST COMPANY SHARES TAX

Authorization: Article VIII of the Tax Reform Code of 1971 (P.L. 6, No.2) as amended.

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.

The title insurance and trust company shares tax contains no expenditures as defined for this tax expenditure analysis.

General Fund Tax Expenditures

MUTUAL THRIFT INSTITUTIONS TAX

Authorization: Article XV of the Tax Reform Code of 1971 (P.L., 6, No. 2) as amended.

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

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 2,500	\$ 2,600	\$ 2,600	\$ 2,700	\$ 2,800

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 the appropriate mutual thrift institutions tax rate to their net earnings.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 13,500	\$ 14,900	\$ 16,100	\$ 18,100	\$ 20,400

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 intended for human consumption purchased from a bakery, pastry shop, donut shop, delicatessen, grocery store, supermarket, farmer's market or convenience store are exempt from taxation. Exceptions are the sale of meals, sandwiches, food from salad bars, hand-dipped or hand-served iced based products including ice cream and yogurt, hot soup, hot pizza and other hot food items, brewed coffee and hot beverages. The exemption does not apply to soft drinks, alcoholic beverages or food purchased from an establishment from which ready to eat food and beverages are sold.

Purpose: Food is 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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 1,073,000	\$ 1,147,000	\$ 1,225,000	\$ 1,305,000	\$ 1,382,000

PERSONAL HYGIENE PRODUCTS

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 35,100	\$ 36,200	\$ 37,300	\$ 38,500	\$ 39,700

NEWSPAPERS

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

Purpose: The intent of this tax exemption is to encourage the citizenry to be well informed.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 20,500	\$ 20,800	\$ 21,100	\$ 21,400	\$ 21,800

General Fund Tax Expenditures

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 purchasing these products.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 684,800	\$ 733,400	\$ 789,100	\$ 833,300	\$ 872,500

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 payment for a nontaxable service.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 23,900	\$ 23,600	\$ 23,300	\$ 23,000	\$ 22,700

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 251,000	\$ 266,800	\$ 283,900	\$ 302,000	\$ 321,200

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: Non-prescription 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>	1993-1994	1994-95	1995-96	1996-97	1997-98
	\$ 88,300	\$ 94,300	\$ 100,700	\$ 107,500	\$ 114,900

General Fund Tax Expenditures

LIQUOR OR MALT BEVERAGE PURCHASED FROM RETAIL DISPENSER

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

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

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 109,200	\$ 111,400	\$ 113,900	\$ 116,700	\$ 119,600

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 8,000	\$ 8,300	\$ 8,600	\$ 8,900	\$ 9,300

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	NA	NA	NA	NA	NA

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 estimates below relate only to the sale of bibles.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 800	\$ 900	\$ 900	\$ 1,000	\$ 1,000

General Fund Tax Expenditures

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 16,100	\$ 17,000	\$ 18,000	\$ 19,000	\$ 20,000

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 15,800	\$ 16,500	\$ 17,200	\$ 17,900	\$ 18,600

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 because the tangible nature of the document is incidental to the information being provided.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

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>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 2,900	\$ 3,100	\$ 3,200	\$ 3,400	\$ 3,600

GRATUITIES

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 35,100	\$ 36,000	\$ 37,000	\$ 38,000	\$ 39,000

FUELS AND UTILITIES

RESIDENTIAL FUEL

Description: The purchase at retail or use of steam, natural, manufactured and bottled gas, and fuel oil when purchased directly by the user solely for his residential use is exempt from taxation. Court decisions have expanded this exemption to include purchases for residential use, through an agent, where there is no commercial interest.

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>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 171,500	\$ 182,000	\$ 194,100	\$ 210,300	\$ 220,000

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 directly by the purchaser for his own 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>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 141,200	\$ 135,700	\$ 130,400	\$ 125,300	\$ 120,400

General Fund Tax Expenditures

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)

Estimates:

	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600

RESIDENTIAL UTILITIES

Description: The purchase at retail or use of electricity and basic local telephone or telegraph service when purchased directly by the user solely for his residential use is exempt from taxation. Court decisions have expanded the electricity exemption to include purchases for residential use, through an agent, where there is no commercial interest.

Purpose: Residential utilities are 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)

Estimates:

	1993-94	1994-95	1995-96	1996-97	1997-98
Electric					
	\$ 237,000	\$ 242,200	\$ 245,600	\$ 248,500	\$ 250,700
Telephone:					
	\$ 81,000	\$ 83,300	\$ 85,700	\$ 87,900	\$ 90,200

WATER

Description: The purchase at retail or use of water or ice 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)

Estimates:

	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 83,100	\$ 87,700	\$ 92,600	\$ 98,700	\$ 104,300

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)

Estimates:

	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 395,000	\$ 397,000	\$ 399,000	\$ 400,000	\$ 402,000

General Fund Tax Expenditures

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 41,100	\$ 42,700	\$ 44,300	\$ 46,000	\$ 47,700

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.

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)

<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 800	\$ 800	\$ 700	\$ 700	\$ 700

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.

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)

<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 800	\$ 800	\$ 700	\$ 700	\$ 700

COMMERCIAL 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 vessels of fifty tons or more designed for commercial use.

Purpose: Imposition of the tax at the point of sale would place Pennsylvania vendors at a competitive disadvantage relative to those vendors operating in other states which allow this exemption.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

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)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	NA	NA	NA	NA	NA

SCHOOL BUSES

Description: The purchase at retail or use of school buses is exempt from taxation. These buses must be used exclusively for the transportation of children for school purposes. The provision is extended to persons who have contracts with school districts to transport children.

Purpose: The costs of transporting school children are directly borne by school districts and indirectly by State government through subsidy programs. This exemption, while limiting state Sales and Use Tax revenues, also decreases state educational subsidy costs.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 14,700	\$ 16,100	\$ 17,700	\$ 19,500	\$ 21,400

ZERO EMISSION VEHICLES

Description: The net purchase price of electric, hybrid electric and zero emission vehicles is exempt from taxation. Net purchase price is the difference between the purchase price of such vehicle and the average retail price of a comparable combustion engine vehicle. The purchase of power units for such vehicles is also exempt. These exemptions expire December 31, 1999.

Purpose: This provision is intended to promote the use of reduced-pollution transportation.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

REAL ESTATE

REAL ESTATE

Description: A person constructing, repairing, or altering 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, construction and repairs are nontaxable because they do not directly involve the sale or use of tangible personal property.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 677,000	\$ 709,000	\$ 742,000	\$ 781,000	\$ 824,000

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 or remanufacture of certain motor vehicle parts. 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 or obtaining disinfecting or pest control services, building maintenance and cleaning services or certain computer services.

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 671,700	\$ 715,900	\$ 757,400	\$ 795,100	\$ 822,800

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 nonoperational activities or materials, supplies or equipment used relative to real estate or building maintenance and cleaning services or certain computer services.

Purpose: Exemption of agricultural equipment and supplies prevents the multiple taxation which could occur in the production of a 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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 117,800	\$ 121,800	\$ 126,000	\$ 130,400	\$ 134,900

General Fund Tax Expenditures

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 or obtaining disinfecting or pest control services, building maintenance and cleaning services or certain computer services.

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 1,600	\$ 1,800	\$ 1,900	\$ 2,000	\$ 2,100

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 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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 700	\$ 800	\$ 900	\$ 900	\$ 1,000

General Fund Tax Expenditures

HOTEL-PERMANENT RESIDENT

Description: An exemption is provided, under the Hotel Occupancy Tax, for a person occupying or having the right to occupy a room in a hotel, inn, tourist home, lodging house, rooming house, summer camp, apartment hotel, resort lodging or cabin for 30 consecutive days or more. This exemption does not extend to prepared meals or other taxable items.

Purpose: Residency of this length is felt to approximate permanent dwelling rental, which is non-taxable as a basic necessity of life.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300

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>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 41,300	\$ 43,200	\$ 45,200	\$ 47,300	\$ 49,800

OUT-OF-STATE CREDIT

Description: A credit is allowed for the purchase of personal property or taxable services for use outside Pennsylvania equal to the sales tax paid in the applicable state. The state must grant substantially similar tax relief as provided by Pennsylvania.

Purpose: Allowing a credit for tax paid in another state prevents double taxation.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	NA	NA	NA	NA	NA

TRADE-IN VALUE

Description: A deduction is allowed against the gross purchase price for the value of personal property actually taken in trade or exchange. The trade-in property does not have to be of like kind to the purchased property. The reduction in purchases 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.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 195,300	\$ 210,900	\$ 227,900	\$ 242,200	\$ 255,500

General Fund Tax Expenditures

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 36,900	\$ 39,400	\$ 42,400	\$ 45,500	\$ 48,700

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 1,600	\$ 1,600	\$ 1,500	\$ 1,500	\$ 1,500

YOUTH SPORTS PROGRAMS

Description: The purchase of food and beverages from nonprofit associations which support sports programs for participants aged 18 or younger or for persons with physical or mental handicaps regardless of age and which operate at fixed locations on public property is exempt from taxation.

Purpose: The exemption of these items encourages such organizations to support programs which provide activities beneficial to young people and the handicapped.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	NA	NA	NA	NA	NA

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)

Estimates:	Charitable Organizations				
	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 108,000	\$ 108,000	\$ 107,800	\$ 107,700	\$ 106,900
	Volunteer fireman's organizations:				
	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 4,000	\$ 4,100	\$ 4,300	\$ 4,500	\$ 4,700
	Nonprofit educational institutions:				
	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 79,800	\$ 86,800	\$ 94,400	\$ 102,600	\$ 111,600
	Religious organizations:				
	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 5,800	\$ 6,000	\$ 6,200	\$ 6,400	\$ 6,600

EXEMPT GOVERNMENTAL UNITS

Description: The sale of personal property or services to or for use by the Federal government, the Commonwealth, or its instrumentalities or political subdivisions is exempt from taxation. Based on the criteria adopted to define tax expenditures, Federal transactions are not included in this study. Commonwealth transactions are also excluded because revenues would offset expenditures with no net effect. The estimates, therefore, represent 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)

Estimates:	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 60,000	\$ 63,100	\$ 66,700	\$ 70,600	\$ 74,700

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)

Estimates:	1993-94	1994-95	1995-96	1996-97	1997-98
	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>	1993-94	1994-95	1995-96	1996-97	1997-98
	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>	1993-94	1994-95	1995-96	1996-97	1997-98
	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>	1993-94	1994-95	1995-96	1996-97	1997-98
	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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 800	\$ 800	\$ 900	\$ 900	\$ 1,000

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>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100

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>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100

STORAGE

Description: Charges for storage, other than for self-storage, of tangible personal property and the value of that property are exempt from taxation for Pennsylvania residents. For nonresidents, a storage charge, other than for self-storage, within the State is exempt but the value of the property is taxable under the "use" tax.

Purpose: Commercial storage services may be considered to be an integral part of the production and distribution of tangible personal property.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 12,400	\$ 12,700	\$ 13,000	\$ 13,400	\$ 13,700

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>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 27,400	\$ 28,600	\$ 29,800	\$ 31,100	\$ 32,400

General Fund Tax Expenditures

SERVICES

Description: Expenditures for services are not taxable under the Sales and Use Tax except when specifically taxed by law.

Purpose: Because the basis for the Sales and Use Tax is tangible personal property, the majority of services are not taxed unless they are related to taxable property. Recent legislation in 1991 imposed the tax on charges for selected business services.

Estimates:

	(Dollar Amounts in Thousands)				
	1993-94	1994-95	1995-96	1996-97	1997-98
LODGING					
Trailer parks and camps	\$ 4,500	\$ 4,500	\$ 4,600	\$ 4,700	\$ 4,800
PERSONAL SERVICES					
Cleaning, storage & repair of clothing & shoes (1)	\$ 7,200	\$ 7,500	\$ 7,900	\$ 8,300	\$ 8,700
Drycleaning (1)	10,800	10,800	10,900	11,000	11,100
Barber and beauty shops	29,100	30,000	31,000	32,000	33,000
Funeral parlors and crematories	27,000	28,800	30,800	32,900	35,100
All other personal services	30,900	32,800	34,800	36,900	39,100
BUSINESS SERVICES					
Advertising (local)	\$ 289,900	\$ 307,000	\$ 325,000	\$ 344,100	\$ 364,300
Management, consulting & public relations	191,100	211,100	233,300	257,800	284,900
Research	39,900	45,000	50,900	57,500	65,000
Detective agencies	35,900	38,000	40,300	42,700	45,300
AUTOMOTIVE SERVICES					
Automobile parking	\$ 10,400	\$ 10,700	\$ 11,000	\$ 11,400	\$ 11,800
RECREATION SERVICES					
Commercial sports admissions	\$ 65,000	\$ 69,400	\$ 74,100	\$ 79,100	\$ 84,500
Entertainers	8,500	9,000	9,500	10,000	10,500
Memberships	9,900	10,000	10,200	10,400	10,600
Other admissions	41,100	45,300	50,000	55,200	60,900
HEALTH SERVICES					
Health, except hospitals, physicians and dentists	\$ 351,900	\$ 396,600	\$ 447,000	\$ 503,800	\$ 567,800
Hospitals	776,400	857,100	953,100	1,033,200	1,111,700
Physician office services	395,100	426,300	460,000	496,300	535,500
Dental office services	91,100	96,100	101,400	107,000	112,900
PROFESSIONAL SERVICES					
Legal	\$ 260,800	\$ 279,800	\$ 300,200	\$ 322,100	\$ 345,600
Engineering	311,200	331,700	353,600	376,900	401,800
Surveying/architects	39,400	41,900	44,700	47,700	50,800
Accounting, auditing & bookkeeping services	88,200	93,400	99,000	104,900	111,200
MISCELLANEOUS SERVICES					
Basic television	\$ 31,600	\$ 33,500	\$ 35,500	\$ 37,600	\$ 39,900
Learned professions	NA	NA	NA	NA	NA
Electrician, plumber, heating & air conditioner service fees	NA	NA	NA	NA	NA
Veterinary fees	19,100	19,800	20,700	21,500	22,300
Stockbroker fees	NA	NA	NA	NA	NA
Real estate agent fees	NA	NA	NA	NA	NA
Financial institution fees	162,100	172,800	184,200	196,400	209,400
Pilots fees	NA	NA	NA	NA	NA
OTHER SERVICES					
Other	\$ 251,600	\$ 263,700	\$ 276,400	\$ 289,700	\$ 303,600

(1) These services, pertaining to tangible personal property, are specifically exempt by Statute.

General Fund Tax Expenditures

CIGARETTE TAX

Authorization: The cigarette tax is imposed by the Act of December 21, 1981, (P.L. 482, No. 141) which replaced the Act of July 22, 1970, (P.L. 513, No. 178) and re-enacted substantially all of its provisions as Article XII of the Tax Reform Code of 1971 (P.L. 6, No.2), which was further amended by the Act of August 4, 1991, Act 22.

The cigarette tax is an excise tax, based on a rate of 1.55 cents per cigarette, levied on the sale or possession of cigarettes in Pennsylvania. Only one sale of cigarettes whether individual cigarettes, packages, cartons or cases is taxable. Beginning July 1, 1992 two thirty-firsts of cigarette tax receipts will be paid into a restricted account, the Children's Health Fund, and beginning July 1, 1993 an additional two thirty-firsts will be transferred into the Agricultural Conservation Easement Purchase Fund. The analysis below reflects only the General Fund expenditures.

STATE VETERANS HOMES

Description: Sales to retail dealers located in State Veterans Homes for resale to residents in such homes are exempt. (Federal Veterans Hospitals are exempt according to federal law).

Purpose: It is perceived to be good public policy to reduce taxes for veterans who have served their country and are now residing in a veterans home or hospital.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

UNSTAMPED CIGARETTES (200 AND UNDER)

Description: Vacationers or tourists crossing state lines with one carton or less of unstamped cigarettes are not required to pay tax on those cigarettes. The carton (200 cigarettes) can not be resold and must be for personal use only.

Purpose: Persons crossing state lines with one carton or less of cigarettes are presumed to possess such cigarettes for personal use rather than intentionally avoiding payment of the cigarette tax. This stipulation helps to relieve administration and enforcement burdens as well as promote tourism.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	NA	NA	NA	NA	NA

COMMISSIONS ON SALES OF STAMPS

Description: Cigarette stamping agents are permitted a commission of three percent of the value of all cigarette tax stamps purchased from the Department of Revenue or its authorized agents to be affixed to cigarettes for sale within the Commonwealth. The commission does not apply to purchases of stamps by a cigarette stamping agent in amounts of less than one hundred dollars (\$100).

Purpose: This commission is paid to the cigarette stamping agent as compensation for services and expenses incurred while acting as an agent of the Commonwealth in affixing tax stamps.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 9,300	\$ 8,700	\$ 8,400	\$ 8,200	\$ 8,000

General Fund Tax Expenditures

MALT BEVERAGE TAX

Authorization: The Malt Beverage Tax Law, Act of May 5, 1933, (P.L. 284, No. 104) was repealed by the Act of December 22, 1989, (P.L. 775, No. 110), and re-enacted as Article XX of the Tax Reform Code of 1971, Act of March 4, 1971 (P.L. 6., No.2).

The Malt Beverage Tax is levied on malt and brewed beverages manufactured and sold in and for use in Pennsylvania, or manufactured outside of Pennsylvania but sold for importation and use in Pennsylvania. The tax is borne by the consumer, but manufacturers, distributors and importers remit the tax to the Commonwealth.

EMERGENCY TAX CREDIT

Description: The Emergency Tax Credit, established with the passage of Act 1974-82, provided manufacturers of malt or brewed beverages a maximum annual credit of \$100,000 for capital improvement expenditures. This act was effective from January 1, 1974 to December 31, 1976. Subsequent acts extended the effective period of the credit. Additionally, Act 1986-26 extended the credit through December 31, 1988 and increased the maximum credit per taxpayer to \$150,000. The latest act, Act 1989-110, altered the provisions of the credit by increasing the maximum annual credit per taxpayer to \$200,000 and limiting the credit to taxpayers whose annual production of malt or brewed beverages does not exceed 300,000 barrels. The current credit is effective through December 31, 1993. This tax credit cannot exceed the amount of qualifying capital expenditures made during the emergency tax credit period (items of plant, equipment and machinery intended for use in the manufacture and sale of malt or brewed beverages within the Commonwealth).

Purpose: The current credit was instituted to grant a limited tax subsidy for capital improvements made by small brewers. Due to the financial pressures facing these brewers, this provision could help lower the risk of business failure and subsequent loss of employment opportunities.

Estimates:

	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 1,000	\$ 500	NA	NA	NA

LIQUOR TAX

The liquor tax is imposed on the sale of all liquor which is sold by the Pennsylvania Liquor Control Board. The tax is assessed, since 1968, at the rate of 18% of the net price paid by the consumer. The enabling legislation is the Liquor Code, Act of June 29, 1987 (P.L. 32, No. 14) and the Emergency Liquor Sales Tax Act, Act of June 9, 1936 (Special Session, P.L. 13).

The liquor tax contains no tax expenditures as defined for this tax expenditure analysis.

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, No. 93) 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. The Personal Income Tax was amended by the Act of August 4, 1991, Act 22.

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 1,123,300	\$ 1,220,000	\$ 1,325,100	\$ 1,439,200	\$ 1,563,100

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 408,200	\$ 435,700	\$ 463,500	\$ 490,800	\$ 519,900

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 386,500	\$ 412,600	\$ 438,900	\$ 464,800	\$ 492,300

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. Also, premiums are often paid with after-tax dollars.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 47,400	\$ 50,800	\$ 54,500	\$ 57,000	\$ 64,000

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>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	NA	NA	NA	NA	NA

UNEMPLOYMENT AND SUPPLEMENTAL UNEMPLOYMENT COMPENSATION

Description: Amounts 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>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 57,300	\$ 46,800	\$ 42,900	\$ 36,400	\$ 30,900

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 related to services rendered and are intended to provide income or subsistence during periods of disability when the taxpayer was injured on the job and also to pay workers' medical bills for injuries sustained on the job. These benefits more closely resemble insurance payments, which are not taxable.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 88,100	\$ 101,500	\$ 116,800	\$ 134,500	\$ 154,900

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>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</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>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 24,100	\$ 23,700	\$ 24,400	\$ 24,600	\$ 24,900

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>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 12,800	\$ 13,500	\$ 14,000	\$ 14,500	\$ 14,900

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>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 45,200	\$ 42,600	\$ 41,300	\$ 39,900	\$ 38,600

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.

(Dollar Amounts in Thousands)					
Estimates:	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 26,500	\$ 29,900	\$ 33,700	\$ 38,000	\$ 42,800

PENNSYLVANIA LOTTERY WINNINGS

Description: Prizes of the Pennsylvania Lottery won on or after July 21, 1983 are exempt from 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.

(Dollar Amounts in Thousands)					
Estimates:	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 20,700	\$ 21,000	\$ 21,100	\$ 21,200	\$ 21,400

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.

(Dollar Amounts in Thousands)					
Estimates:	1993-94	1994-95	1995-96	1996-97	1997-98
	Nominal	Nominal	Nominal	Nominal	Nominal

REIMBURSEMENTS FOR ACTUAL EXPENSES

Description: Payments by an employer to an employee to reimburse actual expenses incurred by the employee in the conduct of the employer's business are excludable from compensation.

Purpose: This provision 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.

(Dollar Amounts in Thousands)					
Estimates:	1993-94	1994-95	1995-96	1996-97	1997-98
	NA	NA	NA	NA	NA

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.

Estimates:

(Dollar Amounts in Thousands)					
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 39,200	\$ 40,300	\$ 41,000	\$ 41,800	\$ 42,100

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.

Estimates:

(Dollar Amounts in Thousands)					
Depreciation:	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 103,600	\$ 106,600	\$ 124,800	\$ 126,000	\$ 147,200
Other:	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 520,600	\$ 535,400	\$ 626,800	\$ 632,900	\$ 739,400

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 household income. A taxpayer 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 tax.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 63,900	\$ 62,200	\$ 60,000	\$ 53,200	\$ 50,100

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>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 69,900	\$ 76,400	\$ 80,800	\$ 85,300	\$ 90,700

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>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

ESTIMATED PAYMENTS FOR SMALL AMOUNTS

Description: Individuals with income of \$2,500 or less not subject to withholding 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>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

General Fund Tax Expenditures

REALTY TRANSFER TAX

Authorization: Article XI-C of the Tax Reform Code of 1971 (P.L. 6, No.2) as amended.

The Realty Transfer Tax is a documentary stamp tax on the value of any interest in real estate transferred by deed. The tax is imposed at the rate of 1 percent of the value of the real estate transferred. Each party to a document is jointly and severally liable for the tax imposed, unless the party is an excluded party or the document evidences an excludable transaction. The excluded status of a party shall not relieve the other parties to a transaction from the entire tax due. Realty Transfer Tax regulations appear in Title 61 of the Pennsylvania Code.

The amounts below represent the General Fund portion of the Realty Transfer Tax expenditures only and do not include expenditures for the transfers to the Keystone Recreation, Park and Conservation Fund pursuant to Act 50-1993.

TRANSFERS TO GOVERNMENTAL UNITS

Description: A transfer to the Commonwealth, the United States, and their agencies, political subdivisions or instrumentalities by gift, dedication, condemnation or in lieu of condemnation is exempt from taxation.

Purpose: This exemption provides tax relief to the grantor of property to a governmental entity. Without an exemption, the grantor would be required to pay the tax. The exemption may encourage donation of property to a governmental entity.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 600	\$ 600	\$ 600	\$ 600	\$ 700

PARTITION OF REALTY BY COTENANTS

Description: A partition of realty, passed by testate or intestate succession and held by cotenants, into two or more distinctive portions with each party taking shares equal to their undivided interest is an excluded transaction.

Purpose: Tax relief is given to the heirs to assist in the equitable settlement of the estate. Heirs to realty passed by testate or intestate law do not always want joint ownership in the realty willed to them as cotenants. This exemption enables the parties to partition the realty into two or more distinctive portions with each party taking shares equal to their undivided interest willed to them without incurring tax.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

TRANSFERS AMONG FAMILY MEMBERS

Description: Transfers between husband and wife, parent and child or the spouse of such child, siblings and or the spouse of a sibling, and a grandparent and grandchild or the spouse of such a grandchild are exempt from taxation.

Purpose: This exemption reduces the tax burden upon families by exempting transfers to lineal descendants.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 27,900	\$ 24,300	\$ 25,100	\$ 25,800	\$ 26,400

General Fund Tax Expenditures

TRANSFERS TO SHAREHOLDERS OR PARTNERS

Description: A transfer from a corporation or association to its shareholder or member, where the grantee owns stock or holds an interest in the same proportion as his interest in the real estate being conveyed is an excluded transaction. The stock or interest must be held by the grantee for more than two years.

Purpose: This exemption recognizes that the grantee has an ownership interest in the realty conveyed to him in the same proportion as stock owned in the corporation or interest in the association.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400

TRANSFERS TO OR FROM A NON-PROFIT INDUSTRIAL DEVELOPMENT AGENCY

Description: A transfer to a non-profit industrial development agency or authority is an excluded transaction. A transfer from a non-profit industrial development agency or authority to a grantee purchasing directly from it is an excluded transaction if (1) the grantee uses such real estate for the primary purpose of manufacturing, fabricating, compounding, processing, publishing, research and development, transportation, energy conversion, energy production, pollution control, warehousing or agriculture and (2) the authority has full ownership interest in the real estate transferred.

Purpose: These exemptions encourages transfers of realty to non-profit organizations for industrial development and from non-profit organizations for use in various activities which may contribute to economic development in the Commonwealth.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 1,200	\$ 1,100	\$ 1,100	\$ 1,200	\$ 1,200

TRANSFERS BETWEEN RELIGIOUS ORGANIZATIONS

Description: A transfer between religious organizations or persons holding title for a religious organization, with both parties possessing tax exempt status under the Internal Revenue Code is an excluded transaction. The real estate can not have been used by such transferor for commercial purposes.

Purpose: This exemption provides tax relief to religious organizations which are perceived to provide social benefits.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 800	\$ 800	\$ 800	\$ 900	\$ 900

General Fund Tax Expenditures

TRANSFERS TO A CONSERVANCY

Description: A transfer to a conservancy which possesses a tax-exempt status pursuant to the Internal Revenue Code and which has as its primary purpose preservation of land for historic, recreational, scenic, agricultural or open space opportunities is an excluded transaction.

Purpose: This exemption encourages the preservation of realty with historic, recreational, scenic, and agricultural value.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

REAL ESTATE DEVOTED TO AGRICULTURE

Description: A transfer of real estate devoted to the business of agriculture to a family farm corporation by a member of the same family is an excluded transaction. The family must own at least seventy-five percent of each class of the stock.

Purpose: This exemption provides tax relief for the establishment or expansion of the family farm corporation thereby recognizing the importance of the family-owned farm.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	NA	NA	NA	NA	NA

OWNERSHIP INTEREST IN REAL ESTATE COMPANY OR FAMILY FARM

Description: A transfer between members of the same family of an ownership interest in a real estate company or family farm corporation is an excluded transaction.

Purpose: A transfer of ownership interest between members of the same family is not considered a change in ownership of the business. This exemption encourages the preservation of family farm corporations and family-owned real estate businesses by allowing transfers of ownership interests between members of the same family not to count toward the corporation becoming an acquired company.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

TRANSFERS OF REALTY VALUED AT \$100 OR LESS

Description: A transaction wherein the tax due is one dollar (\$1.00) or less is an excluded transaction.

Purpose: The administrative costs of collecting the revenue from a transfer of realty valued at \$100 or less are thought to be greater than the revenue.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	Nominal	Nominal	Nominal	Nominal	Nominal

PRODUCTION OR EXTRACTION OF COAL, OIL, NATURAL GAS, OR MINERALS

Description: Leases for the production or extraction of coal, oil, natural gas or minerals and assignments thereof are excluded transactions.

Purpose: This exemption gives tax relief to the mining and extracting industries to produce and extract coal, oil, natural gas, and minerals at a lower cost.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	NA	NA	NA	NA	NA

PUBLIC UTILITY EASEMENTS

Description: A transfer of an easement to a person furnishing public utility service, if the easement is used in, or useful for, furnishing public utility services is an excluded transaction.

Purpose: Public utility easements are numerous and the majority of them are conveyed for a small consideration. The administrative costs of collecting the revenue from an easement to a provider of public utility services are thought to be greater than the revenue.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	Nominal	Nominal	Nominal	Nominal	Nominal

STANDING TIMBER OR CROPS

Description: Standing timber and crops are not deemed to actually pass with the conveyance of realty when the instrument provides for severance and removal within an immediate ascertainable date.

Purpose: Timber and crops are personal property in this instance, the transfer of which is not subject to realty transfer tax.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

INHERITANCE TAX

Authorization: Article XXI of the Tax Reform Code of 1971 (P.L. 6, No.2) as amended.

FAMILY RELATED EXEMPTIONS AND EXCLUSIONS

PREFERENTIAL RATE FOR TRANSFERS TO LINEAL DESCENDANTS AND SPOUSES _____

Description: Assets transferred to lineal descendants defined as all children of the natural parents and their descendants whether or not they have been adopted by others, adopted descendants and their descendants and step descendants and spouses (for property not jointly held) are taxed at a 6% rate rather than the 15% rate for assets transferred to all other heirs.

Purpose: This provision lowers the tax burden on immediate family members of the decedent.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 447,200	\$ 478,200	\$ 502,500	\$ 527,800	\$ 553,900

TRANSFERS OF JOINTLY HELD PROPERTY TO SPOUSE _____

Description: Property passing by right of survivorship to a spouse of a decedent is exempt from inheritance tax.

Purpose: This provision prevents an undue tax burden upon a surviving spouse. It allows spouses to choose to protect homes and other assets from being subject to the inheritance tax.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 544,000	\$ 575,100	\$ 607,900	\$ 642,600	\$ 679,300

SPECIAL SPOUSAL CREDIT _____

Description: Transfers (not exceeding \$100,000) from a decedent to his or her spouse are eligible for a credit against the inheritance tax provided that a) the decedent's gross estate value does not exceed \$200,000; and b) the average joint income of the decedent and spouse for the three years immediately preceding the death of the decedent did not exceed \$40,000. The credit is phased in at 2% of the amount transferred for decedents dying in calendar year 1992; 4% for decedents dying in calendar year 1993; and 6% for decedents dying in calendar year 1994 and thereafter.

Purpose: This provision provides a credit for spouses of those whose estates are such that full imposition of this tax would cause undue hardship and economic burden.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 1,600	\$ 2,600	\$ 2,900	\$ 3,200	\$ 3,500

General Fund Tax Expenditures

LIFE INSURANCE PROCEEDS

Description: Life insurance proceeds, whether or not payable to the estate of the decedent are exempt from inheritance tax.

Purpose: This provision lessens the tax burden on the insurance beneficiaries of the decedent, who are likely to be family members. A common reason for purchasing life insurance is to assist with the payment of death taxes.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 138,100	\$ 146,100	\$ 154,600	\$ 163,600	\$ 173,200

FEDERAL WAR RISK INSURANCE AND NATIONAL SERVICE LIFE INSURANCE PROCEEDS

Description: Proceeds of Federal War Risk Insurance, National Service Life Insurance, or other similar governmental insurance are exempt from inheritance tax.

Purpose: This provision lessens the tax burden on beneficiaries of U.S. military personnel and dependents who receive increased insurance when stationed in an area where military conflict is possible.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	NA	NA	NA	NA	NA

FAMILY EXEMPTION

Description: A \$2,000 family exemption from inheritance tax is permitted the decedent's surviving spouse, children, or parents living in the decedent's household at the time of death.

Purpose: This provision helps limit the impact of the tax on the poor and those with smaller taxable estates to whom this flat exemption is proportionately more meaningful.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200

EXCLUSIONS AND DEDUCTIONS WHICH ENHANCE FAIRNESS

EMPLOYMENT BENEFITS

Description: Employment benefits that the decedent did not have the right to possess, enjoy, assign or anticipate before death are exempt from inheritance tax. Exempt benefits include pension, stock-bonus, profit-sharing, Keoghs, Individual Retirement Accounts and other retirement plans. If the decedent did have the right to possess, enjoy, assign or anticipate the benefits, they are exempt from Pennsylvania inheritance tax only to the same extent they are exempt from the federal estate tax.

Purpose: This provision limits inheritance tax on employment benefits to which the decedent did not have full rights. An individual is presumed to have full rights to these employment benefits after age 59 1/2— the age at which someone may utilize at least a portion of these funds without penalty under the Internal Revenue Code.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 22,200	\$ 23,400	\$ 24,600	\$ 26,000	\$ 27,400

General Fund Tax Expenditures

ESTATE ADMINISTRATION EXPENSES

Description: Expenses for attorney fees, funeral and burial expenses, tombstones and gravemarkers, and other expenses incurred in administering the estate are deductible from the taxable estate.

Purpose: This provision allows for the deduction of reasonable and necessary expenses associated with managing the estate.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 54,400	\$ 57,500	\$ 60,800	\$ 64,300	\$ 68,000

DEBTS AND LIABILITIES OF THE DECEDENT

Description: A deduction from the gross estate is allowed for debts and liabilities of the decedent.

Purpose: This provision increases the fairness of the tax by insuring that property is included in the taxable estate based on its net value. For example, a mortgage is deducted from the value of real property to properly value the decedent's interest in that property.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 18,800	\$ 19,900	\$ 21,100	\$ 22,300	\$ 23,500

SOCIAL SECURITY DEATH PAYMENTS

Description: The lump-sum Social Security death benefit is exempt from inheritance tax.

Purpose: This provision helps limit the impact of the tax on the poor. If taxable, the Social Security death benefit could comprise the majority of assets for many small taxable estates.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800

RAILROAD RETIREMENT BURIAL BENEFITS

Description: The lump-sum railroad retirement burial benefit is exempt from inheritance tax.

Purpose: This provision helps limit the impact of the tax on the poor. If taxable, the Railroad Retirement burial benefit could comprise the majority of assets for many small taxable estates.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

General Fund Tax Expenditures

ADVANCEMENTS

Description: Transfers made as an advancement of or on account of an intestate share or in satisfaction or partial satisfaction of a gift by will are exempt unless the gift was made within a year of death and gifts to the transferee exceeded \$3,000 during that calendar year.

Purpose: Gifts, as long as they are not made within one year of the date of death, are exempt from inheritance tax. This provision provides that these advancements be treated as gifts.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	NA	NA	NA	NA	NA

PROPERTY SUBJECT TO POWER OF APPOINTMENT

Description: Property left to a trust by the decedent (grantor) subject to a power of appointment (by a grantee), whether or not exercised and notwithstanding any blending of such property with property of the grantee, is exempt from inheritance tax in the estate of the grantee.

Purpose: Pennsylvania taxes the transfer of these assets subject to a power of appointment at the time the interest is created (when the grantor dies). The grantee may have a life interest in the estate with any remainder passing to some other person. This provision prevents taxation when the property is subsequently distributed upon the death of the grantee, having already been taxed in the estate of the grantor.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	NA	NA	NA	NA	NA

NOMINAL OWNERSHIP OF PROPERTY

Description: Property held in the name of a decedent who held no beneficial interest in the property is exempt from inheritance tax.

Purpose: This provision prevents property in which the decedent had no real interest from being included in the taxable estate.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

BUSINESS RELATED PREFERENCES

PREFERENTIAL VALUATION OF FARMLAND

Description: Farmland which was devoted to agricultural use for the three years preceding the death of the decedent and is not less than ten contiguous acres or has an anticipated yearly gross income derived from agricultural use of \$2,000 or more, is valued based on its current use rather than its highest use.

Purpose: This provision helps to protect family farms. Much land currently devoted to agricultural use would be more valuable if it were developed. This provision values the farmland as if it were to remain farmland.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	NA	NA	NA	NA	NA

SMALL BUSINESS INTEREST TRANSFER EXTENDED PAYMENT SCHEDULE

Description: The inheritance tax due on the transfer of a qualified small business interest may be paid in 20 consecutive quarterly installments beginning nine months after the decedent's death. Each installment payment bears interest of 9% per annum.

Purpose: This provision helps protect small business upon the death of the owner from a sudden tax burden. Payments are spread out over time so that asset sales can be avoided.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	NA	NA	NA	NA	NA

OTHER EXCLUSIONS

TRANSFERS TO GOVERNMENTS

Description: Intervivos transfers and bequests to governments are exempt from inheritance 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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400

TRANSFERS TO CHARITABLE AND FRATERNAL ORGANIZATIONS

Description: Intervivos transfers and bequests to charitable and fraternal organizations are exempt from inheritance tax.

Purpose: Charitable and fraternal organizations provide public services which are believed to benefit the citizenry. This exemption represents an indirect means of assistance to these entities and may increase the money available for charitable purposes.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 54,100	\$ 57,200	\$ 60,400	\$ 63,900	\$ 67,500

Motor License Fund Tax Expenditures

LIQUID FUELS TAX

Authorization: The Liquid Fuels Tax, enacted in 1931, replaced 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 8 cents per gallon with the Act of March 3, 1970 (P.L. 109, No. 41). An additional temporary tax of 1 cent was imposed by the Act of July 12, 1974 (P.L. 458, No. 161), an additional 2 cents tax was imposed by the Act of July 4, 1979 (P.L. 60, No. 27), and an additional 1 cent tax was imposed by the Act of July 22, 1983 (P.L. 122, No. 32). The current rate is 12 cents per gallon. All revenues are deposited in the Motor License Fund with a 0.5 cent restricted portion of the tax later distributed to local jurisdictions. The following estimates reflect the full tax rate imposed.

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 cents per gallon with the Act of March 3, 1970 (P.L. 111, No. 42), and was supplemented by the temporary 1 cent tax imposed by the Act of July 12, 1974 (P.L. 458, No. 161), by the 2 cents tax of the Act of July 4, 1979 (P.L. 60, No. 27) and by the 1 cent 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. Examples of products taxable under this Act are diesel, liquefied petroleum gases (L.P.G.) and kerosene. The current rate is 12 cents per gallon. All revenues are deposited in the Motor License Fund with a 0.5 cent restricted portion of the tax later distributed to local jurisdictions. The following estimates reflect the full tax rate imposed.

OIL COMPANY FRANCHISE TAX

Authorization: The Oil Company Franchise Tax was enacted by the Act of June 23, 1981 (P.L. 98, No. 35) as Chapter 95 of 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. Effective September 1, 1991, Act 26-1991 imposed an additional 55 mills bringing to total tax levy to 115 mills. The tax is calculated at 115 mills of the average wholesale price of petroleum products which may not be less than \$.90 or more than \$1.25 per gallon. A restricted revenue portion of 3 mills is deposited into the State Highway Transfer Restoration Restricted Account and 55 mills is distributed to various other restricted accounts. The following estimates reflect the full tax rate imposed.

POLITICAL SUBDIVISIONS

Description: Fuels purchased by political subdivisions of the Commonwealth are exempt from the payment of the tax.

Purpose: This exemption is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
Motor Gasoline:					
	\$ 5,300	\$ 5,300	\$ 5,300	\$ 5,300	\$ 5,300
Jet Fuel & Aviation Gasoline:					
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal
Fuel Use:					
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,500	\$ 2,500
Oil Company Franchise:					
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 6,500	\$ 6,600	\$ 6,600	\$ 6,600	\$ 6,600

Motor License Fund Tax Expenditures

VOLUNTEER EMERGENCY VEHICLES

Description: Fuels purchased by a volunteer fire company, volunteer ambulance service or volunteer rescue squad used solely in official vehicles are exempt from the 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>	Motor Gasoline:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
	Jet Fuel & Aviation Gasoline:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal
	Fuel Use:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800
	Oil Company Franchise:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,600	\$ 1,600

NONPROFIT NONPUBLIC SCHOOLS

Description: Fuels purchased by any nonprofit nonpublic school in which a Commonwealth resident may legally fulfill compulsory school attendance requirements is granted an exemption from payment of the tax.

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:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal
	Jet Fuel & Aviation Gasoline:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal
	Fuel Use:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal
	Oil Company Franchise:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

SECOND CLASS COUNTY PORT AUTHORITIES

Description: Purchases of fuels by second class county port authorities are exempt from the tax.

Purpose: The exemption for 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:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal
	Jet Fuel & Aviation Gasoline:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal
	Fuel Use:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal
	Oil Company Franchise:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

ELECTRIC COOPERATIVES

Description: Fuel purchases for vehicles operated by electric cooperatives are exempt from the tax.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Motor Gasoline:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal
	Jet Fuel & Aviation Gasoline:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal
	Fuel Use:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
	Oil Company Franchise:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100

Motor License Fund Tax Expenditures

AGRICULTURAL USE

Description: The Liquid Fuel Tax Act grants a full refund of tax paid for agricultural use relating to the actual production of farm products. While under the Fuel Use Tax Act, fuel used in farm machinery or equipment engaged in the production or harvesting of agricultural products is exempt from taxation.

Purpose: This exemption helps to provide agricultural products at a reduced price to the consumer.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Motor Gasoline:				
	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 2,000	\$ 2,100	\$ 2,100	\$ 2,100	\$ 2,100
	Jet Fuel & Aviation Gasoline:				
	1993-94	1994-95	1995-96	1996-97	1997-98
	Nominal	Nominal	Nominal	Nominal	Nominal
	Fuel Use:				
	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700

DISCOUNT

Description: A distributor is permitted a variable percentage discount based on gross tax due provided the Liquid Fuel Tax return and payment due are timely filed. A dealer-user is permitted a 2% discount based on gross tax due provided the Fuel Use Tax report 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 cost of preparing and remitting the Liquid Fuel Tax and Fuel Use Tax reports and payments.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Motor Gasoline:				
	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800
	Jet Fuel & Aviation Gasoline:				
	1993-94	1994-95	1995-96	1996-97	1997-98
	Nominal	Nominal	Nominal	Nominal	Nominal
	Fuel Use:				
	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 2,300	\$ 2,300	\$ 2,400	\$ 2,400	\$ 2,400

Motor License Fund Tax Expenditures

FOREIGN DIPLOMATS

Description: Fuel purchased by foreign diplomats whose country has entered into a treaty with the United States are exempt from payment of the tax.

Purpose: The Commonwealth grants the exemption administratively at the request of the Federal government.

(Dollar Amounts in Thousands)

<i>Estimates:</i>					
Motor Gasoline:					
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal
Jet Fuel & Aviation Gasoline:					
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal
Fuel Use:					
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

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 Chapter 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 6 cents per gallon. This additional 6 cents per gallon tax is deposited in the Highway Bridge Improvement Restricted Account within the Motor License Fund. The following estimates reflect the full tax rate imposed.

MOTORBUS ROAD TAX

Authorization:

The Act of June 11, 1992 (P.L. 266, No. 47) enacted the Motorbus Road Tax by adding Chapter 98 to Title 75 of the Pennsylvania Consolidated Statutes. The Motorbus Road Tax is levied at the rate per gallon of the Pennsylvania Liquid Fuels Tax and Oil Franchise Tax currently in effect. The following estimates reflect the full tax rate imposed, starting January 1, 1993.

POLITICAL SUBDIVISIONS

Description: Vehicles operated by political subdivisions are exempt from the requirement to display identification markers and payment of 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>					
Motor Carriers Road Tax:					
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 10,800	\$ 10,900	\$ 11,000	\$ 11,200	\$ 11,300
Motorbus Road Tax:					
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500

Motor License Fund Tax Expenditures

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>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 4,800	\$ 4,900	\$ 4,900	\$ 5,000	\$ 5,000

VOLUNTEER EMERGENCY VEHICLES

Description: Fire, rescue and ambulance vehicles operated by volunteers are exempt from the requirements of the Motor Carriers Road Tax and Motorbus Road Tax Acts.

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>	Motor Carriers Road Tax:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 3,700	\$ 3,800	\$ 3,800	\$ 3,800	\$ 3,900
	Motorbus Road Tax:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

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 Motorbus Road Tax. The estimates listed below reflect the 6¢ per gallon surtax.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400

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 private schools.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

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.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900

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.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

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>	Motor Carriers Road Tax:	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
		\$ 100	\$ 100	\$ 100	\$ 100	\$ 100

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 public benefit. This exemption permits this service to be rendered at a reduced cost to the ratepayers.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300

Motor License Fund Tax Expenditures

VEHICLES NEEDING EMERGENCY REPAIRS

Description: A 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 and Motorbus Road Tax Acts.

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>	Motor Carriers Road Tax:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal
	Motorbus Road Tax:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

VEHICLES SECURING REPAIRS OR RECONDITIONING

Description: Exemption from the tax is provided for unladen or towed motor vehicles or unladen trailers entering Pennsylvania solely for the purpose of securing repairs or reconditioning.

Purpose: This exemption was granted so as to not discourage vehicle owners from obtaining repairs or reconditioning of a vehicle from a Pennsylvania business.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Motor Carriers Road Tax:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal
	Motorbus Road Tax:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

SCHOOL BUS

Description: Buses that are used exclusively for the transportation of children for school purposes are exempt from the Motorbus Road 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>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 6,800	\$ 6,900	\$ 7,000	\$ 7,100	\$ 7,100

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.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Disabled/Severely Disabled Veterans:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
	Charitable Organizations:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600
	Former Prisoners of War:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal
	Farm Trucks:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
	Emergency Vehicles:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 800	\$ 800	\$ 800	\$ 900	\$ 900
	Fire Department Vehicles:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 1,700	\$ 1,700	\$ 1,700	\$ 1,700	\$ 1,700
	Political Subdivisions:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 7,900	\$ 7,900	\$ 8,000	\$ 8,000	\$ 8,000
	Older Pennsylvanians:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 2,400	\$ 2,400	\$ 2,500	\$ 2,500	\$ 2,600

Motor License Fund Tax Expenditures

CARNIVAL TRUCKS/TRUCK TRACTORS

Description: Owners who document with the Department of Transportation that the truck or tractor is used exclusively for the purpose of transporting circus or carnival personnel or equipment or machinery are granted a reduced registration fee.

Purpose: This provides partial registration fee relief for those vehicles being used only between April 1 and September 30.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

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 exempt from this title fee are political subdivisions, totally disabled veterans, emergency vehicles and foreign nationals.

Purpose: This exemption provides relief to the organizations or individuals cited above. The General Assembly has provided exemption for these entities due to their perceived special status.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 100	\$ 100	\$ 200	\$ 200	\$ 200

INSPECTION STICKERS

Description: All vehicles registered in Pennsylvania are required to have periodic safety inspections to insure their roadworthiness. A certificate of inspection is issued for a fee to show the vehicle meets specified safety standards. 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>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 400	\$ 400	\$ 400	\$ 500	\$ 500

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>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

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.

Estimates:

	1993-94	1994-95	1995-96	1996-97	1997-98
	Nominal	Nominal	Nominal	Nominal	Nominal

(Dollar Amounts in Thousands)

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.

Estimates:

	1993-94	1994-95	1995-96	1996-97	1997-98
	Nominal	Nominal	Nominal	Nominal	Nominal

(Dollar Amounts in Thousands)

Racing Fund Tax Expenditures

The Racing Fund, a special revenue fund, is comprised of monies received from taxes, licenses and fees and miscellaneous revenues collected by the State Harness Racing Commission and the State Horse Racing Commission derived from the regulation of harness and horse racing. Prior to December 30, 1983, thoroughbred racing tax revenues consisted of wagering, breakage and admissions taxes and harness racing tax revenues consisted of wagering and admissions taxes as assessed by the Race Horse Industry Reform Act (Act 135 of December 17, 1981). The Harness Racing Fund and the Horse Racing Fund were combined into the Racing Fund by Act 93 of 1983. Act 93 also amended portions of the Race Horse Industry Reform Act relating to taxation.

WAGERING TAX

Authorization: Act of May 16, 1986 (P.L. 205, No. 63)

NEW CORPORATIONS

Description: Racing Corporations licensed after May 16, 1986 are subject to a reduced wagering tax rate, 1% rather than the normal 1.5% rate, for a period of four years.

Purpose: This provision may have been perceived as an incentive to promote the formation of new racing corporations.

Estimates:

	(Dollar Amounts in Thousands)				
	1993-94	1994-95	1995-96	1996-97	1997-98
	NA	NA	NA	NA	NA

ADMISSIONS TAX

Authorization: Department of Revenue letter ruling with concurrence of counsel for Racing Commission.

DARK DAY SIMULCASTS

Description: The minimum admissions tax, currently 5% of 50 cents, is waived at events where no admission charge is levied and where simulcasts of races from other facilities are featured rather than live races.

Purpose: This provision may have been perceived as a way to promote simulcast attendance at commonwealth racing facilities.

Estimates:

	(Dollar Amounts in Thousands)				
	1993-94	1994-95	1995-96	1996-97	1997-98
	Nominal	Nominal	Nominal	Nominal	Nominal

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. Many 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. In 1990 through 1992 benefit payments exceeded tax contributions. As a result, the estimates reflect rising 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.

Purposes: The limitation on taxable wages limits growth in employer tax liabilities that would otherwise occur as wages rise.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 3,484,600	\$ 3,723,300	\$ 3,879,900	\$ 4,161,900	\$ 4,441,500

Special Fund Tax Expenditures

PUBLIC TRANSPORTATION ASSISTANCE FUND

Authorization: Title 74 of the Pennsylvania Consolidated Statutes, Part II, Chapter 13.

The Public Transportation Assistance Fund, established by Act 26-1991 provides for the capital, asset maintenance and certain other transportation needs of the Commonwealth's transit entities.

Fund revenues are derived from a portion of the public utility realty tax; a motor vehicle lease tax; a motor vehicle rental fee; a fee on the sale of new tires; and .44% of total sales and use tax receipts in lieu of the repealed periodicals tax. Certain entities and transactions are exempt from these taxes and fees.

The utility realty tax expenditures for this fund parallel the PURTA general fund tax expenditures. According to statute, the provisions of Article XI-A of the Tax Reform Code of 1971 are to apply to the 12 mill levy accruing to the Public Transportation Assistance Fund. With the exception of the new tire fee, the remaining tax expenditures parallel applicable expenditures in the Sales and Use Tax, again due to statutory provisions. The law limits new tire fee expenditures to exempt governmental units.

UTILITY REALTY TAX

Every entity required to pay the tax imposed under Article XI-A of the Tax Reform Code of 1971 shall also remit an additional 12 mills upon each dollar of the state taxable value of its utility realty at the end of the calendar year. The authorization and explanation of this tax are given in the General Fund Tax Expenditure section.

PROPERTY SUBJECT TO LOCAL TAXATION

Description: Property subject to local real estate taxation under any law in effect on April 23, 1968 is excluded from the 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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,700	\$ 4,700

MACHINERY AND EQUIPMENT

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 315,800	\$ 314,300	\$ 315,400	\$ 319,800	\$ 322,700

Special Fund Tax Expenditures

EASEMENTS

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 4,000	\$ 3,900	\$ 3,900	\$ 4,000	\$ 4,000

RAILROAD RIGHTS-OF-WAY

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 9,900	\$ 10,300	\$ 10,600	\$ 10,900	\$ 11,300

LINES

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 128,000	\$ 129,300	\$ 131,300	\$ 132,000	\$ 133,600

HYDROELECTRIC PROPERTY

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	NA	NA	NA	NA	NA

Special Fund Tax Expenditures

SEWAGE SERVICES

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

Purpose: This provides tax relief to companies that are in the business of sewage treatment and encourages investment in sewage treatment facilities 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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 11,100	\$ 11,300	\$ 11,400	\$ 11,400	\$ 11,500

MUNICIPALITIES

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>	1993-94	1994-95	1995-96	1996-97	1997-98
	\$ 6,800	\$ 6,900	\$ 7,000	\$ 7,000	\$ 7,000

MOTOR VEHICLE LEASE TAX AND MOTOR VEHICLE RENTAL FEE

The Commonwealth levies a 3% tax on the total lease price charged for each lease of a motor vehicle subject to tax under Article II of the Tax Reform Code of 1971.

A fee of \$2 per day or portion of a day is imposed on each rental of a motor vehicle subject to tax under Article II of the Tax Reform Code of 1971.

COMMON CARRIERS

Description: Vehicles leased or rented by a public utility, engaged in business as a common carrier, to be used in rendering utility services are exempt from taxation.

Purpose: Without this exemption, the tax would be built into the rate base of these types of public utility services and, ultimately, passed on to consumers. Therefore, this exemption reduces the overall cost of utility services which are considered to be basic necessities.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	Motor Vehicle Leases:				
	1993-94	1994-95	1995-96	1996-97	1997-98
	NA	NA	NA	NA	NA
	Motor Vehicle Rentals:				
	1993-94	1994-95	1995-96	1996-97	1997-98
	NA	NA	NA	NA	NA

Special Fund Tax Expenditures

SCHOOL BUSES

Description: The lease or rental of school buses is exempt from taxation. These buses must be used exclusively for the transportation of children for school purposes. The provision is extended to persons who have contracts with school districts to transport children. For the purpose of this analysis, the majority of these contracts are assumed to be leases.

Purpose: The costs of transporting school children are directly borne by school districts and indirectly by State government through subsidy programs. This exemption, while limiting state Public Transportation Assistance Fund revenues, also decreases state educational subsidy costs.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Motor Vehicle Leases:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 2,200	\$ 2,300	\$ 2,400	\$ 2,600	\$ 2,800
	Motor Vehicle Rentals:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200

EXEMPT ORGANIZATIONS

Description: The lease or rental 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>	Motor Vehicle Leases:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	NA	NA	NA	NA	NA
	Motor Vehicle Rentals:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	NA	NA	NA	NA	NA

Special Fund Tax Expenditures

EXEMPT GOVERNMENTAL UNITS

Description: The lease or rental of personal property or services to or for use by the Federal government, the Commonwealth, or its instrumentalities or political subdivisions is exempt from taxation. Based on the criteria adopted to define tax expenditures, Federal transactions are not included in this study. Commonwealth transactions are also excluded because revenues would offset expenditures with no net effect. The estimates, therefore, represent the tax on local government expenditures. This analysis considers the impact of passenger vehicles. It does not include any possible expenditures for trucks or other vehicles.

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>	Motor Vehicle Leases:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700
	Motor Vehicle Rentals:				
	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

TIRE FEE

The Commonwealth imposes a \$1 fee per tire on each sale of new tires intended for highway use.

EXEMPT GOVERNMENTAL UNITS

Description: The sale of new tires to or for use by the Federal government, the Commonwealth, or its instrumentalities or political subdivisions is exempt from taxation. Based on the criteria adopted to define tax expenditures, Federal transactions are not included in this study. Commonwealth transactions are also excluded because revenues would offset expenditures with no net effect. The estimates, therefore, represent 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>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200



Governor's Executive Budget

*D*epartment
*P*resentations



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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<u>GENERAL FUND</u>			
GENERAL GOVERNMENT:			
Governor's Office	\$ 5,803	\$ 6,436	\$ 6,655
(A) Press Services	852	852	852
GENERAL FUND TOTAL	\$ 6,655	\$ 7,288	\$ 7,507

GOVERNOR'S OFFICE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
EXECUTIVE DIRECTION							
General Funds.....	\$ 5,803	\$ 6,436	\$ 6,655	\$ 6,655	\$ 6,655	\$ 6,655	\$ 6,655
Other Funds.....	852	852	852	852	852	852	852
TOTAL.....	\$ 6,655	\$ 7,288	\$ 7,507	\$ 7,507	\$ 7,507	\$ 7,507	\$ 7,507
ALL PROGRAMS:							
GENERAL FUND.....	\$ 5,803	\$ 6,436	\$ 6,655	\$ 6,655	\$ 6,655	\$ 6,655	\$ 6,655
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	852	852	852	852	852	852	852
TOTAL.....	\$ 6,655	\$ 7,288	\$ 7,507	\$ 7,507	\$ 7,507	\$ 7,507	\$ 7,507

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
\$ 219 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Governor's Office	\$ 5,803	\$ 6,436	\$ 6,655	\$ 6,655	\$ 6,655	\$ 6,655	\$ 6,655



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 financial 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 Commission monitors public employee 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 Facility 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 Arbitration 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 resources.

EXECUTIVE OFFICES

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
GENERAL GOVERNMENT;			
Governor's Action Center	\$ 280	\$ 305	\$ 312
Office of Administration	5,400	5,844	6,639
(F) SABG — State Employees Assistance Program	566	576	....
(F) Protection and Advocacy of Individual Rights	68	....	....
(F) Electronic Records Management	116	92	....
(A) Classification and Pay	1,927	2,063	2,147
(A) State Employee Assistance Program .....	....	....	883
(A) CMIC	13,514	13,337	13,508
(A) BMS/Directives Management	1,256	1,236	1,340
(A) BATM	1,171	1,234	1,420
(A) Labor Relations .....	....	20	12
(A) Legal Office .....	....	14	....
(A) Division of State Employment	45	48	52
(A) Temporary Employment Pool	4,292	4,633	4,780
(A) Data Network	4,737	4,191	4,100
(A) Data Network — Special Projects	211	710	....
(A) Aids Education .....	....	353	204
Subtotal — State Funds	\$ 5,400	\$ 5,844	\$ 6,639
Subtotal — Federal Funds	750	668	....
Subtotal — Augmentations	27,153	27,839	28,446
Total — Office of Administration	\$ 33,303	\$ 34,351	\$ 35,085
Radio System Development	\$ 300	....	\$ 370
Medicare Part B Penalties	607	\$ 607	600
Inspector General	1,551	2,011	1,997
(A) Support for PennDOT Satellite Office	1,601	1,499	1,548
Total — Inspector General	\$ 3,152	\$ 3,510	\$ 3,545
Inspector General for Welfare Fraud .....	....	....	\$ 22,415
(F) Food Stamp — Program Accountability .....	....	....	3,409
(F) Child Support Enforcement .....	....	....	84,198
(F) Maintenance Assistance — Program Accountability .....	....	....	2,113
(F) Medical Assistance — Program Accountability .....	....	....	1,476
(A) Title IV-D Incentive Collections .....	....	....	1,451
(A) Restitutions and Overpayments .....	....	....	1,063
(A) Food Stamp Collections .....	....	....	166
(A) State Retained Support Collections .....	....	....	452
Subtotal — State Funds .....	....	....	\$ 22,415
Subtotal — Federal Funds .....	....	....	91,196
Subtotal — Augmentations .....	....	....	3,132
Total — Inspector General for Welfare Fraud .....	....	....	\$ 116,743
Office of the Budget	\$ 24,262	\$ 28,085	\$ 26,966
(F) JTPA — Program Accountability	498	650	590
(F) Medical Assistance In-Patient Hospital Audits .....	....	....	3,703
(A) Comptroller Services	25,041	26,931	36,848
Subtotal — State Funds	\$ 24,262	\$ 28,085	\$ 26,966
Subtotal — Federal Funds	498	650	4,293
Subtotal — Augmentations	25,041	26,931	36,848
Total — Office of the Budget	\$ 49,801	\$ 55,666	\$ 68,107
General Salary Increase .....	....	\$ 30,765	....
Audit Payments to HHS .....	....	27,347*	....
Audit of The Auditor General	\$ 70	....	\$ 130

* Recommended supplemental appropriation.

EXECUTIVE OFFICES

Summary by Fund and Appropriation

GENERAL FUND	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Budget
GENERAL GOVERNMENT: (continued)			
Human Relations Commission	\$ 7,498	\$ 8,291	\$ 8,811
(F) EEOC — Special Project Grant	1,609	1,500	1,500
(F) HUD — Special Project Grant	113	195	220
Subtotal — State Funds	\$ 7,498	\$ 8,291	\$ 8,811
Subtotal — Federal Funds	1,722	1,695	1,720
Total — Human Relations Commission	\$ 9,220	\$ 9,986	\$ 10,531
Council on the Arts	\$ 754	\$ 839	\$ 889
(F) NEA — Grants to the Arts — Administration	75	75	75
Total — Council on the Arts	\$ 829	\$ 914	\$ 964
Commission for Women	\$ 320	\$ 341	\$ 355
(A) Augmentations — Special Projects	7	10	.....
Total — Commission for Women	\$ 327	\$ 351	\$ 355
Distinguished Daughters	\$ 6	\$ 6	\$ 6
Energy Office	1,400	1,719	1,939
(F) Energy Extension Services	132	174	15
(F) State Energy Conservation Plan	383	399	684
(F) Institutional Conservation	147	119	105
(F) Heating Oil & Propane Availability Study	18	20	20
(F) National Energy Awards .....	.....	65	100
(F) Paper Pollution Prevention .....	.....	300	.....
(F) Heavy Duty Vehicle Program .....	.....	100	100
(F) Greenhouse Gas Emissions Mitigation .....	.....	75	25
(F) Sludge Utilization .....	.....	149	.....
(F) Photovoltaic Demonstration Project .....	.....	.....	20
(F) National Industrial Competitiveness .....	.....	.....	450
(F) Mid-Atlantic Regional Consortium .....	.....	.....	50
(F) National AFV Teleconference .....	.....	100	.....
(F) Alternative Fuel School Bus Project .....	.....	67	.....
(F) LIHEABG — Administration	10	.....	.....
(F) Solid Waste Management Assistance	24	.....	.....
(A) Energy Conservation — Special Projects	819	650	660
Subtotal — State Funds	\$ 1,400	\$ 1,719	\$ 1,939
Subtotal — Federal Funds	714	1,568	1,569
Subtotal — Augmentations	819	650	660
Total — Energy Office	\$ 2,933	\$ 3,937	\$ 4,168
Juvenile Court Judges Commission	\$ 544	\$ 595	\$ 698
(F) DCSI — Juvenile Disposition Data Collection .....	.....	.....	206
Total — Juvenile Court Judges Commission	\$ 544	\$ 595	\$ 904
Commission on Crime and Delinquency	2,174	2,278	2,527
(F) Plan for Juvenile Justice	195	195	195
(F) Offender Based Transaction Statistics	2	3	3
(F) Ethical Issues in Law Enforcement	14	.....	.....
(F) DCSI — Administration	449	564	598
(F) DCSI — Program Grants	16,283	19,900	18,200
(F) DCSI — Criminal History Records	7	10	10
(F) Homicides and Assaults in Convenience Stores .....	.....	20	.....
(F) DFSC — Drug Abuse Resistance Education (DARE)	65	70	70
(F) Incident-Based Crime Reporting System .....	.....	167	.....
(A) Deputy Sheriff's Education and Training	228	252	258
(A) Special Projects	7	29	.....
Subtotal — State Funds	\$ 2,174	\$ 2,278	\$ 2,527
Subtotal — Federal Funds	17,015	20,929	19,076
Subtotal — Augmentations	235	281	258
Total — Commission on Crime and Delinquency	\$ 19,424	\$ 23,488	\$ 21,861

EXECUTIVE OFFICES

Summary by Fund and Appropriation

GENERAL FUND	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Budget
GENERAL GOVERNMENT: (continued)			
Office of General Counsel	\$ 1,634	\$ 1,813	\$ 1,813
Crime Victims Compensation Board	599	609	657
(F) Crime Victims Payments	801	1,600	1,273
(R) Crime Victims Administration	89	110	199
Total — Crime Victims Compensation Board	\$ 1,489	\$ 2,319	\$ 2,129
Health Facility Hearing Board	\$ 178	\$ 187	\$ 203
Health Care Arbitration Panels	480	240*	180
MILRITE Council	237	255	268
Public Employee Retirement Commission	487	519	546
Drug Policy Council	34	43	41
(F) DCSI — Administration	39	60	40
(F) DFSC — Administration	174	180	200
Subtotal — State Funds	\$ 34	\$ 43	\$ 41
Subtotal — Federal Funds	213	240	240
Total — Drug Policy Council	\$ 247	\$ 283	\$ 281
Subtotal — State Funds	\$ 48,815	\$ 112,699	\$ 78,362
Subtotal — Federal Funds	21,788	27,425	119,648
Subtotal — Augmentations	54,856	57,210	70,892
Subtotal — Restricted Revenue	89	110	199
Total — General Government	\$ 125,548	\$ 197,444	\$ 269,101
GRANTS AND SUBSIDIES:			
Grants to the Arts	\$ 8,330	\$ 9,000	\$ 9,000
(F) NEA — Grants	884	1,000	1,400
Total — Grants to the Arts	\$ 9,214	\$ 10,000	\$ 10,400
Energy Development Authority	\$ 300	\$ 300	\$ 300
Crime Prevention Programs .....	....	400	....
Improvement of Juvenile Probation Services	3,726	4,332	4,770
(F) DCSI — Juvenile Drug and Alcohol Probation Units	1,093	657	219
(F) DFSC — Special Programs — Probation Services	150	....	....
(A) State Match for DCSI Sub-Grants	170	....	....
Subtotal — State Funds	\$ 3,726	\$ 4,332	\$ 4,770
Subtotal — Federal Funds	1,243	657	219
Subtotal — Augmentations	170	....	....
Total — Improvement of Juvenile Probation Services	\$ 5,139	\$ 4,989	\$ 4,989
Labor Management Committee	\$ 700	\$ 700	\$ 700
Subtotal — State Funds	\$ 13,056	\$ 14,732	\$ 14,770
Subtotal — Federal Funds	2,127	1,657	1,619
Subtotal — Augmentations	170	....	....
Total — Grants and Subsidies	\$ 15,353	\$ 16,389	\$ 16,389
STATE FUNDS	\$ 61,871	\$ 127,431	\$ 93,132
FEDERAL FUNDS	23,915	29,082	121,267
AUGMENTATIONS	55,026	57,210	70,892
RESTRICTED REVENUE	89	110	199
GENERAL FUND TOTAL	\$ 140,901	\$ 213,833	\$ 285,490

* Recommended supplemental appropriation.

EXECUTIVE OFFICES

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<u>MOTOR LICENSE FUND</u>			
<i>GENERAL GOVERNMENT:</i>			
Office of the Budget	\$ 4,723	\$ 5,269	\$ 4,215
(A) Reimbursement of Comptroller Services	642	624	843
MOTOR LICENSE FUND TOTAL	<u>\$ 5,365</u>	<u>\$ 5,893</u>	<u>\$ 5,058</u>
<u>ENERGY CONSERVATION AND ASSISTANCE FUND</u>			
<i>GRANTS AND SUBSIDIES:</i>			
Energy Conservation	\$ 3,400	\$ 3,000	....
<u>LOTTERY FUND</u>			
<i>GENERAL GOVERNMENT:</i>			
Ridership Verification	\$ 97	\$ 109	\$ 114
<u>OTHER FUNDS</u>			
<i>GENERAL FUND:</i>			
Alternative Fuels Incentive Grants .....	....	\$ 3,472	\$ 3,566
Constables' Education and Training		1,000	1,500
Crime Victim Payments	2,645	2,108	2,739
Victim/Witness Services	1,346	2,000	2,864
Health Care Arbitration	149	400	719
Federal Juvenile Justice and Delinquency Prevention	3,053	2,600	2,900
Federal Crime Victims Assistance	2,712	2,900	2,300
GENERAL FUND TOTAL	<u>\$ 9,905</u>	<u>\$ 14,480</u>	<u>\$ 16,588</u>
<i>ENERGY DEVELOPMENT FUND:</i>			
Loans/Grants	\$ 2,470	\$ 3,094	\$ 1,145
Administration	255	300	300
ENERGY DEVELOPMENT FUND TOTAL	<u>\$ 2,725</u>	<u>\$ 3,394</u>	<u>\$ 1,445</u>
<i>MEDICAL PROFESSIONAL LIABILITY CATASTROPHE LOSS FUND:</i>			
General Government Operations	\$ 11,054	\$ 18,082	\$ 18,700
Payment of Claims	153,620	165,000	170,000
MEDICAL PROFESSIONAL LIABILITY CATASTROPHE LOSS FUND TOTAL	<u>\$ 164,674</u>	<u>\$ 183,082</u>	<u>\$ 188,700</u>
OTHER FUNDS TOTAL	<u>\$ 177,304</u>	<u>\$ 200,956</u>	<u>\$ 206,733</u>
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 61,871	\$ 127,431	\$ 93,132
SPECIAL FUNDS	8,220	8,378	4,329
FEDERAL FUNDS	23,915	29,082	121,267
AUGMENTATIONS	55,668	57,834	71,735
RESTRICTED REVENUES	89	110	199
OTHER FUNDS	177,304	200,956	206,733
TOTAL ALL FUNDS	<u>\$ 327,067</u>	<u>\$ 423,791</u>	<u>\$ 497,395</u>

EXECUTIVE OFFICES

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
EXECUTIVE DIRECTION							
General Funds.....	\$ 33,934	\$ 96,487	\$ 60,990	\$ 53,706	\$ 53,958	\$ 54,036	\$ 54,694
Special Funds.....	4,820	5,378	4,329	4,575	4,840	5,043	5,300
Federal Funds.....	1,461	1,558	95,729	95,951	92,248	92,248	92,248
Other Funds.....	54,437	56,893	70,817	70,865	65,362	65,402	65,452
TOTAL.....	\$ 94,652	\$ 160,316	\$ 231,865	\$ 225,097	\$ 216,408	\$ 216,729	\$ 217,694
LEGAL SERVICES							
General Funds.....	\$ 1,634	\$ 1,813	\$ 1,813	\$ 1,813	\$ 1,813	\$ 1,813	\$ 1,813
TOTAL.....	\$ 1,634	\$ 1,813	\$ 1,813	\$ 1,813	\$ 1,813	\$ 1,813	\$ 1,813
PREVENTION AND ELIMINATION OF DISCRIMINATORY PRACTICES							
General Funds.....	\$ 7,818	\$ 8,632	\$ 9,166	\$ 9,166	\$ 9,166	\$ 9,166	\$ 9,166
Federal Funds.....	1,722	1,695	1,720	1,720	1,720	1,720	1,720
Other Funds.....	7	10	0	0	0	0	0
TOTAL.....	\$ 9,547	\$ 10,337	\$ 10,886	\$ 10,886	\$ 10,886	\$ 10,886	\$ 10,886
DEVELOPMENT OF ARTISTS AND AUDIENCES							
General Funds.....	\$ 9,084	\$ 9,839	\$ 9,889	\$ 9,889	\$ 9,889	\$ 9,889	\$ 9,889
Federal Funds.....	959	1,075	1,475	1,475	1,475	1,475	1,475
TOTAL.....	\$ 10,043	\$ 10,914	\$ 11,364	\$ 11,364	\$ 11,364	\$ 11,364	\$ 11,364
ENERGY MANAGEMENT AND CONSERVATION							
General Funds.....	\$ 1,700	\$ 2,019	\$ 2,239	\$ 2,239	\$ 2,239	\$ 2,239	\$ 2,239
Special Funds.....	3,400	3,000	0	0	0	0	0
Federal Funds.....	714	1,568	1,569	829	824	819	814
Other Funds.....	3,544	7,516	5,671	5,864	6,033	6,100	6,212
TOTAL.....	\$ 9,358	\$ 14,103	\$ 9,479	\$ 8,932	\$ 9,096	\$ 9,158	\$ 9,265
INCOME MAINTENANCE							
General Funds.....	\$ 599	\$ 609	\$ 657	\$ 657	\$ 657	\$ 657	\$ 657
Federal Funds.....	801	1,600	1,273	1,273	1,273	1,273	1,273
Other Funds.....	2,734	2,218	2,938	3,105	3,285	3,423	3,598
TOTAL.....	\$ 4,134	\$ 4,427	\$ 4,868	\$ 5,035	\$ 5,215	\$ 5,353	\$ 5,528

EXECUTIVE OFFICES

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
CRIMINAL AND JUVENILE JUSTICE							
PLANNING							
General Funds.....	\$ 2,174	\$ 2,678	\$ 2,527	\$ 2,527	\$ 2,527	\$ 2,527	\$ 2,527
Federal Funds.....	17,015	20,929	19,076	19,076	19,076	19,076	19,076
Other Funds.....	7,346	8,781	9,822	10,079	10,355	10,568	10,835
TOTAL.....	\$ 26,535	\$ 32,388	\$ 31,425	\$ 31,682	\$ 31,958	\$ 32,171	\$ 32,438
REINTEGRATION OF JUVENILE							
DELINQUENTS							
General Funds.....	\$ 4,270	\$ 4,927	\$ 5,468	\$ 5,756	\$ 5,824	\$ 5,893	\$ 5,893
Federal Funds.....	1,243	657	425	137	69	0	0
Other Funds.....	170	0	0	0	0	0	0
TOTAL.....	\$ 5,683	\$ 5,584	\$ 5,893	\$ 5,893	\$ 5,893	\$ 5,893	\$ 5,893
MEDICAL MALPRACTICE							
ARBITRATION AND HEALTH							
FACILITIES HEARINGS							
General Funds.....	\$ 658	\$ 427	\$ 383	\$ 203	\$ 203	\$ 203	\$ 203
Other Funds.....	164,823	183,482	189,419	200,216	211,828	220,725	231,982
TOTAL.....	\$ 165,481	\$ 183,909	\$ 189,802	\$ 200,419	\$ 212,031	\$ 220,928	\$ 232,185
ALL PROGRAMS:							
GENERAL FUND.....	\$ 61,871	\$ 127,431	\$ 93,132	\$ 85,956	\$ 86,276	\$ 86,423	\$ 87,081
SPECIAL FUNDS.....	8,220	8,378	4,329	4,575	4,840	5,043	5,300
FEDERAL FUNDS.....	23,915	29,082	121,267	120,461	116,685	116,611	116,606
OTHER FUNDS.....	233,061	258,900	278,667	290,129	296,863	306,218	318,079
TOTAL.....	\$ 327,067	\$ 423,791	\$ 497,395	\$ 501,121	\$ 504,664	\$ 514,295	\$ 527,066

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 citizens' 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 employees 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. The Office of Administration also conducts management studies on State programs to improve their operation, administration and organization.

The Office of Administration provides a State Employee Assistance Program (SEAP) to educate and promote early intervention for alcohol, drug, emotional and other personal problems which adversely affect employee performance through an established referral, evaluation and treatment process.

Also, the Office of Administration administers the AIDS Education Program which provides and coordinates basic, advanced and specialized AIDS education to all Commonwealth employees.

The Office of Administration provides direction in areas related to Workers Compensation to improve the program's operation and supports the Administration's plans for collective bargaining and implementing the results.

In addition, the Office of Administration maintains the Central Management Information Center (CMIC) which is the data processing service center for all Commonwealth central administrative systems as well as providing specialized management information system support for requesting agencies. The center manages and maintains the Commonwealth's payroll, personnel, accounting and retirement systems for all agencies under the Governor's jurisdiction.

In addition to functioning as a service bureau, CMIC is now responsible for the Integrated Central System (ICS) projects which are designed to move the Commonwealth's administrative systems, both manual and automated, into real-time information resources for all Commonwealth managers. These projects greatly expedite various processes and ultimately affect administrative action by capturing data at its point of origin, electronically transmitting the information through approval channels to the central computer system, and validating the integrated system for access and manipulation by all authorized users. Beginning in 1986, the various Commonwealth processes were brought on-line, starting with the accounting functions and part of the purchasing module. In 1991-92, the ICS Personnel/Payroll module came on-line.

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.

Both the Data and Voice networks are under the authority of the Office of Administration and provide centralized communication services to all Commonwealth agencies.

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 MILRITE Council examines impediments to the development of industry and jobs in Pennsylvania by focusing on those issues 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, as well as providing technical assistance to existing committees.

The Public Employee Retirement Commission provides an ongoing mechanism to monitor public employee 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 for payment of expenses incurred for ceremonies held at the Governor's Home honoring women designated as Distinguished Daughters of Pennsylvania.

The Drug Policy Council is designated as the State coordinating agency for purposes of implementing a comprehensive Statewide strategy to combat illegal drug use and drug 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 administers the Governor's Discretionary Funds under the federal Drug Free Schools and Communities Act (DFSC). The council performs evaluations, conducts the biennial drug and alcohol survey of school students and develops legislative and policy analyses related to illegal drug use and alcohol abuse. Federal monies available through DCSI and the DFSC program have been appropriated to two State agencies: Pennsylvania Commission on Crime and Delinquency and the Department of Education.

EXECUTIVE OFFICES

Program: Executive Direction (continued)

Program Recommendations:

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

GENERAL FUND			
	Governor's Action Center		Office of the Budget
\$ 7	—to continue current program.	\$ 2,230	—to continue current program.
		77	—Initiative — Supplemental Security Income Cost Containment. To issue supplemental security income checks in order to avoid Federal administrative fees being charged on the number of payments issued. Currently, the Federal Government charges \$1.67 per check; however, in 1994, that fee will be increased to \$3.33.
	Office of Administration		—billing for support of Commonwealth Payroll Office.
\$ 545	—to continue current program.		
150	—Initiative — Accelerated Grievance Procedure. To extend the accelerated grievance procedures to additional agencies and workers.	-3,426	
100	—Initiative — Voice and Data Communications Upgrade. To review and make recommendations concerning the existing voice and data telecommunication arrangements for Commonwealth agencies.	\$ -1,119	<i>Appropriation Decrease</i>
\$ 795	<i>Appropriation Increase</i>	\$ 130	Audit of the Auditor General
			—to provide for an audit of the Auditor General.
	Radio System Development		Audit Payments to HHS
\$ 370	—Initiative — Radio System Development. To fund the continuation of the design and management of a Statewide radio communications system.	\$ -27,347	—nonrecurring appropriation.
		\$ -30,765	General Salary Increase
			—nonrecurring appropriation.
	Medicare Part B Penalties		MILRITE Council
\$ -7	—to continue current program.	\$ 13	—to continue current program.
	Inspector General	\$ 27	Public Employee Retirement Commission
\$ -14	—to continue current program.		—to continue current program.
	Inspector General for Welfare Fraud	\$ -2	Drug Policy Council
\$ 22,415	—Initiative — Investigating Welfare Fraud. To transfer the responsibilities of Welfare Fraud Investigations from the Department of Public Welfare to the Office of Inspector General including the following:		—to continue current program.
	—expansion of front-end investigations to all districts in Philadelphia County in order to screen new applicants before benefits are paid, thus decreasing the number of ineligible Aid to Families with Dependent Children, Food Stamps and Medical Assistance applicants who obtain benefits; and	\$ -1,054	MOTOR LICENSE FUND
	—recovery of long term care overpayments made as a result of fraudulent or inaccurate claims. Ineligible clients will be returned to private pay status for ongoing long-term care services.		Office of the Budget
			—to continue current program.
		\$ 5	LOTTERY FUND
			Ridership Verification
			—audit of Older Pennsylvanians Shared Ride vendors.
			All other appropriations are recommended at the 1993-94 levels.

EXECUTIVE OFFICES

Program: Executive Direction (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Governor's Action Center	\$ 280	\$ 305	\$ 312	\$ 312	\$ 312	\$ 312	\$ 312
Office of Administration	5,400	5,844	6,639	6,586	6,597	6,606	6,617
Radio System Development	300	.....	370	370	395	410	210
Medicare Part B Penalties	607	607	600	600	600	600	600
Inspector General	1,551	2,011	1,997	1,997	1,997	1,997	1,997
Inspector General for Welfare Fraud .....	.....	.....	22,415	15,286	15,360	15,552	16,247
Office of the Budget	24,262	28,085	26,966	26,994	26,996	26,998	27,000
Audit of the Auditor General	70	.....	130	.....	140	.....	150
Audit Payments to HHS .....	.....	27,347	.....	.....	.....	.....	.....
General Salary Increase .....	.....	30,765	.....	.....	.....	.....	.....
MILRITE Council	237	255	268	268	268	268	268
Public Employee Retirement Commission	487	519	546	546	546	546	546
Distinguished Daughters	6	6	6	6	6	6	6
Drug Policy Council	34	43	41	41	41	41	41
Labor Management Committee	700	700	700	700	700	700	700
TOTAL GENERAL FUND	\$ 33,934	\$ 96,487	\$ 60,990	\$ 53,706	\$ 53,958	\$ 54,036	\$ 54,694
MOTOR LICENSE FUND:							
Office of the Budget	<u>\$ 4,723</u>	<u>\$ 5,269</u>	<u>\$ 4,215</u>	<u>\$ 4,455</u>	<u>\$ 4,713</u>	<u>\$ 4,911</u>	<u>\$ 5,161</u>
LOTTERY FUND:							
Office of the Budget — Ridership							
Verification	<u>\$ 97</u>	<u>\$ 109</u>	<u>\$ 114</u>	<u>\$ 120</u>	<u>\$ 127</u>	<u>\$ 132</u>	<u>\$ 139</u>

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. The General Counsel has the responsibility to appoint deputy general counsel, the chief counsel and assistant counsel in each agency and to supervise, coordinate and administer legal services throughout the Executive Branch.

There are several areas of responsibility for the Office of General Counsel. The major responsibility is to provide general legal advice to the Governor, his staff and the Cabinet. This includes rendering legal advice and representation concerning matters and issues arising in connection with the operation of agencies under the Governor's jurisdiction. The office and agency chief counsel review and approve for form and legality all Commonwealth deeds, leases, contracts, rules and regulations. The Office of General Counsel provides advice to the Governor on pending legislative matters and issues and reviews for constitutionality and legality all legislation presented to the Governor for approval.

The Office of General Counsel also is responsible for initiating appropriate actions or defending the Commonwealth when the Attorney General delegates or declines to initiate appropriate proceedings. It also has the authority to intervene in any action by or against an agency under the Governor's jurisdiction whenever the Governor shall request.

The General Counsel administers the operations of the Juvenile Court Judges Commission, the Crime Victims Compensation Board, the Health Facilities Hearing Board and the Health Care Arbitration Panels. The General Counsel also provides the legal representation these four agencies and the Pennsylvania Public Television Network.

In addition, the General Counsel serves as a member of the Board of Commissioners on Uniform State Laws, the Pennsylvania Emergency Management Agency, the Joint Committee on Documents, the Board of Property, the Local Government Records Committee, the Medical Advisory Board, the Board of Finance and Revenue, and the Civil Disorder Commission.

Program Recommendations:

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

Office of General Counsel

—This budget recommends funding at the 1993-94 level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Office of General Counsel	\$ 1,634	\$ 1,813	\$ 1,813	\$ 1,813	\$ 1,813	\$ 1,813	\$ 1,813

EXECUTIVE OFFICES

PROGRAM OBJECTIVE: To insure equal opportunities and participation for all individuals regardless of race, color, creed, handicap or disability, ancestry, national origin, familial status, 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 employes. In addition, litigation remains a significant feature of the commission's workload.

Act 51 of 1991 amended the Human Relations Act to prohibit housing discrimination against families with children and to make numerous changes in procedures and remedies. The commission has promulgated new regulations and revised publications to reflect the legislation.

Act 187 of 1992 amended the Pennsylvania Fair Educational Opportunities Act to add protection for people with disabilities and to strengthen enforcement procedures and remedies.

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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
<i>Human Relations Commission:</i>							
Formal complaint investigation:							
Complaints pending at beginning of year	6,326	6,979	6,679	8,469	9,319	10,119	10,919
New complaints filed	5,504	5,600	5,700	5,800	5,800	5,800	5,800
Complaints closed	4,851	4,900	4,910	4,950	5,000	5,000	5,000
Complaints pending at end of year	6,979	7,679	8,469	9,319	10,119	10,919	11,719
Informal complaints received	29,254	30,000	30,000	30,000	30,000	30,000	30,000

The increase in new complaints filed and informal complaints received compared to projections in last year's budget is due to increased allegations of discriminatory practices and increased awareness of available help from the commission.

Commission For Women:

Information to organizations and individuals	103,500	106,600	109,800	110,000	110,500	111,000	111,200
Public education efforts, media contacts and speeches	231	238	245	250	255	258	260

Program Recommendations:

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

\$ 423	Human Relations Commission	\$ 14	Commission for Women
97	—to continue current program.		—to continue current program.
\$ 520	—to enhance case disposition tracking system.		
	<i>Appropriation Increase</i>		

EXECUTIVE OFFICES

Program: Prevention and Elimination of Discriminatory Practices (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Human Relations Commission	\$ 7,498	\$ 8,291	\$ 8,811	\$ 8,811	\$ 8,811	\$ 8,811	\$ 8,811
Commission for Women	320	341	355	355	355	355	355
TOTAL GENERAL FUND	<u>\$ 7,818</u>	<u>\$ 8,632</u>	<u>\$ 9,166</u>	<u>\$ 9,166</u>	<u>\$ 9,166</u>	<u>\$ 9,166</u>	<u>\$ 9,166</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 geographically, culturally and ethnically diverse and range from small community organizations that engender and support local arts programs to world-renowned orchestras, museums, dance companies, theatres and festivals.

The council process depends upon 17 advisory panels, each chaired by a council member and composed of nine to ten 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 in policy and procedures.

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 that are beyond the capacity of a single arts institution, and staff services and technical assistance to arts and community 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 Arts in Pennsylvania. Fellowships are awarded to provide support for creative work of individual artists.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Attendance at supported events (thousands)	29,000	30,900	33,090	36,599	40,459	42,705	44,375
Artists participating in projects	93,000	100,300	100,530	115,783	117,800	120,100	124,000
Site visits and consultations	5,500	6,050	7,000	7,500	8,000	8,500	9,000
Award applications reviewed	2,766	3,043	3,347	3,682	4,050	4,455	4,900
Awards made	1,276	1,404	1,544	1,544	1,544	1,544	1,544
Information services (circulation)	50,000	50,000	50,000	50,000	50,000	50,000	50,000

Attendance at supported events was underestimated in the 1993-94 budget. Updated figures are based on reports submitted by grantees.

Program Recommendations:

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

Council on the Arts
\$ 50 —to continue current program.

This budget recommends funding for Grants to the Arts at the 1993-94 level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Council on the Arts	\$ 754	\$ 839	\$ 889	\$ 889	\$ 889	\$ 889	\$ 889
Grants to the Arts	8,330	9,000	9,000	9,000	9,000	9,000	9,000
TOTAL GENERAL FUND	\$ 9,084	\$ 9,839	\$ 9,889	\$ 9,889	\$ 9,889	\$ 9,889	\$ 9,889

EXECUTIVE OFFICES

PROGRAM OBJECTIVE: To develop energy policies and to implement energy programs that meet the economic and environmental needs of the Commonwealth while increasing public awareness of energy issues and to encourage public/private partnerships necessary to meet this objective.

Program: Energy Management and Conservation

Program Element: Energy Efficiency and Conservation

Increased energy efficiency, development and conservation opportunities are key elements in enhancing Pennsylvania's economic growth. The Pennsylvania Energy Office (PEO) has been charged with the responsibility of ensuring that these goals are met.

The PEO provides a variety of energy assistance to the citizens of the Commonwealth such as collecting, analyzing and disseminating data and information on energy supply, demand, consumption and prices. The PEO develops energy policies to foster conservation and efficiency improvements, energy development and a cleaner environment. The Federal State Heating Oil and Propane Program (SHOPP) provides a portion of the funding for data collection. The PEO is also responsible for the development and maintenance of an Energy Emergency Response system.

The Federally funded State Energy Conservation Program (SECP) and Energy Extension Service (EES) continue to assist small businesses, local municipalities and public institutions with their energy conservation and energy efficiency needs. The Federally funded Institutional Conservation Program (ICP) will continue to provide grants to schools and hospitals to fund technical assistance studies and energy conservation measure grants. The U.S. Department of Energy's National Industrial Competitiveness through Efficiency, the Environment, Energy and Economics (NICE3) Program allows the PEO to develop consortia of industrial partners which may apply for federal funding to make energy efficiency improvements in manufacturing and production.

The National Energy Policy Act of 1992 PEO (PL102-486), mandates activities which the Commonwealth, through the Pennsylvania Energy Office, must initiate and/or continue in the next decade. These include: incentives for energy production from solar and renewable sources, joint Federal/private programs to commercialize renewable energy technologies, new rules governing access to electric transmission lines, and an extension of the Clean Coal Technology demonstration program. The U.S. Department of Energy has stated that state energy offices will be the main vehicle to conduct many of the above mandates.

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, as amended in 1987, provides a framework for determining allowable expenditures from the fund in accordance with the requirements of the terms and conditions of oil overcharge settlement agreements.

The Pennsylvania Supplemental Low-Income Energy Assistance Program offers energy assistance to low-income Pennsylvanians. The act states that at least 75 percent of the total appropriations are to be spent for this type of supplemental programs. The Pennsylvania Energy Office uses the remaining 25 percent of the funds to supplement the Federal energy programs and other energy conservation and development projects which it undertakes.

In 1992-93, the PEO dedicated the majority of its remaining ECAF funds to initiate a recoverable grant program entitled the Pennsylvania Energy Conservation Assistance Financing Program (PECAF). This program will ensure a long-term funding source for the PEO to carry out its energy program.

Program Element: Sustainable Energy Development and Innovative Technologies

Agency 21, one of the five treaties signed by more than 140 nations

at the Earth Summit held in Rio de Janeiro in June of 1992, specifies many actions which states must take during the next decade in order to meet global climate goals. The PEO's leadership in developing renewable energy technologies and programs, as well as its role in chairing the Sustainable Development Program of the Commonwealth's Futures Council (formerly the State Planning Board), will help ensure that Pennsylvania meets its mandates. Designing programs and policies which provide incentives for environmentally benign technologies and businesses, will ensure that Pennsylvania "... meets the needs of the present without compromising the ability of future generations to meet their own needs."

The PEO will help to integrate emerging technologies into the design and production of new and innovative energy related and environmentally benign products as well as promoting innovative recycling technologies. As more recycling occurs in the Commonwealth, it is imperative that markets for recycled products emerge. The PEO has developed grant programs to assist firms in developing new products made of recycled materials.

Program Element: Pennsylvania Energy Development Authority

The Pennsylvania Energy Development Authority (PEDA) is the primary organization in Pennsylvania to promote and support energy research and development projects. Most of the projects focus on energy related environmental protection and economic development issues. The authority supports many pollution control technologies. In addition, a PEDA-led consortium of private and public entities (utilities and State agencies) will receive \$8 million of Federal funds to complete a coal reserve inventory for the Commonwealth.

Program Element: Alternative Fuels Incentive Grants

Act 166 of 1992 provides for an alternative fuels grant program to be funded by a portion of the Utilities Gross Receipts Tax. The grants to school districts, municipal authorities, political subdivisions and other nonprofit entities are to fund 60 percent of the expenses incurred to retrofit vehicles to operate using alternative fuels or the additional costs incurred in purchasing vehicles manufactured specifically to operate on fuels other than gasoline. In addition, grants are to fund 60 percent of the cost to install equipment necessary to refuel the modified vehicles. It is anticipated that approximately \$3.5 million will be deposited to this account and that the first grants will be awarded during 1993-94.

In addition, the PEO created the Alternative Fuel Turnpike task force (a joint-venture between private and public entities) to build the infrastructure which will permit alternative fuel vehicles to refuel at designated turnpike rest stations along the length of the highway. As the first alternative fuel highway in the nation, it will provide the model for, and be the first link in, a National Security Highway System.

Also, the Middle Atlantic Regional Consortium for Advanced Vehicles (MARCNAV) was formed to be the focal point for the research, design, development and production of electric and hybrid-electric vehicles throughout the middle Atlantic region. The PEO's efforts resulted in \$10 million in Federal funds being made available to initiate this project in 1993-94.

Program Element: Energy Efficiency in Buildings

On July 8, 1992, an agreement was signed with the U.S. Environmental Protection Agency making the Commonwealth a partner in the National Green Lights Program. The program's primary goal is

EXECUTIVE OFFICES

Program: Energy Management and Conservation (continued)

to increase the efficiency of lighting in State-owned buildings during a five year period. The PEO, in cooperation with the Department of General Services, expanded this program to include all cost effective energy efficiency measures in the 13,000 buildings which the Commonwealth owns and operates. Pennsylvania's GREEN BUILDING Program will use performance contracting and third party financing so that no State funds will be required for this project which is expected to reduce the

Commonwealth's energy bills by approximately \$30 to \$50 million per year.

In addition to the GREEN BUILDING Program, commercial and residential building codes will continue to be updated through legislation to meet the National Energy Policy Act's stringent model energy codes in order to qualify for participation in an Energy Efficient Mortgage Program.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Energy efficiency surveys	315	250	.....	.....	.....	.....	.....
Workshop attendance	2,638	2,700	.....	.....	.....	.....	.....
Institutional Conservation Program technical assistance studies	45	28	25	25	18	9	9
Institutional Conservation Program energy conservation measures funded by category:							
Schools	33	33	25	23	19	10	10
Hospital	10	10	10	7	4	2	2
GREEN BUILDING:							
Buildings Retrofitted .....	.....	2	50	50	50	50	50
Alternative Fuels Incentive Grant Program:							
Number of refueling stations .....	.....	17	22	22	22	22	22
Number of vehicle conversions/new alternative fuel vehicles .....	.....	350	350	350	350	350	350

The number of surveys, workshops, studies and projects reflect the availability of Federal and ECAF Funds.

Program Recommendations:

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

<p>GENERAL FUND Energy Office \$ 220 —to continue current program.</p> <p>Energy Development Authority —This budget recommends funding at the 1993-94 level.</p>	<p>ENERGY CONSERVATION AND ASSISTANCE FUND: Energy Conservation Programs —nonrecurring projects.</p>
	<p>\$ -3,000</p>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Energy Office	\$ 1,400	\$ 1,719	\$ 1,939	\$ 1,939	\$ 1,939	\$ 1,939	\$ 1,939
Energy Development Authority	300	300	300	300	300	300	300
TOTAL GENERAL FUND	\$ 1,700	\$ 2,019	\$ 2,239	\$ 2,239	\$ 2,239	\$ 2,239	\$ 2,239
ENERGY CONSERVATION AND ASSISTANCE FUND:							
Energy Conservation Programs	\$ 3,400	\$ 3,000	.....	.....	.....	.....	.....

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 dependent 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.

Act 35 of 1991 provided compensation to qualifying victims, or survivors of victims of drunk driving (DUI). Also, the act expanded the definition of "loss of earnings" to include the loss of the cash equivalent of pension plans, retirement plans and disability, in addition to the loss of the cash equivalent of social security and railroad retirement.

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. Payments to victims are disbursed from a restricted revenue account which receives its funding from two sources. One source is Act 96 of 1984 which allows collections of costs assessed against certain offenders who are convicted. The other source is the Federal Victims of Crime Act of 1984 which allocates federal reimbursements to states based on a formula of prior year payments to victims. None of the federal funds may be used for administrative purposes. The restricted revenue account is listed as other funds in the Executive Offices Summary by Fund and Appropriation.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
New claims referred and reviewed for eligibility/acceptance	3,155	2,972	3,076	3,184	3,295	3,410	3,529
New claims accepted	2,274	2,192	2,269	2,348	2,436	2,515	2,603
Claims paid	1,701	1,988	2,058	2,130	2,205	2,282	2,362
Claims denied/closed without payment ...	429	456	472	489	506	524	542
Reopened claims	176	160	166	172	178	184	190

New claims accepted represents approximately two-thirds of all claims submitted. The claims not accepted are those returned to claimants for such reasons as incomplete information or failure to meet guidelines. Reopened claims is a measure to account for claims previously settled and paid which are subsequently reopened for additional losses directly related to the original crime. The estimated number of new claims received and accepted is substantially lower than previously estimated due to over estimating of claims expected due to enactment of Act 35 of 1991. The number of claims denied is lower due to training offered to victim assistance groups in completing forms for eligible claims.

Program Recommendations:

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

Crime Victims Compensation Board
\$ 48 —to continue current program.

For 1994-95, \$199,000 will be used from the Crime Victims Payments restricted revenue account to supplement the State appropriation.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Crime Victims Compensation Board	\$ 599	\$ 609	\$ 657	\$ 657	\$ 657	\$ 657	\$ 657

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 who have 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 provides training and technical assistance to county prison boards and local officials under Act 193 of 1990, the County Intermediate Punishment Act. This act provided counties with opportunities to develop various intermediate punishment programs for nonviolent offenders. These programs seek to alleviate overcrowding in the county prisons.

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 authorized under the Federal Anti-Drug Abuse Act of 1988 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. County level intermediate punishment programs continue to receive DCSI support. These programs provide various intermediate punishment options for non-violent offenders to alleviate the overcrowding of prisons. Major priorities for new local projects include juvenile justice initiatives, community policing, criminal justice training, child abuse prosecution, comprehensive victim services and new and expanded automation efforts.

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. Similarly, under Act 102 of 1992, PCCD will provide basic and continuing education for constables.

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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Police officers attending crime prevention practitioners' course and inservice instructors' development workshops . . .	200	200	200	200	200	200	200
Counties receiving technical assistance and grants for crime victims services . . .	67	67	67	67	67	67	67
Campus security and other campus personnel attending sexual assault seminars	200	200	200	200	200	200	200
Deputy Sheriffs certified through completion of basic/waiver training . . .	170	175	175	175	175	175	175

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 \$ 249 —to continue current program.</p>	<p>Crime Prevention Programs \$ -400 —nonrecurring project.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Commission on Crime and Delinquency . . .	\$ 2,174	\$ 2,278	\$ 2,527	\$ 2,527	\$ 2,527	\$ 2,527	\$ 2,527
Crime Prevention Programs		400					
TOTAL GENERAL FUND	<u>\$ 2,174</u>	<u>\$ 2,678</u>	<u>\$ 2,527</u>	<u>\$ 2,527</u>	<u>\$ 2,527</u>	<u>\$ 2,527</u>	<u>\$ 2,527</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 provision of Statewide juvenile justice training, education, research, statistical information, and the development and enhancement of specialized intensive probation and aftercare services for juveniles who have committed drug and/or drug related offenses have significantly improved the quality of service within the Commonwealth's juvenile justice system.

Sixty-six of the Commonwealth's sixty-seven counties participate in the commission's grant-in-aid program and have adopted the commission's required Juvenile Court Standards, participated in Commission sponsored training programs and complied with all Commission statistical reporting requirements. The grant-in-aid program is the only source of funding for juvenile probation services and supports several of the commission's major programs including training, education, intensive probation and aftercare, and specialized projects such as the provision of liability insurance for 46 counties operating financial restitution/community service programs and the development of assessment instruments to determine the treatment needs of juvenile offenders.

The intensive probation program is designed as an alternative to placement while the availability of aftercare programs reduces the average length of placement.

The commission annually sponsors from 25 to 30 state-of-the-art training programs for juvenile justice practitioners. In addition to the provision of training, the commission, in conjunction with Shippensburg University and Mercyhurst College, provided the support to enable

probation officers to receive Master of Science Degrees in the Administration of Justice. By June 1994, 257 probation officers will have graduated from this program. The commission will continue to support these programs during 1994-95.

Major intensive probation and aftercare initiatives have been established by the commission to service juvenile drug and/or drug related offenders. There are seventy probation officer positions dedicated to the provision of these services. Fifty-nine of the Commonwealth's counties are using urinalysis testing techniques on those juveniles who are known or suspected drug users. By the end of 1993-94, over 275,000 drug tests will have been administered to approximately 30,000 juveniles since the program began. This information will enable the commission to determine the nature and extent of drug usage among juvenile offenders. In addition to intensive probation, aftercare and drug testing, smaller counties have developed counseling, assessment and educational programs for juvenile drug offenders.

Juvenile Delinquency placements decreased by 2.77% from 3,604 to 3,504 in 1992. During the same period, juveniles arrested for violent crime increased from 4,948 to 5,170 or +4.49% according to the Pennsylvania State Police Uniform Crime Reports. Violent crimes include juveniles arrested for murder/non-negligent manslaughter, forcible rape, robbery and aggravated assault. The increase in juveniles arrested for violent crime offenses was expected to increase the number of juvenile court placements in 1992. However, primarily because the juvenile courts have continued to search for and use alternatives to placement for many non-violent Commonwealth youth. The support and encouragement of alternatives such as in-home placement, electronic monitoring and intensive probation continue to be a major priority of the Commission and the Juvenile Courts.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Commitments as a percent of referrals . . .	11.29%	11.00%	10.75%	10.75%	10.75%	10.75%	10.75%
Children referred to court	31,039	31,250	31,500	31,750	32,000	32,000	32,000
Children arrested for violent crime	5,170	5,300	5,400	5,450	5,500	5,500	5,500
Intensive probation and aftercare programs operating	63	63	63	63	63	63	63
Juvenile justice personnel trained by category:							
Formal	1,775	1,800	1,800	1,800	1,800	1,800	1,800
Informal	300	300	300	300	300	300	300

The Juvenile Justice Personnel actually trained is higher in 1992-93 than was previously estimated. This is due to funds being carried over by the counties into 1992-93. Due to increasing number of violent youth, Juvenile Probation Officers in 13 counties are now armed. As a result, these officers must be trained and annually certified in the use of firearms and other means of restraint.

EXECUTIVE OFFICES

Program: Reintegration of Juvenile Delinquents (continued)

Program Recommendations:

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

- Juvenile Court Judges Commission**
- \$ 34 —to continue current program.
- 69 —Initiative - Juvenile Disposition Data Collection. To provide for the continuation of the collection of information pertaining to all juvenile dispositions across the State. This amount represents the 25% State match required for a DCSI Subgrant.
- \$ 103 *Appropriation Increase*
- Improvement of Juvenile Probation Services**
- \$ 438 —increased State match required for DCSI — Juvenile Drug and Alcohol Probation Units.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Juvenile Court Judges Commission	\$ 544	\$ 595	\$ 698	\$ 767	\$ 835	\$ 904	\$ 904
Improvement of Juvenile Probation Services	3,726	4,332	4,770	4,989	4,989	4,989	4,989
TOTAL GENERAL FUND	\$ 4,270	\$ 4,927	\$ 5,468	\$ 5,756	\$ 5,824	\$ 5,893	\$ 5,893

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 provide a source of funds to pay for judgments, awards or settlements in medical malpractice claims which exceed the basic limits of coverage provided by the professional liability insurance policy. The act mandates this basic coverage to be \$200,000 per occurrence for individuals and hospitals, and \$600,000 per annual aggregate for individuals and \$1 million for hospitals. In addition, the Fund has full responsibility to defend and/or

settle any claim filed more than four years after the tort or breach of contract occurred which is not otherwise barred by the Statute of Limitations. 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 the Executive Offices Summary by Fund and Appropriation.

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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Health Care Arbitration Panels:							
Conciliation conferences held	440	450	460	470	480	490	500
Court cases settled following conciliation conferences	218	230	240	250	260	270	280
Total value of settlements reached (in millions)	\$64	\$59	\$65	\$72	\$80	\$88	\$96
Time from incident to disposition (in months)	1	1	1	1	1	1	1

Fewer second conciliation conferences were held in 1992-93 than was anticipated. This resulted in a higher value of settlements reached than anticipated in the Governor's 1993-94 Budget.

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Health Facilities Hearing Board:							
Unresolved appeals carried forward	36	16	16	19	24	34	48
New appeals filed	42	52	55	57	62	64	66
Open cases	78	68	71	76	86	98	114
Appeals resolved	62	52	52	52	52	50	50
Decisions appealed to Commonwealth Court	3	4	4	4	5	5	5
Time from incident to disposition of appeal (in months)	9	9	9	9	9	9	9

Fewer appeals are anticipated to be filed in 1993-94 than was projected in the Governor's 1993-94 Budget.

EXECUTIVE OFFICES

Program: Medical Malpractice Arbitration and Health Facilities Hearings (continued)

Program Recommendations:

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

\$ 16	Health Facility Hearing Board —to continue current program.	\$ -60	Health Care Arbitration Panels —funding decrease assumes enactment of proposed fee legislation. The recommended funding will support the activities of the panels until anticipated fee revenues are received. For 1994-95, \$719,000 is estimated to be collected and deposited into the Health Care Conciliation Panels restricted revenue account to support the agency's activities. This is reflected as other funds in the Executive Offices Summary by Fund and Appropriation.
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Appropriations within this Program:

(Dollar Amounts in Thousands)

	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Health Facility Hearing Board	\$ 178	\$ 187	\$ 203	\$ 203	\$ 203	\$ 203	\$ 203
Health Care Arbitration Panels	480	240	180	.....	.....	.....	.....
TOTAL GENERAL FUND	<u>\$ 658</u>	<u>\$ 427</u>	<u>\$ 383</u>	<u>\$ 203</u>	<u>\$ 203</u>	<u>\$ 203</u>	<u>\$ 203</u>



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 or impeachment, failure to qualify or resignation of the Governor, the Lieutenant Governor will become Governor for the remainder of the term. In case of the disability of the Governor, the powers, duties and emoluments of the office will transfer to the Lieutenant Governor until the disability is removed.

LIEUTENANT GOVERNOR

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<u>GENERAL FUND</u>			
<i>GENERAL GOVERNMENT:</i>			
Lieutenant Governor's Office	\$ 643	\$ 692	\$ 776
(A) Recycling Fund	70	151	95
Board of Pardons	231	235	258
GENERAL FUND TOTAL	\$ <u>944</u>	\$ <u>1,078</u>	\$ <u>1,129</u>

LIEUTENANT GOVERNOR

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
EXECUTIVE DIRECTION							
General Funds.....	\$ 874	\$ 927	\$ 1,034	\$ 1,034	\$ 1,034	\$ 1,034	\$ 1,034
Other Funds.....	70	151	95	0	0	0	0
TOTAL.....	\$ 944	\$ 1,078	\$ 1,129	\$ 1,034	\$ 1,034	\$ 1,034	\$ 1,034
ALL PROGRAMS:							
GENERAL FUND.....	\$ 874	\$ 927	\$ 1,034	\$ 1,034	\$ 1,034	\$ 1,034	\$ 1,034
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	70	151	95	0	0	0	0
TOTAL.....	\$ 944	\$ 1,078	\$ 1,129	\$ 1,034	\$ 1,034	\$ 1,034	\$ 1,034

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 or impeachment, failure to qualify or resignation of the Governor.

In addition to these duties prescribed by law, the Lieutenant

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 Council, the Lieutenant Governor has direct responsibility for coordinating relief information and assistance.

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)

Lieutenant Governor's Office
\$ 84 —to continue current program.

Board of Pardons
\$ 23 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Lieutenant Governor's Office	\$ 643	\$ 692	\$ 776	\$ 776	\$ 776	\$ 776	\$ 776
Board of Pardons	231	235	258	258	258	258	258
TOTAL GENERAL FUND	\$ 874	\$ 927	\$ 1,034	\$ 1,034	\$ 1,034	\$ 1,034	\$ 1,034



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

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 26,112	\$ 27,685	\$ 29,062
(F) MAGLOCLEN	2,847	3,385	3,021
(F) Medicaid Fraud	2,798	2,825	2,980
(A) Legal Fees Reimbursement	179	179	188
(A) Collections — Legal	51	51	54
(A) Department Services	1,656	1,797	1,885
(A) Investigative Cost Reimbursement	66	66	69
(A) Seized/Forfeited Property — State Court Awarded	125	148	213
(A) Public Protection Law Enforcement	170	934	981
Subtotal — Federal Funds	\$ 5,645	\$ 6,210	\$ 6,001
Subtotal — Augmentations	2,247	3,175	3,390
Total — General Government Operations	\$ 34,004	\$ 37,070	\$ 38,453
(R) Office of the Consumer Advocate	3,439	3,730	3,803
Hazardous Waste Prosecutions	1,515	1,577	1,741
(A) Environmental Crimes Investigative Costs	80	75	79
Drug Law Enforcement	13,739	15,061	16,994
(F) DCSI — Drug Transportation Interdiction	278	152	....
(F) Clandestine Lab Model	37	....	....
(F) DCSI — Combatting Drug Gang Activities .....	....	600	400
(F) DCSI — Criminal History Records Audits .....	....	258	430
(F) DCSI — Continuation of Philadelphia Initiative	660	330	....
(F) Municipal Police Training	10	6	....
(A) Recovery of Narcotics Investigation Overtime Costs	45	....	2
(A) Seized/Forfeited Property — State Court Awarded	160	384	384
Subtotal — Federal Funds	\$ 985	\$ 1,346	\$ 830
Subtotal — Augmentations	205	384	386
Total — Drug Law Enforcement	\$ 14,929	\$ 16,791	\$ 18,210
Local Drug Task Forces	2,863	5,660	6,487
(F) DCSI — Task Force Maintenance	1,400	700	....
(F) DCSI — Local Drug Task Forces	422	234	....
(A) Seized/Forfeited Property — Federal Court Awarded	632	68	68
Subtotal — Federal Funds	\$ 1,822	\$ 934	....
Subtotal — Augmentations	632	68	\$ 68
Total — Local Drug Task Forces	\$ 5,317	\$ 6,662	\$ 6,555
Investigation of Supreme Court	500	270	....
Subtotal — State Funds	\$ 44,729	\$ 50,253	\$ 54,284
Subtotal — Federal Funds	8,452	8,490	6,831
Subtotal — Augmentations	3,164	3,702	3,923
Subtotal — Restricted Revenues	3,439	3,730	3,803
Total — General Government	\$ 59,784	\$ 66,175	\$ 68,841

ATTORNEY GENERAL

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
<i>GRANTS AND SUBSIDIES:</i>			
County Trial Reimbursement	\$ 200	\$ 200	\$ 200
STATE FUNDS	\$ 44,929	\$ 50,453	\$ 54,484
FEDERAL FUNDS	8,452	8,490	6,831
AUGMENTATIONS	3,164	3,702	3,923
RESTRICTED REVENUE	3,439	3,730	3,803
GENERAL FUND TOTAL	\$ 59,984	\$ 66,375	\$ 69,041
OTHER FUNDS			
<i>GENERAL FUND:</i>			
Seized/Forfeited Property — State Court Awarded	\$ 759 ^a	\$ 1,000 ^a	\$ 696 ^a
Seized/Forfeited Property — Federal Court Awarded	239 ^b	725 ^b	632 ^b
Seized/Forfeited Property — PSP-OAG Agreement	905	950	998
Public Protection Law Enforcement	125 ^c	278 ^c	292 ^c
Croner's Education Board	1	15	25
OTHER FUNDS TOTAL	\$ 2,029	\$ 2,968	\$ 2,643
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUNDS	\$ 44,929	\$ 50,453	\$ 54,484
FEDERAL FUNDS	8,452	8,490	6,831
AUGMENTATIONS	3,164	3,702	3,923
RESTRICTED REVENUE	3,439	3,730	3,803
OTHER FUNDS	2,029	2,968	2,643
TOTAL — ALL FUNDS	\$ 62,013	\$ 69,343	\$ 71,684

^a Amounts not included to avoid double counting: 1992-93 Actual is \$285,000; 1993-94 Available is \$532,000; 1994-95 Budget is \$597,000.

^b Amounts not included to avoid double counting: 1992-93 Actual is \$632,000; 1993-94 Available is \$68,000; 1994-95 Budget is \$68,000.

^c Amounts not included to avoid double counting: 1992-93 Actual is \$170,000; 1993-94 Available is \$934,000; 1994-95 Budget is \$981,000.

ATTORNEY GENERAL

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
PUBLIC PROTECTION AND LAW ENFORCEMENT							
General Funds.....	\$ 44,929	\$ 50,453	\$ 54,484	\$ 54,484	\$ 54,484	\$ 54,484	\$ 54,484
Federal Funds.....	8,452	8,490	6,831	6,459	6,087	6,001	6,001
Other Funds.....	8,632	10,400	10,369	10,961	11,598	12,087	12,702
TOTAL.....	\$ 62,013	\$ 69,343	\$ 71,684	\$ 71,904	\$ 72,169	\$ 72,572	\$ 73,187
ALL PROGRAMS:							
GENERAL FUND.....	\$ 44,929	\$ 50,453	\$ 54,484	\$ 54,484	\$ 54,484	\$ 54,484	\$ 54,484
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	8,452	8,490	6,831	6,459	6,087	6,001	6,001
OTHER FUNDS.....	8,632	10,400	10,369	10,961	11,598	12,087	12,702
TOTAL.....	\$ 62,013	\$ 69,343	\$ 71,684	\$ 71,904	\$ 72,169	\$ 72,572	\$ 73,187

ATTORNEY GENERAL

PROGRAM OBJECTIVE: To enforce the criminal laws of the Commonwealth to protect the interests of Pennsylvania citizens in areas of consumer protection, antitrust enforcement, operation of charitable trusts and organizations, and civil rights; and to provide legal services to Commonwealth agencies.

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 3,800 drug traffickers were arrested, of whom 373 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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Cases presented to the Statewide investigating Grand Jury	37	30	30	30	30	30	30
Drug law arrests	3,834	4,200	4,800	4,800	4,800	4,800	4,800
Major drug traffickers arrested	373	410	440	440	440	440	440
Consumer complaints concerning business practices investigated and mediated	28,925	29,900	30,400	30,400	30,400	30,400	30,400
Dollar value of recoupment to consumers regarding business practices (in thousands)	\$5,076	\$4,400	\$4,400	\$4,400	\$4,400	\$4,400	\$4,400
Rate cases argued by Consumer Advocate	63	48	N/A	N/A	N/A	N/A	N/A
Other cases argued by the Consumer Advocate	243	255	N/A	N/A	N/A	N/A	N/A
Antitrust and oil overcharge cases:							
Settlements with or without court action	8	12	12	12	12	12	12
Dollars paid or agreed to be paid to the Commonwealth or directly to its citizens (in thousands)	\$9,226	\$4,500	\$4,500	\$3,000	\$3,000	\$3,000	\$3,000

The actual year number of cases presented to the Statewide Investigating Grand Jury was higher than expected because five investigations were held over from the prior year.

The number of drug law arrests including major drug traffickers is higher than last year's budget estimates because of increased funding for additional police officers and better cooperation among law enforcement agencies.

The 1992-93 dollar value of recoupment to consumers regarding business practices was higher than projected in last year's budget primarily because of actions involving recalculations of home mortgage escrow accounts.

The number of rate cases argued by the Consumer Advocate was less than estimated for 1992-93 while the number of other cases argued was higher than estimated in last year's budget. There was an unexpected increase in other cases such as gas restructuring, small utility, and Federal which require participation while fewer rate cases needed participation than expected.

The number of settlements in anti-trust and oil overcharge cases were less than last year's budget projections primarily because three settlements expected to occur in 1992-93 were delayed until 1993-94.

The dollars paid in 1992-93 resulting from anti-trust and oil overcharge cases were higher than estimated in last year's budget. The settlements are negotiated by the U.S. Department of Energy.

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 \$ 1,377 —to continue current program.</p> <p>Hazardous Waste Prosecutions \$ 164 —to continue current program.</p> <p>Drug Law Enforcement \$ 330 —to replace Federal DCSI funding which expires in 1994-95. 1,603 —to continue current program. \$ 1,933 <i>Appropriation Increase</i></p> <p>Local Drug Task Forces \$ 700 —to replace Federal DCSI funding which expires in 1994-95. 127 —to continue current program. \$ 827 <i>Appropriation Increase</i></p>	<p>Investigation of Supreme Court \$ -270 —investigation was completed.</p> <p>The County Trial Reimbursement program is recommended to continue at the current 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 \$ 73 —to continue current program.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
General Government Operations	\$ 26,112	\$ 27,685	\$ 29,062	\$ 29,062	\$ 29,062	\$ 29,062	\$ 29,062
Hazardous Waste Prosecutions	1,515	1,577	1,741	1,741	1,741	1,741	1,741
Drug Law Enforcement	13,739	15,061	16,994	16,994	16,994	16,994	16,994
Local Drug Task Forces	2,863	5,660	6,487	6,487	6,487	6,487	6,487
County Trial Reimbursement	200	200	200	200	200	200	200
Investigation of Supreme Court	500	270	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 44,929	\$ 50,453	\$ 54,484	\$ 54,484	\$ 54,484	\$ 54,484	\$ 54,484



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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND:			
GENERAL GOVERNMENT:			
Auditor General's Office	\$ 34,242	\$ 36,049	\$ 39,409
(A) Reimbursement Auditing Services	8,391	8,260	7,700
(A) Sale of Automobiles	156	....	....
Transition - Governor .....	....	....	175
Security and Other Expenses - Outgoing Governor .....	....	....	100
Subtotal	\$ 34,242	\$ 36,049	\$ 39,684
Subtotal — Augmentations	8,547	8,260	7,700
Total — Auditor General's Office	\$ 42,789	\$ 44,309	\$ 47,384
Board of Claims	\$ 1,227	\$ 1,328	\$ 1,408
(A) Sale of Automobiles	2	....	....
Subtotal — State Funds	\$ 1,227	\$ 1,328	\$ 1,408
Subtotal — Augmentations	2	....	....
Total — Board of Claims	\$ 1,229	\$ 1,328	\$ 1,408
Subtotal — State Funds	\$ 35,469	\$ 37,377	\$ 41,092
Subtotal — Augmentations	8,549	8,260	7,700
Total — General Government	\$ 44,018	\$ 45,637	\$ 48,792
GRANTS AND SUBSIDIES:			
Municipal Pension System State Aid	\$ 8,910	\$ 5,882	\$ 3,296
Total — Grants and Subsidies	\$ 8,910	\$ 5,882	\$ 3,296
STATE FUNDS	\$ 44,379	\$ 43,259	\$ 44,388
AUGMENTATIONS	8,549	8,260	7,700
GENERAL FUND TOTAL	\$ 52,928	\$ 51,519	\$ 52,088
OTHER FUNDS			
MUNICIPAL PENSION AID FUNDS:			
Municipal Pension Aid	\$ 119,012	\$ 127,000	\$ 127,000
SUPPLEMENTAL STATE ASSISTANCE FUND:			
Supplemental State Assistance	\$ 8,910	\$ 5,882	\$ 3,296
OTHER FUNDS TOTAL	\$ 127,922	\$ 132,882	\$ 130,296
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 44,379	\$ 43,259	\$ 44,388
AUGMENTATIONS	8,549	8,260	7,700
OTHER FUNDS	127,922	132,882	130,296
TOTAL ALL FUNDS	\$ 180,850	\$ 184,401	\$ 182,384

AUDITOR GENERAL

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
AUDITING							
General Funds.....	\$ 35,469	\$ 37,377	\$ 41,092	\$ 40,817	\$ 40,817	\$ 40,817	\$ 40,817
Other Funds.....	8,549	8,260	7,700	8,139	8,611	8,973	9,431
TOTAL.....	\$ 44,018	\$ 45,637	\$ 48,792	\$ 48,956	\$ 49,428	\$ 49,790	\$ 50,248
MUNICIPAL PENSION SYSTEMS							
General Funds.....	\$ 8,910	\$ 5,882	\$ 3,296	\$ 3,296	\$ 3,296	\$ 3,296	\$ 3,296
Other Funds.....	127,922	132,882	130,296	137,535	145,321	151,286	158,833
TOTAL.....	\$ 136,832	\$ 138,764	\$ 133,592	\$ 140,831	\$ 148,617	\$ 154,582	\$ 162,129
ALL PROGRAMS:							
GENERAL FUND.....	\$ 44,379	\$ 43,259	\$ 44,388	\$ 44,113	\$ 44,113	\$ 44,113	\$ 44,113
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	136,471	141,142	137,996	145,674	153,932	160,259	168,264
TOTAL.....	\$ 180,850	\$ 184,401	\$ 182,384	\$ 189,787	\$ 198,045	\$ 204,372	\$ 212,377

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)

<p>Auditor General's Office \$ 3,360 —to continue current program.</p> <p>Transition — Governor \$ 175 —to provide transition costs for the new Governor.</p>	<p>Security and Other Expenses — Outgoing Governor \$ 100 —to provide transition costs for the outgoing Governor.</p> <p>Board of Claims \$ 80 —to continue current program.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Auditor General's Office	\$ 34,242	\$ 36,049	\$ 39,409	\$ 39,409	\$ 39,409	\$ 39,409	\$ 39,409
Transition - Governor			175				
Security and Other Expenses - Outgoing Governor			100				
Board of Claims	1,227	1,328	1,408	1,408	1,408	1,408	1,408
TOTAL GENERAL FUND	\$ 35,469	\$ 37,377	\$ 41,092	\$ 40,817	\$ 40,817	\$ 40,817	\$ 40,817

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 Commission (PERC) 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 a General Fund appropriation which cannot exceed \$35 million annually. The initial funding was immediately available for loans to municipalities in imminent danger of defaulting on the obligations of their pension plans.

In December 1988, the Auditor General also became responsible for disbursement of Supplemental State Assistance to distressed municipal pension systems based on certified State assistance amounts provided by PERC.

Program Recommendations:

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

Municipal Pension System State Aid
 \$ -2,586 —to provide the amount certified by the Public Employee Retirement Commission for a recovery program for financially distressed municipal pension systems.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Municipal Pension System State Aid	\$ 8,910	\$ 5,882	\$ 3,296	\$ 3,296	\$ 3,296	\$ 3,296	\$ 3,296



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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
State Treasurer's Office	\$ 14,851	\$ 16,963	\$ 19,550
(A) Expenses — Unemployment Compensation	5,184	2,843	4,103
(A) Fees — Federal Savings Bonds	24	.....	.....
(A) Photocopy Services	5	.....	.....
(A) Unclaimed Property Administration Costs	262	.....	.....
Tuition Account Program	750	.....	.....
Subtotal — State Funds	\$ 15,601	\$ 16,963	\$ 19,550
Subtotal — Augmentations	5,475	2,843	4,103
Total — State Treasurer's Office	\$ 21,076	\$ 19,806	\$ 23,653
Board of Finance and Revenue	\$ 1,327	\$ 1,547	\$ 1,588
Council of State Governments	145	153	158
Great Lakes Commission	59	69	69
National Conference of State Legislatures	162	163	180
Education Commission of the States	77	77	80
Advisory Commission on Intergovernmental Relations	9	9	9
National Governor's Association	129	134	134
Coalition of Northeast Governors	68	70	70
Northeast — Midwest Institute	57	58	63
Governmental Accounting Standards Board	40	44	44
State and Local Legal Center	8	8	8
Publishing Monthly Statements	48	50	60
Replacement Checks (EA)	425	425	425
Subtotal — State Funds	\$ 18,155	\$ 19,770	\$ 22,438
Subtotal — Augmentations	5,475	2,843	4,103
Total — General Government	\$ 23,630	\$ 22,613	\$ 26,541
DEBT SERVICE REQUIREMENTS:			
Loan and Transfer Agent	\$ 193	\$ 225	\$ 225
Tax Note Expenses	244	170	170
General Obligation Debt Service	475,140	521,710	512,560
(A) Rentals and Building Fees	1,058	1,100	1,100
Commercial Paper Costs (EA) .....	.....	1,000	1,000
Interest on Tax Anticipation Notes (EA)	20,425	30,000	20,000
Subtotal — State Funds	\$ 496,002	\$ 553,105	\$ 533,955
Subtotal — Augmentations	1,058	1,100	1,100
Total — Debt Service Requirements	\$ 497,060	\$ 554,205	\$ 535,055
GRANTS AND SUBSIDIES:			
Law Enforcement Officers Death Benefits	\$ 225	\$ 500	\$ 450
Total — Grants and Subsidies	\$ 225	\$ 500	\$ 450
STATE FUNDS	\$ 514,382	\$ 573,375	\$ 556,843
AUGMENTATIONS	6,533	3,943	5,203
GENERAL FUND TOTAL	\$ 520,915	\$ 577,318	\$ 562,046

TREASURY

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<u>MOTOR LICENSE FUND</u>			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks	\$ 100	\$ 240	\$ 240
Refunding Liquid Fuels Tax — Agricultural	2,112	3,400	3,400
Refunding Liquid Fuels Tax — State Share	179	400	400
Refunding Emergency Liquid Fuels Tax .....	....	1	1
Refunding Liquid Fuels Tax — Political Subdivision	1,349	2,100	2,100
Administration of Refunding Liquid Fuels Tax	274	343	360
Refunding Liquid Fuels Tax — Volunteer Services	74	150	150
Refunding Marine Liquid Fuels Tax — Boat Fund	1,871	2,000	2,000
Total — General Government	\$ 5,959	\$ 8,634	\$ 8,651
<i>DEBT SERVICE REQUIREMENTS:</i>			
Capital Debt — Transportation Projects	\$ 177,535	\$ 178,930	\$ 179,099
General Obligation Debt Service	1,861	1,697	1,674
Advance Construction Interstate — Interest	9,684	4,478	1,776
Loan and Transfer Agent	104	135	135
(R) Aviation Debt Service	1,351	1,223	1,246
(R) Capital Bridge Debt	26,465	31,659	31,134
(R) Advance Construction Interstate — Principal	90,000	37,500	48,000
Subtotal — State Funds	\$ 189,184	\$ 185,240	182,684
Subtotal — Restricted Revenue	117,816	70,382	80,380
Total — Debt Service	\$ 307,000	\$ 255,622	\$ 263,064
Subtotal — State	\$ 195,143	\$ 193,874	\$ 191,335
Subtotal — Restricted Revenue	117,816	70,382	80,380
MOTOR LICENSE FUND TOTAL	\$ 312,959	\$ 264,256	\$ 271,715
<u>BANKING DEPARTMENT FUND</u>			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	....	\$ 5	\$ 5
<u>BOAT FUND</u>			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	....	\$ 5	\$ 5
<i>DEBT SERVICE REQUIREMENTS:</i>			
General Obligation Debt Service	\$ 2	1	....
BOAT FUND TOTAL	\$ 2	\$ 6	\$ 5
<u>ECONOMIC REVITALIZATION FUND</u>			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	....	\$ 5	\$ 5

TREASURY

(Dollar Amounts in Thousands)

	1992-93 Actual	1993-94 Available	1994-95 Budget
<u>FARM PRODUCTS SHOW FUND</u>			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	....	\$ 5	\$ 5
<u>FISH FUND</u>			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	....	\$ 15	\$ 15
<i>DEBT SERVICE REQUIREMENTS:</i>			
General Obligation Debt Service	\$ 43	\$ 34	\$ 24
FISH FUND TOTAL	\$ 43	\$ 49	\$ 39
<u>GAME FUND</u>			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	....	\$ 5	\$ 5
<u>LOTTERY FUND</u>			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA)	\$ 14	\$ 150	\$ 150
<u>MILK MARKETING FUND</u>			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	....	\$ 5	\$ 5
Refund Milk Marketing Licenses and Fees (EA) .....	....	5	5
MILK MARKETING FUND TOTAL .....	....	\$ 10	\$ 10
<u>RACING FUND</u>			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA)	\$ 5	\$ 10	\$ 10
<u>OTHER FUNDS</u>			
<i>TUITION PAYMENT FUND:</i>			
Administration Tuition Payment Fund .....	....	....	\$ 2,014
 DEPARTMENTAL TOTAL—ALL FUNDS			
GENERAL FUND	\$ 514,382	\$ 573,375	\$ 556,843
SPECIAL FUNDS	195,207	194,119	191,569
AUGMENTATIONS	6,533	3,943	5,203
RESTRICTED REVENUE	117,816	70,382	80,380
OTHER FUNDS .....	....	....	2,014
TOTAL ALL FUNDS	\$ 833,938	\$ 841,819	\$ 836,009

TREASURY

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
DISBURSEMENT							
General Funds.....	\$ 17,578	\$ 19,435	\$ 22,013	\$ 20,693	\$ 20,693	\$ 20,693	\$ 20,693
Special Funds.....	5,978	8,844	8,861	8,881	8,903	8,920	8,941
Other Funds.....	5,475	2,843	6,117	6,466	6,841	7,129	7,493
TOTAL.....	\$ 29,031	\$ 31,122	\$ 36,991	\$ 36,040	\$ 36,437	\$ 36,742	\$ 37,127
INTERSTATE RELATIONS							
General Funds.....	\$ 754	\$ 785	\$ 815	\$ 815	\$ 815	\$ 815	\$ 815
TOTAL.....	\$ 754	\$ 785	\$ 815	\$ 815	\$ 815	\$ 815	\$ 815
DEBT SERVICE							
General Funds.....	\$ 496,050	\$ 553,155	\$ 534,015	\$ 596,830	\$ 632,851	\$ 641,707	\$ 631,589
Special Funds.....	189,229	185,275	182,708	152,339	120,682	116,342	113,413
Other Funds.....	118,874	71,482	81,480	33,068	32,246	32,597	32,385
TOTAL.....	\$ 804,153	\$ 809,912	\$ 798,203	\$ 782,237	\$ 785,779	\$ 790,646	\$ 777,387
ALL PROGRAMS:							
GENERAL FUND.....	\$ 514,382	\$ 573,375	\$ 556,843	\$ 618,338	\$ 654,359	\$ 663,215	\$ 653,097
SPECIAL FUNDS.....	195,207	194,119	191,569	161,220	129,585	125,262	122,354
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	124,349	74,325	87,597	39,534	39,087	39,726	39,878
TOTAL.....	\$ 833,938	\$ 841,819	\$ 836,009	\$ 819,092	\$ 823,031	\$ 828,203	\$ 815,329

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.

Treasury administers the Tuition Account Program that provides for the advance purchase of tuition credits for students who will attend institutions of higher education. The program enables individuals to lock in a price today to pay for tomorrow's tuition, an attractive option for many families because of the spiraling costs of higher education.

The State Treasurer is responsible for the administration and enforcement of the Commonwealth's abandoned and unclaimed property laws. Tangible and intangible property that has remained unclaimed for seven or more years is reported and remitted to the Treasury by holders in possession of the property. The Commonwealth maintains perpetual custody of the property until it is claimed by the rightful owner. Revenues generated cover the costs of paying claims as well as the administrative costs of the program.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Disbursements issued	\$10,893,630	\$11,000,000	\$11,100,000	N/A	N/A	N/A	N/A
Persons receiving cash assistance, monthly average	710,552	722,310	697,560	693,560	693,560	693,560	693,560
Interest earned on investments:							
General Fund (in thousands)	\$ 44,837	\$ 36,912	\$ 36,912	N/A	N/A	N/A	N/A
Motor License Fund (in thousands) ..	10,012	10,509	10,905	N/A	N/A	N/A	N/A
TOTAL	\$ 54,849	\$ 47,421	\$ 47,817	N/A	N/A	N/A	N/A

Program Recommendations:

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

GENERAL FUND:		389	—Initiative — Supplemental Security Income
State Treasurer's Office			Cost Containment. To provide postage and
\$ 878	—to continue current program.		check processing costs to issue Supplemental
695	—Initiative — Check Printing Improvements. To		Security Income checks in order to avoid
	provide improved technology for check		Federal administrative fees being charged
	printing operations.		based on the number of payments issued.
200	—Initiative — Fire Safety Improvements. For fire	\$ 2,587	<i>Appropriation Increase</i>
	and safety equipment and to perform		
	electrical renovations to improve fire	\$ 41	Board of Finance and Revenue
	suppression capability to safeguard computer		—to continue current program.
	operations.		
425	—Initiative — Optic Scanning Equipment. To	\$ -50	Law Enforcement Officers Death Benefits
	purchase bar coding technology which will		—to continue current program.
	reduce mailing costs.		
		\$ 17	MOTOR LICENSE FUND:
			Administration of Refunding Liquid Fuels Tax
			—to continue current program.

All other appropriations are recommended at current year level.

TREASURY

Program: Disbursement

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
State Treasurer's Office	\$ 14,851	\$ 16,963	\$ 19,550	\$ 18,230	\$ 18,230	\$ 18,230	\$ 18,230
Tuition Account Program	750						
Board of Finance and Revenue	\$ 1,327	\$ 1,547	\$ 1,588	\$ 1,588	\$ 1,588	\$ 1,588	\$ 1,588
Replacement Checks	425	425	425	425	425	425	425
Law Enforcement Officers Death Benefits	225	500	450	450	450	450	450
TOTAL GENERAL FUND	\$ 17,578	\$ 19,435	\$ 22,013	\$ 20,693	\$ 20,693	\$ 20,693	\$ 20,693
MOTOR LICENSE FUND:							
Replacement Checks	\$ 100	\$ 240	\$ 240	\$ 240	\$ 240	\$ 240	\$ 240
Refunding Liquid Fuels Tax-Agricultural Use	2,112	3,400	3,400	3,400	3,400	3,400	3,400
Refunding Liquid Fuels Tax-State Share	179	400	400	400	400	400	400
Refunding Liquid Fuels Tax-Political Subdivisions	1,349	2,100	2,100	2,100	2,100	2,100	2,100
Administration of Refunding Liquid Fuels Tax	274	343	360	380	402	419	440
Refunding Liquid Fuels Tax-Volunteer Services	74	150	150	150	150	150	150
Refunding Marine Liquid Fuels Tax-Boat Fund	1,871	2,000	2,000	2,000	2,000	2,000	2,000
Refunding Emergency Liquid Fuels Tax		1	1	1	1	1	1
TOTAL MOTOR LICENSE FUND	\$ 5,959	\$ 8,634	\$ 8,651	\$ 8,671	\$ 8,693	\$ 8,710	\$ 8,731
BANKING DEPARTMENT FUND:							
Replacement Checks		\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
BOAT FUND:							
Replacement Checks		\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
ECONOMIC REVITALIZATION FUND:							
Replacement Checks		\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
FARM PRODUCTS SHOW FUND:							
Replacement Checks		\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
FISH FUND:							
Replacement Checks		\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
GAME FUND:							
Replacement Checks		\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
LOTTERY FUND:							
Replacement Checks	\$ 14	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150
MILK MARKETING FUND:							
Replacement Checks		\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
Refunding Milk Marketing Licenses and Fees		5	5	5	5	5	5
TOTAL MILK MARKETING FUND		\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10
RACING FUND:							
Replacement Checks	\$ 5	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10

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
 \$ 30 —net increase for membership costs in ten organizations. Included within the Great Lakes Commission is support for the Great Lakes Council of Governors.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Council on State Governments	\$ 145	\$ 153	\$ 158	\$ 158	\$ 158	\$ 158	\$ 158
Great Lakes Commission	59	69	69	69	69	69	69
National Conference of State Legislatures	162	163	180	180	180	180	180
Education Commission of the States	77	77	80	80	80	80	80
Advisory Commission on Intergovernmental Relations	9	9	9	9	9	9	9
National Governors Association	129	134	134	134	134	134	134
Coalition of Northeastern Governors	68	70	70	70	70	70	70
Northeast — Midwest Institute	57	58	63	63	63	63	63
Governmental Accounting Standards Board	40	44	44	44	44	44	44
State and Local Legal Center	8	8	8	8	8	8	8
TOTAL GENERAL FUND	\$ 754	\$ 785	\$ 815	\$ 815	\$ 815	\$ 815	\$ 815

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; providing low-cost loans for water supply and

sewage treatment improvements; loans to volunteer fire companies; and a wide variety of construction and renovation projects including hospitals, higher education facilities, State parks, flood control, correctional institutions and various public buildings. Bond issues also provide funds to bring nursing homes up to the standards of the State Life Safety Code.

The Commonwealth has saved substantial amounts of debt service interest payments through the issuance of refunding bonds to retire debt incurred in prior years when interest rates were considerably higher. The Commonwealth continues to monitor its debt for additional refunding opportunities and expects to achieve further interest savings from additional refunding of bonds.


Program Recommendations:

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

General Fund	\$ -19,140 —a reduction in tax note interest due to lower interest notes and reduced borrowing together with savings from bond refinancing, funds realized from sale of Water Facilities loans and from the buy-back of leases by State-aided colleges and universities has reduced debt service costs. Those programs with the largest increases in debt service are: Pennvest and Water Facilities projects (\$14.9 million) and Capital Facilities Refunding (\$10.2 million).	Motor License Fund	\$ -2,556 —for reduced principal and interest requirements and other costs relating to Motor License Fund Debt Service.
		Boat Fund	\$ -1 —for reduced principal and interest requirements and other costs relating to Boat Fund Debt Service.
		Fish Fund	\$ -10 —for reduced principal and interest requirements and other costs relating to Fish Fund Debt Service.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Publishing Monthly Statements	\$ 48	\$ 50	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60
Loan and Transfer Agents	193	225	225	225	225	225	225
Tax Note Expenses	244	170	170	170	170	170	170
General Obligation Debt Service	475,140	521,710	512,560	575,375	611,396	620,252	610,134
Commercial Paper Cost	.....	1,000	1,000	1,000	1,000	1,000	1,000
Interest on Tax Anticipation Notes	20,425	30,000	20,000	20,000	20,000	20,000	20,000
TOTAL GENERAL FUND	<u>\$ 496,050</u>	<u>\$ 553,155</u>	<u>\$ 534,015</u>	<u>\$ 596,830</u>	<u>\$ 632,851</u>	<u>\$ 641,707</u>	<u>\$ 631,589</u>
MOTOR LICENSE FUND:							
Capital Debt — Transportation Projects	\$ 177,535	\$ 178,930	\$ 179,099	\$ 150,106	\$ 118,071	\$ 113,798	\$ 110,910
General Obligation Debt Service	1,861	1,697	1,674	2,094	2,475	2,409	2,368
Advance Construction Interstate —							
Interest	9,684	4,478	1,776	.....	.....	.....	.....
Loan and Transfer Agent	104	135	135	135	135	135	135
TOTAL MOTOR LICENSE FUND	<u>\$ 189,184</u>	<u>\$ 185,240</u>	<u>\$ 182,684</u>	<u>\$ 152,335</u>	<u>\$ 120,681</u>	<u>\$ 116,342</u>	<u>\$ 113,413</u>
BOAT FUND:							
General Obligation Debt Service	<u>\$ 2</u>	<u>\$ 1</u>	.....	.....	.....	.....	.....
FISH FUND:							
General Obligation Debt Service	<u>\$ 43</u>	<u>\$ 34</u>	<u>\$ 24</u>	<u>\$ 4</u>	<u>\$ 1</u>	.....	.....



Commonwealth of Pennsylvania

Department of Aging

The Department of Aging 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, 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	1994-95 State Funds (in thousands)
LOTTERY FUND		
Enhancing Services for Older Pennsylvanians		
	PENNCARE	\$ 6,698
DEPARTMENT TOTAL		\$ <u>6,698</u>

This Program Revision provides \$6.698 million from the Lottery Fund to enhance the continuum of long-term care services provided to older Pennsylvanians. The components of the Program Revision include: providing funds to improve the quality of the physical plants of senior centers; expanding the disease prevention and health promotion program currently offered through senior centers; providing basic in-home services to an additional 1,255 individuals; and increasing the number of older Pennsylvanians assisted through the Abuse Intervention Program by over 10 percent.

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
GENERAL FUND	1992-93 Actual	1993-94 Available	1994-95 Budget
GRANTS & SUBSIDIES:			
Family Caregiver	\$ 8,544	\$ 8,850	\$ 9,151
GENERAL FUND TOTAL	\$ 8,544	\$ 8,850	\$ 9,151
LOTTERY FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 3,344	\$ 3,378	\$ 3,345
(F) Programs for the Aging — Title III — Administration	1,668	1,785	1,766
(F) Programs for the Aging — Title V — Administration	140	160	160
(F) Pre-Admission Assessment — Administration	200	200	207
(F) Nurse Aide Testing .....	....	....	50
(A) Pre-Admission Assessment	200	200	207
(A) Day Care Licensure .....	....	10	2
(A) Nurse Aide Testing .....	....	....	50
Total — General Government	\$ 5,552	\$ 5,733	\$ 5,787
GRANTS AND SUBSIDIES:			
PENNCARE	\$ 139,646^a	\$ 148,316^b	\$ 160,059
(F) Programs for the Aging — Title III	44,049	47,000	46,000
(F) Programs for the Aging — Nutrition	8,000	8,500	8,500
(F) Programs for the Aging — Title V — Employment	4,247	4,500	4,500
(F) Medical Assistance — Pre-Admission Assessment	4,635	8,082	8,263
(A) Pre-Admission Assessment	3,251	4,246	6,905
Total — PENNCARE	\$ 203,828	\$ 220,644	\$ 234,227
Pharmaceutical Assistance Fund	\$ 200,000	\$ 191,000	\$ 196,000
Subtotal — State Funds	\$ 339,646	\$ 339,316	\$ 356,059
Subtotal — Federal Funds	60,931	68,082	67,263
Subtotal — Augmentations	3,251	4,246	6,905
Total — Grants and Subsidies	\$ 403,828	\$ 411,644	\$ 430,227
STATE FUNDS	\$ 342,990	\$ 342,694	\$ 359,404
FEDERAL FUNDS	62,939	70,227	69,446
AUGMENTATIONS	3,451	4,456	7,164
LOTTERY FUND TOTAL	\$ 409,380	\$ 417,377	\$ 436,014
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 8,544	\$ 8,850	\$ 9,151
SPECIAL FUNDS	342,990	342,694	359,404
FEDERAL FUNDS	62,939	70,227	69,446
AUGMENTATIONS	3,451	4,456	7,164
TOTAL ALL FUNDS	\$ 417,924	\$ 426,227	\$ 445,165

^a Actually appropriated as Aging Programs \$62,911,000, PENNCARE \$72,575,000 and Abuse Intervention Services for Older Pennsylvanians \$4,160,000.

^b Actually appropriated as Aging Programs \$67,359,000, PENNCARE \$76,797,000 and Abuse Intervention Services for Older Pennsylvanians \$4,160,000.

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
COMMUNITY SERVICES FOR OLDER PENNSYLVANIANS							
General Funds.....	\$ 8,544	\$ 8,850	\$ 9,151	\$ 9,151	\$ 9,151	\$ 9,151	\$ 9,151
Special Funds.....	142,990	151,694	163,404	167,917	174,696	181,692	188,809
Federal Funds.....	62,939	70,227	69,446	69,448	69,448	69,448	69,448
Other Funds.....	3,451	4,456	7,164	7,165	7,165	7,165	7,165
TOTAL.....	\$ 217,924	\$ 235,227	\$ 249,165	\$ 253,681	\$ 260,460	\$ 267,456	\$ 274,573
PHARMACEUTICAL ASSISTANCE							
Special Funds.....	\$ 200,000	\$ 191,000	\$ 196,000	\$ 192,000	\$ 192,000	\$ 191,000	\$ 189,000
TOTAL.....	\$ 200,000	\$ 191,000	\$ 196,000	\$ 192,000	\$ 192,000	\$ 191,000	\$ 189,000
ALL PROGRAMS:							
GENERAL FUND.....	\$ 8,544	\$ 8,850	\$ 9,151	\$ 9,151	\$ 9,151	\$ 9,151	\$ 9,151
SPECIAL FUNDS.....	342,990	342,694	359,404	359,917	366,696	372,692	377,809
FEDERAL FUNDS.....	62,939	70,227	69,446	69,448	69,448	69,448	69,448
OTHER FUNDS.....	3,451	4,456	7,164	7,165	7,165	7,165	7,165
TOTAL.....	\$ 417,924	\$ 426,227	\$ 445,165	\$ 445,681	\$ 452,460	\$ 458,456	\$ 463,573

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. These programs enrich the lives of 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 lunch time, provide older Pennsylvanians a hot, nutritionally balanced meal. Transportation services arranged 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 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.

Protective services are provided to older Pennsylvanians who are at imminent risk of abuse, neglect, exploitation or abandonment. Services are designed to provide the least restrictive alternative to meet the client's need.

The Department of Aging assists families who maintain frail relatives in their home through the Family Caregiver Support Program. Working through the AAAs, the program provides benefits counseling and, depending on income, financial assistance including supplies, services and home adaptations and devices.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Pennsylvanians 60 years and older	2,432,100	2,429,900	2,427,700	2,425,500	2,418,700	2,412,000	2,405,300
Persons receiving assistance:							
Congregate meals	148,974	149,000	149,000	149,000	149,000	149,000	149,000
Transportation (complete round trips) . .	90,819	93,000	93,000	93,000	93,000	93,000	93,000
Intensive community long-term care . . .	5,485	5,800	5,800	5,800	5,800	5,800	5,800
Attendant care services	2,325	2,400	2,501	2,501	2,501	2,501	2,501
Home delivered meals	40,539	41,000	41,000	41,000	41,000	41,000	41,000
Home support services	17,448	16,000	16,000	16,000	16,000	16,000	16,000
Personal care services	25,990	27,000	28,024	28,024	28,024	28,024	28,024
Units of services delivered:							
Employment services (unsubsidized job placements)	2,697	3,000	3,000	3,000	3,000	3,000	3,000
Volunteer services (volunteer hours) . .	4,903,552	4,900,000	4,900,000	4,900,000	4,900,000	4,900,000	4,900,000
Home support services (client hours) . .	574,733	570,000	570,000	570,000	570,000	570,000	570,000
Personal care services (client hours) . . .	3,128,167	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000
Families receiving caregiver support	6,753	7,000	7,000	7,000	7,000	7,000	7,000

The number of persons receiving assistance under the attendant care services measure is less than previously projected because the number of services provided per person has been significantly increasing.

The units of services delivered for personal care services is greater than the measure in last year's presentation because of the priority the department and the AAAs place on this service, including diverting older Pennsylvanians from nursing homes by providing in-home services.

Program: Community Services for Older Pennsylvanians (continued)

Program Recommendations: _____

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

GENERAL FUND:	
Family Caregiver Support	
\$	301 —to continue current program.
LOTTERY FUND:	
General Government Operations	
\$	41 —to continue current program.
	-74 —nonrecurring costs.
	<hr style="width: 50px; margin-left: 0;"/> -33 <i>Appropriation Decrease</i>
PENNCARE	
\$	5,045 —to continue current program.
	6,698 —PRR — Enhancing Services for Older Pennsylvanians. To provide programmatic enhancements in Senior Centers, to increase protective services, and to reduce the waiting list. See the Program Revision following this subcategory for further information.
	<hr style="width: 50px; margin-left: 0;"/> \$ 11,743 <i>Appropriation Increase</i>

Appropriations within this Program: _____

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Family Caregiver Support	\$ 8,544	\$ 8,850	\$ 9,151	\$ 9,151	\$ 9,151	\$ 9,151	\$ 9,151
TOTAL GENERAL FUND	\$ 8,544	\$ 8,850	\$ 9,151	\$ 9,151	\$ 9,151	\$ 9,151	\$ 9,151
LOTTERY FUND:							
General Government Operations	\$ 3,344	\$ 3,378	\$ 3,345	\$ 3,536	\$ 3,741	\$ 3,898	\$ 4,097
PENNCARE	139,646	148,316	160,059	164,381	170,955	177,794	184,712
TOTAL LOTTERY FUND	\$ 142,990	\$ 151,694	\$ 163,404	\$ 167,917	\$ 174,696	\$ 181,692	\$ 188,809

Program Revision: Enhancing Services for Older Pennsylvanians

Many older Pennsylvanians require only minimal support to live independently. Some older Pennsylvanians, however, require more extensive and personalized services to remain in their homes and communities. To address the continuum of long-term care needs, this Administration created the PENNCARE Program which provides an array of home and community based services, ranging from congregate meals to intensive in-home care. This Program Revision recommends approximately \$6.7 million from the Lottery Fund to enhance these services in 1994-95.

To enhance community services for older Pennsylvanians, this Program Revision recommends \$4 million for a Senior Center Revitalization Program. Of this amount, \$2 million would be available as one-time grants to senior centers, funded through the Area Agencies on Aging, to improve the quality of their physical plants. The remaining \$2 million would be available to expand the Federally-funded disease prevention and health promotion program, called Primetime Health, currently offered through senior centers. This program is designed to assist older Pennsylvanians maintain good health and prevent and/or

delay the need for institutionalization. Program activities include training and information pertaining to home safety, medical management, nutrition counseling and exercise programs.

For those older Pennsylvanians who need assistance to remain in their own homes, this Program Revision recommends \$2 million for the OPTIONS Level I Program. OPTIONS Level I provides in-home services, including home health, personal care, attendant care, day care and home delivered meals on a limited or occasional basis to meet short-term needs. Through this initiative, an additional 1,255 older Pennsylvanians will receive services in 1994-95.

For older Pennsylvanians who need protection from abuse, neglect, exploitation or abandonment, this Program Revision recommends \$698,000 to expand the Abuse Intervention Program. Program activities include investigations of reported abuse, client assessments, service plan development and implementation, and court petitions. Through this initiative, an additional 678 older Pennsylvanians will receive assistance in 1994-95. This represents over a 10 percent increase in the number of persons served through the Abuse Intervention Program.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Older Pennsylvanians receiving personal care services							
Current	25,990	27,000	27,000	27,000	27,000	27,000	27,000
Program Revision .....	.....	.....	28,024	28,024	28,024	28,024	28,024
Older Pennsylvanians receiving day care services							
Current	3,341	3,400	3,400	3,400	3,400	3,400	3,400
Program Revision .....	.....	.....	3,530	3,530	3,530	3,530	3,530
Older Pennsylvanians receiving attendant care services							
Current	2,325	2,400	2,400	2,400	2,400	2,400	2,400
Program Revision .....	.....	.....	2,501	2,501	2,501	2,501	2,501
Older Pennsylvanians receiving protective services							
Current	6,051	6,100	6,100	6,100	6,100	6,100	6,100
Program Revision .....	.....	.....	6,778	6,778	6,778	6,778	6,778

Program Revision Recommendations:

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

	LOTTERY FUND
	PENNCARE
\$ 4,000	—to implement a Senior Center Revitalization Program.
2,000	—to provide OPTIONS Level I services to an additional 1,255 older Pennsylvanians.
698	—to provide Abuse Intervention services to an additional 678 older Pennsylvanians.
\$ 6,698	Program Revision Total

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
LOTTERY FUND:							
PENNCARE	\$ 6,698	\$ 4,886	\$ 5,081	\$ 5,285	\$ 5,496

PROGRAM OBJECTIVE: To assist eligible older Pennsylvanians who experience difficulty meeting the cost of prescription drugs necessary to maintain healthy lives.

Program: Pharmaceutical Assistance

The pharmaceutical assistance program, reestablished by Act 36 of 1991, assists 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. The co-payment was increased from \$4 to \$6 in 1991-92 as authorized by the law which allows 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 at or below \$13,000 for single persons and \$16,200 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. Pharmacies are required to stock and dispense A-rated generic drugs included in the Federal Drug Administration Orange Book except in the following circumstances: an A-rated generic is deemed by the Department of Aging to have too narrow a therapeutic index for safe and effective dispensing; the usual and

customary charge for the brand drug is equal to or less than the least expensive generic; or the prescriber has handwritten "brand necessary" or "brand medically necessary" on the prescription. If a claimant chooses not to accept the generic, they are liable for the copayment and 70 percent of the average wholesale price of the brand name drug. In addition, the act prohibits payment for cosmetic drugs and for less than effective drugs without certification by the physician.

The Department of Aging is responsible for insuring compliance with the PACE program requirements as a means of containing costs. In addition to careful review of eligibility, including income verification by comparison with Pennsylvania income tax returns, the department audits providers to detect and deter fraud and has established both a prospective and a retrospective drug utilization review system to monitor and correct misutilization of drug therapies.

A prudent pharmaceutical purchasing program, initially authorized by Act 36 of 1991, was reauthorized and expanded by Act 122 of 1992 to ensure that the PACE Program receives a discount from drug manufacturers. PACE will not pay for drug products from manufacturers who have not agreed to pay a rebate of 15 percent for brand drugs and 11 percent for generic drugs purchased through the program and have not agreed to pay an excessive pharmaceutical price inflation discount equivalent to the difference between the quarterly average manufacturers' price charged for a drug and the average quarterly price charged for that drug one year earlier inflated by the Producer Price Index for pharmaceuticals.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Older Pennsylvanians enrolled (average)	351,974	332,900	316,600	301,100	286,400	272,300	259,000
Total prescriptions per year	8,947,179	8,655,400	8,231,600	7,828,600	7,446,400	7,079,800	6,734,000
Average PACE cost per prescription	\$25.02	\$25.77	\$26.68	\$27.60	\$28.55	\$29.54	\$30.56

The total prescriptions per year has increased compared to the 1993-94 budget due to the average number of older Pennsylvanians enrolled being greater than previously estimated.

The PACE cost per prescription reflects the average cost paid to pharmacists. This is lower than the measure shown in the previous budget because of a lower rate of inflation than previously anticipated.

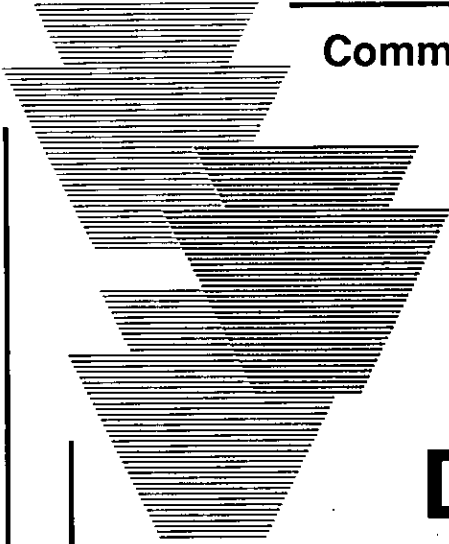
Program Recommendations:

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

Transfer to PACE Fund
 \$ 5,000 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
LOTTERY FUND:							
Transfer to PACE Fund	<u>\$ 200,000</u>	<u>\$ 191,000</u>	<u>\$ 196,000</u>	<u>\$ 192,000</u>	<u>\$ 192,000</u>	<u>\$ 191,000</u>	<u>\$ 189,000</u>



Commonwealth of Pennsylvania

Department of Agriculture

The Department of Agriculture carries out activities to ensure wholesome and quality agricultural products for consumers; expand existing and develop new domestic and foreign markets for Pennsylvania's agricultural products; develop and encourage proper farming and conservation practices; prevent, control and eradicate diseases among livestock, poultry and plants; regulate the conduct of horse racing; and improve the quality of life in rural Pennsylvania.

AGRICULTURE

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
General Government Operations	\$ 17,444	\$ 18,700	\$ 20,533
(F) Diagnostic Laboratory Services	26	30	30
(F) Poultry Grading Service	88	116	116
(F) Medicated Feed Mill Inspection	12	14	13
(F) Donated Foods	95	150	150
(F) Plant Pest Detection System	35	80	70
(F) Household Commodity Program	1,884	2,500	2,500
(F) Pesticide Control	606	650	655
(F) Farmers' Market Food Coupons	342	350	350
(F) Commodity Supplemental Food Program .....	....	....	10
(F) Rural Development	78	113	130
(F) Marketing Improvement	30	28	....
(F) Model Aquaculture Development .....	....	50	50
(F) Pesticide Recordkeeping Program	65	16	....
(A) Feed and Fertilizer	466	429	505
(A) Lime Inspection	30	33	33
(A) Soil Conditioner	24	20	20
(A) Milk Plant Inspections	32	31	31
(A) Mailing List Production	6	....	....
(A) Animal Industry Services	8	8	8
(A) Special Conferences and Projects	7	7	10
(A) Administrative Services	533	531	539
(A) Pesticide Regulation	697	967	1,048
(A) Training Rides and Attractions	5	5	5
(A) Chesapeake Bay Project	83	....	....
(A) WIC - Reimbursement	118	318	159
(A) Government Donated Foods - Administration .....	....	....	1
Subtotal — Federal Funds	<u>\$ 3,261</u>	<u>\$ 4,097</u>	<u>\$ 4,074</u>
Subtotal — Augmentations	<u>2,009</u>	<u>2,349</u>	<u>2,359</u>
Total — General Government Operations	<u>\$ 22,714</u>	<u>\$ 25,146</u>	<u>\$ 26,966</u>
Agricultural Conservation Easement Administration	120	139	183
(A) Reimbursement from PennDOT .....	....	....	50
Agricultural Research	1,649	1,680	1,680
Agricultural Promotion and Education	350	350	350
Subtotal — State Funds	<u>\$ 19,563</u>	<u>\$ 20,869</u>	<u>\$ 22,746</u>
Subtotal — Federal Funds	3,261	4,097	4,074
Subtotal — Augmentations	2,009	2,349	2,409
Total — General Government	<u>\$ 24,833</u>	<u>\$ 27,315</u>	<u>\$ 29,229</u>

AGRICULTURE

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND (continued)			
<i>GRANTS AND SUBSIDIES:</i>			
Animal Health Commission	\$ 2,924	\$ 2,924	\$ 3,131
Animal Indemnities	43	200	150
Transfer to State Farm Products Show Fund	700	700	700
Livestock Show	147	152	152
Open Dairy Show	87	90	90
Junior Dairy Show	35	36	36
4-H Club Shows	40	41	41
Payments to Pennsylvania Fairs	3,557	3,700	3,700
State Food Purchase	10,996	12,000	13,000
Mushroom Promotion	97	.....	.....
Total — Grants and Subsidies	\$ 18,626	\$ 19,843	\$ 21,000
STATE FUNDS	\$ 38,189	\$ 40,712	43,746
FEDERAL FUNDS	3,261	4,097	4,074
AUGMENTATIONS	2,009	2,349	2,409
GENERAL FUND TOTAL	\$ 43,459	\$ 47,158	\$ 50,229
 ECONOMIC REVITALIZATION FUND			
<i>GRANTS AND SUBSIDIES:</i>			
PENNAG - Transfer to Pennsylvania Capital Loan Fund	\$ 885	\$ 1,000	\$ 1,000
 FARM PRODUCTS SHOW FUND			
<i>GENERAL GOVERNMENT:</i>			
General Operations	\$ 3,215	\$ 2,994	\$ 3,244
(A) Transfer from General Fund .....	.....^a	.....^a	.....^a
FARM PRODUCTS SHOW FUND TOTAL	\$ 3,215	\$ 2,994	\$ 3,244

^a Not added to the total to avoid double counting: 1992-93 Actual is \$700,000, 1993-94 Available is \$700,000 and 1994-95 Budget is \$700,000.

AGRICULTURE

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<u>RACING FUND</u>			
<i>GENERAL GOVERNMENT:</i>			
State Racing Commissions	\$ 5,486	\$ 5,817	\$ 6,089
Equine Toxicology and Research Laboratory	906	981	1,106
(A) Out-of-State Testing Reimbursement	41	....	....
Payments to Pennsylvania Fairs — Administration	157	171	165
Total — General Government	\$ 6,590	\$ 6,969	\$ 7,360
<i>GRANTS AND SUBSIDIES:</i>			
Transfer To General Fund	\$ 2,604	\$ 958	\$ 3,096
STATE FUNDS	\$ 9,153	\$ 7,927	\$ 10,456
AUGMENTATIONS	41	....	....
RACING FUND TOTAL	\$ 9,194	\$ 7,927	\$ 10,456
<u>OTHER FUNDS</u>			
<i>GENERAL FUND:</i>			
Agriculture Farm Operations	\$ 67	\$ 62	\$ 20
Recovery on Lost Commodities	39	40	40
Dog Law Administration	3,169	3,582	3,741
Farm Loan Program	396	400	400
Pesticide Regulatory Account	876	1,501	1,569
Poultry Inspection	5	10	10
Public Weightmasters	19	19	19
Plant Pest Management	8	46	74
GENERAL FUND TOTAL	\$ 4,579	\$ 5,660	\$ 5,873
<i>RACING FUND:</i>			
Sire Stakes Fund	\$ 2,379	\$ 5,033	\$ 3,407
Breeders' Fund	3,563	3,816	3,904
RACING FUND TOTAL	\$ 5,942	\$ 8,849	\$ 7,311
OTHER FUNDS TOTAL	\$ 10,521	\$ 14,509	\$ 13,184
DEPARTMENTAL TOTAL — ALL FUNDS			
GENERAL FUND	\$ 38,189	\$ 40,712	\$ 43,746
SPECIAL FUNDS	13,253	11,921	14,700
FEDERAL FUNDS	3,261	4,097	4,074
AUGMENTATIONS	2,050	2,349	2,409
OTHER FUNDS	10,521	14,509	13,184
TOTAL ALL FUNDS	\$ 67,274	\$ 73,588	\$ 78,113

AGRICULTURE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
PROTECTION AND DEVELOPMENT OF AGRICULTURAL INDUSTRIES							
General Funds.....	\$ 27,193	\$ 28,712	\$ 30,746	\$ 30,693	\$ 30,726	\$ 30,750	\$ 30,780
Special Funds.....	4,257	4,165	4,409	4,400	4,429	4,516	4,606
Federal Funds.....	1,035	1,247	1,214	1,214	1,214	1,214	1,214
Other Funds.....	6,470	7,691	8,122	8,525	8,958	9,290	9,709
TOTAL.....	\$ 38,955	\$ 41,815	\$ 44,491	\$ 44,832	\$ 45,327	\$ 45,770	\$ 46,309
HORSE RACING REGULATION							
Special Funds.....	\$ 8,996	\$ 7,756	\$ 10,291	\$ 11,098	\$ 11,170	\$ 11,057	\$ 11,139
Other Funds.....	5,983	8,849	7,311	7,311	7,311	7,311	7,311
TOTAL.....	\$ 14,979	\$ 16,605	\$ 17,602	\$ 18,409	\$ 18,481	\$ 18,368	\$ 18,450
EMERGENCY FOOD ASSISTANCE							
General Funds.....	\$ 10,996	\$ 12,000	\$ 13,000	\$ 13,000	\$ 13,000	\$ 13,000	\$ 13,000
Federal Funds.....	2,226	2,850	2,860	2,860	2,860	2,860	2,860
Other Funds.....	118	318	160	160	160	160	160
TOTAL.....	\$ 13,340	\$ 15,168	\$ 16,020	\$ 16,020	\$ 16,020	\$ 16,020	\$ 16,020
ALL PROGRAMS:							
GENERAL FUND.....	\$ 38,189	\$ 40,712	\$ 43,746	\$ 43,693	\$ 43,726	\$ 43,750	\$ 43,780
SPECIAL FUNDS.....	13,253	11,921	14,700	15,498	15,599	15,573	15,745
FEDERAL FUNDS.....	3,261	4,097	4,074	4,074	4,074	4,074	4,074
OTHER FUNDS.....	12,571	16,858	15,593	15,996	16,429	16,761	17,180
TOTAL.....	\$ 67,274	\$ 73,588	\$ 78,113	\$ 79,261	\$ 79,828	\$ 80,158	\$ 80,779

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. Equally important, promotional activities operated under this program element are designed to increase and enhance the awareness of non-farm Pennsylvanians about the importance of agribusiness in the Commonwealth. 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 agriculture and food products and commodities such as apples, honey, cherries, grapes, maple syrup, beef, milk and dairy products. In some 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.

The market opportunities section also 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 4H 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.

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.

Animal research initiatives and coordination of animal disease diagnostic laboratories are provided by the Pennsylvania Animal Health and Diagnostic Commission. This commission, an administrative commission within the Department of Agriculture, is coordinating the emphasis of the animal diagnostic laboratory resources of The Pennsylvania State University and the University of Pennsylvania School of Veterinary Medicine with those of the department. This program reduces the cost of animal disease and the threat of animal disease to human health in the Commonwealth by making state-of-the-art animal disease diagnosis affordable and readily available to animal owners.

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, and reimbursement to owners of livestock and poultry for damage caused by dogs and coyotes. Approximately 900,000 dogs and 2,800 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 safety. An educational approach has been developed under which department personnel provide training courses for food handlers. Approximately 26,487 of the more than 30,000 food establishments were inspected in 1992-93. Food establishments which are inspected include all 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 Weights and Measures Division of the Bureau of Ride and Measurement Standards performed 40,014 inspections in 1992-93 and expects an increase to 42,000 in 1993-94.

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 1992-93, 1,000 agribusinesses were inspected and nearly 3,000 feed, fertilizer and lime samples were analyzed.

AGRICULTURE

Program: Protection and Development of Agricultural Industries (continued)

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 1992-93, more than 3,237 dealers and 2,127 nurseries and greenhouses were inspected, involving more than 27,770 acres and over 15,800,000 square feet under glass of plant material; 17.1 million vegetable transplants from out-of-state sources were also inspected to insure they were pest free; and 443 inspections were conducted for the issuance of 1,568 certificates for the exportation of plant material. The department also inspected 2,450 apiaries involving 15,758 colonies of bees in 1992 for disease problems.

The Pesticide Control Law provides for the regulation of the use,

handling, storage and transportation of pesticides. The department fulfills 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 1992-93, 800 pesticide dealers and 3,900 pesticide application businesses were licensed, 35,000 pesticide applicators certified, 2,000 service technicians registered, more than 10,500 pesticide products registered, 1,346 inspections and investigations conducted, and 560 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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Agribusiness Development							
Dollar volume of food and agricultural exports (millions)	\$ 400	\$ 420	\$ 440	\$ 460	\$ 480	\$ 500	\$ 520
Trade leads generated	1,100	1,200	1,300	1,300	1,300	1,300	1,300
Animal Health							
Animals examined to determine disease (thousands)	145,000	145,000	145,000	145,000	145,000	145,000	145,000
Animals quarantined (thousands)	912	912	912	912	912	912	912
Animals destroyed	332	100	100	10	10	10	10
Consumable Agricultural Products							
Incidence of food products showing major discrepancies	68,500	65,000	65,000	65,000	65,000	65,000	65,000
Dollar value of:							
Products removed from the market (thousands)	\$ 3,225	\$ 3,225	\$ 3,225	\$ 3,225	\$ 3,225	\$ 3,225	\$ 3,225
Consumer commodities inspected (thousands)	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000

The increase in the dollar volume of exports compared to last year's budget reflects improved data as well as an increased emphasis on exports. Animals examined and quarantined includes poultry flocks; poultry was not included in previous data.

Increases in animals destroyed through the budget year compared to last year's budget reflect increased outbreaks of avian influenza and tuberculosis; these outbreaks are projected to return to normal levels in future years.

Food products showing major discrepancies as well as those removed from the market increased compared to last year's budget due to greater enforcement of the recent Egg Refrigeration Law, while products removed from the market also increased due to outbreaks of salmonella enteritidis in eggs and animal drug residues found in milk.

Program Recommendations:

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

	GENERAL FUND:		Agricultural Conservation Easement Administration
	General Government Operations		
\$ -770	—nonrecurring projects.	\$ 44	—to continue current program.
2,210	—to continue current program.		
116	—Initiative — Nutrient Management Certification Program. To certify specialists who will assist agricultural practitioners assess and plan for the abatement of nonpoint source pollution.	\$ 207	Animal Health Commission
176	—Initiative — Animal Diagnostic Supplies. For supplies necessary to expand testing directed toward the eradication of pseudorabies, certification of Johnes tests and detection of avian influenza viruses.		— Initiative — Improving Animal Health Services.
101	—Initiative — Food Safety Inspections and Testing. To strengthen inspection and testing programs in an effort to reduce the incidence of foodborne illnesses and drug residues in the milk supply.		— This initiative provides fund to develop a fully integrated laboratory diagnostic system in order to facilitate the sharing of information among the department's Diagnostic Laboratory (formerly Summerdale), the Pennsylvania State University Animal Disease Laboratory and the University of Pennsylvania New Bolton Center, in an effort to detect and isolate devastating and costly outbreaks of avian influenza, bovine tuberculosis and salmonella enteritidis.
\$ 1,833	<i>Appropriation Increase</i>		

AGRICULTURE

Program: Protection and Development of Agricultural Industries (continued)

Program Recommendations:

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

GENERAL FUND:

Animal Health Commission (continued)

Specifically, this Initiative provides \$207,000 for renovations and toxicology equipment at the New Bolton Center. It also provides \$2.4 million for an incinerator connection at the Pennsylvania State University Animal Disease Laboratory and a new incinerator at the University of Pennsylvania New Bolton Center. In addition, funding is provided for renovations at the Animal Disease Laboratory for an integrated microbiology program which includes diagnostic services targeting salmonella and avian influenza. These investments will enhance diagnostic operations in order to pursue full service veterinary medical diagnostic laboratory accreditation by the American Association of Veterinary Laboratory Diagnosticians.

\$ -50

Animal Indemnities

—reduction based on recent program experience.

FARM PRODUCTS SHOW FUND:

General Operations

—nonrecurring projects.
—to continue current program.
—Initiative — Farm Show Security Enhancements. To provide additional security during the annual Farm Show.

\$ -72

303

19

\$ 250

Executive Authorization Increase

RACING FUND:

Payments to Pennsylvania Fairs - Administration

—to continue current program.

\$ -6

All other General Fund programs are recommended at current levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
General Government Operations	\$ 17,444	\$ 18,700	\$ 20,533	\$ 20,687	\$ 20,720	\$ 20,744	\$ 20,774
Agricultural Conservation Easement							
Administration	120	139	183	183	183	183	183
Agricultural Research	1,649	1,680	1,680	1,680	1,680	1,680	1,680
Agricultural Promotion and Education	350	350	350	350	350	350	350
Animal Health Commission	2,924	2,924	3,131	2,924	2,924	2,924	2,924
Animal Indemnities	43	200	150	150	150	150	150
Transfer to State Farm Products Show							
Fund	700	700	700	700	700	700	700
Livestock Show	147	152	152	152	152	152	152
Open Dairy Show	87	90	90	90	90	90	90
Junior Dairy Show	35	36	36	36	36	36	36
4-H Club Shows	40	41	41	41	41	41	41
Payments to Pennsylvania Fairs	3,557	3,700	3,700	3,700	3,700	3,700	3,700
Mushroom Promotion	97						
TOTAL GENERAL FUND	\$ 27,193	\$ 28,712	\$ 30,746	\$ 30,693	\$ 30,726	\$ 30,750	\$ 30,780
ECONOMIC REVITALIZATION FUND:							
PENNAG Transfer to Pennsylvania							
Capital Loan Fund	\$ 885	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
FARM PRODUCTS SHOW FUND:							
General Operations	\$ 3,215	\$ 2,994	\$ 3,244	\$ 3,226	\$ 3,245	\$ 3,324	\$ 3,404
RACING FUND:							
Payments to Pennsylvania Fairs —							
Administration	\$ 157	\$ 171	\$ 165	\$ 174	\$ 184	\$ 192	\$ 202

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.

The Equine Toxicology and Research Laboratory tests for the presence of foreign substances in the blood and urine of race horses following all races to ensure that no foreign substances have been administered prior to a race.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Investigations to insure compliance with established rules and regulations:							
Harness	287	300	300	300	300	300	300
Horse	1,970	2,000	2,000	2,000	2,000	2,000	2,000
Participant licenses issued:							
Harness	4,113	4,100	4,100	4,100	4,100	4,100	4,100
Horse	7,726	7,700	7,700	7,700	7,700	7,700	7,700
Licenses suspended for noncompliance of rules and regulations:							
Harness	346	400	400	400	400	400	400
Horse	497	500	500	500	500	500	500
Racing days approved:							
Harness	381	400	400	400	400	400	400
Horse	519	520	520	520	520	520	520

The number of horse racing days approved did not increase as projected in last year's budget because of increased simulcasting and a decrease in the number of foal births.

Program Recommendations:

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

State Racing Commissions

\$ -179 —nonrecurring projects.
 451 —to continue current program.

\$ 272 *Executive Authorization Increase*

Equine Toxicology and Research Laboratory

\$ -72 —nonrecurring projects.
 110 —to continue current program.
 87 —Initiative - Equine Toxicology Drug Testing Enhancements - to improve detection capabilities of illegal performance enhancing drugs.

\$ 125 *Executive Authorization Increase*

Transfer to the General Fund

\$ 2,138 —funds available for transfer. Law requires June 30th ending surplus to be transferred to the General Fund.

AGRICULTURE

Program: Horse Racing Regulation (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
RACING FUND:							
State Racing Commissions	\$ 5,486	\$ 5,817	\$ 6,089	\$ 6,436	\$ 6,809	\$ 7,095	\$ 7,457
Equine Toxicology and Research							
Laboratory	906	981	1,106	1,194	1,263	1,316	1,383
Transfer to the General Fund	2,604	958	3,096	3,468	3,098	2,646	2,299
TOTAL STATE RACING FUND	\$ 8,996	\$ 7,756	\$ 10,291	\$ 11,098	\$ 11,170	\$ 11,057	\$ 11,139

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 State Food Purchase Program provides grants to counties or a designated lead agency to purchase food to be provided to the needy. Grants are allocated to counties based on these factors: unemployment, food stamp recipients not on public assistance and medical assistance recipients and households with earned income receiving assistance. Administrative costs of this program are funded from the grants with a seven 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 Emergency Food Assistance

Program (EFAP) 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 EFAP 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.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Dollar value of commodities distributed (thousands)	\$45,000	\$39,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
Persons receiving donated or surplus foods (thousands):							
Traditional program	1,000	1,000	1,000	1,000	1,000	1,000	1,000
EFAP	2,500	2,500	2,500	2,500	2,500	2,500	2,500
State Food Purchase Program	3,000	3,000	3,000	3,000	3,000	3,000	3,000


The projected decline in 1993-94 in the dollar value of commodities distributed is due to an expected decrease in commodities received from the Federal Government.

Program Recommendations:

State Food Purchase
 \$ 1,000 —Initiative — Expansion of State Food Assistance Program — to provide additional funds for grants to counties or a designated lead agency to purchase and provide food for those in need.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
State Food Purchase	<u>\$ 10,996</u>	<u>\$ 12,000</u>	<u>\$ 13,000</u>	<u>\$ 13,000</u>	<u>\$ 13,000</u>	<u>\$ 13,000</u>	<u>\$ 13,000</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.

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
REGULATION OF FINANCIAL INSTITUTIONS							
Special Funds.....	\$ 9,619	\$ 10,343	\$ 10,413	\$ 10,517	\$ 10,622	\$ 10,729	\$ 10,836
TOTAL.....	\$ 9,619	\$ 10,343	\$ 10,413	\$ 10,517	\$ 10,622	\$ 10,729	\$ 10,836
ALL PROGRAMS:							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SPECIAL FUNDS.....	9,619	10,343	10,413	10,517	10,622	10,729	10,836
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
TOTAL.....	\$ 9,619	\$ 10,343	\$ 10,413	\$ 10,517	\$ 10,622	\$ 10,729	\$ 10,836

BANKING

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, regulation and examination of the records, accounts and policies of State-chartered banking institutions, State-chartered savings and loan associations, sales finance companies, installment sellers, money transmitters, consumer discount companies, collector-repossessors, pawnbrokers, State-chartered credit unions, and first mortgage bankers and brokers. Other activities included in this program area are examinations of business development credit corporations and special investigations where necessary.

As of June 30, 1993, there were 203 banks under the department's supervision: 60 commercial banks, 74 banks and trust companies, 42 savings banks, 1 private bank and 20 trust companies. In addition there were 6 foreign banks which maintained branch offices in Pennsylvania. Also there were 116 bank holding companies and 32 multi-bank holding companies in operation in Pennsylvania.

The 6,590 entities licensed by the Department of Banking at the end of June 1993 consisted primarily of 3,380 installment sellers, 703 first mortgage bankers and brokers, 959 second mortgage companies, 782 sales finance companies and 564 consumer discount companies. The balance of the licenses were issued to pawnbrokers, money transmitters and collector-repossessors.

Program responsibilities of the Department of Banking were greatly expanded during 1990 by the enactment of several new laws. State-chartered credit unions were granted the authority to branch interstate on a reciprocal basis and Pennsylvania banks were given permission to branch Statewide. Legislation also provided for nationwide reciprocal interstate banking by commercial banks, savings banks, and savings and loan associations. Under the laws, the Department of Banking must approve all the following interstate activity: interstate acquisitions and

denovo (newly chartered) banks by all commercial bank holding companies; and interstate branching, merging and acquisitions by state chartered thrift institutions. Under the interstate banking laws, the Department of Banking 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 Commonwealth's economy does not suffer through a lack of loans and other services which are required to enhance and maintain the economy of the Commonwealth.

The department's responsibilities were further expanded in 1991 through the passage of Act 191 of 1991 which permitted savings banks to branch, merge and acquire on a nationwide reciprocal basis, and authorized the establishment of mutual holding companies by State-chartered savings banks.

In 1992, the passage of Act 77 authorized "interaffiliate banking" by State-chartered savings banks with the approval of the department. Act 89 of 1992 permitted savings and loan associations to operate on a nationwide reciprocal basis and authorized "interaffiliate banking" for State-chartered savings and loan associations. Act 90 of 1992 encourages the establishment of mutual holding companies by savings banks. The department expects to receive several applications from savings banks desirous of reorganizing into the mutual holding company form during 1993-94. Act 150 of 1992 requires unlicensed consumer loan brokers to register with the Department. The department is presently developing a new registration program for these loan brokers.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Supervision of State-chartered:							
Banks	203	218	223	228	233	238	243
Savings and loan associations	86	65	53	46	39	32	25
Credit Unions	116	107	95	85	79	70	65
Consumer credit agencies and branches licensed	3,210	3,300	3,300	3,300	3,300	3,300	3,300
Installment sellers licensed	3,380	3,500	3,500	3,500	3,500	3,500	3,500

The decline in the program measures for both the number of State-chartered savings and loan associations and the number of State-chartered credit unions is attributed to mergers and conversions.

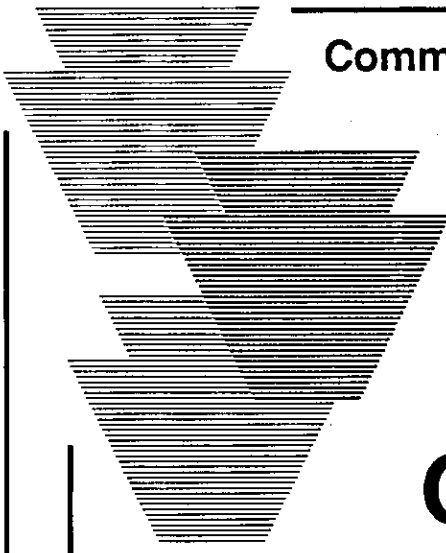
Program Recommendations:

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

General Operations
\$ 70 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
BANKING DEPARTMENT FUND:							
General Operations	\$ 9,619	\$ 10,343	\$ 10,413	\$ 10,517	\$ 10,622	\$ 10,729	\$ 10,836



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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<u>GENERAL FUND</u>			
GENERAL GOVERNMENT:			
General Government Operations	\$ 1	\$ 1	\$ 1
(A) Fees from Agencies	9,733	10,316	11,258
(A) Special Merit System Services	718	768	858
STATE FUNDS	\$ 1	\$ 1	\$ 1
AUGMENTATIONS	10,451	11,084	12,116
GENERAL FUND TOTAL	\$ 10,452	\$ 11,085	\$ 12,117

CIVIL SERVICE COMMISSION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
PERSONNEL SELECTION							
General Funds.....	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	1
Other Funds.....	10,451	11,084	12,116	12,116	12,116	12,116	12,116
TOTAL.....	\$ 10,452	\$ 11,085	\$ 12,117	\$ 12,117	\$ 12,117	\$ 12,117	12,117
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.....	10,451	11,084	12,116	12,116	12,116	12,116	12,116
TOTAL.....	\$ 10,452	\$ 11,085	\$ 12,117	\$ 12,117	\$ 12,117	\$ 12,117	12,117

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 employe selection procedures and the Federal Uniform Guidelines on Employee Selection Procedures. This includes job analysis and implementation of a program to identify and correct adverse impacts of exams on protected groups.

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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Total eligibles on lists	224,224	250,000	250,000	250,000	250,000	250,000	250,000
Persons scheduled for exams	177,829	200,000	200,000	200,000	200,000	200,000	200,000
Appeal requests received and processed	592	650	650	650	650	650	650
Certifications audited	4,184	5,500	5,500	5,500	5,500	5,500	5,500
People with disabilities provided employment information	787	850	850	850	850	850	850

Data for the measure total eligibles on lists has increased beyond the projection in last year's budget and the persons scheduled for exams has increased as projected. These higher levels are due to the Commission's increased recruitment activity and are also attributable to the slow economic recovery.

Program Recommendations:

This budget recommends the following changes in augmentations received from agency billings. (Dollar Amounts in Thousands)

	General Government Operations
\$ -197	—nonrecurring costs.
352	—to computerize testing system.
100	—relocation costs.
777	—to continue current program.
<u>\$ 1,032</u>	<i>Augmentation Increase</i>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 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 and grants for housing, redevelopment, flood plain management, planning and manpower training.

COMMUNITY AFFAIRS

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	1992-93 Actual	1993-94 Available	1994-95 Budget
GENERAL FUND			
General Government Operations	\$ 10,784	\$ 46,306	\$ 11,735
(F) LWCF — Administration	50	30	25
(F) SCDBG — Administration	1,115	1,068	1,134
(F) CSBG — Administration	725	818	851
(F) Operator Outreach	16	43	50
(F) Training Road and Street Maintenance	171	245	223
(F) Folk Arts .....	....	20	32
(F) Folklife Resource Survey	272	280	250
(F) LIHEABG — Administration	328	440	440
(F) DCSI — Regional Police Assistance	239	317	300
(F) County Training and Technical Assistance .....	....	25	20
(F) State Legalization Impact Grant .....	....	150	70
(F) Immigration Reform and Control — Administration .....	....	....	3,470
(F) Refugees and Persons Seeking Asylum — Administration .....	....	....	1,277
(F) HUD-Training/Assistance	7	131	150
(A) Manufactured Housing	444	735	494
(A) Training Courses Registration	467	450	450
(A) Heritage Affairs Donation	28	113	50
(A) Stockroom Reimbursement — EDP	15	18	18
(A) RIRA Reimbursement	150	160	....
(A) State Clearinghouse .....	....	....	....
(A) Environmental Training Partnership	7	273	168
(A) DER Operator Outreach	56	135	200
(A) DER Recycling Training	163	160	100
(A) Records Management Training	10	7	7
(A) HOME Investment Trust Fund .....	....	143	159
(A) Reimbursement — Emergency Management Agency .....	....	6	5
Subtotal — General Government Operations	\$ 15,047	\$ 52,073	\$ 21,678
Governor's Advisory Commission on Latino Affairs	191	253	244
(A) Latino Affairs Donations	28	....	....
Subtotal — State Funds	\$ 10,975	\$ 46,559	\$ 11,979
Subtotal — Federal Funds	2,923	3,567	8,292
Subtotal — Augmentations	1,368	2,200	1,651
Total — General Government	\$ 15,266	\$ 52,326	\$ 21,922
GRANTS AND SUBSIDIES:			
Circuit Riders	\$ 200	\$ 211	\$ 211
Flood Plain Management	58	60	60
(F) FEMA — Technical Assistance	55	60	60
Total — Flood Plain Management	\$ 113	\$ 120	\$ 120
Community Conservation and Youth Employment	2,640	2,736	2,736
(F) Community Service Block Grant	15,839	16,070	16,070
(F) Single Point of Contact	1,688	1,834	1,746
(F) Refugees and Persons Seeking Asylum .....	....	....	9,300
Total — Community Conservation and Youth Employment	\$ 20,167	\$ 20,640	\$ 29,852
Housing and Redevelopment Assistance (6/95)	19,300	20,000	20,000
(F) HOME Investment Partnerships	365	....	....
(F) Small Communities Block Grant	54,718	60,000	65,000
(F) Temporary Housing — Superfund Clean-Up .....	....	100	....
(F) DOE — Weatherization	14,699	13,155	13,222
(F) Centralia Recovery	1,846	3,500	2,000
(F) Emergency Shelter for the Homeless	1,569	1,600	2,500
(F) Permanent Housing for Disabled Homeless .....	....	1,500	1,500

COMMUNITY AFFAIRS

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available		1994-95 Budget
GENERAL FUND (continued)				
GRANTS AND SUBSIDIES: (continued)				
(F) LIHEABG — Program	\$ 8,238	\$ 8,360	\$	8,360
(F) HUD Demonstration Project .....	.....	325	\$	300
(F) Lead Based Paint Hazard Reduction	294	.....	\$	.....
(A) Return of Unused Project Monies	2,871	5,000	\$	5,000
Total — Housing and Redevelopment Assistance	\$ 103,900	\$ 113,540	\$	117,882
Enterprise Development (6/95)	6,996	8,250	\$	8,250
(A) Return of Unused Project Monies	815	800	\$	800
Total — Enterprise Development	\$ 7,811	\$ 9,050	\$	9,050
Regional Councils	193	200	\$	200
Planning Assistance	169	175	\$	375
Heritage Parks	1,930	2,075	\$	2,000
Distressed Communities Assistance	2,000	1,223	\$	1,300
Neighborhood Housing Services	193	200	\$	200
Local Government Loan	724	750	\$	.....
Rural Leadership Training	120	200	\$	150
Subtotal — State Funds	\$ 34,523	\$ 36,080	\$	35,482
Subtotal — Federal Funds	99,311	106,504	\$	120,058
Subtotal — Augmentations	3,686	5,800	\$	5,800
Total — Grants and Subsidies	\$ 137,520	\$ 148,384	\$	161,340
STATE FUNDS	\$ 45,498	\$ 82,639	\$	47,461
FEDERAL FUNDS	102,234	110,071	\$	128,350
AUGMENTATIONS	5,054	8,000	\$	7,451
GENERAL FUND TOTAL	\$ 152,786	\$ 200,710	\$	183,262
 ECONOMIC REVITALIZATION FUND:				
Recreation Improvement and Rehabilitation	\$ 3,395	\$ 3,500	\$	.....
Housing & Redevelopment — Economic Development Setaside	16,490	21,500	\$	21,500
ECONOMIC REVITALIZATION FUND TOTAL	\$ 19,885	\$ 25,000	\$	21,500
 OTHER FUNDS				
<i>GENERAL FUND:</i>				
ARC Revolving Loan Fund	\$ 125	\$ 100	\$	230
<i>FINANCIALLY DISTRESSED MUNICIPALITIES</i>				
<i>REVOLVING AID FUND:</i>				
Distressed Community Assistance	\$ 3,779	\$ 3,367	\$	3,246
<i>KEYSTONE RECREATION, PARK AND CONSERVATION FUND:</i>				
Grants .....	.....	.....	\$	6,000
<i>LOCAL GOVERNMENT CAPITAL PROJECT LOAN FUND:</i>				
Local Government Capital Project Loans	\$ 356	\$ 1,582	\$	750
<i>HOME INVESTMENT FUND:</i>				
HOME Investment Partnership	\$ 427	\$ 4,576	\$	7,500

COMMUNITY AFFAIRS

(Dollar Amounts in Thousands)

	1992-93 Actual	1993-94 Available	1994-95 Budget
OTHER FUNDS (continued)			
OTHER FUNDS TOTAL	\$ 4,687	\$ 9,625	\$ 17,726
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 45,498	\$ 82,639	\$ 47,461
SPECIAL FUNDS	19,885	25,000	21,500
FEDERAL FUNDS	102,234	110,071	128,350
AUGMENTATIONS	5,054	8,000	7,451
OTHER FUNDS	4,687	9,625	17,726
TOTAL ALL FUNDS	\$ 177,358	\$ 235,335	\$ 222,488

COMMUNITY AFFAIRS

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
COMMUNITY DEVELOPMENT AND CONSERVATION							
General Funds.....	\$ 42,261	\$ 80,055	\$ 45,600	\$ 45,692	\$ 45,702	\$ 45,710	\$ 45,720
Special Funds.....	19,885	25,000	21,500	21,500	21,500	21,500	21,500
Federal Funds.....	101,995	109,754	128,050	125,600	125,600	125,600	125,600
Other Funds.....	5,606	12,676	21,181	33,315	32,961	31,028	30,533
TOTAL.....	\$ 169,747	\$ 227,485	\$ 216,331	\$ 226,107	\$ 225,763	\$ 223,838	\$ 223,353
MUNICIPAL ADMINISTRATIVE SUPPORT							
General Funds.....	\$ 3,237	\$ 2,584	\$ 1,861	\$ 1,761	\$ 1,761	\$ 1,761	\$ 1,761
Federal Funds.....	239	317	300	300	300	300	300
Other Funds.....	4,135	4,949	3,996	2,200	2,200	2,200	2,200
TOTAL.....	\$ 7,611	\$ 7,850	\$ 6,157	\$ 4,261	\$ 4,261	\$ 4,261	\$ 4,261
ALL PROGRAMS:							
GENERAL FUND.....	\$ 45,498	\$ 82,639	\$ 47,461	\$ 47,453	\$ 47,463	\$ 47,471	\$ 47,481
SPECIAL FUNDS.....	19,885	25,000	21,500	21,500	21,500	21,500	21,500
FEDERAL FUNDS.....	102,234	110,071	128,350	125,900	125,900	125,900	125,900
OTHER FUNDS.....	9,741	17,625	25,177	35,515	35,161	33,228	32,733
TOTAL.....	\$ 177,358	\$ 235,335	\$ 222,488	\$ 230,368	\$ 230,024	\$ 228,099	\$ 227,614

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) 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 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 is funded from Low-Income Home Energy Assistance Federal Block Grant (LIHEABG) and U.S. Department of Energy weatherization funds.

The National Affordable Housing Act of 1990 provided \$22.7 million in Federal Fiscal Year 1992 to expand the supply of affordable housing for low-income families. A variety of options is available to meet this objective: incentives to develop and support rental housing and home ownership through acquisition, construction or rehabilitation; funding to finance relocation of displaced persons; rental assistance; and rehabilitation of substandard housing. Act 172 of 1992 established a separate special fund entitled the HOME Investment Trust Fund, as required by the U.S. Department of Housing and Urban Development (HUD), to administer these funds.

An amendment to the National Affordable Housing Act, signed October 28, 1992, allows 10 percent of the funding to be used for administrative purposes (state and local).

Program Element: Community Development

The Federal Small Communities Block Grant (SCBG) 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 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.

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 are linked and focused on the industrial/transportation theme of Pennsylvania's heritage.

Program Element: Job Training and Human Services

The Community Conservation and Youth Employment Program provides General Fund monies to municipalities, community action agencies and nonprofit sponsors for the development of employment opportunities and for community conservation activities.

The Community Services Block Grant (CSBG) 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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Housing and Redevelopment:							
Rehabilitation of existing units with							
State funds	3,351	4,000	4,000	4,000	4,000	4,000	4,000
Homes weatherized	10,782	11,782	11,006	11,006	11,006	11,006	11,006
Community Development:							
Small Communities Block Grant:							
Jobs created and/or retained	600	600	600	600	600	600	600
Housing units rehabilitated	950	1,050	1,200	1,200	1,200	1,200	1,200
Recreational Facilities:							
Recreation grants	98	100	105	315	315	225	225

COMMUNITY AFFAIRS

Program: Community Development and Conservation (continued)

Program Measures (continued)

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Job Training and Human Services:							
Persons participating:							
Community conservation and youth employment	12,432	13,675	15,042	16,546	18,200	20,020	22,022
Community Service Block Grant	482,210	482,000	482,000	482,000	482,000	482,000	482,000
Employment related services and training projects	1,910	2,101	2,311	2,542	2,796	3,076	3,384
Job Placement Program:							
Persons placed	295	324	356	391	430	473	520

The decrease in the program measure on rehabilitation of existing units as compared to those projected in last year's budget is due to the elimination of emergency repairs previously included as part of this measure.

The decrease in the program measure for the number of homes weatherized compared to those projected in last year's budget is a result of revisions based on the actual number of homes weatherized.

The measure pertaining to the number of persons participating in employment related services and training and persons placed, programs decreased from those shown in the previous budget due to larger contracts awarded, fewer contracts and fewer people served resulting from the implementation of the Progressive Readiness for Employment Program (PREP), an intensive individualized training and placement program.

Program Recommendations:

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

GENERAL FUND:	
General Government Operations	
\$ -36,027	—nonrecurring projects.
1,376	—to continue current program.
80	— Initiative — Keystone Recreation, Park and Conservation — to implement the Keystone Recreation Park and Conservation Program.
\$ -34,571	Appropriation Decrease
Governor's Advisory Commission on Latino Affairs	
\$ -9	—to continue current program.
Heritage Parks	
\$ -75	—nonrecurring projects
Planning Assistance	
\$ 200	— Initiative — Community Planning Assistance — to provide grants to counties to update comprehensive land use plans.

Economic Revitalization Fund:
Recreational Improvements and Rehabilitation
 — noncurring projects. Program needs will be met as part of the Keystone Recreation, Park and Conservation Program, which will provide \$6 million in grants for recreational projects..

In addition, this budget proposes that a portion of the Refugee and Immigration programs currently in the Department of Public Welfare be transferred to the Department of Community Affairs. These funds are shown as Federal Funds.

All other appropriations are recommended to continue at the current levels.

COMMUNITY AFFAIRS

Program: Community Development and Conservation (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
General Government Operations	\$ 10,784	\$ 46,306	\$ 11,735	\$ 11,827	\$ 11,837	\$ 11,845	\$ 11,855
Governor's Advisory Commission on Latino Affairs	191	253	244	244	244	244	244
Flood Plain Management	58	60	60	60	60	60	60
Planning Assistance	169	175	375	375	375	375	375
Community Conservation and Youth Employment	2,640	2,736	2,736	2,736	2,736	2,736	2,736
Housing and Redevelopment Assistance ..	19,300	20,000	20,000	20,000	20,000	20,000	20,000
Enterprise Development	6,996	8,250	8,250	8,250	8,250	8,250	8,250
Heritage Parks	1,930	2,075	2,000	2,000	2,000	2,000	2,000
Neighborhood Housing Services	193	200	200	200	200	200	200
TOTAL GENERAL FUND	\$ 42,261	\$ 80,055	\$ 45,600	\$ 45,692	\$ 45,702	\$ 45,710	\$ 45,720
ECONOMIC REVITALIZATION FUND:							
Recreational Improvements and Rehabilitation	\$ 3,395	\$ 3,500					
Housing and Redevelopment — Economic Development Setaside	16,490	21,500	\$ 21,500	\$ 21,500	\$ 21,500	\$ 21,500	\$ 21,500
TOTAL ECONOMIC REVITALIZATION FUND	\$ 19,885	\$ 25,000	\$ 21,500	\$ 21,500	\$ 21,500	\$ 21,500	\$ 21,500

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.

The Circuit Rider Program provides for sharing of municipal officials possessing the expertise needed to professionally manage distressed and rural areas.

The Local Government Capital Projects Loan Program assists municipal governments in acquiring equipment and facilities by providing low interest loans to these governments which find conventional loan costs prohibitive. The current program expires on June 30, 1994 unless legislation is enacted to extend it.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Distressed and at risk communities receiving assistance	29	34	34	34	34	34	34
Municipal officials/employees trained	22,760	24,000	24,500	25,000	25,000	25,000	25,000

Program Recommendations:

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

	GENERAL FUND:
\$ 77	Distressed Communities Assistance —to continue current program.
\$ -750	Local Government Loan —nonrecurring projects.
\$ -50	Rural Leadership Training —nonrecurring projects.

All other appropriations are recommended at the current year level

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Regional Councils	\$ 193	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200
Distressed Communities Assistance	2,000	1,223	1,300	1,200	1,200	1,200	1,200
Circuit Riders	200	211	211	211	211	211	211
Local Government Loan	724	750					
Rural Leadership Training	120	200	150	150	150	150	150
TOTAL GENERAL FUND	\$ 3,237	\$ 2,584	\$ 1,861	\$ 1,761	\$ 1,761	\$ 1,761	\$ 1,761



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

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<u>GENERAL FUND</u>			
INSTITUTIONAL:			
State Correctional Institutions	\$ 499,499	\$ 604,400	\$ 729,961
(F) SABG — Alcohol and Drug Services	1,990	2,040	1,990
(F) DCSI — Correctional Institutions	1,362	865	300
(F) DCSI — Women and Children .....	.....	450	390
(F) DCSI — County Data Automation .....	.....	92	.....
(F) DCSI — Tracking System .....	.....	.....	282
(F) Federal Inmates	140	140	140
(F) Mariel — Cuban Inmates	204	205	105
(F) Library Services .....	.....	7	25
(F) SABG — Rehabilitation	110	110	110
(F) Inmate Classification System	8	.....	.....
(F) Effective Communications .....	.....	10	.....
(A) Institutional Reimbursements	82	840	410
(A) Community Service Centers	332	325	375
STATE FUNDS	\$ 499,499	\$ 604,400	\$ 729,961
FEDERAL FUNDS	3,814	3,919	3,342
AUGMENTATIONS	414	1,165	785
GENERAL FUND TOTAL	\$ 503,727	\$ 609,484	\$ 734,088
 <u>OTHER FUNDS</u>			
MANUFACTURING FUND:			
General Operations	\$ 25,689	\$ 29,834	\$ 30,670
 LOCAL CRIMINAL JUSTICE FUND:			
Local Criminal Justice Grants	\$ 4,096	\$ 94,000	\$ 52,000
 DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 499,499	\$ 604,400	\$ 729,961
FEDERAL FUNDS	3,814	3,919	3,342
AUGMENTATIONS	414	1,165	785
OTHER FUNDS	29,785	123,834	82,670
TOTAL ALL FUNDS	\$ 533,512	\$ 733,318	\$ 816,758

CORRECTIONS

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
INSTITUTIONALIZATION OF OFFENDERS							
General Funds.....	\$ 499,499	\$ 604,400	\$ 729,961	\$ 770,940	\$ 788,450	\$ 803,012	\$ 808,798
Federal Funds.....	3,814	3,919	3,342	3,009	2,764	2,670	2,670
Other Funds.....	30,199	124,999	83,455	58,247	45,172	36,653	38,522
TOTAL.....	\$ 533,512	\$ 733,318	\$ 816,758	\$ 832,196	\$ 836,386	\$ 842,335	\$ 849,990
ALL PROGRAMS:							
GENERAL FUND.....	\$ 499,499	\$ 604,400	\$ 729,961	\$ 770,940	\$ 788,450	\$ 803,012	\$ 808,798
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	3,814	3,919	3,342	3,009	2,764	2,670	2,670
OTHER FUNDS.....	30,199	124,999	83,455	58,247	45,172	36,653	38,522
TOTAL.....	\$ 533,512	\$ 733,318	\$ 816,758	\$ 832,196	\$ 836,386	\$ 842,335	\$ 849,990

CORRECTIONS

Program: Institutionalization of Offenders (continued)

Program Measures:

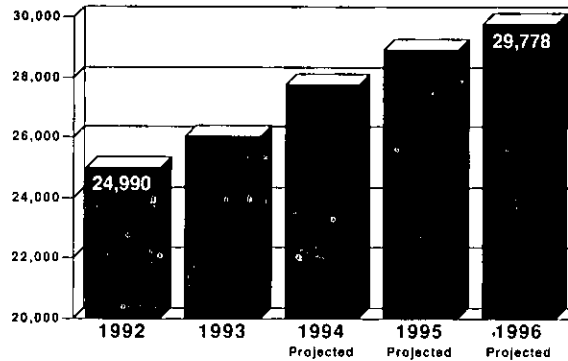
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Inmates (December)	24,990	26,060	27,756	28,922	29,778	30,582	31,462
Prison Capacity (December)	16,713	18,436	20,940	23,772	24,412	24,412	24,412
Inmates in excess of capacity	8,277	7,624	6,816	5,200	5,366	6,170	7,050
Inmates receiving high school diplomas (GED)	700	780	900	950	950	950	950
Inmates receiving vocational training	4,700	5,600	6,150	6,800	7,100	7,200	7,200
Inmates receiving other education training	6,000	6,400	7,600	8,300	8,500	8,500	8,500
Inmates receiving drug and alcohol treatment	6,200	6,700	7,600	8,700	8,900	8,900	8,900

Population and Capacity	Population Dec. 1993	Estimated Population Dec. 1994	Capacity Dec. 1993	Estimated Capacity Dec. 1994
Institutions				
Albion	368	1,000	276	732
Cambridge Springs	219	450	229	450
Camp Hill	3,183	2,845	1,856	1,710
Coal Township	358	1,000	276	732
Cresson	1,206	1,125	795	795
Dallas	2,099	1,903	1,497	1,497
Frackville	1,149	1,003	668	668
Graterford	3,729	3,413	2,832	2,832
Greene	450	450	454	454
Greensburg	945	886	545	545
Huntingdon	2,160	1,979	1,595	1,595
Mahanoy	382	1,000	276	732
Mercer	881	900	712	712
Muncy	903	732	656	656
Pittsburgh	1,836	1,759	1,620	1,620
Retreat	818	802	480	480
Rockview	2,144	1,905	1,310	1,310
Smithfield	1,179	1,103	740	740
Somerset	361	1,000	276	732
Waymart	1,012	956	914	914
Waynesburg	309	376	344	344
Community Service Centers	454	490	491	490
Group Homes	303	470	.....	.....
Quehanna Motivation Camp	47	200	48	200
Federal Prisons	15	9	.....	.....
TOTAL	26,060	27,756	18,436	20,940

CORRECTIONS

Program: Institutionalization of Offenders (continued)

State Correctional Institutions Inmate Population



Expenditures by Institution: (Dollar Amounts in Thousands)

	1992-93 Actual	1993-94 Available	1994-95 Budget		1992-93 Actual	1993-94 Available	1994-95 Budget
Albion				Frackville			
State Funds	\$ 769	\$ 18,215	\$ 30,311	State Funds	\$ 20,877	\$ 21,283	\$ 23,253
Federal Funds	0	0	0	Federal Funds	35	35	35
Augmentations	0	0	0	Augmentations	0	0	0
TOTAL	\$ 769	\$ 18,215	\$ 30,311	TOTAL	\$ 20,912	\$ 21,318	\$ 23,288
Cambridge Springs				Graterford			
State Funds	\$ 5,485	\$ 9,627	\$ 13,306	State Funds	\$ 70,802	\$ 71,689	\$ 78,368
Federal Funds	60	215	220	Federal Funds	155	155	155
Augmentations	0	0	0	Augmentations	3	60	30
TOTAL	\$ 5,545	\$ 9,842	\$ 13,526	TOTAL	\$ 70,960	\$ 71,904	\$ 78,553
Camp Hill				Greene			
State Funds	\$ 52,568	\$ 53,587	\$ 58,198	State Funds	\$ 1,654	\$ 14,815	\$ 31,826
Federal Funds	95	95	95	Federal Funds	0	0	0
Augmentations	27	260	130	Augmentations	0	0	0
TOTAL	\$ 52,690	\$ 53,942	\$ 58,423	TOTAL	\$ 1,654	\$ 14,815	\$ 31,826
Coal Township				Greensburg			
State Funds	\$ 1,654	\$ 19,370	\$ 30,925	State Funds	\$ 20,328	\$ 20,721	\$ 22,549
Federal Funds	0	0	0	Federal Funds	75	75	75
Augmentations	0	0	0	Augmentations	0	0	0
TOTAL	\$ 1,654	\$ 19,370	\$ 30,925	TOTAL	\$ 20,403	\$ 20,796	\$ 22,624
Cresson				Huntingdon			
State Funds	\$ 22,295	\$ 23,473	\$ 25,572	State Funds	\$ 34,570	\$ 34,917	\$ 37,710
Federal Funds	90	90	90	Federal Funds	45	45	45
Augmentations	0	0	0	Augmentations	0	50	25
TOTAL	\$ 22,385	\$ 23,563	\$ 25,662	TOTAL	\$ 34,615	\$ 35,012	\$ 37,780
Dallas				Mahanoy			
State Funds	\$ 35,430	\$ 36,027	\$ 39,009	State Funds	\$ 957	\$ 18,484	\$ 30,445
Federal Funds	90	90	90	Federal Funds	0	0	0
Augmentations	0	100	50	Augmentations	0	0	0
TOTAL	\$ 35,520	\$ 36,217	\$ 39,149	TOTAL	\$ 957	\$ 18,484	\$ 30,445

CORRECTIONS

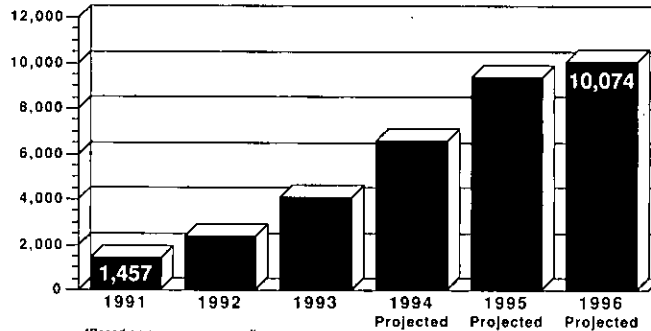
Program: Institutionalization of Offenders (continued)

Expenditures by Institution: (Dollar Amounts in Thousands)

	1992-93 Actual	1993-94 Available	1994-95 Budget		1992-93 Actual	1993-94 Available	1994-95 Budget
Mercer							
State Funds	\$ 20,034	\$ 20,209	\$ 22,074	Somerset			
Federal Funds	65	65	65	State Funds	\$ 1,722	\$ 18,702	\$ 30,881
Augmentations	0	0	0	Federal Funds	0	0	0
TOTAL	\$ 20,099	\$ 20,274	\$ 22,139	Augmentations	0	0	0
Muncy				TOTAL	\$ 1,722	\$ 18,702	\$ 30,881
State Funds	\$ 21,144	\$ 22,104	\$ 24,072	Waymart			
Federal Funds	390	690	690	State Funds	\$ 22,050	\$ 22,285	\$ 24,068
Augmentations	4	180	90	Federal Funds	570	570	570
TOTAL	\$ 21,538	\$ 22,974	\$ 24,852	Augmentations	3	3	3
Pittsburgh				TOTAL	\$ 22,623	\$ 22,858	\$ 24,641
State Funds	\$ 49,809	\$ 49,925	\$ 54,234	Waynesburg			
Federal Funds	65	67	80	State Funds	\$ 7,160	\$ 9,490	\$ 10,449
Augmentations	0	60	30	Federal Funds	0	0	0
TOTAL	\$ 49,874	\$ 50,052	\$ 54,344	Augmentations	0	0	0
Quehanna				TOTAL	\$ 7,160	\$ 9,490	\$ 10,449
State Funds	\$ 1,575	\$ 3,738	\$ 5,178	Training Academy			
Federal Funds	1,369	542	300	State Funds	\$ 2,346	\$ 2,866	\$ 3,195
Augmentations	0	0	0	Federal Funds	0	0	0
TOTAL	\$ 2,944	\$ 4,280	\$ 5,478	Augmentations	0	0	0
Retreat				TOTAL	\$ 2,346	\$ 2,866	\$ 3,195
State Funds	\$ 17,099	\$ 17,853	\$ 19,381	Community Correction Centers			
Federal Funds	65	65	65	State Funds	\$ 18,778	\$ 20,755	\$ 26,140
Augmentations	0	0	0	Federal Funds	100	100	100
TOTAL	\$ 17,164	\$ 17,918	\$ 19,446	Augmentations	327	360	375
Rockview				TOTAL	\$ 19,205	\$ 21,215	\$ 26,615
State Funds	\$ 36,765	\$ 36,922	\$ 40,075	Central Office			
Federal Funds	200	200	200	State Funds	\$ 12,734	\$ 15,605	\$ 25,165
Augmentations	38	80	40	Federal Funds	345	345	467
TOTAL	\$ 37,003	\$ 37,202	\$ 40,315	Augmentations	12	12	12
Smithfield				TOTAL	\$ 13,091	\$ 15,962	\$ 25,644
State Funds	\$ 20,894	\$ 21,738	\$ 23,577				
Federal Funds	0	0	0				
Augmentations	0	0	0				
TOTAL	\$ 20,894	\$ 21,738	\$ 23,577				

Program: Institutionalization of Offenders (continued)

**State Correctional Institutions
Housing Capacity Cumulative Increase***



*Based on one person per cell.
Housing capacity increases for 1993 and 1994 are less than the estimates in last year's budget because of unanticipated delays in opening new housing areas.

Program Recommendations:

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

State Correctional Institutions		
\$ 817	—Initiative — Automated Technology Enhancements. To address medical record keeping, victim notification requirements, and multiple sentence tracking.	30,300 —increased cost of leasing new institutions. 2,754 —for health care enhancements and other improvements.
200	—Initiative — Women and Children Expanded Visitation. To provide a nursery and living area for incarcerated mothers and their children at SCI Muncy.	1,283 —additional cost to operate mental health unit opened at SCI Pittsburgh during second half of 1993-94. 947 —additional cost of an in-house renal dialysis unit.
94	—Initiative — Security Information Tracking System. To monitor inmate misconducts and security threat groups. In addition, \$282,000 in Federal funds will be available for this initiative.	35,115 —to continue current program including funding as required to augment capital projects.
		\$ 125,561 <i>Appropriation Increase</i>
54,051	—for housing capacity increases to include the hiring of additional security personnel for the operation of new correctional institutions.	

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
State Correctional Institutions	<u>\$ 499,499</u>	<u>\$ 604,400</u>	<u>\$ 729,961</u>	<u>\$ 770,940</u>	<u>\$ 788,450</u>	<u>\$ 803,012</u>	<u>\$ 808,798</u>



Commonwealth of Pennsylvania

Economic Development Partnership

The Commonwealth economic development programs are administered by 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 approach, Pennsylvania is 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	1994-95 State Funds (in thousands)
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GENERAL FUND

Enhanced Economic Development Efforts

Transfer to Sunny Day Fund	\$	25,000
Minority Business Development Authority		7,950
Subtotal	\$	32,950

This Program Revision provides funds to improve Pennsylvania's ability to create, attract and retain jobs and business investment. Funding is provided for the Sunny Day Fund to make low-interest loans to businesses seeking to locate in the Commonwealth. Funding is also provided to enhance the State's efforts to provide business acquisition and expansion loans and technical assistance to minority firms through the Pennsylvania Minority Business Development Authority. A total of \$35.2 million is provided by this Program Revision.

DEPARTMENT TOTAL	\$	32,950
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ECONOMIC DEVELOPMENT PARTNERSHIP

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 8,808	\$ 15,007	\$ 9,533
(F) ARC — Technical Assistance	366	450	450
(F) ARC — Work Force Training .....	.....	250	.....
(F) Community Planning Assistance .....	.....	200	.....
(A) Minority Business Development Authority	678	677	650
(A) African American Commission	161	197	170
(A) Nursing Home Loan	233	220	160
(A) Copy Center Services	291	285	295
(A) Pennsylvania Industrial Development Authority	979	993	1,022
(A) Pennsylvania Economic Development Financing Authority	177	185	195
(A) Job Training Reimbursement	50	.....	.....
(A) Recycling Fund Reimbursement	100	100	100
(A) Machinery and Equipment Loan	110	120	120
(A) Environmental Technology Loans	956	5,500	5,000
(A) Storage Tank Loan Fund	7	23	25
(A) Small Business Ombudsman .....	.....	183	190
(R) Small Business Advocate — Utilities	686 ^a	739 ^a	788 ^a
Subtotal — Federal Funds	\$ 366	\$ 900	\$ 450
Subtotal — Augmentations	3,742	8,483	7,927
Subtotal — Restricted Revenues	686	739	788
Subtotal — General Government Operations	\$ 13,602	\$ 25,129	\$ 18,698
Marketing	5,788	7,250	7,250
(A) Marketing Reimbursements	42	15	.....
Subtotal — State Funds	\$ 14,596	\$ 22,257	\$ 16,783
Subtotal — Federal Funds	366	900	450
Subtotal — Augmentations	3,784	8,498	7,927
Subtotal — Restricted Revenues	686	739	788
Total — General Government	\$ 19,432	\$ 32,394	\$ 25,948
GRANTS AND SUBSIDIES:			
Industrial Development Assistance	\$ 500	\$ 500	\$ 500
Site Development	773	800	800
Local Development District Grants	850	1,150	1,000
Appalachian Regional Commission	256	257	230
Community Facilities	1,890	1,500	.....
Small Business Development Centers	600	1,300	1,000
Transfer to Economic Revitalization Fund	55,691	65,500	44,500
Ben Franklin Partnership	20,970	25,750	25,000
(F) Job Link	150	150	150
(A) Environmental Technology Research Grants	1,393	1,296	1,000
Tourist Promotion Assistance	7,200	7,400	7,400
PENNSPORTS	11,863	13,544	11,208
Economic Development Financing Authority	237	250	250
Defense Conversion	135	175	175
Hardwoods Research and Promotion	369	..... ^b	..... ^b
Music Theater Festival	97	100	.....

^a Appropriation from restricted revenue account.

^b Included in Ben Franklin Partnership appropriation at \$400,000.

ECONOMIC DEVELOPMENT PARTNERSHIP

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available		1994-95 Budget
GENERAL FUND				
<i>GRANTS AND SUBSIDIES: (continued)</i>				
Engineering Research Center	\$ 386	.....^a		.....^b
Industrial Resource Centers	5,790	\$ 7,790	\$ 7,790	\$ 7,790
(F) Work Based Learning	278	251		.....
(F) EDA — Defense Cuts Assessment .....	.....	250		.....
Center for Light Microscope Imaging	386	.....^a		.....^b
Biotech Research	1,448	.....^a		.....
Service to Powdered Metallurgy Industry .....	.....	.....^a		.....^b
Super Computer Center	965	.....^a		.....^b
Transfer to Sunny Day Fund .....	.....	.....		25,000
Minority Business Development Authority .....	.....	1,200		9,150
Welcome America .....	.....	1,000		.....
Micro-Loan Program .....	.....	100		.....
Subtotal — State Funds	\$ 110,406	\$ 128,316		\$ 134,003
Subtotal — Federal Funds	428	651		150
Subtotal — Augmentations	1,393	1,296		1,000
Total — Grants and Subsidies	\$ 112,227	\$ 130,263		\$ 135,153
STATE FUNDS	\$ 125,002	\$ 150,573		\$ 150,786
FEDERAL FUNDS	794	1,551		600
AUGMENTATIONS	5,177	9,794		8,927
RESTRICTED REVENUES	686	739		788
GENERAL FUND TOTAL	\$ 131,659	\$ 162,657		\$ 161,101
 ECONOMIC REVITALIZATION FUND				
<i>GRANTS AND SUBSIDIES:</i>				
Engineering School Equipment .....	.....	\$ 1,000		.....
Business Infrastructure Development	\$ 12,080	14,500	\$ 14,500	\$ 14,500
Employe Ownership — Technical Assistance	236	250		250
Beaver Valley Revitalization	243	250		.....
Mon Valley Revitalization	970	1,000		.....
Shenango Valley Revitalization	243	250		.....
Community Economic Recovery	2,000	1,500		1,500
Alle-Kiski Valley Revitalization	243	250		.....
Machinery and Equipment Loan Fund	7,200	7,800		7,800
Butler Revitalization	237	250		.....
Lawrence Revitalization	121	250		.....
Industrial Communities Site Development and Action	9,479	13,700		13,700
ECONOMIC REVITALIZATION FUND TOTAL	\$ 33,052	\$ 41,000		\$ 37,750

^a Included in Ben Franklin Partnership appropriation at \$400,000 each for Engineering Research Center and Center for Light Microscope Imaging, \$750,000 for Biotech Research, \$200,000 for Powdered Metallurgy and \$1,000,000 for Super Computer Center.

^b Included in Ben Franklin Partnership appropriation at \$400,000 each for Engineering Research Center and Center for Light Microscope Imaging, \$200,000 for Powdered Metallurgy and \$1,000,000 for Super Computer Center.

ECONOMIC DEVELOPMENT PARTNERSHIP

Summary by Fund and Appropriation

	1992-93	(Dollar Amounts in Thousands)	
OTHER FUNDS	Actual	1993-94 Available	1994-95 Budget
CAPITAL LOAN FUND:			
Capital Loans — ARC	\$ 765	\$ 1,600	.....
Capital Loans — EDA	450	1,500	\$ 1,000
Capital Loans — General Fund .....	.....	1,000	700
Capital Loans — PERF	5,814	13,000	12,619
Capital Loans — Apparel Loan Board	924	1,840	1,381
Capital Loans — PENNAG Fund	685	1,500	1,000
Transfer to Economic Revitalization Fund .....	.....	.....	15,000
CAPITAL LOAN FUND TOTAL	\$ 8,638	\$ 20,440	\$ 31,700
MINORITY BUSINESS DEVELOPMENT FUND:			
General Operations	\$ 2,433	\$ 2,200	\$ 2,730
Legal Contingency	8	30	.....
Minority Business Development Loans	2,977	6,000	6,000
Venture Capital Fund	50	3,000	1,000
MINORITY BUSINESS DEVELOPMENT FUND TOTAL	\$ 5,468	\$ 11,230	\$ 9,730
STORAGE TANK LOAN FUND:			
General Operations	\$ 7	\$ 30	\$ 27
Storage Tank Loans	134	1,000	900
STORAGE TANK LOAN FUND TOTAL	\$ 141	\$ 1,030	\$ 927
SUNNY DAY FUND:			
U.S. Bioscience	\$ 2,000	.....	.....
Murry's Inc.	1,750	.....	.....
Blue Chip Products, Inc.	3,000	.....	.....
CONFAB/ICD Industries .....	.....	\$ 6,825	.....
Union Switch and Signal .....	.....	4,500	.....
AEG Transportation Systems .....	.....	7,000	.....
Agramer Ceramics, Inc. ....	.....	2,400	.....
Carol Cable .....	.....	3,000	.....
MACK Trucks .....	.....	2,700	.....
Saratan, Inc. ....	.....	2,000	.....
Bioscience Contract Production Corp. ....	.....	1,500	.....
SUNNY DAY FUND TOTAL	\$ 6,750	\$ 29,925	.....
WORKMEN'S COMPENSATION ADMINISTRATION FUND:			
(R) Small Business Advocate — Workers' Compensation .....	.....	.....	\$ 209
WORKMEN'S COMPENSATION ADMINISTRATION FUND TOTAL .....	.....	.....	\$ 209
OTHER FUNDS TOTAL	\$ 20,997	\$ 62,625	\$ 42,566
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 125,002	\$ 150,573	\$ 150,786
SPECIAL FUNDS	33,052	41,000	37,750
FEDERAL FUNDS	794	1,551	600
AUGMENTATIONS	5,177	9,794	8,927
RESTRICTED REVENUES	686	739	788
OTHER FUNDS	20,997	62,625	42,566
TOTAL ALL FUNDS	\$ 185,708	\$ 266,282	\$ 241,417

ECONOMIC DEVELOPMENT PARTNERSHIP

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1991-92 ACTUAL	1992-93 AVAILABLE	1993-94 BUDGET	1994-95 ESTIMATED	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED
MANAGEMENT AND POLICY							
General Funds.....	\$ 23,771	\$ 32,564	\$ 25,913	\$ 25,913	\$ 25,913	\$ 25,913	\$ 25,913
Special Funds.....	4,057	3,750	1,500	1,500	1,500	1,500	1,500
Federal Funds.....	516	1,050	600	600	600	600	600
Other Funds.....	5,686	10,348	9,729	9,973	10,198	10,371	10,590
TOTAL.....	\$ 34,030	\$ 47,712	\$ 37,742	\$ 37,986	\$ 38,211	\$ 38,384	\$ 38,603
INVESTMENT IN PUBLIC CAPITAL							
General Funds.....	\$ 70,217	\$ 81,344	\$ 56,508	\$ 76,008	\$ 78,508	\$ 78,508	\$ 78,508
Special Funds.....	12,080	14,500	14,500	14,500	14,500	14,500	14,500
Other Funds.....	0	0	15,000	0	0	0	0
TOTAL.....	\$ 82,297	\$ 95,844	\$ 86,008	\$ 90,508	\$ 93,008	\$ 93,008	\$ 93,008
INVESTMENT IN PRIVATE CAPITAL							
General Funds.....	\$ 1,069	\$ 3,125	\$ 35,575	\$ 12,925	\$ 10,925	\$ 9,925	\$ 8,925
Special Funds.....	16,915	21,750	21,750	21,750	25,250	25,250	24,250
Federal Funds.....	0	251	0	0	0	0	0
Other Funds.....	21,174	62,810	27,552	26,702	26,859	27,019	27,191
TOTAL.....	\$ 39,158	\$ 87,936	\$ 84,877	\$ 61,377	\$ 63,034	\$ 62,194	\$ 60,366
INVESTMENT IN TECHNOLOGY TRANSFER							
General Funds.....	\$ 29,945	\$ 33,540	\$ 32,790	\$ 32,790	\$ 32,790	\$ 32,790	\$ 32,790
Special Funds.....	0	1,000	0	0	1,000	0	0
Federal Funds.....	278	250	0	0	0	0	0
TOTAL.....	\$ 30,223	\$ 34,790	\$ 32,790	\$ 32,790	\$ 33,790	\$ 32,790	\$ 32,790
ALL PROGRAMS:							
GENERAL FUND.....	\$ 125,002	\$ 150,573	\$ 150,786	\$ 147,636	\$ 148,136	\$ 147,136	\$ 146,136
SPECIAL FUNDS.....	33,052	41,000	37,750	37,750	42,250	41,250	40,250
FEDERAL FUNDS.....	794	1,551	600	600	600	600	600
OTHER FUNDS.....	26,860	73,158	52,281	36,675	37,057	37,390	37,781
TOTAL.....	\$ 185,708	\$ 266,282	\$ 241,417	\$ 222,661	\$ 228,043	\$ 226,376	\$ 224,767

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 major 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. Domestically the marketing program targets key industries — those in which Pennsylvania has exhibited a particular competitive advantage.

The tourism marketing component 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 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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Traveler expenditures (in millions)	\$ 9,552	\$10,029	\$10,534	\$11,057	\$11,610	\$12,191	\$12,557
Tourist Promotion Assistance: Public/private funds leveraged (in thousands)	\$27,835	\$29,227	\$30,688	\$32,222	\$33,834	\$35,525	\$37,250
Designated distressed communities assisted	1,412	2,000	2,000	2,000	2,000	2,000	2,000
Feasibility studies funded	34	28	28	28	28	28	28

Traveler expenditures are significantly lower than the prior year presentation because it is supplied by the United States Travel Data Center which has revised its Travel Economic Impact Model to provide more accurate estimates.

Distressed communities assisted and feasibility studies funded have been revised from the prior year. The revised emphasis on regional projects results in fewer projects with inclusion of more communities in each project.

ECONOMIC DEVELOPMENT PARTNERSHIP

Program: Management and Policy (continued)

Program Recommendations:

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

<p>GENERAL FUND: General Government Operations</p> <p>\$ -6,475 —nonrecurring projects. 1,001 —to continue current program. \$ -5,474 Appropriation Decrease</p>	<p style="text-align: right;">Local Development District Grants —nonrecurring projects.</p> <p style="text-align: right;">\$ -150</p>
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All other appropriations are recommended to be continued at current levels or are nonrecurring projects.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
General Government Operations	\$ 8,808	\$ 15,007	\$ 9,533	\$ 9,533	\$ 9,533	\$ 9,533	\$ 9,533
Marketing	5,788	7,250	7,250	7,250	7,250	7,250	7,250
Industrial Development Assistance	500	500	500	500	500	500	500
Local Development District Grants	850	1,150	1,000	1,000	1,000	1,000	1,000
Appalachian Regional Commission	256	257	230	230	230	230	230
Tourist Promotion Assistance	7,200	7,400	7,400	7,400	7,400	7,400	7,400
Hardwoods Research and Promotion	369	.....	.....	.....	.....	.....	.....
Welcome America .....	.....	1,000	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 23,771	\$ 32,564	\$ 25,913	\$ 25,913	\$ 25,913	\$ 25,913	\$ 25,913
ECONOMIC REVITALIZATION FUND:							
Mon Valley Revitalization	\$ 970	\$ 1,000	.....	.....	.....	.....	.....
Beaver Valley Revitalization	243	250	.....	.....	.....	.....	.....
Shenango Valley Revitalization	243	250	.....	.....	.....	.....	.....
Community Economic Recovery	2,000	1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
Butler Revitalization	237	250	.....	.....	.....	.....	.....
Lawrence Revitalization	121	250	.....	.....	.....	.....	.....
Alle-Kiski Valley Revitalization	243	250	.....	.....	.....	.....	.....
TOTAL ECONOMIC REVITALIZATION FUND	\$ 4,057	\$ 3,750	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500

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 and Site Development Programs are aimed at developing local infrastructure in advance of industrial development. The Community Facilities 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. Site Development provides grants for access roads, water distribution and treatment, sewage collection lines, and channel realignment at present and future business sites.

The Partnership also administers funds for the development of the

Philadelphia, Erie and Pittsburgh ports. PENNPORTS is the agency that focuses on the economic enhancement of all three ports under one umbrella agency, including the recently created Philadelphia Regional Port Authority and Pittsburgh Port Commission. These funds are used to aid in the capital development of operating these ports, which not only generate port and shipping related jobs, but also assist Pennsylvania firms in exporting their products.

The Business Infrastructure Development (BID) Program was established to make grants and loans to local sponsors for the installation of specific infrastructure improvements necessary to complement planned industrial investment by private companies. BID is geared toward increasing Pennsylvania's share of domestic and international commerce and creating new jobs. However, BID ties infrastructure grants to actual business development as opposed to anticipated business development.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Site Development/BID:							
Jobs created/retained	2,398	3,000	3,000	3,000	3,000	3,000	3,000
Public/private funds leveraged (in thousands):	\$97,577	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Projects/communities assisted in distressed areas:	57	55	55	55	55	55	55

The measures of jobs created and funds leveraged changes from estimates shown in last year's budget due to the normal variance in project results.

Program Recommendations:

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

GENERAL FUND		PENNPORTS	
	Community Facilities		
\$ -1,500	—nonrecurring projects.	\$ -2,369	—nonrecurring projects.
		33	—to continue current program.
		\$ -2,336	<i>Appropriation Decrease</i>
	Transfer to PERF		
\$ -6,000	—to support PERF programs at recommended levels.		
-15,000	—availability of surplus Capital Loan Fund moneys to support PERF programs.		
<u>\$ -21,000</u>	<i>Appropriation Decrease</i>		

Site Development and BID are recommended to be continued at current year levels.

ECONOMIC DEVELOPMENT PARTNERSHIP

Program: Investment in Public Capital (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Site Development	\$ 773	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800
Community Facilities	1,890	1,500	.....	.....	.....	.....	.....
Transfer to PERF	55,691	65,500	44,500	64,000	66,500	66,500	66,500
PENNPORTS	11,863	13,544	11,208	11,208	11,208	11,208	11,208
TOTAL GENERAL FUND	<u>\$ 70,217</u>	<u>\$ 81,344</u>	<u>\$ 56,508</u>	<u>\$ 76,008</u>	<u>\$ 78,508</u>	<u>\$ 78,508</u>	<u>\$ 78,508</u>
 ECONOMIC REVITALIZATION FUND:							
Business Infrastructure Development	<u>\$ 12,080</u>	<u>\$ 14,500</u>	<u>\$ 14,500</u>	<u>\$ 14,500</u>	<u>\$ 14,500</u>	<u>\$ 14,500</u>	<u>\$ 14,500</u>

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, areas of high unemployment and enterprise zones. A qualified business may receive up to \$2 million at interest rates ranging from three percent to nine percent, depending upon the unemployment rate in the county where the project is located. Effective January 1, 1992, PIDA is funded via dedicated tax revenue in the form of \$75 million per calendar year from the Corporate Net Income Tax. An important new component of PIDA is job retention. PIDA now funds projects which retain jobs in addition to job creating projects. Companies seeking job retention funding must demonstrate that they are or seeking to become quality firms and have quality jobs.

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.

The Machinery and Equipment Loan Fund provides low-interest loans to manufacturers, industrial firms, agricultural processors and mining operations for machinery acquisitions and upgrading and feasibility assessments.

The Sunny Day Fund provides business expansion loans to large industrial, manufacturing or research and development enterprises considering a location in the Commonwealth.

The Economic Development Set-Aside, funded via an appropriation to the Department of Community Affairs but administered by the

Partnership, makes loans or grants to industrial, manufacturing or research and development enterprises which are located in distressed communities. The funds can be used for land and building acquisition, building construction and renovation, site preparation and infrastructure.

Environmental Technology loans are for recycling of municipal waste and manufacturers using recycled municipal waste materials. The loans are used for acquisition or upgrade of machinery and equipment.

Program Element: Minority Business

The Pennsylvania Minority Business Development Authority (PMBDA) offers low-interest loans to minority-owned businesses for fixed asset financing, 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 employee-owned enterprises in existing industries and industries which are experiencing layoffs or would otherwise close. The program also includes healthy firms, new firms and service firms.

Program Element: Pennsylvania Economic Development Financing Authority (PEDFA)

The Pennsylvania Economic Development Financing Authority (PEDFA) operates a loan program with the ability to finance economic development projects through pooled bond issues. PEDFA can finance land, buildings, machinery and equipment. Applications must be submitted through an industrial development authority.

Program Element: Defense Conversion

This program assists defense-related industry in Pennsylvania react to cuts in the Federal Government's defense budget.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Jobs created/retained:	16,974	26,933	28,406	29,213	34,243	39,243	44,243
Public/private funds leveraged (in thousands):	\$463,000	\$617,000	\$554,380	\$541,170	\$561,660	\$621,660	\$656,660
Businesses assisted	305	435	490	540	600	680	725

The number of businesses assisted is less than projected in last year's budget because PEDFA did not have the legal authority to do tax-exempt Industrial Development Bonds last year. Congress has since reauthorized the use of this type of bonds and PEDFA will assist more businesses in 1993-94.

Funds leveraged are more than projected in last year's budget because of a \$180 million waste disposal project funded via PEDFA. The budget and future years are projected at previous levels because it is not certain another project of that size will be funded.

Jobs created/retained are projected to be higher than projected in last year's budget because of the resumption of tax-exempt financing by PEDFA and the popularity of this type of financing.

Jobs created/retained and funds leveraged include Sunny Day Fund projects for the first time; they were not included in the measures in previous budgets.

ECONOMIC DEVELOPMENT PARTNERSHIP

Program: Investment in Private Capital (continued)

Program Recommendations:

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

GENERAL FUND:

Minority Business Development Authority
 \$ 7,950 —PRR — Enhanced Economic Development Efforts - To expand assistance to minority entrepreneurs. See the Program Revision following this program for more information.

Transfer to Sunny Day Fund
 \$ 25,000 —PRR — Enhanced Economic Development Efforts — To attract industrial, manufacturing, and research and development enterprises to the Commonwealth. See the Program Revision following this program for more information.

Other appropriations are recommended to be continued at current year levels or discontinued because they were nonrecurring projects.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Minority Business Development Authority		\$ 1,200	\$ 9,150	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Music Theatre Festival	\$ 97	100					
Economic Development Financing							
Authority	237	250	250	250	250	250	250
Defense Conversion	135	175	175	175	175	175	175
Small Business Development Centers	600	1,300	1,000	1,000	1,000	1,000	1,000
Micro-Loan Program		100					
Transfer to Sunny Day Fund			25,000	9,000	7,000	6,000	5,000
TOTAL GENERAL FUND	\$ 1,069	\$ 3,125	\$ 35,575	\$ 12,925	\$ 10,925	\$ 9,925	\$ 8,925
ECONOMIC REVITALIZATION FUND:							
Employe Ownership-Technical Assistance	\$ 236	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250
Machinery and Equipment Loan Fund	7,200	7,800	7,800	7,800	7,800	7,800	7,800
Industrial Communities Site Development and Action	9,479	13,700	13,700	13,700	13,700	13,700	13,700
Transfer to Pennsylvania Capital Loan Fund					3,500	3,500	2,500
TOTAL ECONOMIC REVITALIZATION FUND	\$ 16,915	\$ 21,750	\$ 21,750	\$ 21,750	\$ 25,250	\$ 25,250	\$ 24,250

ECONOMIC DEVELOPMENT PARTNERSHIP

Program Revision: Enhanced Economic Development Efforts

Through the Economic Development Partnership, Pennsylvania offers one of the most comprehensive packages of business assistance programs available in the nation. The flexibility to direct these resources to encourage the most promising opportunities for economic growth has been an integral part of the agency's success in stimulating Pennsylvania's economy. This Program Revision recommends \$35.2 million in additional State funding to support these efforts.

The Economic Development Partnership's ability to respond to changing economic conditions is especially important as the nation emerges from the recession. To take full advantage of the new opportunities brought about by this expansion, the Partnership must be prepared to offer services and capital that will enable Pennsylvania to create, attract and retain jobs and business investment. This Program Revision provides funding for a comprehensive economic development plan that will encourage existing firms and entrepreneurs to explore and develop business opportunities within the Commonwealth.

The Economic Development Partnership's ability to actively compete with other states to secure new business investment will be critical as firms consider expansion into new markets. The Sunny Day Fund provides low-interest loans to large industrial, manufacturing or research and development enterprises that are considering locating in the Commonwealth. Under this program, loans are made available to cover up to 50% of acquisition, construction and equipment expenses for projects costing at least \$10 million. These significant plant investments generate local and State revenues and create significant employment opportunities for Pennsylvania workers. This Program Revision provides \$25 million to enhance the Commonwealth's efforts to attract businesses through the Sunny Day Fund. These funds are expected to leverage an additional \$75 million in private investment funds and create over 1,600 additional jobs.

Small businesses also play an important role in the economic vitality of the Commonwealth. They traditionally generate a large portion of our economic growth and employment gains. The Economic Development Partnership's ability to foster the creation and growth of small businesses is directly tied to its ability to provide financing during the early, capital-intensive development phases. This financing is extremely important for minority entrepreneurs, who often experience difficulty securing adequate funding. Through the Pennsylvania Minority Business Development Authority, the Economic Development Partnership offers low-interest loans and technical assistance to minorities attempting to acquire or operate businesses. This Program Revision provides \$7.95 million to continue the department's efforts to assist socially and economically disadvantaged citizens to participate in the improved business climate. These funds are expected to leverage an additional \$9 million in private funds and create nearly 600 additional jobs.

In virtually every industry, the formula for business success begins with workers who are highly trained and motivated. Quality workers are especially important to firms considering substantial investment in expanded operations. Customized Job Training, a Department of Education program administered by the Economic Development Partnership, is the Commonwealth's primary work force development tool. Firms locating a new facility in the Commonwealth or expanding their existing operations are eligible to receive assistance for job training costs. This Program Revision provides \$2.245 million to enable the Economic Development Partnership to assist growing businesses meet their manpower needs. With these funds, businesses are expected to create over 1,000 new jobs.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Sunny Day Fund							
Jobs Created							
Current	466	3,933	667	733	800	867	900
Program Revision .....	.....	.....	2,333	1,333	1,333	1,333	1,333
Private Investment Leveraged (thousands)							
Current	\$ 21,000	\$ 177,000	\$ 30,000	\$ 33,000	\$ 36,000	\$ 42,000	\$ 45,000
Program Revision .....	.....	.....	\$ 105,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
Minority Business Development Authority							
Jobs Created							
Current	400	444	117	90	60	60	60
Program Revision .....	.....	.....	690	470	470	470	470
Private Funds Leveraged (thousands)							
Current	\$ 7,000	\$ 7,349	\$ 1,890	\$ 1,470	\$ 980	\$ 980	\$ 980
Program Revision .....	.....	.....	\$ 11,270	\$ 7,640	\$ 7,640	\$ 7,640	\$ 7,640
Customized Job Training							
Jobs Created							
Current	3,128	3,627	3,627	3,627	3,627	3,627	3,627
Program Revision .....	.....	.....	4,750	4,750	4,750	4,750	4,750

ECONOMIC DEVELOPMENT PARTNERSHIP

Program Revision: Enhanced Economic Development Efforts (continued)

Program Revision Recommendations: _____

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

ECONOMIC DEVELOPMENT PARTNERSHIP	
Transfer to Sunny Day Fund	
\$ 25,000	—to increase new business investment in Pennsylvania.
Minority Business Development Authority	
\$ 7,950	—to provide loans and technical assistance to socially and economically disadvantaged businesses.
EDUCATION	
Customized Job Training	
\$ 2,245	—to assist businesses in upgrading the skills of new and existing workers.
\$ 35,195	<i>Program Revision Total</i>

Recommended Program Revision Costs by Appropriation: _____

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Economic Development Partnership							
Transfer to Sunny Day Fund	\$ 25,000	\$ 9,000	\$ 7,000	\$ 6,000	\$ 5,000
Minority Business Development Authority	7,950	2,500	2,500	2,500	2,500
 Education							
Customized Job Training	2,245	2,245	2,245	2,245	2,245
TOTAL GENERAL FUND	<u>.....</u>	<u>.....</u>	<u>\$ 35,195</u>	<u>\$ 13,745</u>	<u>\$ 11,745</u>	<u>\$ 10,745</u>	<u>\$ 9,745</u>

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) is the Commonwealth's major technology development 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 nonprofit agencies 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 existing firms and to develop a technologically skilled workforce for Pennsylvania.

The Industrial Resource Centers (IRC) Program is 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. While the Ben Franklin Partnership helps companies develop new technologies, the IRCs work with existing small and medium size manufacturers to quickly adopt existing technologies and techniques that do not require substantial research. The centers are operated as nonprofit corporations and given significant direction from a board comprised of a majority of private sector representatives.

An ongoing effort in technology transfer is the Commonwealth's commitment to the Super Computing Center. These funds, included within the Ben Franklin Partnership appropriation, supplement a joint effort with the University of Pittsburgh, Carnegie Mellon University and Westinghouse Electric Corporation that first established and will now upgrade a National Super Computing Center in Pittsburgh which will eventually serve as a hub of a national communication network for related research facilities.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Jobs created/retained (cumulative)	4,744	6,000	7,300	8,600	9,900	11,200	12,500
Public/private funds leveraged (in thousands)	\$ 68,425	\$ 72,500	\$ 76,800	\$ 81,400	\$ 86,200	\$ 91,300	\$ 96,700
Businesses assisted	846	870	890	910	930	950	970

The decrease in public/private funds leveraged compared to last year's budget is due to the Ben Franklin Partnership's concentration on smaller companies which frequently can provide only the minimum required matching funds.

Program Recommendations:

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

GENERAL FUND:
Ben Franklin Partnership
 \$ -750 —nonrecurring project.

ECONOMIC REVITALIZATION FUND:
Engineering School Equipment
 \$ -1,000 —funding provided every third year.

Industrial Resource Centers is recommended to be continued at the current year level. Beginning in 1994-95 the Ben Franklin Partnership and Industrial Resource Centers appropriations will be transferred to the Ben Franklin/IRC Partnership Fund.

ECONOMIC DEVELOPMENT PARTNERSHIP

Program: Investment in Technology Transfer (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Ben Franklin Partnership	\$ 20,970	\$ 25,750	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Engineering Research Center	386	.....	.....	.....	.....	.....	.....
Industrial Resource Centers	5,790	7,790	7,790	7,790	7,790	7,790	7,790
Super Computer Center	965	.....	.....	.....	.....	.....	.....
Center for Light Microscope Imaging	386	.....	.....	.....	.....	.....	.....
Biotech Research	1,448	.....	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	<u>\$ 29,945</u>	<u>\$ 33,540</u>	<u>\$ 32,790</u>	<u>\$ 32,790</u>	<u>\$ 32,790</u>	<u>\$ 32,790</u>	<u>\$ 32,790</u>
 ECONOMIC REVITALIZATION FUND:							
Engineering School Equipment .....	.....	<u>\$ 1,000</u>	.....	.....	<u>\$ 1,000</u>	.....	.....



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

Title	Appropriation	1994-95 State Funds (in thousands)
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GENERAL FUND

Improving Special Education

Special Education	\$	23,675
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This Program Revision increases reimbursement rates for special education programs and sets aside funding for school districts with high special education costs.

Juvenile Justice System Expansion

Youth Development Centers - Education	\$	471
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This Program Revision provides funding for educational services at a new 100-bed maximum security Youth Development Center in central Pennsylvania. Please see the Department of Public Welfare for further details on this Program Revision.

Tuition Challenge Grants

Tuition Challenge Grants	\$	31,758
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This Program Revision will improve access to higher education through Tuition Challenge, which offers public universities approximately \$200 for each Pennsylvania resident full-time student if the institution's tuition and fee increases for 1994-95 do not exceed 4.5 percent, over the 1993-94 rates.

DEPARTMENT TOTAL	\$	<u>173,649</u>
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EDUCATION

Summary by Fund and Appropriation

GENERAL FUND	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Budget
GENERAL GOVERNMENT:			
General Government Operations	\$ 18,309	\$ 25,037	\$ 20,237
(F) Adult Basic Education	814	1,100	1,300
(F) Education of Exceptional Children	3,531	4,116	4,116
(F) ECIA Chapter (I)	2,384	4,800	4,846
(F) State Approving Agency (VA)	615	840	850
(F) Food and Nutrition Service	2,315	3,329	3,329
(F) Migrant Education — Administration	297	375	362
(F) Emergency Immigrant Education	4	5	2
(F) Civil Rights Technical Assistance	573	800	600
(F) Vocational Education	2,761	4,240	4,240
(F) Math and Science Teacher Training	403	1,164	1,107
(F) AIDS Demonstration/Training	103	147	.....
(F) Byrd Scholarships	405	425	822
(F) Project Learning Tree	1	4	5
(F) DFSC — Administration	950	1,041	768
(F) DFSC — Special Programs	4,852	4,522	3,074
(F) JTPA — Linkage	940	1,630	1,293
(F) ECIBG — Administration	457	615	772
(F) State and Community Highway Safety	461	537	547
(F) Homeless Assistance	1,027	1,236	1,210
(F) Homeless Assistance — Administration	14	61	65
(F) Medical Assistance — Nurses' Aide Program	120	190	190
(F) Preschool Grant	506	645	725
(F) Children with Severe Disabilities	16	86	86
(F) Head Start Collaboration Project	119	159	115
(F) Migrant Even Start	184	187	146
(F) National Workplace Literacy .....	.....	500	500
(F) State Literacy Resource Centers	236	359	420
(F) School Health Education Programs	125	582	518
(F) Environmental Education Workshops	4	5	.....
(F) Serve America	675	800	800
(F) School Based Health Care — ARC	20	.....	.....
(F) Pennsylvania Youth Apprenticeship .....	.....	6,250	5,250
(F) State Post-Secondary Review Entity .....	.....	300	1,500
(F) Christa McAuliffe Fellowship Program .....	.....	46	46
(F) Appalachian Regional Education Program .....	.....	300	300
(F) Youth Services .....	.....	.....	1,500
(F) Goals 2000 .....	.....	.....	4,000
(F) EPA/Air Pollution Prevention .....	.....	25	.....
(F) Motor Carrier Safety Assistance Training .....	.....	75	25
(F) Breath Analysis Device Inspection and Inventory .....	.....	50	25
(F) State Legalization Impact Assistance	- 40	.....	.....
(A) EDP Services	66	66	66
(A) Environmental Education	177	110	98
(A) PennSERVE	276	277	277
(A) Approved Private Schools	80	55	131
(A) National Center for Statistics	43	26	26
(A) Model Day Care	150	200	200
(A) School Co-op Conference	25	.....	.....
(A) Reimbursement from Department of Banking	118	104	108
(A) Early Intervention	1,014	850	850
(A) Teenage Parenting	74	30	30
(A) Family Literacy	45	.....	.....
(A) Nursing Aide Training	48	175	170
Subtotal — State Funds	\$ 18,309	\$ 25,037	\$ 20,237
Subtotal — Federal Funds	24,872	41,546	45,454
Subtotal — Augmentations	2,116	1,893	1,956
Total — General Government Operations	\$ 45,297	\$ 68,476	\$ 67,647

EDUCATION

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<u>GENERAL FUND</u>			
GENERAL GOVERNMENT: (continued)			
General Government Operations (continued)			
PA Assessment	\$ 550	\$ 4,550	\$ 4,550
State Library	2,870	2,947	3,311
(F) LSCA I	1,266	1,325	1,378
(F) Nuclear Regulatory Commission Document	8	12	12
(F) National Endowment for the Humanities .....	....	61	40
(F) Education Connection Network .....	....	375	....
(A) Penalties and Reimbursements	19	15	15
(A) LEXIS	1	1	1
(A) Photocopy Service	25	22	22
Subtotal — State Funds	\$ 2,870	\$ 2,947	\$ 3,311
Subtotal — Federal Funds	1,274	1,773	1,430
Subtotal — Augmentations	45	38	38
Total — State Library	\$ 4,189	\$ 4,758	\$ 4,779
Subtotal — State Funds	\$ 21,729	\$ 32,534	\$ 28,098
Subtotal — Federal Funds	26,146	43,319	46,884
Subtotal — Augmentations	2,161	1,931	1,994
Total — General Government	\$ 50,036	\$ 77,784	\$ 76,976
INSTITUTIONAL:			
Youth Development Centers Education	\$ 6,339	\$ 6,883	\$ 8,192
(F) Correction Education/Juvenile Institutions	55	61	40
(F) DCSI — Statewide Juvenile Records Center .....	....	40	27
Total — Youth Development Centers Education	\$ 6,394	\$ 6,984	\$ 8,259
Correctional Institutions Education	\$ 7,989	\$ 12,041	\$ 12,484
(F) Correctional Education	1,074	1,840	1,666
(F) JTPA Corrections	245	365	370
(F) Integrated Computer Literacy .....	....	82	....
(F) Correction Education Community Involvement	53	133	115
(A) Adult Literacy	221	325	350
Total — Correctional Institutions Education	\$ 9,582	\$ 14,786	\$ 14,985
Scranton State School for the Deaf	\$ 4,124	\$ 4,215	\$ 4,711
(F) ESEA — Education for the Handicapped	67	85	85
(F) School Milk Lunch	20	30	30
(F) Life Long Learning	1	11	11
(F) Adult Basic Education .....	....	10	10
(A) Adult Literacy	77	....	....
(A) Cafeteria	49	85	85
(A) Tuition Recovery	657	717	732
Total — Scranton State School for the Deaf	\$ 4,995	\$ 5,153	\$ 5,664
Scotland School for Veterans' Children	\$ 6,192	\$ 6,756	\$ 6,981
(F) ESEA — Education for the Disadvantaged	272	500	300
(F) School Milk Lunch	274	300	275
(F) DCSI — Special Programs/Scotland School for Veterans' Children .....	....	20	....
(A) Cafeteria and School Maintenance Fees	63	59	80
(A) Tuition Recovery	1,605	1,639	1,751
Total — Scotland School for Veterans' Children	\$ 8,406	\$ 9,274	\$ 9,387

EDUCATION

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
<i>INSTITUTIONAL: (continued)</i>			
Thaddeus Stevens State School of Technology	\$ 4,624	\$ 4,913	\$ 5,171
(F) Vocational Education	50	350	.....
(A) Tuition and Fees	806	807	815
Total — Thaddeus Stevens State School	\$ 5,480	\$ 6,070	\$ 5,986
Subtotal — State Funds	\$ 29,268	\$ 34,808	\$ 37,539
Subtotal — Federal Funds	2,111	3,827	2,929
Subtotal — Augmentations	3,478	3,632	3,813
Total — Institutional	\$ 34,857	\$ 42,267	\$ 44,281
GRANTS AND SUBSIDIES:			
<i>Support of Public Schools</i>			
Basic Education Funding	\$ 2,961,303	\$ 3,090,303 ^a	\$ 3,090,303
(F) DFSC — School Districts	17,416	18,783	13,864
Foundation Funding for Equity .....	.....	.....	108,000
Distressed School District Assistance .....	.....	1,000 ^b	5,000
Woodland Hills Desegregation	4,000	4,000	2,479
For the Improvement of Teaching	1,435	1,448	1,448
(F) Math and Science Teacher Training .....	.....	13,352	14,873
Adult Literacy	7,250	7,750	7,750
(F) Adult Literacy .....	.....	1,500	.....
(F) Adult Basic Education — Local .....	.....	16,700	14,905
Vocational Education	38,922	39,166	39,166
(F) Vocational Education Act — Local .....	.....	65,000	55,600
Authority Rentals and Sinking Fund Requirements	181,800	183,963	163,963
Pupil Transportation	250,000	278,000	304,829
Nonpublic Pupil Transportation	22,458	28,620	29,138
Special Education	543,560	555,952	589,871
PA Charter Schools for the Deaf and Blind	18,240	18,823	15,980
Instructional Support Teams	9,000	10,500	11,052
Early Intervention	41,479	44,647	62,185
(F) Child Care Services Block Grant	5,575	5,797	5,937
(F) Education for Disabled Children	950	1,099	1,210
Homebound Instruction	449	544	650
Tuition for Orphans and Children Placed in Private Homes	24,600	26,500	33,772
Payments in Lieu of Taxes	95	486	180
Education of Migrant Laborers' Children	203	210	216
(A) Migrant Education	630	630	630
Education of the Disadvantaged	965	965	965
Special Education — Approved Private Schools	57,760	57,177	40,730
Special Education — Approved Private Schools Audits	1	.....	.....
Private Residential Rehabilitative Institutions	500	500	500
Higher Education of Blind or Deaf Students	48	50	50
Intermediate Units	13,175	12,500	11,000
School Food Services	13,265	13,873	15,264
School Employees' Social Security	262,580	270,400	278,008
(A) School Employees' Social Security	2,000	.....	.....
School Employees' Retirement Fund Transfer	504,675	444,059	444,059

^a Includes \$2,961,303,000 appropriated for Equalized Subsidy for Basic Education and \$129,000,000 of the \$130,000,000 appropriated for Equity Supplement.

^b Actually appropriated as part of the \$130,000,000 for Equity Supplement.

EDUCATION

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
<i>GRANTS AND SUBSIDIES: (continued)</i>			
<i>Support of Public Schools (continued)</i>			
Education of Indigent Children	\$ 108	\$ 156	\$ 100
(F) ECIBG — School Districts	15,650	15,863	12,680
(F) ECIBG — Discretionary	3,248	3,140	2,935
(F) ECIA — Title I — Local	392,974	409,339	328,000
(F) Individuals with Disabilities Education — Local	107,677	105,975	98,663
(F) Food and Nutrition — Local	189,855	209,883	215,342
Subtotal — State Funds	\$ 4,957,871	\$ 5,091,592	\$ 5,256,658
Subtotal — Federal Funds	733,345	866,431	764,009
Subtotal — Augmentations	2,630	630	630
Total — Support of Public Schools	\$ 5,693,846	\$ 5,958,653	\$ 6,021,297
 <i>Other Grants and Subsidies:</i>			
Customized Job Training	\$ 6,033	\$ 7,755	\$ 10,000
(F) Job Link	450	1,500	1,500
JTPA — Matching Funds	4,827	6,811	5,672
(F) JTPA — Educational Training	4,487	6,111	6,372
(F) JTPA — Emergency Summer Youth	14,072	.....	.....
Services to Nonpublic Schools	53,996	56,291	58,256
Textbooks and Supplies for Nonpublic Schools	16,525 ^a	17,230 ^b	17,831
Teen Pregnancy and Parenthood	895	1,284	1,284
(F) Teenage Parenting	167	1,161	826
(F) Enhanced High School Driver Education	5	20	29
(F) Maternal and Child Health Services	289	389	389
Comprehensive Reading	279	300	300
Dropout Prevention	1,062	1,100	1,100
(F) DFSC — Special Program — Dropout Prevention	564	660	450
Improvement of Library Services	22,803	23,809	23,809
Library Services for Visually Impaired and Disabled	2,063	2,138	2,202
Library Access	3,000	3,000	3,000
School Library Catalog	386	400	400
Distance Learning	338	338	338
Ethnic Heritage	97	100	100
Governor's Schools for Excellence	1,012	1,012	1,042
Keystone State Games	193	200	200
Children's Literacy Council	386	.....	.....
PA Career Development .....	.....	500	500
Children's Literacy Program .....	.....	400	.....
Minority Higher Education Enrichment .....	.....	500	.....
Job Training Programs .....	.....	3,000	.....
Subtotal — State Funds	\$ 113,895	\$ 126,168	\$ 126,034
Subtotal — Federal Funds	20,034	9,841	9,566
Total — Other Grants and Subsidies	\$ 133,929	\$ 136,009	\$ 135,600

^a Actually appropriated as \$10,397,000 for Textbooks for Nonpublic Schools and \$6,128,000 for Student Supplies for Nonpublic Schools.

^b Actually appropriated as \$10,841,000 for Textbooks for Nonpublic Schools and \$6,389,000 for Student Supplies for Nonpublic Schools.

EDUCATION

Summary by Fund and Appropriation

GENERAL FUND	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<i>GRANTS AND SUBSIDIES: (continued)</i>			
<i>Higher Education — Other Grants and Subsidies:</i>			
Community Colleges	\$ 140,089	\$ 150,471	\$ 147,649
Higher Education of the Disadvantaged	7,222	7,497	7,600
Rural Initiatives	343	164	....
Tuition Challenge Grants .....	....	....^a	31,758
Subtotal — Higher Education — Other Grants and Subsidies	\$ 147,654	\$ 158,132	\$ 187,007
<i>State System of Higher Education:</i>			
State Universities	\$ 357,976	\$ 372,085	\$ 372,085
Recruitment of the Disadvantaged	300	312	321
McKeever Center .....	....	100	....
Teaching Academy .....	....	200	....
Affirmative Action	1,076	1,076	1,076
Deferred Maintenance .....	....	4,500	....
Labor Studies .....	....	250	....
Rural Education and Community Services .....	....	500	....
Subtotal — State System of Higher Education	\$ 359,352	\$ 379,023	\$ 373,482
<i>State-Related Universities:</i>			
<i>The Pennsylvania State University:</i>			
Educational and General	\$ 189,319	\$ 198,600	\$ 198,600
Medical Education	4,425 ^b	4,425 ^c	4,425
Children's Hospital	4,659 ^b	4,659 ^c	4,659
Agricultural Research	18,352	18,300	17,869
Agricultural Extension Services	19,787	19,787	19,787
Recruitment of the Disadvantaged	300	312	321
Psychiatric Education	1,568	1,568	1,568
Pennsylvania College of Technology	9,186	9,962	9,962
Pennsylvania College of Technology — Debt Service	1,608	1,597	1,597
Subtotal — The Pennsylvania State University	\$ 249,204	\$ 259,210	\$ 258,788
<i>University of Pittsburgh:</i>			
Educational and General	\$ 119,314	\$ 123,511	\$ 123,511
Medical Programs	6,239	6,239	6,239
Dental Clinics	1,030	1,030	1,030
Recruitment of the Disadvantaged	300	312	321
Western Psychiatric Institute	7,693	7,693	7,693
Western Teen Suicide Center	497	497	497
Subtotal — University of Pittsburgh	\$ 135,073	\$ 139,282	\$ 139,291
<i>Temple University:</i>			
Educational and General	\$ 128,078	\$ 131,689	\$ 131,339
Medical Programs	8,305	8,305	8,305
Dental Clinics	1,030	1,030	1,030
Recruitment of the Disadvantaged	300	312	321
Maxillofacial Prosthodontics	96	125	96
Subtotal — Temple University	\$ 137,809	\$ 141,461	\$ 141,091

^a Actually appropriated as \$31,758,000 which has been distributed based on enrollment as follows: State System of Higher Education State Universities appropriation \$14,109,000; the Pennsylvania State University Educational and General appropriation \$9,281,000 and the Pennsylvania College of Technology appropriation \$776,000; the University of Pittsburgh Educational and General appropriation \$4,197,000; the Temple University Educational and General appropriation \$3,261,000; and the Lincoln University Educational and General appropriation \$134,000.

^b Actually appropriated as part of the Medical Programs \$9,084,000 appropriation.

^c Actually appropriated as part of the Medical Programs \$9,084,000 appropriation.

EDUCATION

Summary by Fund and Appropriation

GENERAL FUND	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<i>GRANTS AND SUBSIDIES: (continued)</i>			
<i>State Related Universities: (continued)</i>			
Lincoln University:			
Educational and General	\$ 9,305	\$ 9,439	\$ 9,439
Recruitment of the Disadvantaged	300	312	321
International Affairs	289	289	289
Subtotal — Lincoln University	\$ 9,894	\$ 10,040	\$ 10,049
 <i>Non-State-Related Universities and Colleges:</i>			
Drexel University	\$ 2,822	\$ 4,233	\$ 5,446
 Hahnemann Medical College:			
Medical Programs .....	.....	\$ 6,185 *	\$ 4,852
Allied Health Programs .....	.....	1,148 *	886
Disadvantaged Students .....	.....	362 *	321
Subtotal — Hahnemann Medical College .....	.....	\$ 7,695	\$ 6,059
 Thomas Jefferson University:			
Medical Programs	\$ 3,041	\$ 4,562	\$ 5,869
Operations and Maintenance	2,131	3,097	4,113
Subtotal — Thomas Jefferson University	\$ 5,172	\$ 7,659	\$ 9,982
 The Medical College of Pennsylvania:			
Medical Programs	\$ 1,705	\$ 2,457	\$ 3,290
Allied Health Programs	473	709	912
Subtotal — The Medical College of Pennsylvania	\$ 2,178	\$ 3,166	\$ 4,202
 University of Pennsylvania:			
Instruction	\$ 8,026	\$ 11,838	\$ 15,489
Dental Clinics	515	773	994
Medical Programs	2,218	3,326	4,280
School of Veterinary Medicine	7,456	7,456	7,456
New Bolton	1,894	2,840	3,654
Food and Animal Clinics	1,020	1,529	1,968
Center for Animal Health and Productivity	623	934	1,201
Subtotal — University of Pennsylvania	\$ 21,752	\$ 28,696	\$ 35,042
Pennsylvania College of Podiatric Medicine	\$ 661	\$ 991	\$ 1,275
Pennsylvania College of Optometry	802	1,203	1,548
Philadelphia University of the Arts	766	1,011	1,043
Philadelphia College of Osteopathic Medicine	2,706	4,058	5,222
Subtotal — Non-State-Related Universities and Colleges	\$ 36,859	\$ 58,712	\$ 69,819
Total — Higher Education Grants and Subsidies	\$ 1,075,845	\$ 1,145,860	\$ 1,179,527
 <i>Non-State-Related Institutions:</i>			
Berean:			
Maintenance	\$ 1,054	\$ 1,154	\$ 1,054
Rental Payments	98	98	98
Subtotal — Berean	\$ 1,152	\$ 1,252	\$ 1,152
 Downingtown:			
Rental	\$ 78	\$ 78	.....

* Recommended supplemental appropriation.

EDUCATION

Summary by Fund and Appropriation

GENERAL FUND	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GRANTS AND SUBSIDIES: (continued)			
Johnson Technical Institute	\$ 202	\$ 202	\$ 202
Williamson Free School of Mechanical Trades	73	73	73
Subtotal — Non-State-Related Institutions	\$ 1,505	\$ 1,605	\$ 1,427
Total — Grants and Subsidies	\$ 1,077,350	\$ 1,147,465	\$ 1,180,954
STATE FUNDS	\$ 6,200,113	\$ 6,432,567	\$ 6,629,283
FEDERAL FUNDS	781,636	923,418	823,388
AUGMENTATIONS	8,269	6,193	6,437
GENERAL FUND TOTAL	\$ 6,990,018	\$ 7,362,178	\$ 7,459,108
 MOTOR LICENSE FUND			
GRANTS AND SUBSIDIES:			
Safe Driving Course	\$ 1,650	\$ 1,804	\$ 1,672
MOTOR LICENSE FUND TOTAL	\$ 1,650	\$ 1,804	\$ 1,672
 OTHER FUNDS			
GENERAL FUND:			
Library Services — Extension, Development and Improvement	\$ 3,296	\$ 8,211	\$ 8,256
Pennsylvania State University — Land Grant Aid .....	.....	50	50
Emergency Immigrant Assistance	147	190	168
Surety Bond Proceeds	78	80	80
Tax Sheltered Annuities	12,812	13,000	13,000
Homeless Adult Assistance	84	445	450
Temporary Special Aid	1,493	747	747
Severely Handicapped Program	183	238	232
Private Licensed Schools	329	417	456
Medical Assistance Reimbursements	851	4,000	1,085
Education of the Disabled Part D	227	297	297
Education of the Disabled Part C	41	227	416
Total — General Fund	\$ 19,541	\$ 27,902	\$ 25,237
SCHOOL EMPLOYEES RETIREMENT FUND:			
Administration	\$ 18,023	\$ 20,602	\$ 20,059
KEYSTONE RECREATION, PARK AND CONSERVATION FUND:			
Local Libraries Rehabilitation and Development .....	.....	.....	\$ 2,500
OTHER FUNDS TOTAL	\$ 37,564	\$ 48,504	\$ 47,796
 DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 6,200,113	\$ 6,432,567	\$ 6,629,283
SPECIAL FUNDS	1,650	1,804	1,672
FEDERAL FUNDS	781,636	923,418	823,388
AUGMENTATIONS	8,269	6,193	6,437
OTHER FUNDS	37,564	48,504	47,796
TOTAL ALL FUNDS	\$ 7,029,232	\$ 7,412,486	\$ 7,508,576

EDUCATION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
EDUCATION SUPPORT SERVICES							
General Funds.....	\$ 18,309	\$ 25,037	\$ 20,237	\$ 20,237	\$ 20,237	\$ 20,237	\$ 20,237
Federal Funds.....	24,872	41,546	45,454	45,404	44,604	44,604	44,604
Other Funds.....	14,928	14,893	14,956	14,956	14,956	14,956	14,956
TOTAL.....	\$ 58,109	\$ 81,476	\$ 80,647	\$ 80,597	\$ 79,797	\$ 79,797	\$ 79,797
BASIC EDUCATION							
General Funds.....	\$ 5,057,878	\$ 5,208,320	\$ 5,374,477	\$ 5,340,619	\$ 5,340,619	\$ 5,340,619	\$ 5,340,619
Special Funds.....	1,650	1,804	1,672	1,672	1,672	1,672	1,672
Federal Funds.....	736,431	872,138	768,632	768,618	768,605	768,605	768,605
Other Funds.....	26,758	30,698	27,618	28,761	29,991	30,933	32,125
TOTAL.....	\$ 5,822,717	\$ 6,112,960	\$ 6,172,399	\$ 6,139,670	\$ 6,140,887	\$ 6,141,829	\$ 6,143,021
JOB TRAINING							
General Funds.....	\$ 16,911	\$ 21,006	\$ 22,270	\$ 22,270	\$ 22,270	\$ 22,270	\$ 22,270
Federal Funds.....	19,059	7,961	7,872	7,872	7,872	7,872	7,872
Other Funds.....	806	807	815	815	815	815	815
TOTAL.....	\$ 36,776	\$ 29,774	\$ 30,957	\$ 30,957	\$ 30,957	\$ 30,957	\$ 30,957
LIBRARY SERVICES							
General Funds.....	\$ 31,122	\$ 32,294	\$ 32,722	\$ 32,722	\$ 32,722	\$ 32,722	\$ 32,722
Federal Funds.....	1,274	1,773	1,430	1,430	1,430	1,430	1,430
Other Funds.....	3,341	8,249	10,794	9,703	9,886	9,891	9,887
TOTAL.....	\$ 35,737	\$ 42,316	\$ 44,946	\$ 43,855	\$ 44,038	\$ 44,043	\$ 44,039
HIGHER EDUCATION							
General Funds.....	\$ 1,075,893	\$ 1,145,910	\$ 1,179,577	\$ 1,179,577	\$ 1,179,577	\$ 1,179,577	\$ 1,179,577
Other Funds.....	0	50	50	6,390	7,216	7,235	7,218
TOTAL.....	\$ 1,075,893	\$ 1,145,960	\$ 1,179,627	\$ 1,185,967	\$ 1,186,793	\$ 1,186,812	\$ 1,186,795
ALL PROGRAMS:							
GENERAL FUND.....	\$ 6,200,113	\$ 6,432,567	\$ 6,629,283	\$ 6,595,425	\$ 6,595,425	\$ 6,595,425	\$ 6,595,425
SPECIAL FUNDS.....	1,650	1,804	1,672	1,672	1,672	1,672	1,672
FEDERAL FUNDS.....	781,636	923,418	823,388	823,324	822,511	822,511	822,511
OTHER FUNDS.....	45,833	54,697	54,233	60,625	62,864	63,830	65,001
TOTAL.....	\$ 7,029,232	\$ 7,412,486	\$ 7,508,576	\$ 7,481,046	\$ 7,482,472	\$ 7,483,438	\$ 7,484,609

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 115,000 annuitants.

Program Recommendations:

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

\$ -6,430	General Government Operations
	—nonrecurring projects.
<u>1,630</u>	—to continue current program.
\$ -4,800	Appropriation Decrease

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
General Government Operations	<u>\$ 18,309</u>	<u>\$ 25,037</u>	<u>\$ 20,237</u>	<u>\$ 20,237</u>	<u>\$ 20,237</u>	<u>\$ 20,237</u>	<u>\$ 20,237</u>

EDUCATION

Program: Basic Education (continued)

Program Measures

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Basic Education							
Public school enrollments (K-12)	1,717,613	1,745,230	1,779,550	1,811,550	1,838,510	1,859,800	1,876,350
Actual instruction expense (AIE) per weighted average daily membership (WADM)	\$3,950	\$4,175	\$4,425	\$4,700	\$4,975	\$5,275	\$5,275
High school graduation rates	84.5	84.5	84.5	84.5	84.5	84.5	84.5
Graduates enrolling in business, technical or college programs	66,030	66,040	69,710	70,050	71,850	72,400	73,130
Vocational education enrollments	104,400	106,430	109,930	112,980	116,240	116,240	116,240
Vocational education students placed in jobs	12,140	12,350	12,760	13,110	13,490	13,490	13,490
Students taking PA Assessment	250,000	300,000	489,000	501,000	511,000	511,000	511,000
Dropout prevention program enrollments	30,300	31,000	31,000	31,000	31,000	31,000	31,000
Students served by teen parenting programs	4,757	5,300	5,400	5,400	5,400	5,400	5,400
Total General Educational Development (GED) diplomas	18,414	18,966	19,535	20,121	20,725	21,347	21,987
Enrollment in adult basic education	115,500	118,000	120,000	120,000	120,000	120,000	120,000
Scotland School for Veterans' Children enrollment	335	340	340	340	340	340	340
Basic Education-Nonpublic Schools							
Nonpublic school enrollment	326,586	325,988	324,176	325,000	325,800	326,600	327,400
Basic Education-Adjudicated Youth and Incarcerated Adults							
Youth Development Centers							
Total youths served	1,184	1,184	1,550	1,550	1,550	1,550	1,550
Corrections Education							
Enrollments in institutional programs	7,400	8,600	8,800	8,800	8,800	8,800	8,800
Classes presented	460	520	550	570	570	570	570
General Educational Development diplomas (GED's) issued	978	1,005	1,205	1,285	1,285	1,285	1,285
Inmates placed in jobs through job placement programs	265	55					

The name of the measure Median instructional cost per public school pupil has been changed to Actual instruction expense (AIE) per weighted average daily membership (WADM) to more accurately represent the data presented.

The number of students taking PA Assessment in 1993-94 is less than originally anticipated because the plan to test all students was revised to test only one-third of students plus any school districts that voluntarily agree to participate in testing.

The increase in dropout prevention program enrollments over last year's budget projection reflects restructuring of program from providing services to selected students to restructuring school services for all students attending a targeted school building. The name of this measure changed from students served by dropout prevention programs.

Increase from 1992-93 to 1993-94 in number of students served by teen parenting programs is a result of program expansion through a State funding increase totaling \$389,000.

Enrollments in institutional programs and the number of classes presented for incarcerated adults will increase as new prison facilities are opened.

The number of GED's issued to incarcerated adults increases as the number of inmates participating in educational classes increases.

Inmate job placement program was phased out and discontinued in September 1993 and replaced by job counseling services.

EDUCATION

Program: Basic Education (continued)

Program Measures (continued)

<i>Special Education</i>	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Pupils with disabilities enrolled in programs	198,851	191,202	183,554	174,009	163,492	163,492	163,492
Pupils enrolled in programs for the gifted	79,756	79,756	79,756	79,756	79,756	79,756	79,756
Scranton School for the Deaf enrollments	100	108	115	115	115	115	115
Students in approved vocational education programs	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Students in approved vocational education programs completing program	3,050	3,050	3,050	3,050	3,050	3,050	3,050

Program Recommendations:

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

GENERAL FUND:			Foundation Funding for Equity
\$ 496	Scranton State School for the Deaf —to continue current program.	\$ 108,000	—PRR - Basic Education Equity Funding. This Program Revision directs funding to school districts whose combined State and local support is less than \$4,700 per student and to school districts with students from low-income families. See Program Revision following this program for further information.
\$ 225	Scotland School for Veterans' Children —to continue current program.		
\$ 471	Youth Development Centers — Education —PRR - Juvenile Justice System Expansion. This Program Revision Expansion provides educational services at a new 100 bed maximum security Youth Development Center in central Pennsylvania. See the PRR Juvenile Justice System Expansion under the Department of Public Welfare for further information.	\$ 4,000	Distressed School District Assistance —PRR - Distressed School District Assistance. This Program Revision provides transition funding to financially distressed school districts which experienced declines in assessed property values over a seven-year period. See Program Revision following this program for further information.
360	—Initiative - Education Services for Allentown Youth Development Center. This Program Initiative provides educational services for 20 youths at the Allentown Secure Female Unit scheduled to open in August 1994.	\$ -1,521	Woodland Hills Desegregation —nonrecurring costs.
478	—to continue current program.		
\$ 1,309	<i>Appropriation Increase</i>	\$ 552	Instructional Support Team —Initiative - Instructional Support Team Expansion. This Program Initiative expands the Instructional Support Team Program to an additional 80 school districts.
\$ 443	Correction Education —to continue current program.		

EDUCATION

Program: Basic Education (continued)

Program Recommendations: (continued)

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

	GENERAL FUND: (continued)		
	Authority Rentals and Sinking Fund	\$ 591	School Food Services
\$ -20,000	—to continue current program.	800	—to continue current program.
		\$ 1,391	—nonrecurring costs.
	Pupil Transportation		<i>Appropriation Increase</i>
\$ 6,031	—to continue current program.		
20,798	—nonrecurring costs.	\$ 7,608	School Employees' Social Security
\$ 26,829	<i>Appropriation Increase</i>		—to meet one-half of the employers' share.
			Education of Indigent Children
	Nonpublic Pupil Transportation	\$ -56	—to continue current program.
\$ 197	—to maintain current program.		Services to Nonpublic Schools
321	—nonrecurring costs.	\$ 1,965	—to continue current program.
\$ 518	<i>Appropriation Increase</i>		Textbooks and Supplies for Nonpublic Schools
			—to continue current program.
	Special Education	\$ 601	Governor's School of Excellence
\$ 10,244	—to continue current program.		—to continue current program.
23,675	—PRR — Improving Special Education. This Program Revision increases reimbursement rates for special education programs and sets aside funding for school districts with high special education costs.	\$ 30	Children's Literacy Program
			—nonrecurring projects.
\$ 33,919	<i>Appropriation Increase</i>	\$ -400	Job Training Programs
			—nonrecurring projects.
	Early Intervention	\$ -3,000	Minority Higher Education Enrichment
\$ 3,500	—PRR — Improving Preschool Education. This Program Revision provides a new funding approach for early intervention services by distributing funds to school districts based upon the number of children ages three to five residing within the district and provides services for an additional 1,533 children. A total of \$6.892 million is provided by this Program Revision across two departments. See Program Revision following this program for further information.	\$ -500	—nonrecurring projects.
			Downtown Industrial and Agricultural School — Rental
		\$ -78	—nonrecurring cost.
7,556	—to continue current program.		
6,482	—nonrecurring costs.		
\$ 17,538	<i>Appropriation Increase</i>		
	Homebound Instruction		
\$ -1	—to continue current program.		
107	—nonrecurring costs.		
\$ 106	<i>Appropriation Increase</i>		
	Tuition for Orphans and Children in Private Homes		
\$ 4,365	—to continue current program.		
2,907	—nonrecurring costs.		
\$ 7,272	<i>Appropriation Increase</i>		
	Payments in Lieu of Taxes		
\$ -306	—to continue current program.		
	Education of Migrant Laborers' Children		
\$ 6	—to continue current program.		
	Special Education - Approved Private Schools		
\$ -16,447	—to continue current program.		
	PA Charter Schools for the Deaf and Blind		
\$ -2,843	—to continue current program.		
	Intermediate Units		
\$ -1,500	—to continue current program.		

In addition this budget provides a Family Center Expansion Initiative. This Initiative allocates up to 1% of various appropriations, for a total of \$1.558 million, to be used by the Department of Education, in conjunction with the Departments of Health, Public Welfare and Labor and Industry, to establish community-based family centers. These State funds will match private, Federal and local funds that become available to support the development of family centers. Family centers will provide early childhood development and parenting education programs and establish information and referral networks with local health care and social service agencies, and job training employment programs.

The State appropriations subject to the 1% allocation for family centers include: Department of Education — Approved Private Schools, Teen Pregnancy and Parenthood, Dropout Prevention; Department of Health — Supplemental Food Program for Women, Infants and Children, Maternal and Child Health; and Department of Public Welfare — Early Intervention, Day Care, the Living in Family Environments funding within Mental Health, and the Family Preservation funding and Child Abuse Family Services funding within County Child Welfare.

EDUCATION

Program: Basic Education (continued)

Program Recommendations: (continued)

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

GENERAL FUND: (continued)

In addition to the 1% allocation of various State appropriations, this Initiative recommends that up to \$300,000 from Job Centers appropriation within the Department of Labor and Industry and \$4.119 million in Federal Family Center and Support Services funding be allocated for family center expansion in 1994-95.

The \$5.977 provided through this Initiative, in addition to the \$3.8 million in Federal Child Care and Development Block Grant funds currently allocated to this program, will

provide for the continuation and/or enhancement of the 33 existing family centers and for the establishment of approximately 16 new family centers in 1994-95. Of the State funds provided through this Initiative, up to \$150,000 is available for the development of training programs and local governance structures that support the family center objectives.

MOTOR LICENSE FUND: Safe Driving Program

—to continue current program.

\$ -132

All other appropriations are recommended at the 1993-94 funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
PA Assessment	\$ 550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550	\$ 4,550
Scranton State School for the Deaf	4,124	4,215	4,711	4,711	4,711	4,711	4,711
Scotland School for Veterans' Children	6,192	6,756	6,981	6,981	6,981	6,981	6,981
Youth Development Centers	6,339	6,883	8,192	8,228	8,228	8,228	8,228
Correction Education	7,989	12,041	12,484	12,484	12,484	12,484	12,484
Basic Education Funding	2,961,303	3,090,303	3,090,303	3,090,303	3,090,303	3,090,303	3,090,303
Foundation Funding for Equity			108,000	108,000	108,000	108,000	108,000
Distressed School District Assistance		1,000	5,000	5,000	5,000	5,000	5,000
Woodland Hills Desegregation	4,000	4,000	2,479				
Instructional Support Team	9,000	10,500	11,052	11,052	11,052	11,052	11,052
For the Improvement of Teaching	1,435	1,448	1,448	1,448	1,448	1,448	1,448
Adult Literacy	7,250	7,750	7,750	7,750	7,750	7,750	7,750
Vocational Education	38,922	39,166	39,166	39,166	39,166	39,166	39,166
Authority Rentals and Sinking Fund	181,800	183,963	163,963	163,963	163,963	163,963	163,963
Pupil Transportation	250,000	278,000	304,829	284,031	284,031	284,031	284,031
Nonpublic Pupil Transportation	22,458	28,620	29,138	28,817	28,817	28,817	28,817
Special Education	543,560	555,952	589,871	589,871	589,871	589,871	589,871
Early Intervention	41,479	44,647	62,185	55,703	55,703	55,703	55,703
Homebound Instruction	449	544	650	543	543	543	543
Tuition for Orphans and Children Placed in Private Homes	24,600	26,500	33,772	30,865	30,865	30,865	30,865
Payments in Lieu of Taxes	95	486	180	180	180	180	180
Education of Migrants' Children	203	210	216	216	216	216	216
Education of Disadvantaged	965	965	965	965	965	965	965
Special Education — Approved Private School Audits	1						
Special Education—Approved Private Schools	57,760	57,177	40,730	40,730	40,730	40,730	40,730
PA Charter Schools for Deaf and Blind	18,240	18,823	15,980	15,980	15,980	15,980	15,980
Private Residential Rehabilitative Institutions	500	500	500	500	500	500	500
Intermediate Units	13,175	12,500	11,000	11,000	11,000	11,000	11,000
School Food Services	13,265	13,873	15,264	14,464	14,464	14,464	14,464
School Employees' Social Security	262,580	270,400	278,008	278,008	278,008	278,008	278,008
School Retirement	504,675	444,059	444,059	444,059	444,059	444,059	444,059
Education of Indigent Children	108	156	100	100	100	100	100
Services to Nonpublic School	53,996	56,291	58,256	58,256	58,256	58,256	58,256
Textbooks and Supplies for Nonpublic Schools	16,525	17,230	17,831	17,831	17,831	17,831	17,831
Teen Pregnancy and Parenting	895	1,284	1,284	1,284	1,284	1,284	1,284

EDUCATION

Program: Basic Education (continued)

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
GENERAL FUND: (continued)							
Comprehensive Reading	279	300	300	300	300	300	300
Dropout Prevention	1,062	1,100	1,100	1,100	1,100	1,100	1,100
Distance Learning	338	338	338	338	338	338	338
Ethnic Heritage Studies	97	100	100	100	100	100	100
Governor's Schools of Excellence	1,012	1,012	1,042	1,042	1,042	1,042	1,042
Keystone State Games	193	200	200	200	200	200	200
PA Career Development		500	500	500	500	500	500
Children's Literacy Council	386						
Children's Literacy Program		400					
Job Training Programs		3,000					
Minority Higher Education Enrichment		500					
Downingtown Industrial and Agricultural School — Rental	78	78					
TOTAL GENERAL FUND	<u>\$ 5,057,878</u>	<u>\$ 5,208,320</u>	<u>\$ 5,374,477</u>	<u>\$ 5,340,619</u>	<u>\$ 5,340,619</u>	<u>\$ 5,340,619</u>	<u>\$ 5,340,619</u>
MOTOR LICENSE FUND:							
Safe Driving Program	\$ 1,650	\$ 1,804	\$ 1,672	\$ 1,672	\$ 1,672	\$ 1,672	\$ 1,672
TOTAL MOTOR LICENSE FUND	<u>\$ 1,650</u>	<u>\$ 1,804</u>	<u>\$ 1,672</u>	<u>\$ 1,672</u>	<u>\$ 1,672</u>	<u>\$ 1,672</u>	<u>\$ 1,672</u>

Program Revision: Basic Education Equity Funding

The Commonwealth remains committed to ensuring that all children are given the opportunity to receive a quality education. In an effort to guarantee that a minimum level of State and local support was available for each student, an Equity Supplement was provided in 1993-94 requiring a minimum level of foundation guarantee of support for each student. This foundation guarantee was set at \$3,875 per student.

This Program Revision builds upon the foundation guarantee established in 1993-94 by providing an additional \$81 million for school districts to insure a specific level of support for each student and \$27 million to school districts based upon their percent of students from low-income families.

Through the foundation guarantee, school districts which currently do not provide at least \$4,700 in combined local and State support will receive supplemental funding to bring them to that level during 1994-95. State support includes the amounts payable to districts during 1993-94 through the Equalized Subsidy for Basic Education, equity supplement and the School Employees' Social Security and Retirement programs.

Local support equates to the amount of revenue generated by a local tax effort of 18 equalized mills and revenue generated equal to 0.5 percent of personal income.

In addition to the foundation payments, approximately \$27 million will be distributed at a rate of \$120 per child based on the number of students receiving Aid to Families with Dependent Children in school districts that have at least 35 percent of their average daily membership made up of students from families receiving Aid to Families with Dependent Children. Those school districts with less than 35 percent of their average daily membership made up of students from families receiving Aid to Families with Dependent Children will receive supplemental funding at a rate of \$110 per child times the Aid to Families with Dependent Children count.

Under this Program Revision, 147 low spending but high taxing school districts will receive assistance through the foundation guarantee and all districts will receive additional assistance through the poverty supplement.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
School districts receiving foundation funding							
Current		68					
Program Revision			147	147	147	147	147
School districts receiving poverty supplement							
Current		7					
Program Revision			501	501	501	501	501
Students benefiting from Foundation Funding for Equity (average daily membership)							
Current		1,111,848					
Program Revision			1,729,832	1,729,832	1,729,832	1,729,832	1,729,832

Program Revision Recommendations:

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

\$ 108,000 Foundation Funding for Equity
 —to provide additional funding to school districts for the foundation guarantee and supplemental funding for those districts serving children from families receiving Aid to Families with Dependent Children.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Foundation Funding for Equity			\$108,000	\$108,000	\$108,000	\$108,000	\$108,000

Program Revision: Improving Special Education

In 1991-92, the Commonwealth changed special education funding from an excess cost payment system to a payment system that provided State support to school districts based on the number of students in each school district. This change made school districts rather than intermediate units responsible for special education services. School districts can provide services directly or they can contract with intermediate units or other school districts to provide these services. In addition, a contingency fund is available to provide additional State support associated with educating students with severe disabilities.

This Program Revision provides a total of \$23.675 million in additional special education funding to local education agencies for special education programs. School districts will receive \$1,035 per student, based on 15 percent of the student population, for regular special education programs, and \$12,500 per student, based on one percent of the student population, to fund programs for students with severe disabilities.

This Program Revision includes \$10.5 million to provide additional funding to school districts whose rate for special education expenses exceeds 150 percent of the Statewide rate. This proposal also provides one percent of the appropriation for a contingency fund to support school districts which are experiencing extraordinary costs related to educating students with severe disabilities.

Finally, the 30 non-charter schools (those approved private schools not created by an act of the General Assembly) and the four charter approved private schools (those established for children who are deaf or blind) will receive separate funding. To encourage school districts to make the most cost-effective special education choices, this Program Revision proposes that the State share of audited reimbursable costs for these institutions be limited to 40 percent while the school district's share increase from 40 percent to 60 percent.

These proposed changes are directed toward insuring timely, stable and predictable State special education payments and improving school district and State special education planning, reporting and budgeting.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Additional special education funds distributed to local education agencies							
Current							
Program Revision			\$ 23,675	\$ 23,675	\$ 23,675	\$ 23,675	\$ 23,675
Districts receiving supplemental funding							
Current							
Program Revision			46	46	46		
Special Education reimbursement for one percent of school districts average daily membership							
Current	\$ 11,540	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000
Program Revision			\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500
Special Education reimbursement for fifteen percent of school districts average daily membership							
Current	\$ 1,000	\$ 1,025	\$ 1,025	\$ 1,025	\$ 1,025	\$ 1,025	\$ 1,025
Program Revision			\$ 1,035	\$ 1,035	\$ 1,035	\$ 1,035	\$ 1,035

Program Revision Recommendations:

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

- Special Education**
- \$ 23,675 —to provide increased funding to local education agencies for special education program costs.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Special Education			<u>\$ 23,675</u>	<u>\$ 23,675</u>	<u>\$ 23,675</u>	<u>\$ 23,675</u>	<u>\$ 23,675</u>

Program Revision: Improving Preschool Education

Pennsylvania currently supports a \$75 million Early Intervention Program that provides services to approximately 25,000 children from birth to school age who are developmentally delayed.

Act 212 of 1990 mandated that the Commonwealth provide early intervention services to all eligible children. Two State agencies share in the administration of the Early Intervention Program. The Department of Public Welfare oversees programs for eligible children under the age of three and the Department of Education oversees the program for eligible children age three to school age.

Early Intervention programs are provided by intermediate units, private providers and counties who offer services to eligible children beginning with an evaluation of a child's developmental level. Services provided may include occupational and physical therapy, speech therapy, psychological and audiological services, and social work services. It is estimated that five percent of children from birth to school age would benefit from early intervention services.

This Program Revision changes the manner in which early intervention programs are funded within the Department of Education. Currently, funds are distributed in accordance with Mutually Agreed-upon Written Arrangements with intermediate units, school districts and

private providers based upon planned expenditure levels. This Program Revision proposes granting all funds to school districts based upon five percent of the children ages three to five residing within the district. School districts will then contract for services directly with intermediate units, private providers or provide the services themselves. The revised funding formula will distribute a total of \$55.7 million during 1994-95: \$52.2 million for the current program and an additional \$3.5 million to implement this Program Revision, including providing services to an additional 1,533 children ages three to school age. Providing direct funding to school districts will allow for more appropriate and cost-effective program choices for Early Intervention students.

In addition, this Program Revision provides \$3.392 million in State funds to provide services to an additional 1,000 children under the age of three being served through the Department of Public Welfare's Early Intervention Program.

Pennsylvania's commitment to expanding this program is expected to reduce the number of children needing special education by school age thus improving each student's opportunity for intellectual development.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Children receiving early intervention services from Education							
Current	16,260	17,506	17,506	17,506	17,506	17,506	17,506
Program Revision			19,039	19,039	19,039	19,039	19,039
Children receiving early intervention services from Public Welfare							
Current	6,173	7,173	7,173	7,173	7,173	7,173	7,173
Program Revision			8,173	8,173	8,173	8,173	8,173

Program Revision Recommendations:

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

EDUCATION
Early Intervention
 \$ 3,500 —to fund the Early Intervention Program based the number of children ages three to five and to provide services to 1,533 additional children.

PUBLIC WELFARE
Early Intervention
 \$ 3,392 —to provide early intervention services to 1,000 additional children.

\$ 6,892 Program Revision Total

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Education							
Early Intervention			\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500
Public Welfare							
Early Intervention			3,392	6,784	6,784	6,784	6,784
TOTAL GENERAL FUND			\$ 6,892	\$ 10,284	\$ 10,284	\$ 10,284	\$ 10,284

Program Revision: Distressed School District Assistance

Pennsylvania presently offers two types of temporary special financial aid to school districts to assist them in overcoming financial difficulties resulting from local economic problems. Aid is provided to school districts which have lost local revenue due to property reassessments and to districts suffering a loss of revenue due to bankruptcy of businesses in the district. In addition, in 1993-94 \$1 million was made available to assist school districts who were declared legally distressed by the Secretary of Education or who were experiencing extreme financial difficulties. In spite of these Commonwealth efforts, certain school districts continue to experience financial problems because of an erosion of the tax base due to local economic decline.

This Program Revision expands Commonwealth efforts by providing an increase of \$4 million to assist school districts experiencing financial difficulties. Specifically, a total of \$5 million will be provided to seven

school districts which have experienced a severe reduction in local revenue due to a decline in the assessed market value of taxable properties over the past seven years. Each qualifying school district's share of the \$5 million will be based on its relative decline in assessed market value in relation to all qualifying districts and will represent a portion of the funds lost due to this decline. In addition, each school district's assistance payment will decrease on a percentage basis over a four year period in order to allow the districts to make gradual adjustments in operations consistent with available local revenue.

This Program Revision will provide temporary relief to school districts experiencing financial difficulties to allow time to adjust to decreased local revenues, thereby preventing these districts from being declared legally distressed.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
School districts receiving funds due to decline in assessed market value							
Current		3					
Program Revision			7	8	9	11	6

Program Revision Recommendations:

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

Distressed School District Assistance
 \$ 4,000 —to provide financial assistance to school districts which experienced declines, over a seven year period, in assessed market values.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Distressed School District Assistance			\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000

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 the 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 educational

institutions and entities responsible for local administration of employment and training services.

The Customized Job Training Program supports new and existing firms in Pennsylvania by specifically training Pennsylvanians for new jobs or upgrading existing employees skills to accommodate 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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Providers offering economic development training plans	275	270	270	270	270	270	270
Trainees enrolled in economic development training programs	26,400	27,500	27,500	27,500	27,500	27,500	27,500
Trainees completing instruction	17,000	18,100	18,100	18,100	18,100	18,100	18,100
Trainees placed in jobs	11,300	12,200	13,325	13,325	13,325	13,325	13,325
Stevens enrollments	469	465	500	500	500	500	500
Berean enrollments	296	329	329	350	350	350	350
Johnson enrollments	346	355	360	364	370	376	380
Williamson enrollments	250	244	250	255	260	260	260

The method of counting enrollments for Berean has been revised from hourly units to trimester units resulting in higher enrollment figures.

Program Recommendations:

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

<p>JTPA -- Matching Funds</p> <p>\$ -1,139 --to provide State matching funds for Federal JTPA funds.</p>	<p>Thaddeus Stevens State School of Technology</p> <p>\$ 258 --to maintain current program.</p>
<p>Customized Job Training</p> <p>\$ 2,245 --PRR -- Enhanced Economic Development Efforts. This Program Revision provides State assistance to additional companies seeking to increase or upgrade their manpower needs. See the Program Revision Enhanced Economic Development Efforts under the Economic Development Partnership for further program information.</p>	<p>Non-State Related Institutions</p> <p>Berean Training and Industrial School</p> <p>\$ -100 --nonrecurring projects.</p>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
JTPA-Matching Funds	\$ 4,827	\$ 6,811	\$ 5,672	\$ 5,672	\$ 5,672	\$ 5,672	\$ 5,672
Customized Job Training	6,033	7,755	10,000	10,000	10,000	10,000	10,000
Thaddeus Stevens State School of Technology	4,624	4,913	5,171	5,171	5,171	5,171	5,171
Non-State-related Institutions	1,427	1,527	1,427	1,427	1,427	1,427	1,427
TOTAL GENERAL FUND	\$ 16,911	\$ 21,006	\$ 22,270	\$ 22,270	\$ 22,270	\$ 22,270	\$ 22,270

PROGRAM OBJECTIVE: To provide and improve library services to citizens of the Commonwealth, special libraries, and government agencies and employees.

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, Improvement of Library Services, Library Services for Visually Impaired and Disabled, Library ACCESS, the School Library Catalog and Distance Learning.

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 State Library located in Harrisburg is a major resource library serving the State Government, as well as libraries and residents of the Commonwealth. It includes an extensive general and legal reference collection, comprehensive collections of Pennsylvania newspapers and Pennsylvania State and U.S. Government publications; computer search services to provide reference and research assistance to State Government personnel from more than 300 databases; and a computer-based catalog, to give users more rapid access to information about the collection. Since 1990, the library has provided dial-access to the catalog for State agency offices and other libraries. In 1993, the catalog became available on the Internet.

The Library Development function provides leadership and advisory services to public, academic and special libraries; coordinates a Statewide system of public libraries; administers a program of State-aid to public libraries and promotes sharing of library resources through a variety of cooperative programs affecting libraries Statewide.

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 Visually Impaired and Disabled provides operating funds to Pennsylvania's regional libraries for direct mail services to Pennsylvania residents who are blind and physically disabled 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 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. The program should improve the curriculum across the Commonwealth by providing access to information skills in support of Chapter 5 of the New Curriculum Regulations and Student Learning Outcome.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Percentage of State population served by State-aided libraries	96%	97%	98%	98%	98%	98%	98%
Items lent (in thousands)	53,000	55,400	57,500	60,000	62,700	65,500	72,500
Titles in State Library collection listed in machine readable catalog data base ..	692,893	710,000	725,000	740,000	755,000	770,000	770,000
Patron queries handled by State Library staff	95,511	95,500	95,500	95,500	95,500	95,500	95,500
Items loaned under the Statewide Library ACCESS Program	8,119	9,545	10,700	12,000	13,500	15,200	17,000
Citizens served by ACCESS Pennsylvania database	428,000	480,000	525,000	575,000	630,000	695,000	722,000

During 1992-93, the State Library acquired, at no cost, catalog records for a major set of congressional committee reports increasing the number of machine-readable records by a greater rate than anticipated. In the future, similar records may be acquired subject to the Library's ability to pay for them.

Patron queries count is less than projected in last year's budget because the genealogy-local history reading room is now self-service and the library staff no longer assists users or maintains a count of the materials used.

Participation in the Library ACCESS program declined because of low reimbursement rates; reimbursement revised to new two-tiered reimbursement rate system in 1992-93 to increase participation in program.

EDUCATION

Program: Library Services (continued)

Program Recommendations:

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

State Library
 \$ 164 —to continue current program.
 200 —to improve the security system.
 \$ 364 *Appropriation Increase*

Library Services for Visually Impaired and Disabled.
 \$ 64 —to continue current programs

All other appropriations are recommended at 1993-94 funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
State Library	\$ 2,870	\$ 2,947	\$ 3,311	\$ 3,311	\$ 3,311	\$ 3,311	\$ 3,311
Improvement of Library Services	22,803	23,809	23,809	23,809	23,809	23,809	23,809
Library Services for Visually Impaired and Disabled	2,063	2,138	2,202	2,202	2,202	2,202	2,202
Library Access	3,000	3,000	3,000	3,000	3,000	3,000	3,000
School Library Catalog	386	400	400	400	400	400	400
TOTAL GENERAL FUND	\$ 31,122	\$ 32,294	\$ 32,722	\$ 32,722	\$ 32,722	\$ 32,722	\$ 32,722

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 237 degree granting institutions which include the State System of Higher Education, the four State-related universities, the community colleges, and the Commonwealth's independent colleges, universities and specialized degree granting institutions.

Funding for these institutions is through 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	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
State System of Higher Education	91,405	91,028	91,068	91,269	91,221	91,312	91,399
Community Colleges	82,548	85,247	87,580	90,194	92,526	94,796	97,073
State-related Universities	126,789	126,565	126,610	126,755	127,028	127,340	127,615
State-Aided	31,029	30,865	30,762	30,687	30,673	30,836	31,042
TOTAL	331,771	333,705	336,020	338,905	341,448	344,284	347,129

Program Element: State System of Higher Education

Funding for the 14 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 and all of them in teacher education. Most offer the master's degree level in some of their programs.

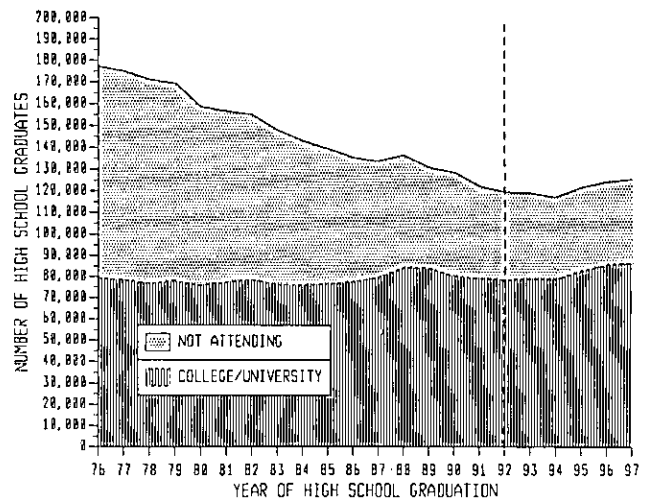
Program Element: Community Colleges

Funding for the community colleges is shared by 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 of students 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. They also offer non-credit programs such as public safety and occupational training, literacy and vocational/recreational courses.

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 of these 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.

Figure 1
High School Postgraduate Activity
1976 to 1992 with Projections for
1993 Through 1997



EDUCATION

Program: Higher Education (continued)

Enrollment and Degree Programs:

Full-time equivalent enrollment in State-supported institutions is expected to increase by slightly more than three percent over the next five years but that trend differs markedly 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 the participation rates of the traditional college age population and an increase in attendance of older students and part-time students.

There has been some concern about the number of Pennsylvania high school graduates who choose not to attend college. In 1992, of

121,261 high school graduates 80,709 or 67 percent had planned to attend a degree granting postsecondary institution college. Figure 1 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	1992-93 Actual	1993-94 Projected	1994-95 Projected	1995-96 Projected	1996-97 Projected	1997-98 Projected	1998-99 Projected	Percent Change
Agricultural and Natural Resources	#	3,790	3,856	3,882	3,890	3,908	3,931	3,965	4.62
	%	1.14	1.16	1.16	1.15	1.14	1.14	1.14	
Arts and Letters	#	61,426	62,920	63,952	65,000	65,944	66,958	67,829	10.42
	%	18.51	18.85	19.03	19.18	19.31	19.45	19.54	
Business, Management, Data Processing	#	55,472	54,973	55,342	55,917	56,438	57,018	57,552	3.75
	%	16.72	16.47	16.47	16.50	16.53	16.56	16.58	
Communications and Related Technologies	#	9,192	9,067	9,144	9,175	9,206	9,246	9,300	1.17
	%	2.77	2.72	2.72	2.71	2.70	2.69	2.68	
Computer and Information Sciences	#	6,865	6,621	6,810	6,873	6,930	7,014	7,090	3.28
	%	2.07	1.98	2.03	2.03	2.03	2.04	2.04	
Education	#	41,758	41,734	41,769	41,968	42,079	42,276	42,422	1.59
	%	12.59	12.51	12.43	12.38	12.32	12.28	12.22	
Engineering, Architecture and Environmental Design	#	19,131	19,000	18,929	18,903	18,926	19,046	19,180	0.26
	%	5.77	5.69	5.63	5.58	5.54	5.53	5.53	
Engineering and Related Technologies	#	8,112	8,403	8,550	8,813	8,989	9,127	9,274	14.32
	%	2.45	2.52	2.54	2.60	2.63	2.65	2.67	
Health Professions, Health Sciences and Biological Sciences	#	47,461	48,185	48,607	49,114	49,489	49,922	50,349	6.08
	%	14.31	14.44	14.47	14.49	14.49	14.50	14.50	
Home Economics, Human Services and Public Affairs	#	17,530	17,695	17,642	17,786	17,890	18,043	18,180	3.71
	%	5.28	5.30	5.25	5.25	5.24	5.24	5.24	
Industrial, Repair, Construction and Transport Technologies	#	2,316	2,500	2,457	2,498	2,557	2,627	2,697	16.45
	%	0.70	0.75	0.73	0.74	0.75	0.76	0.78	
Law	#	3,915	3,972	4,020	4,041	4,054	4,071	4,098	4.67
	%	1.18	1.19	1.20	1.19	1.19	1.18	1.18	
Physical Sciences, Mathematics and Related Technologies	#	14,673	14,673	14,725	14,741	14,776	14,751	14,821	1.01
	%	4.42	4.40	4.38	4.35	4.33	4.28	4.27	
Social Sciences, Psychology, Area Studies and Foreign Languages	#	34,588	34,553	34,620	34,607	34,666	34,623	34,736	0.43
	%	10.43	10.35	10.30	10.21	10.15	10.06	10.01	
Multi-Interdisciplinary Studies/Military Sciences	#	5,542	5,553	5,571	5,579	5,596	5,631	5,636	1.70
	%	1.67	1.66	1.66	1.65	1.64	1.64	1.62	
TOTAL	#	331,771	333,705	336,020	338,905	341,448	344,284	347,129	4.63
	%	100.00	100.00	100.00	100.00	100.00	100.00	100.00	

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 projections of enrollment in the State-supported institutions from 1992-93 through 1998-99.

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 71,000 students annually with degrees ranging from the two-year Associate Degree to doctoral and professional degrees. Pennsylvania degree graduates from both the public and private sector total over 101,000 annually.

Table 3
Higher Education Degrees Awarded by State-Supported
Institutions of Higher Education
Actual and Projected

Institutional Category	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
State System of Higher Education	18,901	18,939	18,968	19,039	19,101	19,142	19,194
Community Colleges	11,156	11,525	11,860	12,131	12,418	12,689	13,008
State-related Universities	30,666	30,813	30,839	30,857	30,871	30,879	30,894
State Aided	9,876	9,769	9,837	9,845	9,868	9,908	9,950
TOTAL	70,599	71,046	71,504	71,872	72,258	72,618	73,046

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 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.

While the University of Pittsburgh and Temple University are also major research universities, 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.

EDUCATION

Program: Higher Education (continued)

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Office of Civil Rights reviews of institutional plans	33	33	33	33	33	33	33
Teacher certifications	32,765	34,120	35,475	36,830	38,185	39,675	41,175
Tests administered for certification	64,248	65,771	66,420	69,093	67,590	67,700	67,800
Programs evaluated	246	410	360	276	240	250	420
Minority enrollments at public institutions	44,288	46,500	48,700	51,300	53,800	56,500	59,000
Students served by Act 101 programs	14,200	14,500	14,700	15,000	15,100	15,200	15,500

The measure tests administered for certification has increased compared to projections in last year's budget due to improved uniform reporting of tests taken Statewide and due to Federal incentives offered to school districts that hire former veterans as teachers.

Program Recommendations:

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

<p>Community Colleges \$ -2,822 —to continue current program.</p> <p>Higher Education for the Disadvantaged \$ 103 —to continue current program.</p> <p>Rural Initiatives \$ -164 —nonrecurring project.</p> <p>Tuition Challenge Grants \$ 31,758 —PRR — Tuition Challenge Grants. This Program Revision will improve access to higher education through a Tuition Challenge, which offers public universities approximately \$200 for each Pennsylvania resident undergraduate, graduate or professional student provided the institution holds tuition and fee increases to no more than 4.5% above the 1993-94 level. See the Program Revision following this program for further information.</p> <p>State System of Higher Education \$ 9 —Recruitment of the Disadvantaged. -5,550 —nonrecurring costs. \$ -5,541 <i>Decrease</i></p>	<p>The Pennsylvania State University \$ 9 —Recruitment of the Disadvantaged. -431 —nonrecurring costs. \$ -422 <i>Decrease</i></p> <p>University of Pittsburgh \$ 9 —Recruitment of the Disadvantaged.</p> <p>Temple University \$ 9 —Recruitment of the Disadvantaged. -379 —nonrecurring costs. \$ -370 <i>Decrease</i></p> <p>Lincoln University \$ 9 —Recruitment of the Disadvantaged.</p> <p>State-Aided Colleges and Universities \$ 11,107 —to continue current program.</p>
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All other appropriations are recommended at 1993-94 funding levels.

EDUCATION

Program: Higher Education (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Higher Education of the Blind or Deaf . . .	\$ 48	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Community Colleges	140,089	150,471	147,649	147,649	147,649	147,649	147,649
Higher Education for the Disadvantaged . .	7,222	7,497	7,600	7,600	7,600	7,600	7,600
Rural Initiatives	343	164					
Tuition Challenge Grants			31,758	31,758	31,758	31,758	31,758
State System of Higher Education (SSHE)	359,352	379,023	373,482	373,482	373,482	373,482	373,482
The Pennsylvania State University	249,204	259,210	258,788	258,788	258,788	258,788	258,788
University of Pittsburgh	135,073	139,282	139,291	139,291	139,291	139,291	139,291
Temple University	137,809	141,461	141,091	141,091	141,091	141,091	141,091
Lincoln University	9,894	10,040	10,049	10,049	10,049	10,049	10,049
State-aided Colleges and Universities	36,859	58,712	69,819	69,819	69,819	69,819	69,819
TOTAL GENERAL FUND	\$ 1,075,893	\$ 1,145,910	\$ 1,179,577	\$ 1,179,577	\$ 1,179,577	\$ 1,179,577	\$ 1,179,577

Program Revision: Tuition Challenge Grants

An increasing number of Commonwealth high school graduates are pursuing college degrees. According to the Department of Education, 67 percent of Pennsylvania high school graduates planned to attend college in 1992. However, over the last ten years, State universities have raised their tuition, fees, room and board charges an average of 7.4 percent annually. These cost increases have made it increasingly difficult for individuals of average means to attend college. In 1993-94, the Commonwealth provided a tuition challenge grant to State universities which benefited about 153,000 students.

This Program Revision recommends a tuition challenge grant program for State universities in order to improve access to higher education. Approximately \$31.8 million will be provided to the Department of Education for allocation to the State System of Higher Education (SSHE) and the State-related universities: the Pennsylvania

State University (including the Pennsylvania College of Technology), the University of Pittsburgh, Temple University and Lincoln University through the tuition challenge grant program. In order to qualify for this program, a university must limit increases in 1994-95 tuition and required fee charges for undergraduate, graduate and professional full-time resident students to 4.5 percent over 1993-94 tuition and mandated fee charges. Funds will be allocated based upon the number of Pennsylvania students enrolled at each institution for the fall of 1993. Approximately \$200 would be available per full-time Pennsylvania resident student. Those institutions exceeding the 4.5 percent cap will not receive tuition challenge grant funds.

This funding proposal enables universities to meet reasonable expenses while limiting tuition increases so that Pennsylvanians can continue to obtain an affordable higher education.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Students benefiting from 1994-95 tuition and fee cap							
Program Revision			152,963	152,963	152,963	152,963	152,963

Program Revision Recommendations:

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

Tuition Challenge Grants
 \$ 31,758 —to provide a challenge grant of approximately \$200 per Pennsylvania resident full-time student to the State System of Higher Education and the State-related universities.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Tuition Challenge Grants			\$ 31,758	\$ 31,758	\$ 31,758	\$ 31,758	\$ 31,758



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 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)		
GENERAL FUND:	1992-93 Actual	1993-94 Available	1994-95 Budget
GENERAL GOVERNMENT:			
General Government Operations	\$ 2,966	\$ 3,478	\$ 3,952
(F) Civil Preparedness	2,177	2,368	2,453
(F) School Project Grant	90	.....	.....
(F) Flash Flood Project — Warning System	88	115	405
(F) Hazardous Materials Planning and Training .....	.....	400	369
(A) Nuclear Facility	95	84	85
(A) Civil Air Patrol .....	.....	195	200
Total — General Government Operations	\$ 5,416	\$ 6,640	\$ 7,464
State Fire Commissioner's Office	\$ 953	\$ 1,263	\$ 1,238
(F) Fire Prevention	4	10	10
(A) Arson Fines	1	2	2
Total — State Fire Commissioner's Office	\$ 958	\$ 1,275	\$ 1,250
Subtotal — State Funds	\$ 3,919	\$ 4,741	\$ 5,190
Subtotal — Federal Funds	2,359	2,893	3,237
Subtotal — Augmentations	96	281	287
Total — General Government	\$ 6,374	\$ 7,915	\$ 8,714
GRANTS AND SUBSIDIES:			
Firefighters Memorial Flag	\$ 10	\$ 10	\$ 10
Emergency and Disaster Relief — 1993 Blizzard	1,000	.....	.....
Total — Grants and Subsidies	\$ 1,010	\$ 10	\$ 10
STATE FUNDS	\$ 4,929	\$ 4,751	\$ 5,200
FEDERAL FUNDS	2,359	2,893	3,237
AUGMENTATIONS	96	281	287
GENERAL FUND TOTAL	\$ 7,384	\$ 7,925	\$ 8,724
OTHER FUNDS:			
GENERAL FUND:			
Emergency Management and Disaster Assistance	\$ 14,785	\$ 4,000	\$ 4,000
Radiological Emergency Response Planning	505	613	500
Radiation Emergency Response Fund	503	588	500
Radiation Transportation Emergency Response Fund .....	.....	143	151
Total	\$ 15,793	\$ 5,344	\$ 5,151
HAZARDOUS MATERIALS RESPONSE FUND:			
General Operations	\$ 267	\$ 162	\$ 126
Hazardous Materials Response Team	267	162	126
Grants to Counties	1,866	1,138	885
Public and Facilities Owners Education	267	162	126
Total	\$ 2,667	\$ 1,624	\$ 1,263
VOLUNTEER COMPANIES LOAN FUND:			
Volunteer Company Loans	\$ 14,935	\$ 24,100	\$ 16,225
OTHER FUNDS TOTAL	\$ 33,395	\$ 31,068	\$ 22,639
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUNDS	\$ 4,929	\$ 4,751	\$ 5,200
FEDERAL FUNDS	2,359	2,893	3,237
AUGMENTATIONS	96	281	287
OTHER FUNDS	33,395	31,068	22,639
Total — All Funds	\$ 40,779	\$ 38,993	\$ 31,363

EMERGENCY MANAGEMENT AGENCY

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
EMERGENCY MANAGEMENT							
General Funds.....	\$ 3,966	\$ 3,478	\$ 3,952	\$ 3,952	\$ 3,952	\$ 3,885	\$ 3,885
Federal Funds.....	2,355	2,883	3,227	2,848	2,848	2,848	2,848
Other Funds.....	18,555	7,247	6,699	6,556	6,571	6,571	6,571
TOTAL.....	\$ 24,876	\$ 13,608	\$ 13,878	\$ 13,356	\$ 13,371	\$ 13,304	\$ 13,304
FIRE PREVENTION AND SAFETY							
General Funds.....	\$ 963	\$ 1,273	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248
Federal Funds.....	4	10	10	10	10	10	10
Other Funds.....	14,936	24,102	16,227	12,002	12,002	11,002	10,802
TOTAL.....	\$ 15,903	\$ 25,385	\$ 17,485	\$ 13,260	\$ 13,260	\$ 12,260	\$ 12,060
ALL PROGRAMS:							
GENERAL FUND.....	\$ 4,929	\$ 4,751	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,133	\$ 5,133
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	2,359	2,893	3,237	2,858	2,858	2,858	2,858
OTHER FUNDS.....	33,491	31,349	22,926	18,558	18,573	17,573	17,373
TOTAL.....	\$ 40,779	\$ 38,993	\$ 31,363	\$ 26,616	\$ 26,631	\$ 25,564	\$ 25,364

EMERGENCY MANAGEMENT AGENCY

PROGRAM OBJECTIVE: To develop and maintain a Statewide emergency force capable of immediate and effective action in event of natural, technological or other man-made disasters and rapid organizational expansion to assure civil preparedness for war or resource based emergencies.

Program: Emergency Management

This program provides essential services and facilities during periods of emergency, coordinates State, county and local activities associated with emergency services and coordinates Pennsylvania's national preparedness operations with those of other states and 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: 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 rapid organizational expansion required for civil preparedness in the event of war or other resource based emergencies.

Expanded agency missions include the following programs: prison/community safety, 911 program implementation, Statewide chemical and nuclear power safety, disaster assistance program responsibility, and most recently implementation of Act 165 of 1990.

The Commonwealth's civil preparedness and response capability in the event of emergencies is provided through the maintenance of a Statewide hazard assessment, planning, warning, training and education, communications, hazardous materials transportation system, 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: a statement of accomplishments; required financial needs; hazard vulnerability; and goals indicating projected activity. The Federal Emergency Management Agency (FEMA) requires annual review and update of emergency operations plans, programs and periodic exercises.

Requirements of the Environmental Protection Agency under the Federal Superfund Amendments and Reauthorization Act (SARA Title III) and the Federal Clean Air Act amendments involve upgrading chemical emergency preparedness facility plans. Responsibilities for preparedness involve state and county governments and chemical manufacturers.

Act 165 of 1990 imposed additional requirements on State and local governments relating to planning and training activities in connection with implementation of SARA Title III. Encompassed within the overall Act 165 planning and training activities will be those associated with implementation of the mandates of the Federal Hazardous Materials Transportation Uniform Safety Act (HMTUSA).

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, thereby reducing recovery costs to the local, State and Federal Governments.

The Federal and State laws mandate conduct of exercise programs. The FEMA requirement calls for a three year annually required rotation of natural, technological and national security exercise at the State, county and local (over 50,000 population) level annually.

Program Recommendations:

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

General Government Operations
\$ 474 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
General Government Operations	\$ 2,966	\$ 3,478	\$ 3,952	\$ 3,952	\$ 3,952	\$ 3,885	\$ 3,885
Emergency and Disaster Relief — 1993							
Blizzard	1,000						
TOTAL GENERAL FUND	\$ 3,966	\$ 3,478	\$ 3,952	\$ 3,952	\$ 3,952	\$ 3,885	\$ 3,885

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 operating funds for the Fire Commissioner to coordinate and organize all State level fire safety functions; for the administration and operation of the Volunteer Loan Assistance Program which provides low-interest loans to rescue and fire companies and units; the administration and operation of the State Fire Academy which provides training classes to professional as well as volunteer fire, ambulance and hazardous materials personnel.

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; makes available a Firefighter Certification Program based on nationally accepted professional standards; acts as the educational hub for all other fire and emergency services training in Pennsylvania; and serves the

Commonwealth's fire community as the designated resident Commonwealth government center for hazardous chemical and radioactive material training, providing training for both first responders and certified county hazardous materials response teams. Fire Academy personnel work closely with the community colleges for local level course development, community college and county fire school instructor certification and delivery of local level fire training courses to over 65,000 students a year.

Another area of assistance to the fire fighting, ambulance and rescue community is the Volunteer Company Loan Assistance Program. The purpose of the program 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. In 1990 the Legislature expanded this program by \$25 million and in 1992 increased the loan limits to \$200,000 for a maximum of 15 years. Loans of \$15,000 or less are limited to five years and loans up to \$99,000 to a period of 10 years. In 1993-94, \$225,000 was included to help reduce the application backlog for this program. Funding is reflected in the financial statement for this fund shown elsewhere in this budget.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Local fire training graduates	71,320	73,000	75,000	77,000	78,000	79,000	80,000
Fire school resident graduates	1,241	2,000	2,200	2,400	2,600	2,600	2,600
Volunteer loans granted (in thousands) . . .	\$15,546	\$24,100	\$16,225	\$12,000	\$12,000	\$11,000	\$10,800

The increase in the volunteer loans granted compared to the 1993-94 Budget is due to reduction of the existing backlog.

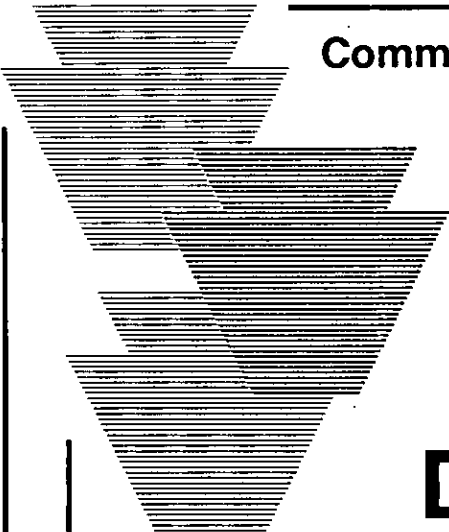
Program Recommendations:

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

State Fire Commissioner's Office	
\$ -25	—to continue current program including the Volunteer Loan Assistance Program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
State Fire Commissioner's Office	\$ 953	\$ 1,263	\$ 1,238	\$ 1,238	\$ 1,238	\$ 1,238	\$ 1,238
Firefighters Memorial Flag	10	10	10	10	10	10	10
TOTAL GENERAL FUND	\$ 963	\$ 1,273	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248	\$ 1,248



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 and the State Board for Certification of Sewage Treatment and Waterworks Operators.

ENVIRONMENTAL RESOURCES

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available		1994-95 Budget
GENERAL FUND				
GENERAL GOVERNMENT:				
General Government Operations	\$ 21,644 ^a	\$ 21,808		\$ 23,864
(F) Surface Mine Conservation	998	1,207		1,301
(F) EPA Planning Grant	327	275		....
(F) Safe Drinking Water Act — Administration	37	376		....
(F) Surface Mine Control and Reclamation	378	455		687
(F) EPA Data Management	5	....		....
(A) Reimbursement — Laboratory Services	1,247	6,291		5,567
(A) Reimbursement — EDP Services	2,856	2,472		2,381
(A) PENNVEST — Reimbursement for Services .....	....	79		50
(A) Department Services	5	25		25
(A) Clean Air Fund .....	....	57		50
(A) Clean Water Fund	222	50		57
(A) Reimbursement — Capital Facilities Fund .....	....	404		415
Subtotal — Federal Funds	<u>\$ 1,745</u>	<u>\$ 2,313</u>		<u>\$ 1,988</u>
Subtotal — Augmentations	4,330	9,378		8,545
Total — General Government Operations	<u>\$ 27,719</u>	<u>\$ 33,499</u>		<u>\$ 34,397</u>
Environmental Hearing Board	1,258	1,360		1,508
(F) Surface Mine Conservation	35	40		40
(A) Reimbursement for Services	14	20		20
Total — Environmental Hearing Board	<u>\$ 1,307</u>	<u>\$ 1,420</u>		<u>\$ 1,568</u>
Chesapeake Bay Agricultural Source Abatement	2,914	2,977		2,986
(F) Chesapeake Bay Pollution Abatement	3,404	3,500		3,500
Total — Chesapeake Bay Preservation	<u>\$ 6,318</u>	<u>\$ 6,477</u>		<u>\$ 6,486</u>
Environmental Program Management	25,521 ^b	26,572		29,371
(F) Coastal Zone Management	1,159	1,923		1,923
(F) Construction Management — Administration	728	1,029		1,029
(F) Bituminous Demonstration Project	1	21		20
(F) Safe Drinking Water Act — Management	1,203	1,859		1,863
(F) Water Pollution Control Grants — Management	862	1,642		1,642
(F) Air Pollution Control Grants — Management	3,313	3,079		3,079
(F) Upper Delaware National Scenic River .....	....	10		10
(F) Surface Mine Conservation	4,669	5,836		6,125
(F) Bond Forfeiture	107	270		213
(F) Delaware Estuary Management Conference	94	322		322
(F) Hydroelectric Power Conservation Fund .....	....	10		10
(F) Wetland Protection Fund	36	200		200
(F) Abandoned Mine Emergency Response .....	....	4,500		4,500
(F) Emergency Disaster Relief .....	....	200		200
(F) ARC — Abandoned Mine Restoration Research .....	....	18		18
(F) Abandoned Mine Reclamation	25,263	40,000		40,000

^a Actually appropriated as: \$7,451,000 for General Government Operations, \$2,373,000 for EDP Support, \$1,641,000 for Office of Resources Management, \$4,000 for Deep Mine Safety, \$9,043,000 for Office of Environmental Protection, \$73,000 for Water Quality Testing Laboratory, \$50,000 for Radon Testing, \$238,000 for State Forestry Operations and \$771,000 for State Parks.

^b Actually appropriated as: \$39,000 for General Government Operations, \$11,809,000 for Office of Resources Management, \$3,882,000 for Deep Mine Safety, \$9,154,000 for Office of Environmental Protection, \$98,000 for Water Quality Testing Laboratory, \$483,000 for Radon Testing, and \$56,000 for Seasonal Farm Worker Camp Inspection.

ENVIRONMENTAL RESOURCES

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available		1994-95 Budget
GENERAL FUND				
GENERAL GOVERNMENT: (continued)				
Environmental Program Management (continued)				
(F) Training and Education of Underground Coal Miners	\$ 329	\$ 650	\$	650
(F) Office of Surface Mining — Deep Mine Safety	45	100		100
(F) Radiation Regulation and Monitoring	112	130		130
(F) Diagnostic X-Ray Equipment Testing	28	34		34
(F) Rural Clean Water	47	50		....
(F) Water Quality Outreach Training	38	100		100
(F) Water Quality Management Planning Grants	1,056	1,096		1,086
(F) Small Operators Assistance	1,355	2,000		2,000
(F) Clean Lakes Program	240	793		793
(F) Non-Point Source Pollution	427	700		700
(F) Wellhead Protection Fund	102	300		300
(F) Applicant Violator System	107	400		....
(F) Oil Production Waste Research	39	....		....
(F) Indoor Radon Abatement	384	600		600
(F) PHHSBG — Vector Control	972	1,800		....
(F) PHHSBG — Administration	49	180		....
(F) Non-Point Source Implementation	834	4,968		4,968
(F) Nuclear Facility Decommission	1,000	....		....
(F) State Legalization Impact	25	98		98
(F) Pollution Prevention .....	....	100		100
(A) Payments — Department Services	217	253		150
(A) Vehicle Sales	9	10		10
(A) Food Site Inspection	20	19		19
(A) Clean Air Fund	730	554		319
(A) Clean Water Fund	684	290		144
(A) Reimbursement — Administration State Municipal Assistance Program	208	....		....
(A) Reimbursement from Water Pollution Control Revolving Fund	125	237		285
(A) Safe Drinking Water Account	61	21		21
(A) Solid Waste Abatement	966	932		932
(A) Reimbursement — Well Plugging	126	43		43
(A) Reimbursement — PENNVEST	94	166		323
SUBTOTAL — FEDERAL FUNDS	\$ 44,624	\$ 75,018		\$ 72,813
SUBTOTAL — AUGMENTATIONS	3,240	2,525		2,246
Total — Environmental Program Management	\$ 73,385	\$ 104,115		\$ 104,430
Environmental Protection Operations	44,397 *	51,073		59,198
(F) Water Pollution Control Grants	2,738	1,871		2,601
(F) EPA — Planning Grant — Administration	4,221	5,000		5,328
(F) Air Pollution Control Grants	2,438	3,121		3,121
(F) Surface Mine Control and Reclamation	5,151	5,373		5,110
(F) Construction Management Assistance Grants	1,074	572		910
(F) Safe Water Drinking Act	1,051	1,166		1,166
(F) Stormwater Permitting Initiative	229	959		959

* Actually appropriated as: \$1,591,000 for General Government Operations, \$221,000 for Office of Resources Management, \$42,389,000 for Office of Environmental Protection \$67,000 for Seasonal Farm Worker Camp Inspection, \$19,000 for Water Quality Testing Lab, \$13,000 for Deep Mine Safety and \$97,000 for Radon Testing.

ENVIRONMENTAL RESOURCES

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available		1994-95 Budget
GENERAL FUND				
GENERAL GOVERNMENT: (continued)				
Environmental Protection Operations (continued)				
(A) Millmont Sewage Demonstration Project	\$ 58	.....		.....
(A) Clean Air Fund	1,483	\$ 1,107	\$	1,107
(A) Clean Water Fund	1,389	1,915		1,915
(A) Vehicle Sale	13	24		24
(A) Natural Gas Policy Act	164	109		109
(A) Reimbursement from Water Pollution Control Revolving Fund	373	740		622
(A) Safe Drinking Water Account	124	43		43
(A) Solid Waste Abatement	2,480	2,418		2,638
(A) Reimbursement — Well Plugging	244	85		85
(A) Reimbursement — PENNVEST	765	1,012		603
(A) Reimbursement — Department Services	14	45		45
SUBTOTAL — FEDERAL FUNDS	\$ 16,902	\$ 18,062		\$ 19,195
SUBTOTAL — AUGMENTATIONS	7,107	7,498		7,191
Total — Environmental Protection Operations	\$ 68,406	\$ 76,633		\$ 85,584
Parks and Forests Operations	55,214	60,334		63,826
(F) Land and Water Conservation Fund	665	750		750
(F) Surface Mining Control and Reclamation	164	272		272
(F) Topographic and Geologic Survey Grants	10	275		275
(F) Bituminous Coal Resources	41	225		225
(F) Forest Fire Protection and Control	308	315		315
(F) Forestry Incentives and Agriculture Conservation	179	257		257
(F) Watershed Protection and Flood Prevention	9	.....		.....
(F) Resources Conservation and Development .....	.....	.....		.....
(F) Forest Management and Processing	585	1,018		1,018
(F) Renewable Resources Evaluation .....	.....	.....		.....
(F) Cooperative Forest Insect and Disease Control	500	500		500
(F) Endangered Species Recovery .....	.....	30		30
(F) Tree Planting	646	1,435		1,435
(F) Heritage Preservation	157	1,100		1,100
(F) Pollution Prevention	50	50		50
(F) Recreational Trails .....	.....	1,000		1,000
(F) Allegheny Wild and Scenic River .....	.....	50		50
(A) Topographical and Geological — Services Rendered	213	173		173
(A) Wild Resources Conservation Board	144	147		147
(A) Reimbursement — Services Rendered — Forests	132	50		50
(A) Sale of Forest Products	1	141		141
(A) Reimbursement — Forest Fires	40	65		65
(A) Sale of Vehicles — Forests	3	10		10
(A) Sale of Forest Products	8,500	9,050		9,821
(A) PCC Programs — Forests	244	972		972
(A) Reimbursement — Sewer System	44	.....		.....
(A) Reimbursement — Kings Gap Use	20	.....		.....
(A) Sale of Vehicles — Parks	28	30		30
(A) State Parks User Fees	10,470	9,356		9,356
(A) Prior Year Revenue — Parks .....	.....	300		300

* Actually appropriated as: \$3,829,000 for Office Resources Management, \$13,588,000 for State Forestry Operations and \$37,797,000 for State Parks.

ENVIRONMENTAL RESOURCES

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
<i>GENERAL GOVERNMENT: (continued)</i>			
Parks and Forests Operations (continued)			
(A) PCC Programs — Parks	\$ 919	\$ 2,165	\$ 2,165
(A) Water Well Drillers	58	60	60
(A) Reimbursement — Gypsy Moth and Other Insect Control .....	.....	683	683
SUBTOTAL — FEDERAL FUNDS	\$ 3,314	\$ 7,277	\$ 7,277
SUBTOTAL — AUGMENTATIONS	20,816	23,202	23,973
Total — Parks and Forests Operations	\$ 79,344	\$ 90,813	\$ 95,076
Gypsy Moth and Other Insect Control	2,515	3,370	3,447
(F) Forest Insect and Disease Control	117	3,195	3,195
(A) Reimbursement from Counties	140	120	120
Total — Gypsy Moth and Other Insect Control	\$ 2,772	\$ 6,685	\$ 6,762
Black Fly Control and Research	2,385	2,615	2,673
(A) County Contributions .....	.....	900	650
Total — Black Fly Control and Research	\$ 2,385	\$ 3,515	\$ 3,323
Subtotal — State Funds	\$ 155,848	\$ 170,109	\$ 186,873
Subtotal — Federal Funds	70,141	109,405	108,008
Subtotal — Augmentations	35,647	43,643	42,745
Total — General Government	\$ 261,636	\$ 323,157	\$ 337,626
GRANTS AND SUBSIDIES:			
Low Level Radioactive Waste Control	\$ 193	\$ 1,850	\$ 1,770
Flood Control Projects	65	450	450
Storm Water Management	556	595	595
Sewage Facilities Planning Grants	917	3,000	2,800
Sewage Facilities Enforcement Grants	3,415	2,722	2,500
Sewage Treatment Plant Operations Grants	33,500	34,600	36,500
Delaware River Master	73	73	80
Ohio River Basin Commission	8	9	10
Susquehanna River Basin Commission	310	310	340
Interstate Commission on the Potomac River	50	32	34
Delaware River Basin Commission	880	897	884
Ohio River Valley Water Sanitation Commission	125	125	125
Chesapeake Bay Commission	235	235	235
Great Lakes Protection Fund	250	.....	.....
Local Soil and Water District Assistance	1,500	1,500	1,750
(A) Clean Water Fund	173	.....	.....
Nutrient Management Fund .....	.....	.....	750
Interstate Mining Commission	11	15	17
Annual Fixed Charges — Flood Lands	30	32	34
Annual Fixed Charges — Project 70	14	18	18
Annual Fixed Charges — Forest Lands	1,208	1,225	1,225
Appalachian States Waste Compact	117	117	117
Center for Hazardous Materials Research	125	.....	.....

ENVIRONMENTAL RESOURCES

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
<i>GRANTS AND SUBSIDIES: (continued)</i>			
Huntingdon Correctional Institution Utilities	\$ 1,023	....	....
Cresson Correctional Institution Utilities	642	....	....
Frackville Correctional Institution Utilities	1,023	....	....
Graterford Correctional Institution Utilities	2,439	....	....
Small Water System Regionalization	450	\$ 500	\$ 500
Subtotal — State Funds	\$ 49,159	\$ 48,305	\$ 50,734
Subtotal — Augmentations	173	....	....
Total — Grants and Subsidies	\$ 49,332	\$ 48,305	\$ 50,734
STATE FUNDS	\$ 205,007	\$ 218,414	\$ 237,607
FEDERAL FUNDS	70,141	109,405	108,008
AUGMENTATIONS	35,820	43,643	42,745
GENERAL FUND TOTAL	\$ 310,968	\$ 371,462	\$ 388,360
OTHER FUNDS			
<i>GENERAL FUND:</i>			
Safe Drinking Water Account	\$ 551	\$ 2,129	\$ 619
Radiation Protection Fund	3,082	3,657	3,884
Clean Water Fund	5,033	13,500	4,226
Snowmobile Regulation	428	545	579
Solid Waste Abatement Fund	5,078	5,430	5,944
Well Plugging Account	589	736	714
Abandoned Well Plugging .....	....	127	125
Orphan Well Plugging .....	....	479	475
GENERAL FUND TOTAL	\$ 14,761	\$ 26,603	\$ 16,566
<i>ACID MINE DRAINAGE ABATEMENT AND TREATMENT FUND:</i>			
General Operations (EA) .....	...	\$ 1,995	\$ 2,000
<i>CLEAN AIR FUND:</i>			
General Operations (EA)	\$ 4,570	\$ 13,961	\$ 17,125
<i>COAL AND CLAY MINE SUBSIDENCE INSURANCE FUND:</i>			
General Operations (EA)	\$ 1,116	\$ 1,311	\$ 1,411
Payment of Claims (EA)	2,000	2,000	2,000
COAL AND CLAY MINE SUBSIDENCE INSURANCE FUND TOTAL	\$ 3,116	\$ 3,311	\$ 3,411

ENVIRONMENTAL RESOURCES

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<u>OTHER FUNDS</u>			
ENVIRONMENTAL EDUCATION FUND:			
General Operations (EA) .....	.....	\$ 622	\$ 625
HAZARDOUS SITES CLEANUP FUND:			
General Operations (EA)	\$ 13,025	\$ 15,128	\$ 18,046
Hazardous Sites Cleanup (EA)	20,433	37,298	50,000
Recycling Grants (EA)	1,993	2,000	.....
Host Municipality Grants (EA)	53	100	155
Loan to Storage Tank Fund (EA) .....	.....	.....	.....
Loan to Air Quality Improvement Fund .....	.....	3,000	.....
Federal Superfund Contributions	15	1,000	50
HAZARDOUS SITES CLEANUP FUND TOTAL	\$ 35,519	\$ 58,526	\$ 68,251
KEYSTONE RECREATION, PARK AND CONSERVATION FUND:			
Park and Forest Facility Rehabilitation .....	.....	.....	\$ 2,770
LOW LEVEL WASTE FUND:			
General Operations (EA)	\$ 1,351	\$ 2,134	\$ 2,143
MOTOR LICENSE FUND:			
Forestry Bridges — Excise Tax (R)	\$ 117	\$ 2,860	\$ 7,224
NON-COAL SURFACE MINING CONSERVATION AND RECLAMATION FUND:			
General Operations (EA)	\$ 163	\$ 1,382	\$ 1,228
NUTRIENT MANAGEMENT FUND:			
State Conservation Commission .....	.....	.....	\$ 750
OIL AND GAS LEASE FUND:			
General Operations	\$ 4,620	\$ 14,996	\$ 7,639
RECYCLING FUND:			
Recycling Coordinator Reimbursement (EA)	\$ 1,132	\$ 1,200	\$ 1,200
Reimbursement for Municipal Inspection (EA)	356	500	300
Reimbursement for Host Municipality Review of Permit Applications (EA)	10	50	50
Administration of Recycling Program (EA)	996	940	981
County Planning Grants (EA)	1,005	1,500	1,500
Municipal Planning Grants (EA)	20,039	20,000	20,000
Municipal Recycling Performance Program (EA)	8,423	10,000	14,000
Public Education/Technical Assistance (EA)	9,520	9,674	9,850
RECYCLING FUND TOTAL	\$ 41,481	\$ 43,864	\$ 47,881
REGIONAL FACILITY SITING FUND:			
General Operations (EA)	\$ 11,685	\$ 13,396	\$ 9,459

* Although authorized by legislation, no activity is anticipated during this year.

ENVIRONMENTAL RESOURCES

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
OTHER FUNDS			
<i>REMINING ENVIRONMENTAL ENHANCEMENT FUND:</i>			
Remining and Reclamation Incentives .....	.....	.....	\$ 500
<i>STORAGE TANK FUND:</i>			
General Operations (EA)	\$ 6,100	\$ 8,669	\$ 7,898
Federal Grant — UST	185	185	185
Federal Grant — LUST	2,357	3,983	2,000
Transfer to Storage Tank Loan Program .....	.....	.....	.....
STORAGE TANK FUND TOTAL	<u>\$ 8,642</u>	<u>\$ 12,837</u>	<u>\$ 10,083</u>
<i>SURFACE MINING CONSERVATION AND RECLAMATION FUND:</i>			
General Operations (EA)	\$ 1,983	\$ 1,993	\$ 1,686
<i>WILD RESOURCE CONSERVATION FUND:</i>			
General Operations (EA)	\$ 622	\$ 1,000	\$ 1,000
OTHER FUNDS TOTAL	<u>\$ 128,630</u>	<u>\$ 199,480</u>	<u>\$ 200,341</u>
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 205,007	\$ 218,414	\$ 237,607
FEDERAL FUNDS	70,141	109,405	108,008
AUGMENTATIONS	35,820	43,643	42,745
RESTRICTED REVENUES	117	2,860	7,224
OTHER FUNDS	128,513	196,620	193,117
TOTAL ALL FUNDS	<u>\$ 439,598</u>	<u>\$ 570,942</u>	<u>\$ 588,701</u>

^a Although authorized by legislation, no transfers are required at this time to maintain current program activity.

ENVIRONMENTAL RESOURCES

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
ENVIRONMENTAL SUPPORT SERVICES							
General Funds.....	\$ 22,902	\$ 23,168	\$ 25,372	\$ 25,401	\$ 25,404	\$ 25,407	\$ 25,410
Federal Funds.....	1,780	2,353	2,028	2,033	2,033	2,033	2,034
Other Funds.....	4,344	9,398	8,565	9,123	9,617	9,995	10,472
TOTAL.....	\$ 29,026	\$ 34,919	\$ 35,965	\$ 36,557	\$ 37,054	\$ 37,435	\$ 37,916
ENVIRONMENTAL PROTECTION AND MANAGEMENT							
General Funds.....	\$ 123,124	\$ 130,267	\$ 143,685	\$ 145,531	\$ 144,953	\$ 144,936	\$ 144,400
Federal Funds.....	64,930	96,580	95,508	95,326	95,326	95,325	95,325
Other Funds.....	133,985	192,002	192,216	174,621	166,554	169,861	167,552
TOTAL.....	\$ 322,039	\$ 418,849	\$ 431,409	\$ 415,478	\$ 406,833	\$ 410,122	\$ 407,277
PARKS AND FORESTS MANAGEMENT							
General Funds.....	\$ 58,981	\$ 64,979	\$ 68,550	\$ 68,782	\$ 68,813	\$ 68,838	\$ 68,868
Federal Funds.....	3,431	10,472	10,472	10,472	10,472	10,472	10,472
Other Funds.....	26,121	41,723	42,305	52,221	47,438	46,472	45,132
TOTAL.....	\$ 88,533	\$ 117,174	\$ 121,327	\$ 131,475	\$ 126,723	\$ 125,782	\$ 124,472
ALL PROGRAMS:							
GENERAL FUND.....	\$ 205,007	\$ 218,414	\$ 237,607	\$ 239,714	\$ 239,170	\$ 239,181	\$ 238,678
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	70,141	109,405	108,008	107,831	107,831	107,830	107,831
OTHER FUNDS.....	164,450	243,123	243,086	235,965	223,609	226,328	223,156
TOTAL.....	\$ 439,598	\$ 570,942	\$ 588,701	\$ 583,510	\$ 570,610	\$ 573,339	\$ 569,665

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 technical 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, the Environmental Quality Board and the Bureau of Laboratories. The Bureau of Laboratories provides 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.

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 Measures

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Technical Support Services							
Inorganic analysis	773,521	760,000	740,000	740,000	740,000	740,000	740,000
Organic Samples	6,538	6,200	6,200	6,200	6,200	6,200	6,200
Bacteriological analysis	23,676	25,000	25,000	25,000	25,000	25,000	25,000
Radiological samples	3,584	2,700	2,700	2,700	2,700	2,700	2,700

The program measures showing inorganic analysis and bacteriological analysis have been decreased from the levels shown in last year's budget based on an updated projection of demand.

Program Recommendations:

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

<p>General Government Operations</p> <p>\$ -1,205 —nonrecurring items.</p> <p>3,235 —to continue current program.</p> <p>26 —Initiative — Expansion of Safe Drinking Water Program. This initiative provides \$3.2 million for technical assistance, monitoring and testing activities of Pennsylvania's 11,000 water systems. Funds are provided to implement new Federal regulations, conduct sanitary surveys, set performance standards for water quality, approve tap water monitoring programs, test for copper and lead, and provide inspection and enforcement training. These services will benefit smaller</p>	<p>water systems that require technical assistance from the department in order to comply with all requirements of the Federal regulations. Larger water systems will conduct their own testing and monitoring activities with departmental assistance and oversight.</p>
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\$ 2,056 *Appropriation Increase*

\$ 148 **Environmental Hearing Board**
—to continue current program.

In addition, an initiative is recommended in this budget to support a third mobile laboratory unit to respond to environmental emergencies; funding is provided from the Clean Air Fund, several Federal grants and augmentations to the General Government Operations appropriation.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
General Government Operations	\$ 21,644	\$ 21,808	\$ 23,864	\$ 23,893	\$ 23,896	\$ 23,899	\$ 23,902
Environmental Hearing Board	1,258	1,360	1,508	1,508	1,508	1,508	1,508
TOTAL GENERAL FUND	\$ 22,902	\$ 23,168	\$ 25,372	\$ 25,401	\$ 25,404	\$ 25,407	\$ 25,410

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, to protect the people from dangerous or unnecessary radiation from natural and man-made sources, including occupational and medical exposure and 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: Environmental Protection and Management

This program encompasses the 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. 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 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 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 is 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 Health

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. 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 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

Of the 9 million tons of municipal solid waste generated annually in prior years in Pennsylvania, 95 percent was dumped in sanitary landfills, four percent was incinerated and only one percent was recycled. With many current landfill sites reaching capacity, and new landfills not being established due to public concern and opposition, local governments are having great difficulty 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, demanded that alternatives to landfills be used. Act 101 of 1988, the Municipal Waste Planning, Recycling and Waste Reduction Act, addressed 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. The goal of these efforts is to recycle 25 percent of Pennsylvania's municipal waste by 1998.

ENVIRONMENTAL RESOURCES

Program: Environmental Protection and Management (continued)

Act 93 of 1988 requires the regulation and control of the disposal of infectious (hospital) wastes. To do this, a manifest system tracks waste from generation until disposal. In addition, a system of inspections assures proper handling of infectious waste. Overall management is 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. Over 16 million tons are generated each year. A comprehensive set of new regulations for residual waste disposal sites was implemented in July 1992. These regulations will require approximately 1,100 residual waste facilities to be permitted or re-permitted. Some will close, requiring the department to inspect them 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, established 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 and actual cleanup has begun with funding coming from several possible sources. First, the department tries to identify the parties responsible for the situation and actively pursues legal actions to recover cleanup costs. Second, for those sites which are dangerous enough to qualify for the Federal Superfund Program, Federal funds are used. The department attempts 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 generates over \$30 million per year. Another \$4.5 million is generated from a hazardous waste fee system. 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 program to site 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 conducts 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 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.

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: Radiation Protection

This element 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.

ENVIRONMENTAL RESOURCES

Program: Environmental Protection and Management (continued)

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 Element: Management of Dams, Waterways and Wetlands

One objective of this element is to insure that the construction, operation and maintenance of dams meet standards in order to minimize the possibility of a dam failure. The Dam Safety and Encroachments Act (Act 325 of 1979) authorizes the department's regulation of dams and reservoirs to protect life, property and the environment. This involves the review of plans and specifications which accompany an application for a dam permit, the field inspection of construction of new dams, and inspection of existing dams to determine their general condition. There are approximately 3,200 dams under active permits in the Commonwealth. In addition, the department also regulates the construction and maintenance of any obstructions, encroachments and changes to the course and current of streams, as well as the related flood plains.

The protection of wetlands, the important natural resources vital to the environment, is also in this element. These areas maintain and

improve water quality, sustain stream flow and provide habitat for many types of flora and fauna. It is the goal of this element to prevent the loss and degradation of the Commonwealth's wetlands.

Program Element: Flood Protection

To minimize the dangers of flood water, this element involves the construction of dams, levees, flood walls, channels and culverts by the Commonwealth. The program which provides financial assistance to communities sponsoring flood protection projects to be constructed by the Federal Government is also administered here. Stream improvement projects are also a responsibility. This activity is concerned with the maintenance and repair of existing streambeds and flood control projects.

Program Element: Water and Soil Conservation

Associated with the above element, the Storm Water Management Program administers Act 157 of 1978 which requires county and municipal governments to develop and implement plans to control storm water runoff, to control erosion and sedimentation, and to protect groundwater recharge areas. This element, along with the Flood Plain Management Program, addresses that threat to rivers 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.

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.

Program Measures

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Air Pollution Control							
Air emission operating permits in effect . . .	6,700	7,000	7,300	7,600	7,900	8,200	8,500
Air emission inspections performed	13,573	14,000	14,500	15,000	15,500	16,000	16,000

The program measure showing air emission operating permits in effect is revised from last year's budget to reflect more recent estimates of permits needed.

Water Quality Management

Sewage and industrial waste discharge inspections	4,727	4,700	4,700	4,700	4,700	4,700	4,700
Permits issued for water pollution control facilities	1,328	1,400	1,400	1,400	1,400	1,400	1,400
Enforcement actions	280	250	250	250	250	250	250

The program measure showing sewage and industrial waste discharge inspections decreased from last year's budget as inspections are made of more complex waste discharges.

Community Health

Annual permits issued — seasonal farm labor camps	270	270	270	270	270	270	270
Inspections of food establishments	10,000	10,500	10,500	10,500	10,500	10,500	10,500
Residents of areas in Black Fly Suppression Program	2,250,000	2,250,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Inspections of public drinking water supplies	5,400	5,400	5,400	5,400	5,400	5,400	5,400

The program measures showing the number of residents of areas in the Black Fly Suppression Program increased from last year's budget as additional areas are sprayed.

Municipal and Residual Waste

Municipal and residual waste facilities permitted	510	450	450	450	450	450	450
Percent of municipal waste disposal by methods other than landfills	33%	38%	41%	44%	47%	50%	51%

The percent of municipal waste disposal by methods other than landfills increased from last year's budget as new incinerators and recycling programs become operational and as landfills reach capacity.

ENVIRONMENTAL RESOURCES

Program: Environmental Management and Protection (continued)

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Hazardous Waste							
Sites assessed for possible hazardous waste contamination	14	20	20	20	20	20	20
Completions of remedial or response actions on hazardous waste sites	19	20	20	20	20	20	20
Hazardous waste inspections performed	1,320	1,250	1,250	1,250	1,250	1,250	1,250
Hazardous waste sites permitted and licensed under Act 108	155	145	145	145	145	145	145

The number of hazardous waste inspections performed increased from last year's budget as certain nonrecurring inspections were performed. The number of hazardous waste sites permitted and licensed under Act 108 of 1988 decreases after 1992-93 as the initial permitting and licensing of sites is completed and the more routine renewal process begins.

Regulation of Mining

Mine permit actions:							
Coal	1,200	1,100	1,000	1,000	1,000	1,000	1,000
Non-coal	265	265	265	265	265	265	265
Inspections:							
Complete coal inspections	12,500	12,250	12,250	12,250	12,250	12,250	12,250
Partial coal inspections	20,000	19,000	19,000	19,000	19,000	19,000	19,000
Non-coal inspections	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Oil and gas field inspections	7,230	6,800	6,800	6,800	6,800	6,800	6,800
Mining enforcement orders issued	1,200	1,100	1,100	1,100	1,100	1,100	1,100
Mine subsidence insurance policies in effect	40,000	41,000	42,000	43,000	44,000	45,000	45,000
Employees trained in mine safety	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Abandoned mine sites designated as potential safety problems	1,548	1,544	1,504	1,464	1,424	1,384	1,344

The program measure showing oil and gas field inspections has been reduced from last year's budget because of declining drilling activities.

Radiation Protection

Radiation user inspections performed	2,359	2,200	2,500	2,500	2,750	2,750	2,750
Users brought into compliance through inspections	880	600	600	400	400	400	400
Nuclear plant off-site samples	3,550	3,446	3,342	3,172	3,000	3,000	3,000
Cubic feet of low-level radioactive waste generated in Pennsylvania	90,000	120,000	110,000	110,000	100,000	100,000	100,000

The estimate of the cubic feet of low-level radioactive waste generated in Pennsylvania has been reduced from last year's budget to reflect a more recent estimate of the impact of future disposal costs. As disposal costs increase, the amount generated should decrease.

Management of Dams, Waterways and Wetlands

Stormwater construction permits issued	622	3,400	3,400	3,400	3,400	3,400	3,400
Dam inspections	1,900	1,600	1,600	1,600	1,600	1,600	1,600

The program measure for stormwater construction permits issued replaces the earth disturbance permits issue program measures in previous budget. This is a new permitting action.

The program measure showing dam inspections has been decreased from last year's budget to reflect lower estimates of construction activities.

ENVIRONMENTAL RESOURCES

Program: Environmental Management and Protection (continued)

Program Recommendations:

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

<table border="0" style="width: 100%;"> <tr> <td colspan="2">Environmental Program Management</td> </tr> <tr> <td style="width: 10%;">\$ -704</td> <td>—nonrecurring items.</td> </tr> <tr> <td>3,337</td> <td>—to continue current program.</td> </tr> <tr> <td>26</td> <td>—Initiative — Expansion of Safe Drinking Water Program. See description below.</td> </tr> <tr> <td>140</td> <td>—Initiative — Wildwood Treatment Facility. To provide for the removal and disposal of sludge accumulated at the treatment facility.</td> </tr> <tr> <td><hr/></td> <td></td> </tr> <tr> <td>\$ 2,799</td> <td><i>Appropriation Increase</i></td> </tr> <tr> <td colspan="2">Environmental Protection Operations</td> </tr> <tr> <td>\$ -1,953</td> <td>—nonrecurring items.</td> </tr> <tr> <td>6,923</td> <td>—to continue current program.</td> </tr> <tr> <td>3,155</td> <td>—Initiative — Expansion of Safe Drinking Water Program. This initiative provides \$3.2 million for technical assistance, monitoring and testing activities of Pennsylvania's 11,000 water systems. Funds are provided to implement new Federal regulations, conduct sanitary surveys, set performance standards for water quality, approve tap water monitoring programs, test for copper and lead, and provide inspection and enforcement training. These services will benefit smaller water systems that require technical assistance from the department in order to comply with all requirements of the Federal regulations. 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All other appropriations in this program are either recommended at current program levels or are nonrecurring programs.

In addition, funds are recommended in this budget to provide impartial dispute mediation among environmental violators and to oversee hazardous waste cleanups; funding is from the Hazardous Sites Cleanup Fund. Also recommended is enhancement of the hazardous waste tracking information system by increasing fee document processing capabilities and improving reporting capabilities which will decrease delinquent uncollected fees; funding is from the Hazardous Sites Cleanup Fund, the Recycling Fund, the Solid Waste Abatement Fund and a Federal grant.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Environmental Program Management	\$ 25,521	\$ 26,572	\$ 29,371	\$ 29,260	\$ 29,263	\$ 29,266	\$ 29,269
Environmental Protection Operations	44,397	51,073	59,198	61,500	61,608	61,691	61,785
Chesapeake Bay Agricultural Source Abatement	2,914	2,977	2,986	2,986	2,986	2,986	2,986
Black Fly Control and Research	2,385	2,615	2,673	2,673	2,673	2,673	2,673
Low Level Radioactive Waste Control	193	1,850	1,770	1,425	736	633	. . . . .
Flood Control Projects	65	450	450	450	450	450	450
Storm Water Management	556	595	595	595	595	595	595
Sewage Facilities Planning Grants	917	3,000	2,800	2,800	2,800	2,800	2,800

ENVIRONMENTAL RESOURCES

Program: Environmental Management and Protection (continued)
Appropriations within this Program: (continued)

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Sewage Facilities Enforcement Grants . . .	\$ 3,415	\$ 2,722	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Sewage Treatment Plant Operations							
Grants	33,500	34,600	36,500	36,500	36,500	36,500	36,500
Delaware River Master	73	73	80	80	80	80	80
Ohio River Basin Commission	8	9	10	10	10	10	10
Susquehanna River Basin Commission	310	310	340	340	340	340	340
Interstate Commission on the Potomac River	50	32	34	34	34	34	34
Delaware River Basin Commission	880	897	884	884	884	884	884
Ohio River Valley Water Sanitation Commission	125	125	125	125	125	125	125
Chesapeake Bay Commission	235	235	235	235	235	235	235
Great Lakes Protection Fund	250						
Local Soil and Water District Assistance	1,500	1,500	1,750	1,750	1,750	1,750	1,750
Nutrient Management Fund			750	750	750	750	750
Interstate Mining Commission	11	15	17	17	17	17	17
Appalachian States Waste Compact	117	117	117	117	117	117	117
Center for Hazardous Materials Research Huntingdon Correctional Institution Utilities	125						
Cresson Correctional Institution Utilities	1,023						
Frackville Correctional Institution Utilities	642						
Graterford Correctional Institution Utilities	1,023						
Small Water System Regionalization	2,439						
Small Water System Regionalization	450	500	500	500	500	500	500
TOTAL GENERAL FUND	\$ 123,124	\$ 130,267	\$ 143,685	\$ 145,531	\$ 144,953	\$ 144,936	\$ 144,400

ENVIRONMENTAL RESOURCES

PROGRAM OBJECTIVE: To protect and manage outdoor recreation facilities and open space areas, to provide, or assist in, effective management of forest lands, to reduce plant loss and damage caused by insects, disease and forest fires, and to provide data on geology, energy resources, groundwater and topography within the Commonwealth.

Program: Parks and Forests Management

Program Element: Management of Recreation Facilities and Areas

The system of State parks consists of 114 parks in 61 counties. Over 242,000 acres of land and 33,000 acres of water are within these parks. They attract more than 37 million visitors each year and provide picnicking, swimming, hiking, bicycling, horseback riding, cross-country skiing, camping, boating, fishing and hunting opportunities for citizens and guests of the Commonwealth. In addition to managing these facilities, this program element 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.

Program Element: Management of Forest Resources

This Program Element 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. A peak of 4.4 million acres were defoliated in 1990; this decreased to 1.2 million acres in 1991. Preliminary information indicates that defoliation further decreased to 641,000 acres in 1992. As past infestations have been cyclical, this downward trend is not expected to continue over the next few years.

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 about five acres.

This program element also maintains the Pennsylvania Natural Diversity Inventory. This computerized data base contains location information for rare, unique and unusual features of the Commonwealth. It provides information for State and Federal regulatory agencies and for State, regional and local government planning.

Program Element: Topographic and Geologic Surveying

This program element gathers, analyzes, interprets and disseminates information about the surface and subsurface geology, mineral and fossil energy resources, groundwater, and digital and analog topography of all areas of the Commonwealth. These surveys are used, for example, to locate hazards such as sinkholes and areas prone to landslide, to catalog coal extraction, oil and gas drilling operations, and to provide data for activities where knowledge of the Commonwealth's topography and geology is needed.

Program Measures

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Management of Recreation Facilities and Areas							
State park attendance in visitor days (in thousands)	44,396	44,785	44,785	44,785	44,785	44,785	44,785
Major maintenance or restoration projects completed	109	180	180	180	180	180	180
Management of Forest Resources							
Forest fires	1,400	1,400	1,400	1,400	1,400	1,400	1,400
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	400,000	178,000	200,000	210,000	280,000	280,000	280,000

The decrease in the program measure for the number of acres receiving insect suppression treatment reflects less acreage being infested by the gypsy moth; this increases in the future as the cycle of infestations reverses.

ENVIRONMENTAL RESOURCES

Program: Parks and Forests Management (continued)

Program Recommendations:

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

	Parks and Forests Operations				
\$ -1,040	—nonrecurring projects.	\$	77	Gypsy Moth and Other Insect Control	—to continue current program.
4,223	—to continue current programs.				
107	—Initiative — Keystone Recreation, Park and Conservation. To oversee new construction and renovation projects at State parks.	\$	2	Annual Fixed Charges — Flood Lands	—to continue current program.
202	—Initiative — State Parks Revitalization. To improve visitor safety, environmental education services and infrastructure maintenance in State parks.				
<u>\$ 3,492</u>	<i>Appropriation Increase</i>				

Also recommended in this budget is \$771,000 in funding from the timber sales restricted receipts account to provide for reforestation of State forests and to provide assistance to the public during weekend, holidays and evening hours in the State Forest Districts.

All other appropriations are recommended at current program levels.

Some augmentations from the User Fees Restricted Account may be used to augment capital projects in State Parks.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Parks and Forests Operations	\$ 55,214	\$ 60,334	\$ 63,826	\$ 64,058	\$ 64,089	\$ 64,114	\$ 64,144
Gypsy Moth and Other Insect Control ...	2,515	3,370	3,447	3,447	3,447	3,447	3,447
Annual Fixed Charges — Forest Lands ...	1,208	1,225	1,225	1,225	1,225	1,225	1,225
Annual Fixed Charges — Flood Lands ...	30	32	34	34	34	34	34
Annual Fixed Charges — Project 70	14	18	18	18	18	18	18
TOTAL GENERAL FUND	<u>\$ 58,981</u>	<u>\$ 64,979</u>	<u>\$ 68,550</u>	<u>\$ 68,782</u>	<u>\$ 68,813</u>	<u>\$ 68,838</u>	<u>\$ 68,868</u>



Commonwealth of Pennsylvania

Fish and Boat Commission

The Fish and Boat Commission administers and enforces the fishing and boating laws of the Commonwealth and provides for the protection and propagation of aquatic life.

FISH AND BOAT COMMISSION

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
<i>GRANTS AND SUBSIDIES:</i>			
Atlantic States Marine Fisheries Commission	\$ 9	\$ 9	\$ 9
BOAT FUND			
<i>GENERAL GOVERNMENT:</i>			
General Operations (EA)	\$ 5,985	\$ 6,471	\$ 6,584
(F) U.S. Coast Guard Grant — Boating Safety	880	958	959
(F) Sport Fish Restoration	225	294	301
(A) Sale of Vehicles	17	10	10
STATE FUNDS	\$ 5,985	\$ 6,471	\$ 6,584
FEDERAL FUNDS	1,105	1,252	1,260
AUGMENTATIONS	17	10	10
BOAT FUND TOTAL	\$ 7,107	\$ 7,733	\$ 7,854
FISH FUND			
<i>GENERAL GOVERNMENT:</i>			
General Operations (EA)	\$ 21,868	\$ 22,263	\$ 21,870
(F) Sport Fish Restoration	6,854	6,000	5,750
(F) Mid-Atlantic Management Council	10	10	10
(F) Surface Mine Regulation	31	38	40
(F) NOAA .....	...	30	30
(A) Sale of Vehicles	47	50	55
(A) Reimbursement for Services — Boat Fund .....	...	...	...
(A) Reimbursement for Services — PennDOT .....	...	50	52
STATE FUNDS	\$ 21,868	\$ 22,263	\$ 21,870
FEDERAL FUNDS	6,895	6,078	5,830
AUGMENTATIONS	47	100	107
FISH FUND TOTAL	\$ 28,810	\$ 28,441	\$ 27,807
OTHER FUNDS:			
<i>KEYSTONE RECREATION, PARK AND CONSERVATION FUND:</i>			
Fishing and Boating Access Areas .....	....	....	\$ 500
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 9	\$ 9	\$ 9
SPECIAL FUNDS	27,853	28,734	28,454
FEDERAL FUNDS	8,000	7,330	7,090
AUGMENTATIONS	64	110	117
OTHER FUNDS .....	....	....	500
TOTAL ALL FUNDS	\$ 35,926	\$ 36,183	\$ 36,170

^a Not added to avoid double counting: 1992-93 Actual is \$7,107,000, 1993-94 Available is \$7,733,000, and 1994-95 Budget is \$7,854,000.

FISH AND BOAT COMMISSION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
RECREATIONAL FISHING AND BOATING							
General Funds.....	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9
Special Funds.....	27,853	28,734	28,454	30,076	31,821	31,531	29,606
Federal Funds.....	8,000	7,330	7,090	7,357	7,609	7,911	8,188
Other Funds.....	64	110	617	624	631	133	140
TOTAL.....	\$ 35,926	\$ 36,183	\$ 36,170	\$ 38,066	\$ 40,070	\$ 39,584	\$ 37,943
ALL PROGRAMS:							
GENERAL FUND.....	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9
SPECIAL FUNDS.....	27,853	28,734	28,454	30,076	31,821	31,531	29,606
FEDERAL FUNDS.....	8,000	7,330	7,090	7,357	7,609	7,911	8,188
OTHER FUNDS.....	64	110	617	624	631	133	140
TOTAL.....	\$ 35,926	\$ 36,183	\$ 36,170	\$ 38,066	\$ 40,070	\$ 39,584	\$ 37,943

FISH AND BOAT COMMISSION

PROGRAM OBJECTIVE: To conserve aquatic resources including fish and wildlife populations, to provide recreational opportunities for fishing and boating on Commonwealth waters, and to promote safe recreational use of these aquatic resources.

Program: Recreational Fishing and Boating

The Fish and Boat 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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Fishing licenses sold	1,074,496	1,154,350	1,116,000	1,127,000	1,139,000	1,152,000	1,163,000
Pounds of fish stocked in Commonwealth streams and lakes	2,558,008	2,650,000	2,650,000	2,650,000	2,650,000	2,650,000	2,650,000
Boats registered	311,000	313,000	315,000	317,000	319,000	321,000	323,000

Program Recommendations:

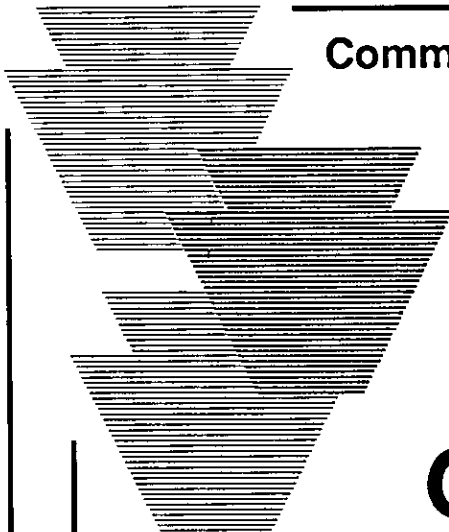
This budget recommends the following changes: (Dollar Amounts in Thousands)

BOAT FUND:			FISH FUND:	
	General Government Operations			General Government Operations
\$ -333	—nonrecurring items.		\$ -1,633	—nonrecurring items.
446	—to continue current program.		1,240	—to continue current program.
<u>\$ 113</u>	<i>Executive Authorization Increase</i>		<u>\$ -393</u>	<i>Executive Authorization Decrease</i>

The Atlantic States Marine Fisheries Commission appropriation is continued at the current level of participation.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Atlantic States Marine Fisheries							
Commission	<u>\$ 9</u>	<u>\$ 9</u>	<u>\$ 9</u>	<u>\$ 9</u>	<u>\$ 9</u>	<u>\$ 9</u>	<u>\$ 9</u>
BOAT FUND:							
General Operations	<u>\$ 5,985</u>	<u>\$ 6,471</u>	<u>\$ 6,584</u>	<u>\$ 6,959</u>	<u>\$ 7,363</u>	<u>\$ 7,672</u>	<u>\$ 8,063</u>
FISH FUND:							
General Operations	<u>\$ 21,868</u>	<u>\$ 22,263</u>	<u>\$ 21,870</u>	<u>\$ 23,117</u>	<u>\$ 24,458</u>	<u>\$ 23,859</u>	<u>\$ 21,543</u>



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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<u>GAME FUND</u>			
GENERAL GOVERNMENT:			
General Operations	\$ 47,462	\$ 47,665	\$ 50,668
(F) Pittman-Robinson Act Reimbursements	5,554	5,500	5,500
(F) Endangered Species .....	.....	12	10
(F) Surface Mine Regulatory Program	32	45	45
(A) Sale of Vehicles	123	125	125
(A) Pennsylvania Conservation Corps	74	50	50
(A) Donations	25	8	8
(A) Hunter Trapper Education Camp	8	10	10
(A) Youth Shooting Sports	14	5	5
Subtotal — Federal Funds	\$ 5,586	\$ 5,557	\$ 5,555
Subtotal — Augmentations	244	198	198
Total — General Government Operations	\$ 53,292	\$ 53,420	\$ 56,421
Land Acquisition and Development	2,614	3,000	3,000
(F) Pittman-Robinson Act Reimbursements .....	.....	500	.....
Total — Land Acquisition and Development	\$ 2,614	\$ 3,500	\$ 3,000
STATE FUNDS	\$ 50,076	\$ 50,665	\$ 53,668
FEDERAL FUNDS	5,586	6,057	5,555
AUGMENTATIONS	244	198	198
GAME FUND TOTAL	\$ 55,906	\$ 56,920	\$ 59,421
 <u>OTHER FUNDS</u>			
KEYSTONE RECREATION, PARK AND CONSERVATION FUND:			
Land Acquisition and Development .....	.....	.....	\$ 1,500
 DEPARTMENT TOTAL — ALL FUNDS			
STATE FUNDS	\$ 50,076	\$ 50,665	\$ 53,668
FEDERAL FUNDS	5,586	6,057	5,555
AUGMENTATIONS	244	198	198
OTHER FUNDS .....	.....	.....	1,500
TOTAL ALL FUNDS	\$ 55,906	\$ 56,920	\$ 60,921

GAME COMMISSION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
WILDLIFE MANAGEMENT							
Special Funds.....	\$ 50,076	\$ 50,665	\$ 53,668	\$ 54,865	\$ 54,577	\$ 42,897	\$ 42,897
Federal Funds.....	5,586	6,057	5,555	5,555	5,555	5,555	5,555
Other Funds.....	244	198	1,698	198	198	198	198
TOTAL.....	\$ 55,906	\$ 56,920	\$ 60,921	\$ 60,618	\$ 60,330	\$ 48,650	\$ 48,650
ALL PROGRAMS:							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SPECIAL FUNDS.....	50,076	50,665	53,668	54,865	54,577	42,897	42,897
FEDERAL FUNDS.....	5,586	6,057	5,555	5,555	5,555	5,555	5,555
OTHER FUNDS.....	244	198	1,698	198	198	198	198
TOTAL.....	\$ 55,906	\$ 56,920	\$ 60,921	\$ 60,618	\$ 60,330	\$ 48,650	\$ 48,650

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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Hunting licenses sold	1,160,202	1,160,000	1,160,000	1,160,000	1,160,000	1,160,000	1,160,000
Deer taken	359,391	356,000	350,000	340,000	330,000	320,000	310,000
Arrests for violation of game laws	10,010	10,000	10,000	10,000	10,000	10,000	10,000

The program measure showing the number of deer taken declines after 1992-93 as the bonus deer license program ends and the deer population is reduced. Arrests for violation of game laws increase in comparison to the data in the last year's budget as law enforcement activities have increased.

Program Recommendations:

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

General Operations	
\$ -2,470	—nonrecurring items.
3,873	—to continue current program.
1,600	—Initiative — Management Information System — to upgrade mainframe computer.
<u>\$ 3,003</u>	<i>Executive Authorization Increase</i>

The Land Acquisition and Development executive authorization is continued at the current year level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GAME FUND:							
General Operations	\$ 47,462	\$ 47,665	\$ 50,668	\$ 51,865	\$ 51,577	\$ 39,897	\$ 39,897
Land Acquisition and Development	2,614	3,000	3,000	3,000	3,000	3,000	3,000
TOTAL GAME FUND	<u>\$ 50,076</u>	<u>\$ 50,665</u>	<u>\$ 53,668</u>	<u>\$ 54,865</u>	<u>\$ 54,577</u>	<u>\$ 42,897</u>	<u>\$ 42,897</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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 38,365	\$ 40,016	\$ 41,427
(A) Employees Group Life Insurance	60	60	60
(A) Federal Surplus Property	902	929	1,044
(A) State Buildings Use	1,311	1,672	1,672
(A) Sound Equipment	33	25	25
(A) Employee Liability Self Insurance Program	87	69	89
(A) Newsroom Services	14	12	12
(A) Computer Services .....	.....	100	100
(A) Plans Forfeiture	99	75	75
(A) Media Center Reimbursements	719	725	840
(A) GSA Fiscal Function .....	.....	42	42
(A) Recycling Program	192	192	192
(A) Services Provided Other Agencies — Travel	127	154	154
(A) Capital Facilities Administration	9,620	8,057	10,688
Total — General Government Operations	\$ 51,529	\$ 52,128	\$ 56,420
Capitol Police Operations	4,731	5,070	5,617
(A) Capitol Police Services	10	10	11
Utility Costs	13,157	11,660	12,196
Harristown Rental Charges	6,635	6,636	6,571
Harristown Utility and Municipal Charges	8,712	9,435	8,669
Printing the Pennsylvania Manual	176	.....	185
Asbestos Response	450	450	450
(A) Asbestos Response	150	.....	.....
Excess Insurance Coverage	535	535	601
Subtotal — State Funds	\$ 72,761	\$ 73,802	\$ 75,716
Subtotal — Augmentations	13,324	12,122	15,004
Total — General Government	\$ 86,085	\$ 85,924	\$ 90,720
GRANTS AND SUBSIDIES:			
Capitol Fire Protection	\$ 531	\$ 531	\$ 531
Federal Surplus Pilot Project — SW Pennsylvania .....	.....	250	250
Total — Grants and Subsidies	\$ 531	\$ 781	\$ 781
STATE FUNDS	\$ 73,292	\$ 74,583	\$ 76,497
AUGMENTATIONS	13,324	12,122	15,004
GENERAL FUND TOTAL	\$ 86,616	\$ 86,705	\$ 91,501

GENERAL SERVICES

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<u>MOTOR LICENSE FUND</u>			
<i>GENERAL GOVERNMENT:</i>			
Harristown Rental Charges .....	.....	.....	\$ 82
Harristown Utility and Municipal Charges .....	.....	.....	130
Total General Government	<u>.....</u>	<u>.....</u>	<u>\$ 212</u>
 <i>GRANTS AND SUBSIDIES:</i>			
Tort Claim Payments	\$ 17,500	\$ 32,000	\$ 27,000
MOTOR LICENSE FUND TOTAL	<u>\$ 17,500</u>	<u>\$ 32,000</u>	<u>\$ 27,212</u>
 <u>BANKING DEPARTMENT FUND</u>			
<i>GENERAL GOVERNMENT:</i>			
Harristown Rental Charges	\$ 151	\$ 162	\$ 162
Harristown Utility and Municipal Charges	197	186	191
BANKING DEPARTMENT FUND TOTAL	<u>\$ 348</u>	<u>\$ 348</u>	<u>\$ 353</u>
 <u>LOTTERY FUND</u>			
<i>GENERAL GOVERNMENT:</i>			
Harristown Rental Charges	\$ 103	\$ 92	\$ 72
Harristown Utility and Municipal Charges	135	121	113
LOTTERY FUND TOTAL	<u>\$ 238</u>	<u>\$ 213</u>	<u>\$ 185</u>
 <u>OTHER FUNDS</u>			
<i>REVENUE SHARING TRUST FUND:</i>			
Moving and Relocation Expenses	\$ 105	\$ 101	\$ 2
OTHER FUNDS TOTAL	<u>\$ 105</u>	<u>\$ 101</u>	<u>\$ 2</u>
 DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 73,292	\$ 74,583	\$ 76,497
SPECIAL FUNDS	18,086	32,561	27,750
AUGMENTATIONS	13,324	12,122	15,004
OTHER FUNDS	105	101	2
TOTAL ALL FUNDS	<u>\$ 104,807</u>	<u>\$ 119,367</u>	<u>\$ 119,253</u>

GENERAL SERVICES

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
FACILITY, PROPERTY AND COMMODITY MANAGEMENT							
General Funds.....	\$ 73,292	\$ 74,583	\$ 76,497	\$ 77,299	\$ 82,945	\$ 82,945	\$ 82,948
Special Funds.....	18,086	32,561	27,750	27,750	27,750	27,750	27,750
Other Funds.....	13,429	12,223	15,006	14,192	8,798	8,989	9,229
TOTAL.....	\$ 104,807	\$ 119,367	\$ 119,253	\$ 119,241	\$ 119,493	\$ 119,684	\$ 119,927
ALL PROGRAMS:							
GENERAL FUND.....	\$ 73,292	\$ 74,583	\$ 76,497	\$ 77,299	\$ 82,945	\$ 82,945	\$ 82,948
SPECIAL FUNDS.....	18,086	32,561	27,750	27,750	27,750	27,750	27,750
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	13,429	12,223	15,006	14,192	8,798	8,989	9,229
TOTAL.....	\$ 104,807	\$ 119,367	\$ 119,253	\$ 119,241	\$ 119,493	\$ 119,684	\$ 119,927

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 as amended reaffirmed the Commonwealth's use of sovereign immunity as a defense against tort claims, but established criteria for limited amounts of liability in nine 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; National Guard activities; and toxoids and vaccines. Claims in the pre-litigation stage are investigated by the department, while the Office of Attorney General defends those claims in litigation. In 1992, four Pennsylvania Supreme Court decisions were issued which the Attorney General's Office believes will substantially increase the payments for tort claims.

The assessment of the asbestos danger in Commonwealth-owned buildings will be continued in 1993-94. 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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Value of Federal surplus property (in thousands):							
Available June 30	\$4,437	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500
Distributed	\$16,828	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Capital facilities projects in design and/or construction	572	610	610	610	610	610	610
Value (in thousands)	\$1,492,186	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000
Tort claims filed	8,272	7,445	7,743	8,052	8,374	8,709	9,058
Tort claims closed (includes settlements, judgements and denials)	7,602	6,842	7,047	7,258	7,476	7,701	7,932
Tort claims pending	9,661	10,264	10,960	11,753	12,652	13,660	14,787
Amount of claims pending (in thousands)	\$270,856	\$300,650	\$321,696	\$344,214	\$368,309	\$394,091	\$421,677

The turnover of equipment in the Federal surplus property program was greater than projected in last year's budget due to increased availability of higher quality property and an expanding donee base. The result was more property being distributed and smaller inventories.

The increase in both the number and value of capital facilities projects in design and/or construction from last year's budget reflects the initiative known as Operation Jump Start. Operation Jump Start began two years ago as an effort to stimulate the State's economy and, at the same time, provide much needed infrastructure development.

The number of tort claims filed, closed and pending was substantially greater than expected due to a severe winter contributing to a 37 percent increase in Commonwealth automobile accidents and a 21 percent increase in highway accident claims.

The decrease in dollar amount of claims pending compared to last year's budget is the result of smaller claims being submitted in 1992-93 than expected.

GENERAL SERVICES

Program: Facility, Property and Commodity Management (continued)

Program Recommendations:

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

GENERAL FUND:			
General Government Operations		Excess Insurance Coverage	
\$ 1,411 —to continue current program.	\$ 66	—to continue current program.	
Capitol Police Operations		BANKING DEPARTMENT FUND:	
\$ 547 —to continue current program.	\$ 5	Harristown Utility and Municipal Charges	
Utility Costs		—to continue current program.	
\$ 237 —to continue current program.		LOTTERY FUND:	
299 —full year costs of the Central Management In-	\$ -20	Harristown Rental Charges	
formation Center Building.		—to continue current program.	
\$ 536 <i>Appropriation Increase</i>	\$ -8	Harristown Utility and Municipal Charges	
Harristown Rental Charges		—to continue current program.	
\$ -65 —to continue current program.		MOTOR LICENSE FUND:	
Harristown Utility and Municipal Charges	\$ 82	Harristown Rental Charges	
\$ -766 —to continue current program.		—to provide prorata share of charges.	
Pennsylvania Manual	\$ 130	Harristown Utility and Municipal Charges	
\$ 185 —to provide for biennial printing costs.		—to provide prorata share of charges.	
	\$ -5,000	Tort Claims Payments	
		—to continue current program.	

All other programs are recommended to be continued at the current levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 38,365	\$ 40,016	\$ 41,427	\$ 42,471	\$ 48,115	\$ 48,115	\$ 48,115
Capitol Police Operations	4,731	5,070	5,617	5,617	5,617	5,617	5,617
Utility Costs	13,157	11,660	12,196	12,196	12,196	12,196	12,196
Harristown Rental Charges	6,635	6,636	6,571	6,579	6,581	6,581	6,584
Harristown Utility and Municipal Charges	8,712	9,435	8,669	8,669	8,669	8,669	8,669
Pennsylvania Manual	176		185		185		185
Excess Insurance Coverage	535	535	601	601	601	601	601
Capitol Fire Protection	531	531	531	531	531	531	531
Asbestos Response Program	450	450	450	450	450	450	450
Federal Surplus Pilot Project — Southwest Pennsylvania		250	250				
TOTAL GENERAL FUND	\$ 73,292	\$ 74,583	\$ 76,497	\$ 77,299	\$ 82,945	\$ 82,945	\$ 82,948
BANKING DEPARTMENT FUND							
Harristown Rental Charges	\$ 151	\$ 162	\$ 162	\$ 162	\$ 162	\$ 162	\$ 162
Harristown Utility and Municipal Charges	197	186	191	191	191	191	191
TOTAL BANKING DEPARTMENT FUND	\$ 348	\$ 348	\$ 353	\$ 353	\$ 353	\$ 353	\$ 353
LOTTERY FUND							
Harristown Rental Charges	\$ 103	\$ 92	\$ 72	\$ 72	\$ 72	\$ 72	\$ 72
Harristown Utility and Municipal Charges	135	121	113	113	113	113	113
TOTAL STATE LOTTERY FUND	\$ 238	\$ 213	\$ 185	\$ 185	\$ 185	\$ 185	\$ 185
MOTOR LICENSE FUND							
Harristown Rental Charges			\$ 82	\$ 82	\$ 82	\$ 82	\$ 82
Harristown Utility and Municipal Charges			130	130	130	130	130
Tort Claim Payments	\$ 17,500	\$ 32,000	27,000	27,000	27,000	27,000	27,000
TOTAL MOTOR LICENSE FUND	\$ 17,500	\$ 32,000	\$ 27,212	\$ 27,212	\$ 27,212	\$ 27,212	\$ 27,212



Commonwealth of Pennsylvania

Department of Health

The Department of Health is responsible for planning and coordinating health resources in 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, including the Advisory Health Board, the Drug, Device and Cosmetic Board, the Drug Policy Council, the Advisory Committee for Clinical Laboratories, the Health Policy Board, the Hearing Aid Advisory Council, and the Advisory Council on Drug and Alcohol Abuse.

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 9,620	\$ 11,118	\$ 12,521
(F) SSA (XVI) D & A Referral/Monitoring	53	288	402
(F) Health Assessment	284	393	390
(F) PHHSBG Administration	433	600	650
(F) SABG — Administration	1,444	1,644	1,669
(F) MCHSBG — Administration	1,441	2,116	1,996
(F) Traffic Safety Data .....	.....	512	43
(F) Loan Repayment Program	1	250	179
(F) State Legalization Impact Assistance Grant	97	32	.....
(F) Early Childhood Immunization Program	700	1,000	1,500
(A) Data Center Services	2,863	3,268	3,168
(A) Departmental Services	1,586	1,340	1,252
(A) Non-hospital Residential Treatment .....	.....	91	.....
(A) Early Childhood Immunization-Bulk Purchase .....	.....	750	1,614
Subtotal — Federal Funds	\$ 4,453	\$ 6,835	\$ 6,829
Subtotal — Augmentations	4,449	5,449	6,034
Total — General Government Operations	\$ 18,522	\$ 23,402	\$ 25,384
Arthritis and Lupus Research	228*	233	238
Renal Dialysis Management .....	.....	.....	460
Childhood Fatality Review Task Force .....	.....	20	.....
Diabetes Task Force	368	421	477
(F) Diabetes Control	190	220	253
(F) PHHSBG — Diabetes Task Force	402	560	731
Subtotal — Federal Funds	\$ 592	\$ 780	\$ 984
Total — Diabetes Task Force	\$ 960	\$ 1,201	\$ 1,461
TMI — Health Studies	190	200	201
Quality Assurance	4,600	4,608	5,986
(F) Medicare — Health Service Agency Certification	5,526	6,643	6,024
(F) Medicaid Certification	4,534	4,282	4,582
(A) Medicaid Certification — State .....	.....	400	400
(A) Inpatient Psychiatric Unit Surveys	35	42	48
(A) Publication Fees	13	10	10
(A) ICF/MR Reviews	398	490	355
Subtotal — Federal Funds	\$ 10,060	\$ 10,925	\$ 10,606
Subtotal — Augmentations	446	942	813
Total — Quality Assurance	\$ 15,106	\$ 16,475	\$ 17,405
Vital Statistics	4,895	5,048	5,439
(F) Cooperative Health Statistics	793	936	1,986
(F) Drake Health Registry	101	122	122
(A) Reimbursement for Microfilming	59	60	60
Subtotal — Federal Funds	\$ 894	\$ 1,058	\$ 2,108
Subtotal — Augmentations	59	60	60
Total — Vital Statistics	\$ 5,848	\$ 6,166	\$ 7,607
State Laboratory	2,888	3,191	3,126
(F) Training Network for State Labs	18	10	10
(F) Clinical Laboratory Improvement	215	1,580	600
(F) Medicare — Health Services Agency Certification	52	.....	.....

* Actually appropriated as Arthritis Task Force, \$150,000, and Lupus Disease Research, \$78,000.

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
GENERAL GOVERNMENT: (continued)			
(A) Lead Dust Testing		\$ 80	\$ 85
(A) Chlamydia Screening		25	.....
(A) Blood Lead Testing	\$ 10	11	19
(A) Blood Lead Specimen Testing	24	50	72
(A) Erythrocyte Protoporphyrin Testing		10	10
(A) Cytology Testing Program .....		.....	108
(A) Reproduction and Search Fees .....		.....	1
(A) Alcohol Proficiency Testing		64	68
(A) Licensure for Clinical Laboratories	389	405	405
(A) Low Volume Proficiency Testing	160	71	.....
(A) Drug Abuse Proficiency	172	96	96
Subtotal — Federal Funds	\$ 285	\$ 1,590	\$ 610
Subtotal — Augmentations	755	812	864
Total — State Laboratory	\$ 3,928	\$ 5,593	\$ 4,600
Primary Health Care Practitioner	354	3,242	5,573
(A) Primary Care Development	1	83	267
Total — Primary Health Care Practitioner	\$ 355	\$ 3,325	\$ 5,840
State Health Care Centers	13,765	15,070	16,286
(F) Indochinese Refugees	43	66	48
(F) Disease Control Immunization	1,636	6,526	12,855
(F) Chronic Disease Prevention & Control	39	49	84
(F) Community & Migrant Health	117	300	169
(F) PHHSBG — Block Program Services	2,575 ^a	5,481 ^b	6,694
(F) Medical Assistance — SHCC	2	6	2
(F) PHHSBG — Health Education & Prevention		546	.....
(A) Early Periodic Screening, Diagnosis, Treatment	28	24	29
(A) Medical Assistance — SHCC	1	1	1
(A) Departmental Services	18	9	10
Subtotal — Federal Funds	\$ 4,412	\$ 12,974	\$ 19,852
Subtotal — Augmentations	47	34	40
Total — State Health Care Centers	\$ 18,224	\$ 28,078	\$ 36,178
Cancer Programs	4,319	4,768	4,777
(F) Data-Based Intervention Research	194	200	70
(F) Breast & Cervical Cancer Program	10	3,000	2,497
(F) Tobacco Control		350	300
Subtotal — Federal Funds	\$ 204	\$ 3,550	\$ 2,867
Total — Cancer Programs	\$ 4,523	\$ 8,318	\$ 7,644
Occupational Disease Study	50	62	71
Vietnam Veterans Health Initiative Commission	162	179	238

^a Actually appropriated as PHHSBG—Health Education & Prevention, \$975,000; PHHSBG—Hypertension Services, \$1,599,000; and PHHSBG—Fluoridation, \$1,000.

^b Actually appropriated as PHHSBG—Health Education & Prevention, \$3,369,000; PHHSBG—Hypertension Services, \$2,012,000; and PHHSBG—Fluoridation, \$100,000.

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
AIDS Programs	\$ 3,887	\$ 5,353	\$ 6,000
(F) AIDS Health Education	3,601	4,678	4,678
(F) HIV Care	3,156	3,200	4,900
(F) Housing Opportunities for People with AIDS .....	....	693	693
(F) Home and Community-Based HIV Health Services	62	....	....
(A) Special Services	830	415	415
Subtotal — Federal Funds	\$ 6,819	\$ 8,571	\$ 10,271
Subtotal — Augmentations	830	415	415
Total — AIDS Programs	\$ 11,536	\$ 14,339	\$ 16,686
Subtotal — State Funds	\$ 45,326	\$ 53,513	\$ 61,393
Subtotal — Federal Funds	27,719	46,283	54,127
Subtotal — Augmentations	6,587	7,795	8,493
Total — General Government	\$ 79,632	\$ 107,591	\$ 124,013
GRANTS AND SUBSIDIES:			
Regional Cancer Institutes	\$ 966 ^a	\$ 966 ^a	\$ 1,066
School District Health Services	36,552	42,672	37,500
Local Health Departments	25,895	26,570	27,048
Local Health — Environmental	7,166	7,229	7,508
WIC — State Supplement	17,000	17,500	17,500
(F) Women, Infants and Children (WIC)	118,069	132,457	141,527
Total — WIC — State Supplement	\$ 135,069	\$ 149,957	\$ 159,027
Maternal and Child Health	1,836	1,836	1,836
(F) MCH Lead Poisoning Prevention and Abatement	930 ^b	2,800 ^c	3,000
(F) Primary Care for Children	15	....	....
(F) MCHSBG — Program Services	27,829 ^d	37,704 ^e	31,381
(F) Lead Abatement Program .....	....	....	307
(F) Child Lead Poison / Environmental Assistance .....	....	220	....
(A) Environmental Assessments .....	....	182	255
Subtotal — Federal Funds	\$ 28,774	\$ 40,724	\$ 34,688
Subtotal — Augmentations .....	....	182	255
Total — Maternal and Child Health	\$ 30,610	\$ 42,742	\$ 36,779

^a Actually appropriated as Western Pennsylvania Cancer Institute, \$483,000 and Eastern Pennsylvania Cancer Institute, \$483,000.

^b Actually appropriated as Childhood Lead Poisoning Prevention, \$930,000.

^c Actually appropriated as Childhood Lead Poisoning Prevention, \$1,500,000 and Lead Abatement Program, \$1,300,000.

^d Actually appropriated as MCHSBG—Crippled Children, \$7,720,000, and MCHSBG—Maternal Services, \$20,109,000.

^e Actually appropriated as MCHSBG—Crippled Children, \$10,560,000, and MCHSBG—Maternal Services, \$27,144,000.

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
GRANTS AND SUBSIDIES: (continued)			
Assistance to Drug and Alcohol Programs	\$ 32,130	\$ 34,556	\$ 36,431
Drug and Alcohol Capacity Building .....	.....	.....	600
(F) SABG — Drug and Alcohol Services	52,922 ^a	58,028 ^b	54,000
(F) Drug and Alcohol Data Collection System	177	180	161
(F) Community Youth Drug Program	45	58	46
(F) Community Youth Demonstration Program	211	.....	.....
(F) SABG Program Support Service Grants	6,990 ^c	14,393 ^d	11,413
(F) SABG Special Project Grants .....	.....	1,117 ^e	1,050
(F) DFSC — Special Programs — Student Assistance Program	1,000	1,000	680
(A) State Stores Fund Transfer	796	814	1,066
(A) Non-hospital Residential Treatment .....	.....	28,772	40,452
Subtotal — Federal Funds	\$ 61,345	\$ 74,776	\$ 67,350
Subtotal — Augmentations	796	29,586	41,518
Total — Assistance to Drug and Alcohol Programs	\$ 94,271	\$ 138,918	\$ 145,899
Epilepsy Support Services .....	.....	.....	150
Renal Dialysis	10,307	11,726	11,500
Organ Donation .....	.....	.....	240
Services for Children with Special Needs	2,559 ^f	2,242	2,425
Coal Workers Pneumoconiosis Services	259	531	531
(F) Black Lung Clinic	542	741	747
Total — Coal Workers Pneumoconiosis Services	\$ 801	\$ 1,272	\$ 1,278
Western Black Lung Services	97	.....	.....
Adult Cystic Fibrosis	346	348	448
V D Screening and Treatment	911	1,114	1,131
(F) V D Survey and Follow-up	1,204	1,420	2,104
Total — V D Screening and Treatment	\$ 2,115	\$ 2,534	\$ 3,235
Cooley's Anemia	187	198	198
Screening and Treatment — TB	540	1,201	1,663
(F) Tuberculosis Control Program	231	450	714
(F) PHHSBG — Tuberculosis	995	1,491	1,500
Subtotal — Federal Funds	\$ 1,226	\$ 1,941	\$ 2,214
Total — Screening and Treatment — TB	\$ 1,766	\$ 3,142	\$ 3,877

^a Actually appropriated as SABG—Alcohol Services, \$25,328,000, and SABG—Drug Services, \$27,594,000.

^b Actually appropriated as SABG—Alcohol Services, \$29,014,000, and SABG—Drug Services, \$29,014,000.

^c Actually appropriated as Drug Abuse Improvement in Targeted Cities, \$4,024,000; Model Treatment for Critical Populations, \$633,000; Model Treatment for Non-Incarcerated Persons, \$384,000; Model Treatment for Juvenile Offenders, \$460,000; Model Treatment Public Housing Residents, \$903,000; Facility Treatment Capacity Expansion, \$146,000; and AIDS Outreach for Substance Abusers, \$440,000.

^d Actually appropriated for Drug Abuse Improvement in Targeted Cities \$5,647,000; Model Treatment for Critical Populations, \$886,000; Treatment for Non-Incarcerated Persons, \$944,000; Model Treatment for Juvenile Offenders, \$1,121,000; Model Treatment Public Housing Residents, \$1,089,000; Facility Treatment Capacity Expansion, \$2,500,000; AIDS Outreach for Substance Abusers, \$1,000,000; and Residential Drug Prevention & Treatment, \$1,206,000.

^e Actually appropriated as Addiction Counselor Training, \$67,000; Substance Abuse Prevention Conference, \$250,000; and Needs Assessment, \$800,000.

^f Actually appropriated as Spina Bifida, \$1,006,000, Home Ventilators, \$1,273,000, and HIB Vaccine, \$280,000.

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
<i>GRANTS AND SUBSIDIES: (continued)</i>			
Hemophilia	\$ 2,418	\$ 2,666	\$ 2,088
Sickle Cell	1,104	1,203	1,203
Health Care Services NW	188	188	....
Regional Poison Control Centers	1,000	1,000	1,000
Trauma Program Coordination	193	150	150
Tourette Syndrome	97	....	....
Med-Link Pilot Program	410	....	....
Fox Chase Institute for Cancer Research	820	860	820
The Wistar Institute — Research: Operation and Maintenance	237	237	237
The Wistar Institute — Research: AIDS Research	102	102	102
Central Penn Oncology Group	142	143	143
Cardiovascular Studies — University of Pennsylvania	132	132	132
Cardiovascular Studies — St. Francis Hospital	132	132	132
St. Christopher's Hospital	791	791	791
St. Christopher's Hospital: Disabled Children's Clinic	141	141	141
Lancaster — Cleft Palate Clinic	56	56	56
Pittsburgh — Cleft Palate Clinic	56	56	56
Tay Sachs Disease — Jefferson Medical College	56	56	56
Burn Foundation	462	462	462
Rehabilitation Institute of Pittsburgh	770	770	770
Subtotal — State Funds	\$ 146,058	\$ 157,834	\$ 156,114
Subtotal — Federal Funds	211,160	252,059	248,630
Subtotal — Augmentations	796	29,768	41,773
Total — Grants and Subsidies	\$ 358,014	\$ 439,661	\$ 446,517
STATE FUNDS	\$ 191,384	\$ 211,347	\$ 217,507
FEDERAL FUNDS	238,879	298,342	302,757
AUGMENTATIONS	7,383	37,563	50,266
GENERAL FUND TOTAL	\$ 437,646	\$ 547,252	\$ 570,530
OTHER FUNDS			
<i>EMERGENCY MEDICAL SERVICES OPERATING FUND:</i>			
Emergency Medical Services	\$ 9,989	\$ 12,000	\$ 12,000
Rural Trauma Care .....	....	....	400
Pediatric Prehospital Emergency Care .....	....	....	400
Catastrophic Medical and Rehabilitation	4,000	5,800	5,800
OTHER FUNDS TOTAL	\$ 13,989	\$ 17,800	\$ 18,600
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 191,384	\$ 211,347	\$ 217,507
FEDERAL FUNDS	238,879	298,342	302,757
AUGMENTATIONS	7,383	37,563	50,266
OTHER FUNDS	13,989	17,800	18,600
TOTAL ALL FUNDS	\$ 451,635	\$ 565,052	\$ 589,130

Program Funding Summary:

	(Dollar Amounts in Thousands)							
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED	
HEALTH SUPPORT SERVICES								
General Funds.....	\$ 17,108	\$ 18,917	\$ 21,633	\$ 21,758	\$ 21,772	\$ 21,783	\$ 21,797	
Federal Funds.....	14,798	19,350	18,045	18,080	18,080	18,080	18,080	
Other Funds.....	5,650	7,203	7,711	7,711	7,711	7,711	7,711	
TOTAL.....	\$ 37,556	\$ 45,470	\$ 47,389	\$ 47,549	\$ 47,563	\$ 47,574	\$ 47,588	
HEALTH RESEARCH								
General Funds.....	\$ 12,693	\$ 13,441	\$ 14,002	\$ 14,002	\$ 14,002	\$ 14,002	\$ 14,002	
Federal Funds.....	1,690	5,388	5,959	5,959	5,959	5,959	5,959	
Other Funds.....	59	60	60	60	60	60	60	
TOTAL.....	\$ 14,442	\$ 18,889	\$ 20,021	\$ 20,021	\$ 20,021	\$ 20,021	\$ 20,021	
PREVENTIVE HEALTH								
General Funds.....	\$ 108,422	\$ 121,905	\$ 122,322	\$ 121,872	\$ 121,881	\$ 121,888	\$ 121,898	
Federal Funds.....	160,504	198,087	210,656	211,031	211,031	211,031	211,031	
Other Funds.....	878	714	977	977	977	977	977	
TOTAL.....	\$ 269,804	\$ 320,706	\$ 333,955	\$ 333,880	\$ 333,889	\$ 333,896	\$ 333,906	
HEALTH TREATMENT SERVICES								
General Funds.....	\$ 21,031	\$ 22,528	\$ 22,519	\$ 22,757	\$ 22,763	\$ 22,767	\$ 22,773	
Federal Funds.....	542	741	747	747	747	747	747	
Other Funds.....	13,989	17,800	18,600	18,600	18,600	18,600	18,600	
TOTAL.....	\$ 35,562	\$ 41,069	\$ 41,866	\$ 42,104	\$ 42,110	\$ 42,114	\$ 42,120	
DRUG AND ALCOHOL ABUSE PREVENTION AND TREATMENT								
General Funds.....	\$ 32,130	\$ 34,556	\$ 37,031	\$ 36,431	\$ 36,431	\$ 36,431	\$ 36,431	
Federal Funds.....	61,345	74,776	67,350	66,540	65,742	64,550	63,782	
Other Funds.....	796	29,586	41,518	41,518	41,518	41,518	41,518	
TOTAL.....	\$ 94,271	\$ 138,918	\$ 145,899	\$ 144,489	\$ 143,691	\$ 142,499	\$ 141,731	
ALL PROGRAMS:								
GENERAL FUND.....	\$ 191,384	\$ 211,347	\$ 217,507	\$ 216,820	\$ 216,849	\$ 216,871	\$ 216,901	
SPECIAL FUNDS.....	0	0	0	0	0	0	0	
FEDERAL FUNDS.....	238,879	298,342	302,757	302,357	301,559	300,367	299,599	
OTHER FUNDS.....	21,372	55,363	68,866	68,866	68,866	68,866	68,866	
TOTAL.....	\$ 451,635	\$ 565,052	\$ 589,130	\$ 588,043	\$ 587,274	\$ 586,104	\$ 585,366	

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 provides for the administration and technical systems which support disease research, prevention and treatment. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. Also included in this program are Quality Assurance activities. The department operates the Public Health Laboratory which must maintain a state of readiness to support the investigation of disease outbreaks or threats to the public health.

The Quality Assurance Program conducts surveys of hospitals, nursing homes, home health agencies, primary care providers, ambulatory surgical facilities and intermediate care facilities for the mentally retarded. During 1992 mammography screening units were added to the facilities surveyed. The surveys determine compliance with standards for sanitation, fire safety, health and level of care required for Medicare and Medicaid certification and State licensure. The department requests from the health care facility a plan for correction of deficiencies noted in the survey. The number of facilities required to be licensed is continuing to increase and additional duties resulting from Federal legislation in nursing homes, hospitals and home health agencies have been added.

Certification for Federal Medicare purposes and surveys of all home health agencies will continue. Surveys will be conducted at no less than ten percent coverage for all hospices; outpatient/physical, speech, and occupational therapy providers; comprehensive outpatient rehabilitation facilities; and rural health clinics. Of these, initial surveys will be given highest priority along with any complaints which pose an immediate or serious threat to patient health and safety.

The State Laboratory performs approximately 177,000 tests each year for diseases including HIV, rabies, hypothyroidism, blood lead, phenylketonuria, tuberculosis, and maple syrup urine disease. The State Laboratory supports disease prevention through the provision of investigatory, diagnostic and confirmatory testing for both infectious and non-infectious diseases. In addition, it establishes and monitors the performance standards for 6,000 clinical and physician office laboratories in the Commonwealth. Additionally, the State Laboratory implements the Federal requirement that clinical laboratories be certified under provisions of the Clinical Laboratory Act of 1967, as amended.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Health care facilities in Pennsylvania with required surveys completed:							
Hospitals (biennially)	85%	93%	100%	100%	100%	100%	100%
Skilled and intermediate care nursing homes	100%	70%	65%	65%	65%	65%	65%
Intermediate care facilities/MR	100%	100%	100%	100%	100%	100%	100%
Home health agencies	100%	100%	100%	100%	100%	100%	100%
Psychiatric hospitals	70%	100%	100%	100%	100%	100%	100%

The decline from the projections shown in last year's budget for the percentage of surveys completed reflects increased Federal inspection requirements which extends the time needed to complete the surveys.

Program Recommendations:

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

<p>General Government Operations</p> <p>\$ 1,225 —to continue current program.</p> <p>20 —to support Children's Commission activities.</p> <p>20 —Initiative — Limiting Tobacco Sales to Minors. To establish a law enforcement program focusing on the sale of tobacco products to minors. Funds will be provided to the Pennsylvania Commission on Crime and Delinquency to contract with certain police departments to conduct intervention operations.</p> <p>138 —Initiative — Management Improvements. To increase budget and financial management capacity.</p> <hr/> <p>\$ 1,403 <i>Appropriation Increase</i></p>	<p>Quality Assurance</p> <p>\$ 890 —to continue current program.</p> <p>488 —annualize the 1993-94 initiative.</p> <hr/> <p>\$ 1,378 <i>Appropriation Increase</i></p> <p>State Laboratory</p> <p>\$ 52 —to continue current program.</p> <p>-117 —nonrecurring projects.</p> <hr/> <p>\$ -65 <i>Appropriation Decrease</i></p>
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Program: Health Support Services

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
General Government Operations	\$ 9,620	\$ 11,118	\$ 12,521	\$ 12,646	\$ 12,660	\$ 12,671	\$ 12,685
Quality Assurance	4,600	4,608	5,986	5,986	5,986	5,986	5,986
State Laboratory	2,888	3,191	3,126	3,126	3,126	3,126	3,126
TOTAL GENERAL FUND	\$ 17,108	\$ 18,917	\$ 21,633	\$ 21,758	\$ 21,772	\$ 21,783	\$ 21,797

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 Center for Health Statistics and Research 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 surgery centers in Pennsylvania to acquire information on health resources and health services availability, utilization, staffing and patient characteristics.

The center's Vital Records Division is the repository for all records of births, deaths, fetal deaths, marriages and divorces among Pennsylvania residents.

The Division of Vital Records has been automating the issuance of certified copies of birth and death records. As a result, all requests for information on births from 1923 to the present can be processed through the Department of Health computer system. Additionally, six years of death records were microfilmed to eliminate the storage of hard copy documents and allow for retrieval through automated means. This initiative will be completed with the microfilming of 1.7 million remaining death records and 7 million birth records, eliminating the necessity of storing hard copy, reducing leased space and ensuring the preservation of records.

The Department of Health administers diverse research projects and studies related to the etiology, distribution and trends of major diseases. The department provides epidemiologic assessment of health problems that include environmental occupational hazards, health risk behavior and life style of the general public or selected populations. The department also provides professional consultation and technical support for other agencies, county health departments and local municipalities.

The Pennsylvania Cancer Registry is operational Statewide with all hospitals reporting to the system. The registry serves as the focal

point for definitive information on the impact of cancer on Pennsylvania's residents. The department provides 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 four 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; information dissemination to Vietnam veterans and their families; and the continued education of health professionals.

The TMI Health Research Program continues to assess health 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; systematic updates for TMI general population registry and TMI mother/child registry; periodic follow-up morbidity studies of the registrants; continuous surveillance around nuclear power plants in the Commonwealth for increased incidence of any disease or abnormal health condition that might be related to the operation of such a plant; cross-sectional studies of cancer incidence and mortality; and special infant/fetal mortality studies from TMI.

The Diabetes Task Force within 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, as well as research to provide enhanced diagnostic and self-help programs throughout the Commonwealth.

In addition, the department funds research on cancer, rabies and AIDS.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Vital events (births, deaths, fetal deaths, marriages and divorces):							
Registered and processed	411,600	411,000	410,500	409,900	408,900	408,300	407,300
Percent registered and processed within 30 days	47%	50%	52%	55%	55%	55%	55%
Applications for certified copies of birth and death records:							
Filled	561,300	570,000	575,000	578,000	580,000	584,000	584,000
Percent filled within 10 days	78%	80%	80%	83%	83%	85%	85%
Cancer Registry:							
Abstracts received	96,350	98,300	100,250	102,250	104,300	106,400	108,500

The actual and projected decline in vital events is based on a falling birth rate trend.

The actual and projected increase in copies of records is based on increased foreign travel; certified copy of birth certificate necessary for driver's license; and more copies of death certificates issued free of charge to veterans.

The measure, Cancer Registry: Abstracts received, reflects a goal of maintaining abstract processing at 100% completion through the period.

Program: Health Research (continued)

Program Recommendations:

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

<p>Childhood Fatalities Review Task Force</p> <p>\$ -20 —nonrecurring projects.</p> <p>Arthritis and Lupus Research</p> <p>\$ 5 —to continue current program.</p> <p>TMI — Health Studies</p> <p>\$ 1 —to continue current program.</p> <p>Vital Statistics</p> <p>\$ -49 —nonrecurring projects.</p> <p>440 —to continue current program.</p> <p>\$ 391 <i>Appropriation Increase</i></p> <p>Vietnam Veterans Health Initiative Commission</p> <p>\$ 10 —to continue current program.</p> <p>49 —to continue mortality study.</p> <p>\$ 59 <i>Appropriation Increase</i></p>	<p>Diabetes Task Force</p> <p>\$ 56 —to continue current program.</p> <p>Cancer Programs</p> <p>\$ 9 —nonrecurring projects.</p> <p>Regional Cancer Institutes</p> <p>\$ 100 —to fund a regional cancer institute in Northeast Pennsylvania.</p> <p>Fox Chase Institute for Cancer Research</p> <p>\$ -40 —nonrecurring projects.</p>
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All other appropriations are recommended at current year funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Childhood Fatality Review Task Force . . .	\$	\$ 20	\$	\$	\$	\$	\$
Arthritis and Lupus Research	228	233	238	238	238	238	238
TMI — Health Studies	190	200	201	201	201	201	201
Vital Statistics	4,895	5,048	5,439	5,439	5,439	5,439	5,439
Vietnam Veterans Health Initiative Commission	162	179	238	238	238	238	238
Diabetes Task Force	368	421	477	477	477	477	477
Cancer Programs	4,319	4,768	4,777	4,777	4,777	4,777	4,777
Regional Cancer Institutes	966	966	1,066	1,066	1,066	1,066	1,066
Fox Chase Institute for Cancer Research	820	860	820	820	820	820	820
Wistar Institute - Research	237	237	237	237	237	237	237
Wistar Institute - AIDS Research	102	102	102	102	102	102	102
Cardiovascular Studies - University of Pennsylvania	132	132	132	132	132	132	132
Cardiovascular Studies - St. Francis Hospital	132	132	132	132	132	132	132
Central Penn Oncology Group	142	143	143	143	143	143	143
TOTAL GENERAL FUND	\$ 12,693	\$ 13,441	\$ 14,002	\$ 14,002	\$ 14,002	\$ 14,002	\$ 14,002

Program: Preventive Health (continued)

Risk reduction programs use methods such as incentives, health risk appraisals, risk factor screenings, self-help kits, group discussions and individual counselings 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 Programs 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 provided through a network of health centers which serve all but six counties within the State. The remaining six 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 department provides clinical services for the diagnosis and treatment of sexually transmitted disease. These services are provided to insure that patients with a 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 department has created a Tobacco Control Program which has the responsibility for the development, coordination and administration

of a Statewide program. This program will initiate efforts to address the health affects of tobacco by collecting and analyzing baseline data related to existing smoking prevention and intervention projects; designing and implementing primary prevention and intervention programs; conducting Statewide public awareness/information programs; developing professional educational programs; and developing and maintaining a central clearinghouse of current information. This program has the responsibility for the implementing the Clean Indoor Air Law. Regulations, enforcement and complaint procedures have been developed and implemented. An educational program has been developed, and training for district, county and municipal staff involved in the local education/enforcement process is being implemented.

The department has also created an Injury Prevention Program to study the incidence of injury within the Commonwealth and to recommend interventions to eliminate risk factors associated with injury.

The Disease Control Immunization Program conducts disease surveillance, monitors and enforces school immunization law, assesses child immunization status, and provides technical assistance to health and education agencies. The program also uses Federal funds to purchase a wide variety of vaccines. These immunize uninsured and needy residents, most of whom are children. This action helps to prevent widespread occurrences of vaccine-preventable illnesses.

The Primary Health Care Practitioner Program promotes the participation of primary health care professionals in underserved rural and urban areas of the Commonwealth. Program elements include needs assessment, incentives to increase the number of primary care providers, recruitment and retention activities, and stimulus to develop primary care capacity in underserved communities.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Women and children's programs:							
Percent low birth weight live births	7.2%	7.2%	7.3%	7.3%	7.4%	7.4%	7.5%
Average persons participating in women, infants and children programs each month	265,025	287,403	289,538	289,538	289,538	289,538	289,538
Other communicable disease programs:							
HIV tests at publically funded sites . . .	44,448	47,000	49,500	52,000	54,500	57,000	59,500
Percent of persons screened found to have gonorrhoea	1%	1%	1%	1%	1%	1%	1%
Communicable disease incidences reported:							
Gonorrhoea	16,000	14,000	14,000	13,500	13,000	13,000	13,000
Infectious syphilis	1,000	900	700	700	600	600	600
AIDS	2,000	2,399	2,760	3,170	3,650	4,195	4,900
Primary care physicians receiving loan forgiveness	0	40	80	80	80	80	80

Some women formerly served in the high risk maternity care program are now eligible for Medical Assistance coverage through the Healthy Beginnings Program in the Department of Public Welfare. Therefore, the previous measures of women served in high risk maternity programs and the percentage of pregnant teens served have been deleted.

HIV tests have declined from last year's budget document due to Federal priority re-evaluation and reduced Federal funding.

Reported cases of syphilis and gonorrhoea have decreased from last year's budget document due to successful preventive health outreach efforts.

Revised definition of AIDS by the Center for Disease Control in January of 1993 has increased this incidence since last year's budget document.

The Department of Health no longer maintains statistics on "other" communicable diseases so the measure has been deleted.

Program: Preventive Health (continued)

Program Recommendations:

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

	State Health Care Centers	
\$ 1,532	—to continue current program.	
-316	—nonrecurring projects.	
\$ 1,216	<i>Appropriation Increase</i>	
	AIDS Programs	
\$ 520	—to continue current program.	
-664	—nonrecurring projects.	
791	—PRR — AIDS Service Initiatives. To expand the services available to HIV infected individuals and their families by establishing two early assessment and treatment clinics. See the Program Revision following this subcategory for further information.	
\$ 647	<i>Appropriation Increase</i>	
	Primary Health Care Practitioners	
\$ 1,074	—increased medical school primary care initiatives.	
958	—increased match support for private, foundation grant awards.	
36	—increased statewide area health education center support.	
5	—to continue current program.	
-50	—nonrecurring project costs.	
-123	—loan repayment costs offset by Federal funds.	
-140	—decreased technical assistance costs.	
571	—Initiative — Expansion of Health Net Program. To expand the Health Net system to include an additional four sites. This program provides for telecommunication capability between health care practitioners in rural areas and hospitals in urban areas.	
\$ 2,331	<i>Appropriation Increase</i>	
	School District Health Services	
\$ -5,172	—nonrecurring cost to pay prior year bills.	
	Local Health Departments	
\$ 478	—to continue current program.	
	Local Health Departments — Environmental	
\$ 279	—to continue current program.	
	Occupational Disease Study	
\$ 9	—to continue current program.	
	Epilepsy Support Services	
\$ 150	—Initiative — Epilepsy Support Services. To provide grant funds to support program services such as a telephone support line, individual/family consultation, early intervention and school advocacy, and summer camp.	
	Screening and Treatment — TB	
\$ 462	—to annualize 1993-94 noncompliant patient initiative.	

VD Screening and Treatment
—to continue current program.

In addition this budget provides a Family Center Expansion Initiative. This initiative allocates up to 1 percent of various appropriations, for a total of \$1.558 million, to be used by the Department of Education, in conjunction with the Departments of Health, Public Welfare and Labor and Industry, to establish community-based family centers. These State funds will match private, Federal and local funds that become available to support the development of family centers. Family centers will provide early childhood development and parenting education programs and establish information and referral networks with local health care and social service agencies, and job training employment programs.

The State appropriations subject to the 1 percent allocation for family centers include: Department of Education — Approved Private Schools, Teen Pregnancy and Parenthood, Dropout Prevention; Department of Health — Supplemental Food Program for Women, Infants and Children, Maternal and Child Health; and Department of Public Welfare — Early Intervention, Day Care, the Living in Family Environments funding within Mental Health, and the Family Preservation funding and Child abuse Family Services funding within County Child Welfare.

In addition to the 1 percent allocation of various State appropriations, this initiative recommends that up to \$300,000 from Job Centers appropriation within the Department of Labor and Industry and \$4.119 million in Federal Family Center and Support Services funding be allocated for family center expansion in 1994-95.

The \$5.977 provided through this initiative, in addition to the \$3.8 million in Federal Child Care and Development Block Grant funds currently allocated to this program, will provide for the continuation and/or enhancement of the 33 existing family centers and for the establishment of approximately 16 new family centers in 1994-95. Of the State funds provided through this initiative, up to \$150,000 is available for the development of training programs and local governance structures that support the family center objectives.

All other appropriations are recommended at current year funding levels.

Program: Preventive Health (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
State Health Care Centers	\$ 13,765	\$ 15,070	\$ 16,286	\$ 16,286	\$ 16,286	\$ 16,286	\$ 16,286
AIDS Programs	3,887	5,353	6,000	6,055	6,061	6,065	6,071
Primary Health Care Practitioner	354	3,242	5,573	5,068	5,071	5,074	5,078
School District Health Services	36,552	42,672	37,500	37,500	37,500	37,500	37,500
Local Health Departments	25,895	26,570	27,048	27,048	27,048	27,048	27,048
Local Health — Environmental	7,166	7,229	7,508	7,508	7,508	7,508	7,508
WIC — State Supplement	17,000	17,500	17,500	17,500	17,500	17,500	17,500
Maternal and Child Health	1,836	1,836	1,836	1,836	1,836	1,836	1,836
Occupational Disease Study	50	62	71	71	71	71	71
Epilepsy Support Services .....	.....	.....	150	150	150	150	150
Screening and Treatment—TB	540	1,201	1,663	1,663	1,663	1,663	1,663
VD Screening and Treatment	911	1,114	1,131	1,131	1,131	1,131	1,131
Tay Sachs Disease — Jefferson Medical College	56	56	56	56	56	56	56
Med-link Pilot Program	410	.....	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	<u>\$ 108,422</u>	<u>\$ 121,905</u>	<u>\$ 122,322</u>	<u>\$ 121,872</u>	<u>\$ 121,881</u>	<u>\$ 121,888</u>	<u>\$ 121,898</u>

Program Revision: AIDS Service Initiatives

The incidence of AIDS continues to increase despite efforts to curtail the spread of the disease. In Pennsylvania, there were 9,628 cases of AIDS reported between January 1981 and October 1993. This includes an increase of almost 4,000 cases since December 1991. To deter the spread of this disease and meet the needs of those suffering with AIDS, this Administration has increased AIDS State funding from \$4.8 million in 1987-88 to \$24.9 million in 1993-94, a 419 percent increase.

This Program Revision will provide an additional \$591,000 in State funds and \$1.6 million in Federal Ryan White funds for direct care services to persons with HIV and AIDS. These services include medical, nursing and dental care, diagnostics, home health care, rehabilitation services and case management. Essential support services will also be funded including transportation, respite care, advocacy, child welfare and family support and counseling services.

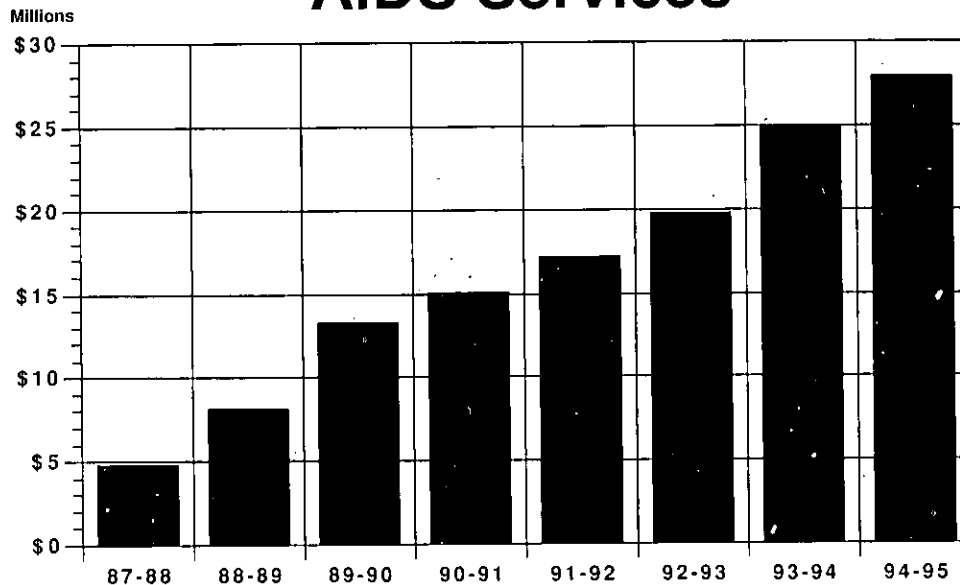
This proposal also includes \$150,000 in State funds for two early assessment and treatment clinics to be developed and maintained in under served regions of the State where the reported incidence of the disease is increasing. These clinics will be dedicated to persons with

HIV/AIDS and will have the capacity to provide testing for CD4 (T-lymphocyte count), sexually transmitted diseases, tuberculosis and prenatal conditions as well as HIV counseling and partner notification.

This Program Revision also proposes enhancements to the Department of Public Welfare's Medical Assistance AIDS Waiver Program. These enhancements include fee increases for nutritional supplements, additional home health visits, more flexible homemaker services, the inclusion of nutritional assessments and counseling services and increased outreach efforts. In addition to enhanced services, the maximum allowable annual cost of providing care will increase from \$26,000 to \$48,000 per participant, enabling persons with higher medical costs to participate in the AIDS Waiver Program. These changes will be effective October 1, 1994, and will provide services to an additional 765 participants.

Through these service enhancements, the Administration hopes to limit the spread of AIDS as well as meet the needs of persons with AIDS and their families.

AIDS Services



Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Persons with HIV who will have access to care at pilot treatment clinics							
Current	.....	.....	.....	.....	.....	.....	.....
Program Revision	.....	.....	100	100	100	100	100
Participants in the AIDS Waiver Program							
Current	198	472	1,143	1,143	1,143	1,143	1,143
Program Revision	.....	.....	1,908	1,908	1,908	1,908	1,908

Program Revision: AIDS Service Initiatives (continued)

Program Revision Recommendations:

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

	HEALTH			
	AIDS Programs	\$	481	Medical Assistance — Outpatient
\$ 791	—to expand the services currently provided to individuals with HIV and their families and establish two pilot assessment and treatment clinics.			—to enhance AIDS waiver services provided to current participants and to provide services to an additional 765 enrollees.
	PUBLIC WELFARE			Medical Assistance — Inpatient
	County Administration-Statewide	\$	-706	—savings generated from the AIDS Waiver Program as a result of a decreased need for inpatient services.
\$ 68	—to implement expansion of the AIDS Waiver Program.			
		\$	634	<i>Program Revision Total</i>

In addition, \$1.6 million in Federal Ryan White funds will be used to provide services to individuals with HIV and their families.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Health							
AIDS Programs			\$ 791	\$ 846	\$ 852	\$ 856	\$ 862
Public Welfare							
County Administration-Statewide			\$ 68	\$ 84	\$ 88	\$ 92	\$ 97
Medical Assistance-Outpatient			481	889	894	898	903
Medical Assistance-Inpatient			-706	-1,289	-1,296	-1,302	-1,309
TOTAL GENERAL FUND			\$ 634	\$ 530	\$ 538	\$ 544	\$ 553

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 while remaining 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 in lieu of 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 provide inpatient care for treatment of tuberculosis, cleft palate, cystic fibrosis, spina bifida, children's cardiac conditions, and orthopedic, speech, and hearing problems. 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.

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 treatment of minors provisions of the Disease Prevention and Control Law.

The Care Coordination Program provides an integrated and coordinated network of services at the local level to children with special health care needs and their families. This includes children who receive SSI reimbursement through the U.S. Social Security Administration.

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 with pulmonary disease within the Commonwealth.

The Home Ventilator Program provides Statewide case management and support services to 101 children with chronic respiratory failure who are ventilator dependent, allowing them to receive life-support equipment and nursing care in their homes. The program

is administered through a contract with Pediatric Anesthesia Associates of Children's Hospital of Philadelphia. In a joint effort to improve utilization of State funds, those children who are eligible for Medical Assistance will receive all medically necessary services through the Medical Assistance Program in the Department of Public Welfare.

Children's rehabilitative services are provided through outpatient clinics to children from newborn to age 21. Health conditions include cardiac, orthopedic, cystic fibrosis, cleft palate, craniofacial anomalies and hearing and speech disorders. Services for these patients include case management, evaluation, diagnosis, medical and rehabilitative services, and follow-up treatments.

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, outpatient or home use. Patients must be registered with a program to receive these benefits and must assure that 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 two percent of the black population in Pennsylvania. Patients receive medical and psychosocial 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, there are 45 patients currently receiving care under this program.

The Chronic Renal Disease Program provides dialysis, renal transplant, drugs (including cyclosporine which became eligible for reimbursement in 1987-88), certain physician fees, medical supplies and transportation services to persons having chronic renal failure. The Renal Disease Program also supports an organ donor program that promotes transplants which are less expensive than dialysis and improve the quality of life of kidney patients.

The department provides comprehensive treatment services to infants diagnosed with phenylketonuria (PKU) Maple Syrup Urine Disease (MSUD) and hypothyroidism.

The Department of Health also administers a program for planning, developing and upgrading Emergency Medical Services (EMS) Systems throughout the Commonwealth. This includes the licensing of ambulance services. Funding is made available through the Emergency Medical Services Operating Fund.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Inpatient Services							
Persons receiving inpatient hospital care from department programs	208	208	208	208	208	208	208
Outpatient Services							
Children and adults receiving outpatient treatment through department supported programs:							
Hemophilia	1,091	1,106	1,116	1,119	1,122	1,125	1,125
Phenylketonuria	610	620	635	645	660	670	680

Program: Health Treatment Services (continued)

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Children and adults receiving outpatient treatment through department supported programs: (continued)							
Renal disease	11,731	12,631	13,531	14,431	15,331	16,231	17,131
Cooley's Anemia	44	44	50	52	52	52	52
Sickle Cell Anemia	1,660	1,665	1,735	1,805	1,875	1,945	2,015
Spina Bifida	1,451	1,549	1,549	1,549	1,549	1,549	1,549
Home ventilators	99	101	101	101	101	101	101
Chronic respiratory disease	5,800	6,500	6,500	6,500	6,500	6,500	6,500
Children's rehabilitative services ..	31,778	31,800	31,800	31,800	31,800	31,800	31,800

The decrease from the 1993-94 Budget in the number of people receiving inpatient treatment reflects the effort to provide care in the most cost effective setting.

The measure for Epilepsy that appeared in past budgets has been deleted since it is uncharacteristic of treatment for the disease itself.

Children's rehabilitative services combines previous measures shown in the 1993-94 Budget for orthopedic, cleft palate, cardiac, cystic fibrosis, and hearing and speech to avoid duplicate counting of individuals served and to reflect treatment provided which is not related to a specific condition.

Program Recommendations:

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

\$ -1,397	Renal Dialysis	—transfer of inmate population treatment to the Department of Corrections.
1,171		—increased number of individuals requiring service.
<u>\$ -226</u>	Appropriation Decrease	
\$ 460	Renal Dialysis Management	—Initiative — Renal Dialysis Management. To develop a renal dialysis data and management system.
\$ 240	Organ Donation	—Initiative — Organ Donation. To expand the current public awareness activities of the organ donor program including printing of pamphlets and organ donor stickers.
\$ 183	Services for Children With Special Needs	—increased drug costs.
\$ 100	Adult Cystic Fibrosis	—to continue current program.
\$ 30	Hemophilia	—to continue current program.
<u>-608</u>		—nonrecurring costs.
<u>\$ -578</u>		
\$ -188	Health Care Services — NW	—nonrecurring project.

All other appropriations are recommended to continue at the current year level.

Program: Health Treatment Services (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Renal Dialysis	\$ 10,307	\$ 11,726	\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500
Renal Dialysis Management	0	0	460	698	704	708	714
Organ Donation	0	0	240	240	240	240	240
Services for Children with Special Needs	2,559	2,242	2,425	2,425	2,425	2,425	2,425
Coalworkers Pneumoconiosis Services	259	531	531	531	531	531	531
Western Black Lung Services	97						
Adult Cystic Fibrosis	346	348	448	448	448	448	448
Cooley's Anemia	187	198	198	198	198	198	198
Hemophilia	2,418	2,666	2,088	2,088	2,088	2,088	2,088
Sickle Cell	1,104	1,203	1,203	1,203	1,203	1,203	1,203
Health Care Services NW	188	188					
Regional Poison Control Centers	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Trauma Program Coordination	193	150	150	150	150	150	150
Tourette Syndrome	97						
St. Christopher's Hospital — Cerebral Palsy	791	791	791	791	791	791	791
St. Christopher's Hospital — Handicapped Child	141	141	141	141	141	141	141
Burn Foundation	462	462	462	462	462	462	462
Rehabilitation Institute of Pittsburgh	770	770	770	770	770	770	770
Cleft Palate — Lancaster	56	56	56	56	56	56	56
Cleft Palate — Pittsburgh	56	56	56	56	56	56	56
TOTAL GENERAL FUND	\$ 21,031	\$ 22,528	\$ 22,519	\$ 22,757	\$ 22,763	\$ 22,767	\$ 22,773

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 of their respective geographic areas. The department approves these plans and formulates a Statewide program based on those findings.

The prevention program provides current information on the effects of drugs and alcohol and assists 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 clearinghouse, ENCORE, operated by the department. Primary emphasis has been given to youth and a special curriculum is now used in all 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

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. Special services are 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 nonhospital setting. Outpatient services may follow discharge from a residential program; however many persons receive their initial treatment in an outpatient setting. Typically, admissions to treatment are approximately 50 percent drug related and 50 percent alcohol related. Males represent 71 percent of all treatment admissions. After alcohol, the second most predominant drug abuse problem is cocaine use. Multiple drug use is also a problem.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Prevention Services:							
School personnel trained by Student Assistance Program	11,100	11,100	11,100	11,100	11,100	11,100	11,100
School districts participating in Student Assistance Program	500	500	500	500	500	500	500
Students referred for assessment by Student Assistance Programs	11,975	11,975	11,975	11,975	11,975	11,975	11,975
Treatment Services:							
Residential programs licensed/approved	250	250	250	250	250	250	250
Outpatient programs licensed/approved	600	600	600	600	600	600	600
Patients enrolled in treatment:							
Male	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Female	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Admissions with primary diagnosis:							
Drug abuse	35,548	35,548	35,548	35,548	35,548	35,548	35,548
Alcohol abuse	35,709	35,709	35,709	35,709	35,709	35,709	35,709
Percent of admissions completing treatment	38.0%	38.0%	38.0%	38.0%	38.0%	38.0%	38.0%

The measures for school personnel trained by the Student Assistance Program do not show future growth in that all relevant school personnel have received initial training. Future training will be directed at increasing the skill levels of existing personnel or training replacement personnel.

The number of students referred for assistance increased from last year's budget document dramatically because significantly more students are being referred than anticipated.

Cost controls exercised by insurers and managed care programs have resulted in closure of residential facilities from the actual level shown in the 1992-93 Budget for both residential and outpatient programs licensed/approved. Increased public funding for nonhospital residential services will stabilize the number of licensed facilities. The closure of residential facilities is offset by an increase in outpatient programs.

Program: Drug and Alcohol Abuse Prevention and Treatment (continued)

Program Recommendations:

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

<p>Assistance to Drug and Alcohol Programs</p> <p>\$ 1,989 —to annualize Statewide expansion of case management for nonhospital residential services.</p> <p style="padding-left: 20px;">-114 —increased augmentation.</p> <p><u>\$ 1,875</u> <i>Appropriation Increase</i></p>	<p>Drug and Alcohol Capacity Building</p> <p>\$ 600 —Initiative — Drug and Alcohol Capacity Building: To expand hospital and nonhospital detoxification facility capacity by 155 beds.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Assistance to Drug and Alcohol Programs	\$ 32,130	\$ 34,556	\$ 36,431	\$ 36,431	\$ 36,431	\$ 36,431	\$ 36,431
Drug and Alcohol Capacity Building . . . . .	. . . . .	. . . . .	600	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL GENERAL FUND	<u>\$ 32,130</u>	<u>\$ 34,556</u>	<u>\$ 37,031</u>	<u>\$ 36,431</u>	<u>\$ 36,431</u>	<u>\$ 36,431</u>	<u>\$ 36,431</u>



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	1994-95 State Funds (in thousands)
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GENERAL FUND

Aid to Students

Grants to Students	\$ 18,750
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This Program Revision provides a 10 percent increase in the amount of grant money available to students at post-secondary institutions and expands the current grant program to include those students enrolled on a part-time basis in a degree granting program.

DEPARTMENT TOTAL	<u>\$ 18,750</u>
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HIGHER EDUCATION ASSISTANCE AGENCY

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
<i>GRANTS AND SUBSIDIES:</i>			
Grants to Full-Time Students	\$ 170,500	\$ 187,550	\$ 206,300
(F) Byrd Scholarships	405	411	412
Matching Payments for Student Aid Funds	6,128	6,341	6,013
Institutional Assistance Grants	29,244	32,953	33,850
Equal Opportunity Professional Education	724	750	750
Loan Forgiveness	2,615	4,440 ^a	5,070
Agricultural Loan Forgiveness	170	294	379
Information Technology .....	....	2,000	1,000
Child Care Loan Forgiveness .....	....	300	300
Subtotal — State Funds	\$ 209,381	\$ 234,628	\$ 253,662
Subtotal — Federal Funds	405	411	412
GENERAL FUND TOTAL	\$ 209,786	\$ 235,039	\$ 254,074
OTHER FUNDS			
<i>HIGHER EDUCATION ASSISTANCE FUND:</i>			
Reserve for Losses on Guaranteed Loans	\$ 128,055	\$ 126,716	\$ 126,716
State/Federal Administration Reserve	97,783	97,441	97,550
Contract Servicing	65,252	57,257	62,983
Paul Douglas Teacher Scholarship	737	650	650
State Student Incentive Grant	3,183	3,181	3,181
Transfers and Interest Augmenting State Appropriations	769	570	804
Supplemental Loan Account	2,159	1,000	500
Loan Sale Discount Account	1,658	....	....
Administration Augmentations	2,193	18,421	8,000
OTHER FUNDS TOTAL	\$ 301,789	\$ 305,236	\$ 300,384
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 209,381	\$ 234,628	\$ 253,662
FEDERAL FUNDS	405	411	412
OTHER FUNDS	301,789	305,236	300,384
TOTAL ALL FUNDS	\$ 511,575	\$ 540,275	\$ 554,458

^a Includes recommended supplemental appropriation of \$982,000.

HIGHER EDUCATION ASSISTANCE AGENCY

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
FINANCIAL ASSISTANCE TO STUDENTS							
General Funds.....	\$ 180,137	\$ 199,675	\$ 218,812	\$ 218,812	\$ 218,812	\$ 218,812	\$ 218,812
Federal Funds.....	405	411	412	412	412	412	412
Other Funds.....	301,789	305,236	300,384	300,384	300,384	300,384	300,384
TOTAL.....	\$ 482,331	\$ 505,322	\$ 519,608	\$ 519,608	\$ 519,608	\$ 519,608	\$ 519,608
FINANCIAL AID TO INSTITUTIONS							
General Funds.....	\$ 29,244	\$ 32,953	\$ 33,850	\$ 33,850	\$ 33,850	\$ 33,850	\$ 33,850
TOTAL.....	\$ 29,244	\$ 32,953	\$ 33,850	\$ 33,850	\$ 33,850	\$ 33,850	\$ 33,850
INFORMATION TECHNOLOGY EDUCATION							
General Funds.....	\$ 0	\$ 2,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
TOTAL.....	\$ 0	\$ 2,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
ALL PROGRAMS:							
GENERAL FUND.....	\$ 209,381	\$ 234,628	\$ 253,662	\$ 253,662	\$ 253,662	\$ 253,662	\$ 253,662
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	405	411	412	412	412	412	412
OTHER FUNDS.....	301,789	305,236	300,384	300,384	300,384	300,384	300,384
TOTAL.....	\$ 511,575	\$ 540,275	\$ 554,458	\$ 554,458	\$ 554,458	\$ 554,458	\$ 554,458

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. The Higher Education Assistance Fund is shown in the Special Funds Appendix

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 and Federal State Student Incentive Grant funds. 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 reduce 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 Federal Family Education Loan Program, formerly 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 Matching Funds Program provides funds to match Federal and other 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 Programs provide 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.

The Agricultural Loan Forgiveness Program provides loan forgiveness for graduates with Agriculture degrees who work on family-owned farms and for veterinarians whose practices include the treatment of farm animals.

The Child Care Loan Forgiveness Program provides loan forgiveness for qualified applicants who work in child day care centers or group day care homes approved by the Department of Public Welfare.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Grants to Students:							
Applications for grants	321,315	334,170	347,540	347,540	347,540	347,540	347,540
Applications for grants needs-tested	217,709	226,340	235,390	235,390	235,390	235,390	235,390
Applicants enrolled full-time eligible for and receiving grants	135,752	142,220	144,310	144,310	144,310	144,310	144,310
Percent of needs tested applicants qualifying	64.2%	62.8%	62.8%	62.8%	62.8%	62.8%	62.8%
Grants as percent of educational costs	13.7%	13.7%	13.7%	13.7%	13.7%	13.7%	13.7%
College Work Study:							
Students assisted by Federal college based student aid and State/private funds	88,000	82,955	81,500	81,500	81,500	81,500	81,500
College work study jobs made available by off-campus employers	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Students work study earnings (in millions)	\$2.04	\$2.04	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25
Student Loans:							
Guaranteed loans	438,416	441,704	445,017	448,355	451,718	455,106	458,519

All of the measures under College Work Study show declines compared to last year's budget because PHEAA now reflects only actual Perkins Loan awards received rather than anticipated awards.

Program Recommendations:

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

Grants to Students
 \$ 18,750 —PRR — Aid to Students. This Program Revision provides a 10% increase in the amount of grant money available to students and expands the current grant program to

those students enrolled on a part-time basis in a degree granting program. See Program Revision following this subcategory for additional information.

HIGHER EDUCATION ASSISTANCE AGENCY

Program: Financial Assistance to Students (continued)

Program Recommendations:

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

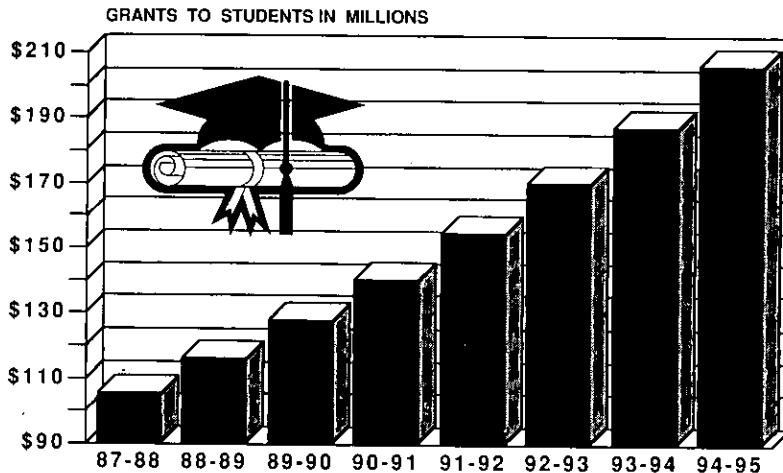
Matching Payments for Student Aid Fund
 \$ -328 —to match reduced level of federal funds.

Loan Forgiveness
 \$ 630 —to maintain the current program.

Agricultural Loan Forgiveness
 \$ 85 —to continue current program.

All other appropriations are recommended at the 1993-94 funding level.

Student Aid Higher Education Assistance Agency



Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Grants to Students	\$ 170,500	\$ 187,550	\$ 206,300	\$ 206,300	\$ 206,300	\$ 206,300	\$ 206,300
Matching Payments for Student Aid							
Funds	6,128	6,341	6,013	6,013	6,013	6,013	6,013
Equal Opportunity Professional Education	724	750	750	750	750	750	750
Loan Forgiveness	2,615	4,440	5,070	5,070	5,070	5,070	5,070
Agricultural Loan Forgiveness	170	294	379	379	379	379	379
Child Care Loan Forgiveness		300	300	300	300	300	300
TOTAL GENERAL FUND	\$ 180,137	\$ 199,675	\$ 218,812	\$ 218,812	\$ 218,812	\$ 218,812	\$ 218,812

HIGHER EDUCATION ASSISTANCE AGENCY

Program Revision: Aid to Students

Higher education has become increasingly difficult for many Pennsylvanians to afford as the result of college and university tuition and fee increases. The Commonwealth is committed to reducing economic obstacles to gaining access to the State's higher education system. The State's Higher Education Grant Program is unique in that it provides support to those economically disadvantaged persons whose academic qualifications would allow them to attend college but whose limited financial resources make it unaffordable. This Program Revision continues the expansion of assistance to economically qualified Pennsylvania residents who are pursuing a post-secondary education on a full-time basis and establishes an assistance program for part-time students who are enrolled in a degree granting program.

The 10 percent increase provided by this Program Revision will enable the Pennsylvania Higher Education Assistance Agency to provide new grants to over 2,000 additional applicants and increases the maximum grant amount to \$2,600, a \$100 increase over the amount

available in the 1993-94 academic year. The average State grant for all recipients is also expected to increase to \$1,735 compared to the \$1,653 average grant for the 1993-94 academic year.

Statistics indicate that one out of every three part-time student aid applicants have an annual family income under \$12,000 and almost half have annual incomes below \$18,000. Additionally, over 50 percent of part-time students work full-time and 27 percent work part-time while attending classes. Often these students are unable to attend school on a full-time basis and continue to meet family financial responsibilities.

In order to assist these individuals obtain a higher education, this Program Revision recommends providing funds through the State Grant Program to those students enrolled on a half-time basis in a two or four year degree granting program with an annual family income below \$18,000; who receive no educational reimbursement from their employers.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Full-time student applications							
Current	321,315	334,170	334,170	334,170	334,170	334,170	334,170
Program Revision .....	.....	.....	347,540	347,540	347,540	347,540	347,540
Applicants enrolled full-time receiving grants							
Current	135,752	142,220	142,220	142,220	142,220	142,220	142,220
Program Revision .....	.....	.....	144,310	144,310	144,310	144,310	144,310
Part-time student applications							
Current .....	.....	.....	.....	.....	.....	.....	.....
Program Revision .....	.....	.....	19,600	19,600	19,600	19,600	19,600
Applicants enrolled at least half-time receiving grants							
Current .....	.....	.....	.....	.....	.....	.....	.....
Program Revision .....	.....	.....	7,686	7,686	7,686	7,686	7,686

Program Revision Recommendations:

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

Grants to Students
 \$ 18,750 —to provide for an increase in the maximum full-time grant by \$100, and to provide grants to 7,686 part-time students.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Grants to Students	\$ 18,750	\$ 18,750	\$ 18,750	\$ 18,750	\$ 18,750

HIGHER EDUCATION ASSISTANCE AGENCY

PROGRAM OBJECTIVE: To assist independent post-secondary 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 began in 1974, provides grants to assist independent postsecondary institutions which are nonprofit, nondenominational and nonrecipients 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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Grant recipients enrolled at eligible independent institutions	34,089	35,694	36,672	36,672	36,672	36,672	36,672
Per capita grant	\$864	\$926	\$926	\$926	\$926	\$926	\$926
Eligible institutions	87	86	87	87	87	87	87

Program Recommendations:

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

Institutional Assistance Grants
 \$ 897 —to maintain the current average grant level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Institutional Assistance Grants	\$ 29,244	\$ 32,953	\$ 33,850	\$ 33,850	\$ 33,850	\$ 33,850	\$ 33,850

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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Teachers using program hardware and courseware	960	480	480	480	480	480

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.

Program Recommendations:

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

Information Technology
\$ -1,000 —nonrecurring projects.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Information Technology	\$ 2,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
TOTAL GENERAL FUND	\$ 2,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000



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

GENERAL FUND	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL GOVERNMENT:			
General Government Operations	\$ 13,433	\$ 15,147	\$ 15,026
(F) Historic Preservation	1,000	1,100	1,300
(F) Surface Mining Study	25	25	35
(F) State Records Center	38	82	40
(F) Henry Bouquet Papers	12	.....	.....
(F) Environmental Review	40	.....	120
(F) Exhibits Flagship Niagara .....	.....	50	.....
(F) Turnpike Preservation Review .....	.....	.....	45
(F) Coastal Zone Management .....	.....	.....	36
(A) Hope Lodge	30	30	35
(A) Historic Preservation Fund	400	400	400
(A) Land Records	15	.....	15
(A) Rental of Historic Sites and Properties	120	120	120
(A) Commission on Crime and Delinquency .....	.....	30	32
Columbus Day Celebration	290	.....	.....
Maintenance Program	917	917	917
Subtotal — State Funds	\$ 14,640	\$ 16,064	\$ 15,943
Subtotal — Federal Funds	1,115	1,257	1,576
Subtotal — Augmentations	565	580	602
Total — General Government	<u>\$ 16,320</u>	<u>\$ 17,901</u>	<u>\$ 18,121</u>
GRANTS AND SUBSIDIES:			
Museum Assistance	\$ 769	\$ 630	\$ 630
Humanities Council	72	75	100
University of Pennsylvania Museum	176	176	176
Carnegie Museum	176	176	176
Carnegie Science Center	176	176	176
Franklin Institute	531	531	531
Academy of Natural Sciences	325	325	325
Museum of Philadelphia Civic Center	176	176	176
Afro-American Historical and Cultural Museum	249	249	249
Everhart Museum	32	32	32
Mercer Museum .....	.....	135	135
Total — Grants and Subsidies	<u>\$ 2,682</u>	<u>\$ 2,681</u>	<u>\$ 2,706</u>
STATE FUNDS	\$ 17,322	\$ 18,745	\$ 18,649
FEDERAL FUNDS	1,115	1,257	1,576
AUGMENTATIONS	565	580	602
GENERAL FUND TOTAL	<u><u>\$ 19,002</u></u>	<u><u>\$ 20,582</u></u>	<u><u>\$ 20,827</u></u>
OTHER FUNDS			
GENERAL FUND:			
Preservation of Historic Sites and Properties	\$ 120	\$ 350	\$ 150
Hope Lodge Fund	30	30	35
KEYSTONE RECREATION, PARK AND CONSERVATION FUND:			
Historic Site Development .....	.....	.....	2,700
OTHER FUNDS TOTAL	<u>\$ 150</u>	<u>\$ 380</u>	<u>\$ 2,885</u>
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUNDS	\$ 17,322	\$ 18,745	\$ 18,649
FEDERAL FUNDS	1,115	1,257	1,576
AUGMENTATIONS	565	580	602
OTHER FUNDS	150	380	2,885
TOTAL ALL FUNDS	<u><u>\$ 19,152</u></u>	<u><u>\$ 20,962</u></u>	<u><u>\$ 23,712</u></u>

HISTORICAL AND MUSEUM COMMISSION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
STATE HISTORIC PRESERVATION							
General Funds.....	\$ 14,712	\$ 16,139	\$ 16,043	\$ 15,656	\$ 15,673	\$ 15,685	\$ 15,702
Federal Funds.....	1,115	1,257	1,576	1,576	1,576	1,576	1,576
Other Funds.....	715	960	3,487	8,099	8,588	6,104	6,112
TOTAL.....	\$ 16,542	\$ 18,356	\$ 21,106	\$ 25,331	\$ 25,837	\$ 23,365	\$ 23,390
MUSEUM DEVELOPMENT AND OPERATION							
General Funds.....	\$ 2,610	\$ 2,606	\$ 2,606	\$ 2,606	\$ 2,606	\$ 2,606	\$ 2,606
TOTAL.....	\$ 2,610	\$ 2,606	\$ 2,606	\$ 2,606	\$ 2,606	\$ 2,606	\$ 2,606
ALL PROGRAMS:							
GENERAL FUND.....	\$ 17,322	\$ 18,745	\$ 18,649	\$ 18,262	\$ 18,279	\$ 18,291	\$ 18,308
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	1,115	1,257	1,576	1,576	1,576	1,576	1,576
OTHER FUNDS.....	715	960	3,487	8,099	8,588	6,104	6,112
TOTAL.....	\$ 19,152	\$ 20,962	\$ 23,712	\$ 27,937	\$ 28,443	\$ 25,971	\$ 25,996

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, the Land Office, the Computer Output Microfilm Program and the State Record Center. The State Archives is responsible for: 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; and 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 and maps and other papers pertaining to the colonial history of Pennsylvania.

The State Archives, the Computer Output Microfilm Program and the State Records Center offers Pennsylvania and its political sub-

divisions opportunities for solving the serious problem of managing its paper and electronic records. Planning efforts have already been initiated in cooperation with the Office of Administration to insure that short and long-range strategies are developed for records management that will see Pennsylvania into the 21st century.

Program Element: Historic Site and Museum Operations

This element supports the operation of twenty-eight (28) historic sites and museums throughout the Commonwealth including the State Museum of Pennsylvania. 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 to bring history to the public. This program element provides a variety of support services including architectural and design activities in support of a preservation maintenance program; collections management and conservation; marketing and other historic site and museum activities and services. The State Museum administers the Mobile Museum Program which brings Pennsylvania history to the people. This element also includes the 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; provide a survey and National Register nomination program; maintain an information network providing direction and assistance to local preservation organizations; administer an archaeological program to improve policies and procedures and provide direction to the professional and advocational community; and preserve and protect endangered historic public and private buildings, structures and landmarks through a nonprofit Statewide revolving fund.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
State and Local Records							
Pages of archives and historical manuscripts (in thousands)	133,776	140,000	145,000	150,000	155,000	160,000	170,000
Service request responses History, Archives and Land Records	72,342	77,000	78,000	79,000	80,000	81,000	82,000
Historic Site and Museum Operations							
Annual visits to commission historical sites and museums (in thousands) . . .	1,474	1,600	1,700	1,800	1,900	2,000	2,100
Historic markers	1,607	1,615	1,625	1,635	1,645	1,655	1,665

HISTORICAL AND MUSEUM COMMISSION

Program: State Historic Preservation (continued)

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Historic Preservation							
Evaluations for the National Register of Historic Properties	266	285	300	310	325	340	300
Historic properties reviewed for tax credit	363	300	250	200	175	150	150
Professional History and Museum Support Services							
Objects maintained and conserved (in thousands)	1,320	1,303	1,304	1,305	1,306	1,307	1,308
Commission buildings undergoing improvement	78	78	78	78	78	78	78

The measure for annual visits to commission historical sites and museums is decreased from last year's budget as a result of four contributing factors, (1) adjustments in the method for non-paid admissions, (2) a substantial fee increase in 1992-93 which temporarily affects visitation, (3) the contributing impact of the national economy, and (4) inclement weather conditions during the 1992-93 fiscal year.

Program Recommendations:

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

General Government Operations	
\$ -1,900	—nonrecurring projects.
403	—to comply with the Americans with Disabilities Act.
275	—to annualize the Flagship Niagara sail program.
1,101	—to continue current program.
<u>\$ -121</u>	<i>Appropriation Decrease</i>

Humanities Council	
\$ 25	—to continue current program.

The **Maintenance Program** is recommended at the current year level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
General Government Operations	\$ 13,433	\$ 15,147	\$ 15,026	\$ 14,639	\$ 14,656	\$ 14,668	\$ 14,685
Columbus Day Celebration	290						
Maintenance Program	917	917	917	917	917	917	917
Humanities Council	72	75	100	100	100	100	100
TOTAL GENERAL FUND	<u>\$ 14,712</u>	<u>\$ 16,139</u>	<u>\$ 16,043</u>	<u>\$ 15,656</u>	<u>\$ 15,673</u>	<u>\$ 15,685</u>	<u>\$ 15,702</u>

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 Grants, the largest of the financial award categories, require 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, Carnegie Science Center, Franklin Institute Science Museum, Academy of Natural Sciences, 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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Museum assistance competitive grants awarded	120	150	150	150	150	150	150
Museum assistance general operating support grants	46	55	55	60	60	60	60

Funding level does not always affect program measure data because grant funding and number of grants are not necessarily proportionate.

Program Recommendations:

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

All appropriations in this subcategory are recommended at current funding levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Museum Assistance	\$ 769	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630	\$ 630
University of Pennsylvania Museum	176	176	176	176	176	176	176
Carnegie Museum of Natural History	176	176	176	176	176	176	176
Carnegie Science Center	176	176	176	176	176	176	176
Franklin Institute	531	531	531	531	531	531	531
Academy of Natural Sciences	325	325	325	325	325	325	325
Museum of Philadelphia Civic Center	176	176	176	176	176	176	176
Afro-American Historical and Cultural Museum	249	249	249	249	249	249	249
Everhart Museum	32	32	32	32	32	32	32
Mercer Museum		135	135	135	135	135	135
TOTAL GENERAL FUND	\$ 2,610	\$ 2,606	\$ 2,606	\$ 2,606	\$ 2,606	\$ 2,606	\$ 2,606



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

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1994-95 State Funds (in thousands)
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GENERAL FUND

Low-Income Housing Loan Program

PennHOMES	\$	4,000
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This Program Revision provides funding to support the Housing Finance Agency's efforts to increase the Commonwealth's supply of affordable rental housing. These funds will be used to provide financing for developers of multifamily housing through the PennHOMES program.

DEPARTMENT TOTAL	<u>\$</u>	<u>4,000</u>
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HOUSING FINANCE AGENCY

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<u>GENERAL FUND</u>			
<i>GRANTS AND SUBSIDIES:</i>			
Homeowners Emergency Mortgage Assistance	\$ 19,500	\$ 19,500
PennHOMES	4,000
GENERAL FUND TOTAL	\$ 19,500	\$ 23,500
<u>OTHER FUNDS</u>			
<i>NURSING HOME LOAN FUND:</i>			
Low-Income Housing Loan Program	\$ 10,000	....
OTHER FUNDS TOTAL	\$ 10,000	....
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 19,500	\$ 23,500
OTHER FUNDS	10,000	....
TOTAL ALL FUNDS	\$ 29,500	\$ 23,500

HOUSING FINANCE AGENCY

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
COMMUNITY DEVELOPMENT AND CONSERVATION							
General Funds.....	\$ 0	\$ 19,500	\$ 23,500	\$ 19,500	\$ 19,500	\$ 19,500	\$ 19,500
Other Funds.....	0	10,000	0	0	0	0	0
TOTAL.....	\$ 0	\$ 29,500	\$ 23,500	\$ 19,500	\$ 19,500	\$ 19,500	\$ 19,500
ALL PROGRAMS:							
GENERAL FUND.....	\$ 0	\$ 19,500	\$ 23,500	\$ 19,500	\$ 19,500	\$ 19,500	\$ 19,500
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	10,000	0	0	0	0	0
TOTAL.....	\$ 0	\$ 29,500	\$ 23,500	\$ 19,500	\$ 19,500	\$ 19,500	\$ 19,500

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 programs to increase and protect the supply of decent, safe and affordable multi-family rental and single family homeownership housing. These programs are financed with proceeds from the sale of securities to private investors. The PHFA also operates the Homeowners Emergency Mortgage Assistance Program (HEMAP), a program to protect distressed homeowners from foreclosure. This program is supported by an annual General Fund appropriation.

The Single Family Homeownership Program is the PHFA home buyer assistance program. The program offers below market rate mortgage loans to first time buyers of single family houses. Loans are available in all counties of the Commonwealth. Funds to operate the program come from the sale of mortgage revenue bonds. In 1992-93, \$96 million in tax-exempt bonds were sold to provide approximately 5,000 mortgages to first time home buyers throughout Pennsylvania.

PHFA's primary support for the production of rental housing is through the HOMES Program, which 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 1992 with \$78 million from PHFA's reserve funds. These funds are provided as deferred second loans. This helps lower development costs and directly reduces rents. The board committed an additional \$15 million to the program for 1993.

Since 1987, PHFA has financed 5,140 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 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. Act 182 of 1992 extends the program permanently.

Since its creation in 1972, PHFA has committed financing to 36,500 apartment units and 47,400 single family homes through the sale of over \$3.2 billion of tax-exempt and taxable bonds. It has channelled over \$114 million of General Fund monies into the HEMAP Program to save more than 15,000 homes from foreclosure.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Persons eligible for HEMAP loans	1,937	2,450	2,450	2,450	2,450	2,450	2,450
Approved mortgage assistance loans	1,560	2,450	2,450	2,450	2,450	2,450	2,450
Dollar value of assistance loans recorded (in thousands)	\$14,907	\$23,738	\$24,071	\$24,071	\$24,071	\$24,071	\$24,071
Average mortgage assistance loan	\$9,556	\$9,689	\$9,825	\$9,825	\$9,825	\$9,825	\$9,825
Mortgage assistance loans qualifying for repayment	3,021	3,112	3,112	3,112	3,112	3,112	3,112
Outstanding principal balance of mortgage assistance loans qualifying for repayment (in thousands)	\$28,869	\$30,152	\$30,575	\$30,575	\$30,575	\$30,575	\$30,575

The increase in the program measures projected for both the number of approved mortgage assistance loans and the dollar value of assistance loans recorded is attributed to ongoing General Fund support for the program.

The program measure for the number of mortgage assistance loans qualifying for repayment increased from those shown in the previous budget because of the increased number of loans deemed eligible during PHFA's annual recertification process. Loans are reviewed annually to determine changes that impact on one's ability to make repayments.

The measure for the outstanding principal balance of mortgage assistance loans qualifying for repayment has increased from the amount shown in the 1993-94 Governor's Budget. This change is impacted by changes in the measures for the average loan amount and the number of mortgage assistance loans qualifying for repayment.

HOUSING FINANCE AGENCY

Program: Community Development and Conservation (continued)
Program Recommendations:

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

GENERAL FUND:

PennHOMES

\$ 4,000 —PRR — Low-Income Housing Loan Program.
 This Program Revision provides funding to support the Housing Finance Agency's efforts to increase the Commonwealth's supply of affordable rental housing. These funds will be used to provide financing for developers of multifamily housing through the PennHOMES program. See the Program Revision following this program for further information.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Homeowners Emergency Mortgage Assistance	\$ 19,500	\$ 19,500	\$ 19,500	\$ 19,500	\$ 19,500	\$ 19,500
PennHOMES	4,000	.	.	.	.
TOTAL GENERAL FUND	<u>\$ 19,500</u>	<u>\$ 23,500</u>	<u>\$ 19,500</u>	<u>\$ 19,500</u>	<u>\$ 19,500</u>	<u>\$ 19,500</u>

HOUSING FINANCE AGENCY

Program Revision: Low-Income Housing Loan Program

The Pennsylvania Housing Finance Agency (PHFA) offers an array of programs to meet the varied housing needs of our citizens. Through the PennHOMES Program, PHFA creates housing opportunities for lower income and special needs citizens by providing permanent financing for developers of multi-family rental housing. These low-interest deferred loans reduce development costs thereby reducing the amount of rent paid by tenants.

The PennHOMES Program was created in 1987 to offset the loss of Federal support for low-income housing programs. Since that time, this program has become a major stimulus for the creation of affordable rental housing in the Commonwealth. Tenants' income may not exceed 60 percent of the median income in the area in which the project is to be located and at least one-half of all units must serve residents with incomes at or below 50 percent of the median area income. In addition, the program targets projects which serve special needs groups such as persons with disabilities, the homeless, the elderly and migrant farmworkers.

Since its inception, PHFA has committed \$93 million of its own funds to the program. This funding has created approximately 6,200 rental units for those citizens most in need of affordable housing. Without PennHOMES funding, there would be few low-income rental projects completed by private developers.

Declining interest rates have reduced PHFA's ability to generate sufficient investment income to adequately address the demands on this program. As a result, to enhance PHFA's efforts to increase the Commonwealth's supply of affordable housing, this Program Revision provides a State contribution of \$4 million. These funds, together with \$7 million of the agency's investment income, will be used to continue the PennHOMES Program at a level adequate to meet the expected level of demand. Future State contributions will be dependent upon the investment return on PHFA's reserves.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Low-income housing units funded							
Current	1,000	1,000	465	465	465	465	465
Program Revision .....	.....	.....	735	735	735	735	735

Program Revision Recommendations:

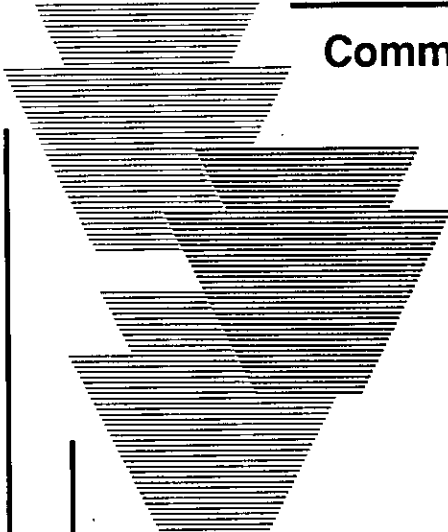
This budget recommends the following changes: (Dollar Amounts in Thousands)

PennHOMES

\$ 4,000 —to support PHFA's efforts to increase the supply of affordable rental housing.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
PennHOMES	\$ 4,000	.....	.....	.....	.....



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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
<i>GRANTS AND SUBSIDIES:</i>			
PENNVEST	\$ 1,900 ^a	\$ 10,000 ^a	\$ 7,000 ^a
<i>(F) Sewage Projects Revolving Loan Fund</i> .....	.....	60,100 ^b	51,500 ^b
GENERAL FUND TOTAL	\$ 1,900 ^a	\$ 70,100	\$ 58,500
PENNVEST FUNDS			
PENNVEST Operations (EA)	\$ 3,274	\$ 3,143	\$ 3,086
(A) Loan Closing Service Fees	130	.....	.....
Grants — Other Revenue Sources (EA)	6,956	7,000	7,000
(R) Revenue Bond Loan Pool (EA)	4,148	3,000	2,500
(R) Revolving Loans	9,010	7,500	10,000
Subtotal — Executive Authorization	\$ 23,518	\$ 20,643	\$ 22,586
PENNVEST Water Pollution Control Revolving Fund	8,197	11,900	12,300
<i>(F) Sewage Projects Revolving Loan Fund</i>	47,471 ^b	60,100 ^b	51,500 ^b
PENNVEST Revolving Fund	149,465	87,000	138,800
PENNVEST Nonrevolving Equity Fund	-39,593	.....	.....
PENNVEST FUNDS TOTAL	\$ 189,058	\$ 179,643	\$ 225,186
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 1,900	\$ 10,000	\$ 7,000
FEDERAL FUNDS	47,471	60,100	51,500
AUGMENTATIONS	130	.....	.....
RESTRICTED REVENUES	13,158	10,500	12,500
OTHER FUNDS	128,299	109,043	161,686
TOTAL — ALL FUNDS	\$ 190,958	\$ 189,643	\$ 232,186

^a General Fund appropriations are transferred to the PENNVEST Fund. These appropriations are deposited into the PENNVEST Fund with other sources of revenue such as investments.

^b Federal Fund appropriations from the General Fund are transferred to the PENNVEST Water Pollution Control Revolving Fund and, therefore, are excluded from the totals to avoid duplication and provide a more accurate representation of the use of Federal funds.

INFRASTRUCTURE INVESTMENT AUTHORITY

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
PENNVEST							
General Funds.....	\$ 1,900	\$ 10,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
Federal Funds.....	0	60,100	51,500	32,280	16,140	4,035	3,228
Other Funds.....	189,058	179,643	225,186	163,062	144,951	53,446	37,959
TOTAL.....	\$ 190,958	\$ 249,743	\$ 283,686	\$ 202,342	\$ 168,091	\$ 64,481	\$ 48,187
ALL PROGRAMS:							
GENERAL FUND.....	\$ 1,900	\$ 10,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	60,100	51,500	32,280	16,140	4,035	3,228
OTHER FUNDS.....	189,058	179,643	225,186	163,062	144,951	53,446	37,959
TOTAL.....	\$ 190,958	\$ 249,743	\$ 283,686	\$ 202,342	\$ 168,091	\$ 64,481	\$ 48,187

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. In addition, Act 5 of 1992 authorized a \$350 million bond issue, which was approved by referendum, to provide additional funding for the program. In 1990-91 the PENNVEST Revenue Bond Pool Program began providing additional funding. Added to this will be interest earnings on the fund's cash flow, and interest and principal payments made on loans.

PENNVEST funds are used for loans and grants to municipalities,

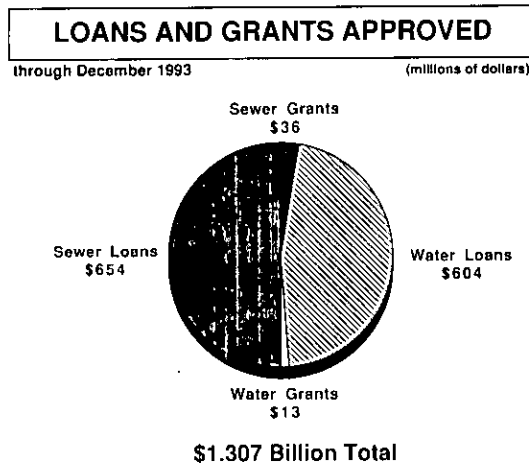
municipal authorities and private firms to improve water and sewage systems they own. Also, the Pennsylvania Infrastructure Investment Authority, supported by the Department of Environmental Resources, helps owners apply for funding, provides assistance in planning and designing funded projects, and, if necessary, reviews the applicant's operations to improve efficiency.

To facilitate fund management and accounting, several separate funds have been established. The PENNVEST Fund serves as the repository of appropriated General Fund monies, 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 Equity Fund receive the proceeds from the sale of bonds mentioned above and segregate revolving and non-revolving loans. The PENNVEST Revenue Bond Pool is supported by loan interest and principal repayments from the revolving and non-revolving loans and disburses the proceeds from the sale of PENNVEST Revenue Bonds.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
PENNVEST projects implemented	87	75	81	75	60	50	40
PENNVEST awards (in millions):							
Loans	\$ 182	\$ 165	\$ 177	\$ 165	\$ 125	\$ 40	\$ 22
Grants	4	7	7	7	7	7	2
Total	<u>\$ 186</u>	<u>\$ 172</u>	<u>\$ 184</u>	<u>\$ 172</u>	<u>\$ 132</u>	<u>\$ 47</u>	<u>\$ 24</u>

The program measures showing the number of projects implemented and the amounts awarded decrease as current bond authorization is committed and less money is available for additional projects and loans.



INFRASTRUCTURE INVESTMENT AUTHORITY

Program: PENNVEST

Program Recommendations: _____

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

PENNVEST
 \$ -3,000 —to continue General Fund contribution for grants and administration.

Appropriations within this Program: _____

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
PENNVEST	\$ 1,900	\$ 10,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000

Funds Available for Grants and Administrative Expenses: _____

GENERAL FUND:							
PENNVEST	\$ 1,900	\$ 10,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
PENNVEST FUND:							
Investment Income	1,523	1,000	1,000	750	750	750	750
TOTAL ALL FUNDS	\$ 3,423	\$ 11,000	\$ 8,000	\$ 7,750	\$ 7,750	\$ 7,750	\$ 7,750



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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
<i>GENERAL GOVERNMENT:</i>			
General Government Operations	\$ 12,767	\$ 10,607	\$ 11,125
(A) Companies in Liquidation	1,245	1,466	1,477
(A) Pennsylvania Bulletin and Code Regulations	168	172	186
(A) Duplicating and Mailing Services	48	40	40
(A) Workers' Compensation Security Services	327	272	332
(A) Reimbursements — Examination Travel	517	500	500
(A) Reimbursements — Market Conduct Travel	99	40	75
(A) Underground Storage Tank Indemnification Fund Expense	25	25	78
(A) Interim Special Assessment .....	.....	3,600	3,600
Children's Health Insurance Management Team	50	70	70
STATE FUNDS	\$ 12,817	\$ 10,677	\$ 11,195
AUGMENTATIONS	2,429	6,115	6,288
GENERAL FUND TOTAL	\$ 15,246	\$ 16,792	\$ 17,483
OTHER FUNDS			
<i>GENERAL FUND:</i>			
Children's Health Fund	\$ 126	\$ 21,500	\$ 21,500
Single Licensing .....	.....	650	325
GENERAL FUND TOTAL	\$ 126	\$ 22,150	\$ 21,825
<i>CATASTROPHIC LOSS BENEFITS CONTINUATION FUND:</i>			
Administration	\$ 1,611	\$ 1,361	\$ 1,345
Claims	27,100	26,900	26,000
Loan Repayment .....	.....	6,642	.....
CATASTROPHIC LOSS BENEFITS CONTINUATION FUND TOTAL	\$ 28,711	\$ 34,903	\$ 27,345
<i>UNDERGROUND STORAGE TANK INDEMNIFICATION FUND:</i>			
Administration	\$ 227	\$ 7,200	\$ 7,015
Claims .....	.....	124,500	60,000
UNDERGROUND STORAGE TANK INDEMNIFICATION FUND TOTAL	\$ 227	\$ 131,700	\$ 67,015
OTHER FUNDS TOTAL	\$ 29,064	\$ 188,753	\$ 116,185
 DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 12,817	\$ 10,677	\$ 11,195
AUGMENTATIONS	2,429	6,115	6,288
OTHER FUNDS	29,064	188,753	116,185
TOTAL ALL FUNDS	\$ 44,310	\$ 205,545	\$ 133,668

INSURANCE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
INSURANCE INDUSTRY REGULATION							
General Funds.....	\$ 12,817	\$ 10,677	\$ 11,195	\$ 70	\$ 70	\$ 70	\$ 70
Other Funds.....	31,493	194,868	122,473	141,055	163,522	173,640	175,061
TOTAL.....	\$ 44,310	\$ 205,545	\$ 133,668	\$ 141,125	\$ 163,592	\$ 173,710	\$ 175,131
ALL PROGRAMS:							
GENERAL FUND.....	\$ 12,817	\$ 10,677	\$ 11,195	\$ 70	\$ 70	\$ 70	\$ 70
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	31,493	194,868	122,473	141,055	163,522	173,640	175,061
TOTAL.....	\$ 44,310	\$ 205,545	\$ 133,668	\$ 141,125	\$ 163,592	\$ 173,710	\$ 175,131

PROGRAM OBJECTIVE: To serve Pennsylvania's insurance consumers through fair and efficient regulation of the insurance industry.

Program: Insurance Industry Regulation

The Insurance Department's responsibilities are to protect insurance companies by providing adequate safeguards; to ensure that products are available at an affordable price; and to provide a fair regulatory climate that will encourage insurance companies to conduct business in the Commonwealth.

The Insurance Department regulates all aspects of the insurance industry in Pennsylvania. It supervises the operation of 1,500 insurance companies; authorizes the admission of new insurers to the State; tests and licenses insurance agents, brokers and bondsmen; reviews and pre-approves over 88,000 rate and policy form filings each year; conducts adjudicatory hearings; and handles nearly 300,000 consumer inquiries annually.

Act 6 of 1990 made significant strides in lowering the cost of auto insurance for all Pennsylvanians. The casualty rating office has handled mandatory rate rollbacks, requests for relief under the extraordinary circumstances section of the law, and is now overseeing the return to a traditional marketplace where auto insurance premiums are still lower today than they were prior to the enactment of the law.

The rising cost of health care has resulted in a doubling in the number of health related filings in just over three years as individuals and companies look for solutions to this serious problem.

The Insurance Department manages the Children's Health Care Program which makes available to working parents a comprehensive, low cost health insurance plan for eligible children. This coverage is funded from a portion of cigarette tax receipts as well as from payments by working families in accordance with a sliding fee scale.

The soft market in the property/casualty insurance industry continues to persist despite the impact of five years of declining profits and unprecedented world-wide catastrophic losses. The last soft pricing cycle lasted approximately five years and resulted in two insurance company insolvencies in Pennsylvania. The prospect that the current 6-year soft cycle will continue for another year will only increase its impact on the financial stability of the insurance industry and the likelihood of future insolvencies in Pennsylvania.

The recovery of the junk bond market has allowed insurers to reduce their holdings in these high-risk investments without suffering severe losses. However, the situation in the commercial real estate market is likely to be a major contributing factor in future life insurer insolvencies. The life and health insurance industry continues to be affected by

spiraling health care costs, intense competition with financial institutions, and a decline in public confidence in the long-term stability of the industry.

The financial condition of insurers licensed to transact business in Pennsylvania is monitored and regulated through the department's examination and financial analysis functions. Because of an increasing number of financially troubled insurers and the national attention focused on the quality of state regulation of insurer solvency, the department has committed additional resources to improvements in solvency regulation. Efforts continue to implement an automated solvency surveillance system designed to permit earlier identification of potentially troubled insurers. Resources continue to be focused on improving the effectiveness of regulatory actions taken to require insurers to correct problems before they lead to insolvency. This major initiative is also driven by the need to bring Pennsylvania into compliance with minimum standards for state regulation of insurer solvency developed by the National Association of Insurance Commissioners. The standards were developed in response to concerns that individual State regulation of the insurance industry has been inadequate and should be supplemented or replaced by a Federal role.

The Bureau of Consumer Services' four regional offices provide the public with insurance information, education and complaint resolution services. The department's Bureau of Enforcement conducts field investigations of insurance law violations and undertakes on-site market conduct examinations of insurance company operations.

The department manages the Catastrophic Loss Benefit Continuation Fund, funded through certain motor vehicle offense surcharge fees, which provides benefits to Pennsylvanians who were catastrophically injured in motor vehicle accidents prior to January 1, 1990, and incurred medical expenses in excess of \$100,000 up to a lifetime aggregate of \$1 million. Act 70 of 1990 authorized the CAT Fund to borrow funds from the Workers' Compensation Security Fund.

The department also manages the activities of the Underground Storage Tank Indemnification Fund established after the passage of the Storage Tank and Spill Prevention Act of July 6, 1989. This program provides claims payments to owners and operators of underground storage tanks. It is funded through a fee charged to motorists for each gallon of gasoline purchased and an assessment on each underground storage tank in Pennsylvania.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Consumer savings from departmental intervention in insurance claim disputes (in thousands)	\$5,150	\$5,150	\$5,150	\$5,150	\$5,150	\$5,150	\$5,150
Companies in liquidation	28	20	20	14	12	10	10
Rate filings reviewed	16,367	17,000	17,000	17,000	17,000	17,000	17,000
Administrative hearings held	344	475	500	500	500	500	500

INSURANCE

Program: Insurance Industry Regulation (continued)

Program Measures: (continued)

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Policy/form filings reviewed	72,021	75,000	75,000	75,000	75,000	75,000	75,000
Companies examined	114	125	125	125	125	125	125
Continuing care providers regulated	97	100	102	105	105	105	105
Enforcement investigations completed	287	300	300	300	300	300	300
Insurer market conduct examinations completed	52	60	60	60	60	60	60

The decrease in consumer savings as a result of departmental intervention in insurance claim disputes from those shown in the prior budget is attributed to aggressive enforcement efforts which result in greater compliance among insurance companies and, therefore, fewer consumer compliants requiring departmental intervention.

The increase in the program measures for both rate filings and policy/form filings reviewed from those in last year's budget is the result of changes in the requirements of the rating organizations.

The program measure for administrative hearings held decreased from the levels projected in last year's budget because of the lengthy hearings held on Workers' Compensation Reform during 1992-93 and 1993-94.

The number of enforcement investigations completed decreased from those projected in the prior year's budget because on-site investigations are now included as part of an expanded compliance review process.

Program Recommendations:

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

General Government Operations
 \$ 423 —to fund current program.
 95 —Initiative — Workers' Compensation Reform.
 To meet requirements imposed by Act 44 of 1993, the Workers' Compensation Act, which include review of company rate filings and enhanced anti-fraud activities.

\$ 518 *Appropriation Increase*

In addition \$325,000 in Other Funds is provided for the transfer to a single licensing system for agents and to implement continuing education requirements recently enacted.

Insurance Department Fund

This budget assumes enactment of an interim special assessment to enhance solvency monitoring and regulatory capabilities as well as the general operations of the department.

Up to \$1.7 million may be required from the General Fund in 1993-94 if proposed legislation to establish an assessment on the insurance industry to cover a portion of

current operating expenses, as well as expansion of the solvency program is not enacted. Available funds are sufficient to meet needs through April, 1994.

This budget also proposes the establishment of a special fund, to be called the Insurance Department Fund. Beginning in 1995-96 Insurance will be financed from this fund. A General Fund appropriation will not be required from that time onward. However, an appropriation will be needed from the special fund.

Beginning July 1, 1995, all monies collected or received by Insurance from fees, assessments, charges, fines and penalties will be deposited in the fund. Annual assessments, fees or charges will be adjusted so that revenues will be sufficient to meet the needs of the department.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
General Government Operations	\$ 12,767	\$ 10,607	\$ 11,125				
Children's Health Insurance Management Team	50	70	70	\$ 70	\$ 70	\$ 70	\$ 70
TOTAL GENERAL FUND	\$ 12,817	\$ 10,677	\$ 11,195	\$ 70	\$ 70	\$ 70	\$ 70



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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 6,001	\$ 8,587	\$ 8,173
(F) JTPA — Administration	2,455	3,538	3,670
(F) National Occupational Rehabilitation Information Coordinating Committee	288	350	291
(A) Federal Indirect Cost Reimbursements	1,949	417	1,200
Total — General Government Operations	\$ 10,693	\$ 12,892	\$ 13,334
Occupational and Industrial Safety	\$ 6,958	\$ 8,634	\$ 8,809
(F) Asbestos Certification	98	275	100
(A) Federal Indirect Cost Reimbursements	1,729	415	1,200
Right-to-Know	974	1,103	1,110
(A) Hazardous Material Response	189	152	.....
PENNSERVE	466	760	760
(F) Community Service and Corps	2,485	12,200	12,200
Literacy Corps Pilot Project	477	565	565
Subtotal — State Funds	\$ 14,876	\$ 19,649	\$ 19,417
Subtotal — Federal Funds	5,326	16,363	16,261
Subtotal — Augmentations	3,867	984	2,400
Total — General Government	\$ 24,069	\$ 36,996	\$ 38,078
GRANTS AND SUBSIDIES:			
Occupational Disease Payments	\$ 4,914	\$ 4,405	\$ 4,015
Transfer to Vocational Rehabilitation Fund	22,050	22,136	22,899
(F) Disability Determination	49,524	56,600	55,884
Supported Employment	868	899	899
Physical Rehabilitation Center	100	200	.....
Centers for Independent Living	888	920	920
Workers' Compensation Payments	615	600	510
Dislocated Workers	2,413	3,500	3,500
Job Centers	2,741	2,840	2,840
(F) Joint Jobs Initiative	25,244	29,000	29,000
(F) JTPA — Dislocated Workers	43,483	50,000	83,700
(F) JTPA — Incentive Grants	6,862	6,500	6,743
(F) JTPA — Grants to Service Delivery Areas	70,000	74,000	76,800
(F) JTPA — Summer Youth	36,000	85,000	85,000
(F) JTPA — Emergency Summer Youth	20,545	.....	.....
(F) JTPA — Older Workers	3,900	4,500	4,668
(F) JTPA — Veterans' Employment	873	873	873
(A) Joint Jobs Initiative	18,278	18,188	18,188
Total — Job Centers	\$ 227,926	\$ 270,901	\$ 307,812
Subtotal — State Funds	\$ 34,589	\$ 35,500	\$ 35,583
Subtotal — Federal Funds	256,431	306,473	342,668
Subtotal — Augmentations	18,278	18,188	18,188
Total — Grants and Subsidies	\$ 309,298	\$ 360,161	\$ 396,439
STATE FUNDS	\$ 49,465	\$ 55,149	\$ 55,000
FEDERAL FUNDS	261,757	322,836	358,929
AUGMENTATIONS	22,145	19,172	20,588
GENERAL FUND TOTAL	\$ 333,367	\$ 397,157	\$ 434,517

LABOR AND INDUSTRY

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<u>ECONOMIC REVITALIZATION FUND</u>			
<i>GRANTS AND SUBSIDIES:</i>			
Pennsylvania Conservation Corps	\$ 5,820	\$ 6,000	\$ 6,000
<u>OTHER FUNDS</u>			
<i>GENERAL FUND:</i>			
Asbestos Occupations Accreditation and Certification	\$ 667	\$ 901	\$ 1,005
<i>ADMINISTRATION FUND:</i>			
Administration of Unemployment	\$ 203,067	\$ 199,604	\$ 199,900
<i>HAZARDOUS MATERIALS RESPONSE FUND:</i>			
Hazardous Materials Response Administration	\$ 165	\$ 180	\$ 180
<i>REHABILITATION CENTER FUND:</i>			
Operation of Rehabilitation Center	\$ 12,874	\$ 14,682	\$ 15,296
<i>VOCATIONAL REHABILITATION FUND:</i>			
Administration of Vocational Rehabilitation*	\$ 91,808	\$ 95,402	\$ 93,468
<i>WORKMEN'S COMPENSATION ADMINISTRATION FUND:</i>			
Administration of Workmen's Compensation	\$ 23,076	\$ 25,846	\$ 41,598
OTHER FUNDS TOTAL	\$ 331,657	\$ 336,615	\$ 351,447
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 49,465	\$ 55,149	\$ 55,000
SPECIAL FUNDS	5,820	6,000	6,000
FEDERAL FUNDS	261,757	322,836	358,929
AUGMENTATIONS	22,145	19,172	20,588
OTHER FUNDS	331,657	336,615	351,447
 TOTAL ALL FUNDS	 \$ 670,844	 \$ 739,772	 \$ 791,964

* Excludes transfer from General Fund.

LABOR AND INDUSTRY

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
COMMUNITY AND OCCUPATIONAL SAFETY AND STABILITY							
General Funds.....	\$ 13,933	\$ 18,324	\$ 18,092	\$ 18,092	\$ 18,092	\$ 18,092	\$ 18,092
Federal Funds.....	386	625	391	391	391	391	391
Other Funds.....	4,699	2,065	3,585	3,788	4,009	4,176	4,389
TOTAL.....	\$ 19,018	\$ 21,014	\$ 22,068	\$ 22,271	\$ 22,492	\$ 22,659	\$ 22,872
WORKERS COMPENSATION AND ASSISTANCE							
General Funds.....	\$ 5,529	\$ 5,005	\$ 4,525	\$ 4,500	\$ 4,380	\$ 4,250	\$ 4,120
Federal Funds.....	49,524	56,600	55,884	55,884	55,884	55,884	55,884
Other Funds.....	226,143	225,450	241,498	256,480	271,356	282,753	297,174
TOTAL.....	\$ 281,196	\$ 287,055	\$ 301,907	\$ 316,864	\$ 331,620	\$ 342,887	\$ 357,178
JOB TRAINING DEVELOPMENT							
General Funds.....	\$ 6,097	\$ 7,665	\$ 7,665	\$ 7,665	\$ 7,665	\$ 7,665	\$ 7,665
Special Funds.....	5,820	6,000	6,000	6,000	6,000	6,000	6,000
Federal Funds.....	211,847	265,611	302,654	302,654	302,654	302,654	302,654
Other Funds.....	18,278	18,188	18,188	18,188	18,188	18,188	18,188
TOTAL.....	\$ 242,042	\$ 297,464	\$ 334,507	\$ 334,507	\$ 334,507	\$ 334,507	\$ 334,507
VOCATIONAL REHABILITATION							
General Funds.....	\$ 23,906	\$ 24,155	\$ 24,718	\$ 24,718	\$ 24,718	\$ 24,718	\$ 24,718
Other Funds.....	104,682	110,084	108,764	112,368	115,356	118,124	121,083
TOTAL.....	\$ 128,588	\$ 134,239	\$ 133,482	\$ 137,086	\$ 140,074	\$ 142,842	\$ 145,801
ALL PROGRAMS:							
GENERAL FUND.....	\$ 49,465	\$ 55,149	\$ 55,000	\$ 54,975	\$ 54,855	\$ 54,725	\$ 54,595
SPECIAL FUNDS.....	5,820	6,000	6,000	6,000	6,000	6,000	6,000
FEDERAL FUNDS.....	261,757	322,836	358,929	358,929	358,929	358,929	358,929
OTHER FUNDS.....	353,802	355,787	372,035	390,824	408,909	423,241	440,834
TOTAL.....	\$ 670,844	\$ 739,772	\$ 791,964	\$ 810,728	\$ 828,693	\$ 842,895	\$ 860,358

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, protect the rights of Pennsylvania workers, 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 conducted by the Prevailing Wage Division. Monitoring of the Minimum Wage and Wage Payment and Collection laws is the responsibility of the Bureau of Labor Standards. The Bureau of Labor Standards also protects workers' rights by ensuring compliance with the Child Labor, Seasonal Farm Labor, Industrial Homework, Personnel File, Equal Pay and Medical Pay laws. The Bureau of Labor Standards informs employes and employers about the laws, conducts investigations and resolves disputes.

Labor relations stability is promoted through the provision of mediation services to the public and private sectors. Under the Public Employee 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. Each year over 1,000 cases are mediated by the department.

The Pennsylvania Labor Relations Board enforces and implements the provisions of the Commonwealth's laws relating to private and public sector collective bargaining, including the Pennsylvania Labor Relations Act, the Public Employee Relations Act, Act 88 of 1992 and Act 111 of 1968, providing collective bargaining and arbitration rights to police and fire employes. The board determines collective bargaining representatives, prevents and discourages unfair practices and in the public sector, contributes to the resolution of bargaining disputes by the issuance of arbitration panels and the appointment of fact finders.

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 to provide topical information to 10,000 labor-management leaders Statewide and offers technical assistance through a network of labor-management innovators or local committees which have been formed throughout the State. The Schools Cooperation Committee helps improve labor-management relations in the public schools. This Statewide committee, comprising leadership of the top education organizations and co-chaired by the Secretaries of the Departments of Labor and Industry and Education, meets regularly to address educational policy issues. The Committee also assisted in the creation of 30 local Schools Cooperation Committees across Pennsylvania.

The Fire and Panic, Building Energy Conservation, Elevator, Bedding and Upholstery, Stuffed Toy, Employment Agency, LP Gas, Boiler, and Asbestos Occupations Accreditation and Certification laws are all administered by the Bureau of Occupational and Industrial Safety. The bureau enforces the acts through promulgation of regulations, conducting field inspections, licensing and certifying, and investigating complaints. The department is also responsible to insure that buildings are accessible and usable by persons with disabilities under the State's Universal Accessibility Act.

The Worker and Community Right-to-Know Act 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. The department enforces worker right-to-know provisions for public employes and those in the mining industry.

The Office for the Deaf and Hearing Impaired responds to requests for information and referral and promotes communication with and accessibility to agencies through the use of interpreters, telephone relay services and education.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Minimum wage violations cited	2,725	1,500	1,500	1,500	1,500	1,500	1,500
Child labor law violations	1,302	1,172	1,172	1,172	1,172	1,172	1,172
Right-to-know — education/outreach programs	37	40	40	40	40	40	40
Nonpayment of wage violations	930	800	800	800	800	800	800
Mediated cases involving work stoppages:							
Public bargaining units	2.4%	13.3%	5.0%	5.0%	5.0%	5.0%	5.0%
Private bargaining units	20.0%	2.6%	10%	10%	10%	10%	10%
Unfair labor practice cases concluded	475	500	500	500	500	500	500
Union representation cases concluded	116	125	125	125	125	125	125
Total inspections performed	129,215	129,000	129,000	129,000	129,000	129,000	129,000
Building approvals issued	12,023	12,000	12,000	12,000	12,000	12,000	12,000
New buildings certified	5,741	5,700	5,700	5,700	5,700	5,700	5,700
Renovations of existing buildings certified	6,325	6,300	6,300	6,300	6,300	6,300	6,300

The percent of cases involving work stoppages was different than estimated in last year's budget because the timing of work stoppages is difficult to predict. The percentages for private and public work stoppages are expected to return to historical levels in subsequent years.

The gradual improvement in the economy had a strong effect on the building industry resulting in a higher than projected number of building approvals and certifications compared to last year's budget.

The other program measures have also been revised compared to last year's to reflect the most recent experience of the various programs.

LABOR AND INDUSTRY

Program: Community and Occupational Safety and Stability (continued)

Program Recommendations:

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

	General Government Operations		Occupational and Industrial Safety
\$ -783	—increased Federal indirect cost reimbursements.	\$ -785	—increased Federal indirect cost reimbursements.
369	—to continue current program.	960	—to continue current program.
\$ -414	<i>Appropriation Decrease</i>	\$ 175	<i>Appropriation Increase</i>
			Right-to-Know Act
		\$ 7	—to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
General Government Operations	\$ 6,001	\$ 8,587	\$ 8,173	\$ 8,173	\$ 8,173	\$ 8,173	\$ 8,173
Occupational and Industrial Safety	6,958	8,634	8,809	8,809	8,809	8,809	8,809
Right-To-Know Act	974	1,103	1,110	1,110	1,110	1,110	1,110
TOTAL GENERAL FUND	\$ 13,933	\$ 18,324	\$ 18,092	\$ 18,092	\$ 18,092	\$ 18,092	\$ 18,092

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 contract certain occupational diseases or sustain work related injuries.

On July 2, 1993, Act 44 of 1993 was signed amending the Workers' Compensation Act of 1915. The act will help employers reduce costs and preserve jobs for Pennsylvania workers. The amended law places a cap on most medical costs related to work injuries; provides an opportunity for competitive ratemaking among workers' compensation insurers, enables small business owners, farmers and local governments to pool their liabilities and be self insured; establishes a Self-Insurance

Guaranty Fund; requires insurance companies and self-insured employers to provide accident and illness prevention services to employers; provides for managed care, tougher controls on fraud, and elimination of disincentives in the benefit structure to encourage a timely return to work; and provides the Insurance Commissioner with the authority to reject excessive rate increases.

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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Claimants qualifying for occupational disease payments out of Commonwealth funds	2,534	2,411	2,246	2,096	1,946	1,796	1,646
New claimants eligible for workers' compensation payments	94,378	100,000	103,000	104,000	105,000	106,000	107,000
Total petitions assigned	58,408	60,000	62,000	64,000	66,000	68,000	70,000
Judges' decisions	43,660	47,000	62,000	64,000	66,000	68,000	70,000
Average time in days — Case filed/concluded	315	320	320	325	330	335	340
New claims for unemployment compensation	599,193	600,000	600,000	600,000	600,000	600,000	600,000

Total petitions assigned to judges grew at a much faster rate than projected in last year's budget. These petitions are filed by claimants and dependents, and it is difficult to project activity in this area. The increase in petitions has resulted in a corresponding increase in the average time between filing and conclusion of cases.

Judges' decisions are expected to increase as new referees are hired and trained as planned.

New claims for unemployment compensation were less than projected in last year's budget due to the improving economy.

Program Recommendations:

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

<p>Occupational Disease Payments \$ -390 —to continue current program.</p> <p>Workers' Compensation Payments -90 —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 Workers' Insurance Fund and by private insurance companies.</p>	<p>In addition, this budget recommends the following changes for administration of the Workers' Compensation Program through the Workmen's Compensation Administration Fund.</p> <p>Administration of Workers' Compensation —Initiative — Workers' Compensation Reform — To reduce delays in processing and resolving workers' compensation claims. —to continue current program.</p>
<p>\$ 1,238</p> <p>14,514</p> <p>\$ 15,752</p>	<p><i>Appropriation Increase</i></p>

LABOR AND INDUSTRY

Program: Workers' Compensation Assistance (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Occupational Disease Payments	\$ 4,914	\$ 4,405	\$ 4,015	\$ 4,000	\$ 3,900	\$ 3,800	\$ 3,700
Workers' Compensation Payments	615	600	510	500	480	450	420
TOTAL GENERAL FUND	<u>\$ 5,529</u>	<u>\$ 5,005</u>	<u>\$ 4,525</u>	<u>\$ 4,500</u>	<u>\$ 4,380</u>	<u>\$ 4,250</u>	<u>\$ 4,120</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 Employment Services and Training, the Dislocated Worker Unit, the Youth, Education and Service Unit, PennSERVE: The Governor's Office of Citizen Service and the Pennsylvania Conservation Corps.

Job Centers are a Statewide network of 88 one-stop locations providing coordinated and comprehensive services to individuals seeking jobs and job-related services and to employers seeking qualified job applicants. In addition to the services available through programs administered by the Department of Labor and Industry, employment, training and support resources of other Federal, State, local and community-based organizations are provided through the Job Center Network.

This subcategory includes PennSERVE: The Governor's Office of Citizen Service. PennSERVE is Pennsylvania's designated lead agency for the Corporation on National and Community Service and other Federal community service initiatives. Further, PennSERVE is the State's focal point for coordinating community service, service-learning and volunteer activities, providing technical assistance, providing grants to schools, colleges, local governments and community-based organizations and administering local and summer corps citizen service programs. PennSERVE operates the Pennsylvania Conservation Corps to promote local and summer corps. PennSERVE also administers the Literacy Corps which provides grants to colleges to train students as literacy tutors.

Under the Federal Job Training Partnership Act (JTPA) program, state and local governments work in cooperation with the private sector to establish employment and training programs. JTPA primarily serves economically disadvantaged adults and youth. Types of training programs, eligibility requirements and distribution formulas for these programs are established by Federal law. Services provided include on-the-job training, vocational-technical skills training, job search assistance, job counseling and skills 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 education agencies, organized labor, vocational rehabilitation agencies, public assistance agencies, public employment services, and economic development organizations.

The Commonwealth also uses JTPA discretionary funding for special programs to serve veterans, welfare recipients, at-risk youth and

pregnant and parenting youth. State funds are also provided to support services and job training programs for dislocated worker/rapid response programs, for pregnant and parenting teenagers as part of the Single Point of Contact (SPOC) program, and for at-risk youth.

The Department of Labor and Industry is the lead agency in administering interagency efforts associated with employment and training programs. The Joint Jobs Initiative is designed to target resources of the departments of Labor and Industry, Public Welfare and Education. This initiative is designed to improve job training and employment service programs for welfare recipients. The SPOC program provides comprehensive employment and training services to AFDC recipients with multiple barriers to employment. Services provided by the departments of Labor and Industry, Public Welfare and Education are co-located in county assistance offices. Funding for this program is provided by each of the three agencies involved.

Also included in this program are funds to support the Jobs for Economic Growth Initiative, a model job training program for dislocated workers, welfare recipients and other hard-to-serve individuals in Philadelphia and Allegheny counties. This joint effort is undertaken in partnership with the Department of Public Welfare.

The Department of Labor and Industry also administers the Economic Dislocation and Worker Adjustment Assistance Act (EDWAAA) through its Dislocated Worker Unit. As required by the Federal law, 60 percent of the Federal funds received are distributed to the SDAs to assist dislocated workers. The balance of funds are used to support rapid response efforts, special programs and administration at the State level. EDWAAA funds are used to support training and retraining and for support services and needs-related payments. In addition to the federal EDWAAA funds, State funds are used to provide needs-based payments and retraining services to dislocated workers.

The department's Rapid Response Program is operated by the Dislocated Worker Unit in conjunction with the Economic Development Partnership (EDP). When 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. 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.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Job Training Partnership Program:							
Enrollments	73,310	73,310	73,310	73,310	73,310	73,310	73,310
Placements	15,998	16,000	16,000	16,000	16,000	16,000	16,000
Welfare recipients served	37,832	35,600	39,400	39,600	39,800	39,900	40,000
Joint Jobs Initiative:							
Welfare recipients who completed training	4,324	4,324	4,324	4,324	4,324	4,324	4,324
Welfare recipients placed	1,711	1,711	1,711	1,711	1,711	1,711	1,711
Average hourly wage	\$6.70	\$6.90	\$7.10	\$7.31	\$7.52	\$7.94	\$7.97

LABOR AND INDUSTRY

Program: Job Training Development (continued)

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Individuals placed through Job Service . . .	85,000	85,000	85,000	85,000	85,000	85,000	85,000
Individuals enrolled in on-the-job training .	4,615	4,615	4,615	4,615	4,615	4,615	4,615
Dislocated workers:							
Dislocated workers placed	4,461	4,461	4,461	4,461	4,461	4,461	4,461
Average hourly wage	\$8.62	\$8.79	\$8.96	\$9.13	\$9.31	\$9.49	\$9.67

These data have been revised compared to last year's to reflect the most recent experience of the programs. The improving economy has contributed to a greater number of enrollments and placements than the amounts estimated in last year's budget.

Program Recommendations:

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

GENERAL FUND:

Job Centers

—Initiative — Family Center Expansion. This component of the initiative recommends that up to \$300,000 from the Job Centers appropriation within the Department of Labor and Industry be allocated for family center expansion in 1994-95.

This \$9.8 million initiative provides for the continuation and/or enhancement of the 33 existing family centers and for the establishment of approximately 16 new family centers in 1994-95. Of the State funds provided through this initiative, up to \$150,000 is available for the development of training programs and local governance structures that support the family center objectives. See the Initiative in the Department of Education for additional information.

All other programs are recommended to be continued at the current levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
PENNSERVE	\$ 466	\$ 760	\$ 760	\$ 760	\$ 760	\$ 760	\$ 760
Literacy Corps Pilot Project	477	565	565	565	565	565	565
Dislocated Workers	2,413	3,500	3,500	3,500	3,500	3,500	3,500
Job Centers	2,741	2,840	2,840	2,840	2,840	2,840	2,840
TOTAL GENERAL FUND	\$ 6,097	\$ 7,665	\$ 7,665	\$ 7,665	\$ 7,665	\$ 7,665	\$ 7,665
ECONOMIC REVITALIZATION FUND:							
Pennsylvania Conservation Corps	\$ 5,820	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000

LABOR AND INDUSTRY

PROGRAM OBJECTIVE: To enable eligible persons with disabilities to obtain competitive 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, as amended through 1986, 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 individuals with severe disabilities. These individuals generally require more extensive and varied services over an extended period of time.

To address the needs of individuals who do not meet Federal eligibility criteria due to the severity of their disability, State funds are provided for the Centers for Independent Living (CILs) and the Office of Vocational Rehabilitation (OVR). CILs are non-residential centers which provide information and referral services, peer counseling, benefits counseling, independent living skills training and other services to Pennsylvanians with very severe disabilities. CILs do not have funding

or authority to purchase equipment or other needed services. Therefore, the portion of State funds that is distributed to OVR provides a wide range of independent living services such as equipment, home modifications and adaptive appliances which cannot be provided by the CILs. OVR staff works closely with CIL staff to develop a comprehensive program for those individuals with very severe disabilities.

The Supported Employment Program improves employment opportunities for those previously considered to have disabilities so severe that they could not benefit from the traditional vocational rehabilitation program. Supported employment combines job placement in the community with job training at the job site. Full-time training and support services are provided.

This program also includes the Hiram G. Andrews Center in Johnstown. The center is funded from fees for services rendered. The majority of services are provided to vocational rehabilitation clients. The center's resident and community population averages 350 persons.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Caseload:							
Carry-over from previous years	43,594	42,106	41,214	40,766	40,467	40,318	40,320
New referrals	26,482	27,012	27,552	27,828	28,106	28,387	28,671
Total caseload	70,076	69,118	68,766	68,594	68,573	68,705	68,991
Cases closed:							
Ineligible	15,760	15,445	15,291	15,291	15,291	15,291	15,291
Rehabilitated	6,792	6,933	7,072	7,143	7,214	7,286	7,359
Competitive	5,769	5,884	6,002	6,062	6,123	6,184	6,246
Noncompetitive	1,023	1,049	1,070	1,081	1,091	1,102	1,113
Nonrehabilitated	5,418	5,526	5,637	5,693	5,750	5,808	5,924
Total cases closed	27,970	27,904	28,000	28,127	28,255	28,385	28,574
Cases carried over	42,106	41,214	40,766	40,467	40,318	40,320	40,417
Severely disabled rehabilitated	5,224	5,328	5,435	5,489	5,544	5,599	5,655
Economic/client earnings information:							
Average weekly earnings for clients closed as competitively employed	\$255	\$259	\$263	\$270	\$277	\$285	\$292
Total weekly earnings for clients closed as competitively employed (in thousands)	\$1,471	\$1,524	\$1,578	\$1,637	\$1,696	\$1,762	\$1,824
Average taxes paid by competitively employed client	\$3,448	\$3,502	\$3,556	\$3,650	\$3,745	\$3,853	\$3,948
Total taxes paid by competitively employed clients (in thousands)	\$19,891	\$20,603	\$21,342	\$22,126	\$22,930	\$23,826	\$24,658

For 1992-93 the total number of new referrals and cases closed is greater than estimated in last year's budget because of additional effort applied to this program by the agency.

LABOR AND INDUSTRY

Program: Vocational Rehabilitation (continued)

Program Recommendations:

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

	Transfer to Vocational Rehabilitation Fund		Physical Rehabilitation Center
\$ 763	—to provide matching funds to secure additional Federal funds.	\$ -200	—nonrecurring project.

All other programs are recommended to be continued at the current year levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Transfer to Vocational Rehabilitation Fund	\$ 22,050	\$ 22,136	\$ 22,899	\$ 22,899	\$ 22,899	\$ 22,899	\$ 22,899
Supported Employment	868	899	899	899	899	899	899
Centers for Independent Living	888	920	920	920	920	920	920
Physical Rehabilitation Center	100	200	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 23,906	\$ 24,155	\$ 24,718	\$ 24,718	\$ 24,718	\$ 24,718	\$ 24,718



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

	1992-93	(Dollar Amounts in Thousands) 1993-94	1994-95
	Actual	Available	Budget
<u>OTHER FUNDS</u>			
<i>STATE STORES FUND:</i>			
General Operations (EA)	\$ 188,833	\$ 193,662	\$ 202,968
(F) Highway Safety — Responsible Alcohol Management Training	29	201	124
(A) Sale of Vehicles	1	.....	.....
Comptroller Operations (EA)	7,334	6,660	6,689
Transfer of Profits to General Fund (EA)	33,000	47,000	50,000
OTHER FUNDS TOTAL	<u>\$ 229,197</u>	<u>\$ 247,523</u>	<u>\$ 259,781</u>

LIQUOR CONTROL

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
LIQUOR CONTROL							
Special Funds.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds.....	229,197	247,523	259,781	261,995	269,589	277,450	285,586
TOTAL.....	\$ 229,197	\$ 247,523	\$ 259,781	\$ 261,995	\$ 269,589	\$ 277,450	\$ 285,586
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.....	229,197	247,523	259,781	261,995	269,589	277,450	285,586
TOTAL.....	\$ 229,197	\$ 247,523	\$ 259,781	\$ 261,995	\$ 269,589	\$ 277,450	\$ 285,586

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 667 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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Pennsylvania State Liquor Stores	667	675	685	690*	690	690	690
Gross sales (includes taxes) (in thousands)	\$840,863	\$837,495	\$859,270	\$881,611	\$904,533	\$928,051	\$952,180
Licenses and permits issued (all types) ..	64,120	65,000	65,000	65,000	65,000	65,000	65,000

The number of Pennsylvania State Liquor Stores is lower than in last year's measures for the actual and available years due to store consolidations and the closing of unprofitable stores.

Program Recommendations:

This budget recommends the following changes for executive authorizations within the State Stores Fund: (Dollar Amounts in Thousands)

- General Operations**
\$ 9,306 —to continue current program.
- Comptroller Operations**
\$ 29 —to continue current program.
- Transfer of Profits to General Fund**
\$ 3,000 —increase in amount available for transfer to General Fund. This increases the amount of revenue transfer to the General Fund from \$47 million to \$50 million.



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, 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. The new Northeastern Home, located in Scranton, was opened in January 1994.

MILITARY AFFAIRS

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 12,600	\$ 12,980	\$ 13,658
(F) Facilities Maintenance	395	5,400	7,000
(F) Employee Support	475	1,500	1,300
(F) New Armories	58	.....	.....
(F) Telecommunications Expansion	659	1,250	1,250
(F) Equipment Repair Facility .....	.....	6,115	.....
(F) Youth Conservation Corps .....	.....	620	.....
(F) Drug Demand Reduction .....	.....	685	.....
(A) Rental of Armories and Other Facilities	137	125	125
(A) Lt. Governor's Residence	21	20	20
(A) Reimbursement — PEMA .....	.....	283	.....
American Battle Monuments	4	4	4
Armory Maintenance and Repair	474	495	495
Veterans Memorial Commission	30	.....	.....
Drug Interdiction	62	62	62
Subtotal — State Funds	\$ 13,170	\$ 13,541	\$ 14,219
Subtotal — Federal Funds	1,587	15,570	9,550
Subtotal — Augmentations	158	428	145
Total — General Government	\$ 14,915	\$ 29,539	\$ 23,914
INSTITUTIONAL:			
Erie Soldiers and Sailors Home	\$ 4,576	\$ 4,540	\$ 5,058
(F) Operations and Maintenance	991	1,271	1,192
(F) Medical Reimbursement	10	12	89
(A) Aid and Attendance Payments	427	320	333
(A) Residents Fees	1,323	1,421	1,478
(A) Miscellaneous Revenue	10	.....	.....
Total — Erie Soldiers and Sailors Home	\$ 7,337	\$ 7,564	\$ 8,150
Holidaysburg Veterans Home	\$ 13,638	\$ 15,453	\$ 17,649
(F) Operations and Maintenance	2,676	3,641	4,028
(F) Medical Reimbursement	20	44	48
(F) Dietary Renovations	2	.....	.....
(A) Aid and Attendance Payments	1,160	1,504	1,720
(A) Residents Fees	2,920	3,858	4,447
(A) Rental Receipts .....	.....	10	10
Total — Holidaysburg Veterans Home	\$ 20,416	\$ 24,510	\$ 27,902
Southeastern Veterans Home	\$ 6,910	\$ 8,563	\$ 10,007
(F) Operations and Maintenance	423	1,467	2,090
(A) Aid and Attendance Payments	11	167	718
(A) Residents Fees	447	614	1,185
Total — Southeastern Veterans Home	\$ 7,791	\$ 10,811	\$ 14,000
Northeastern Veterans Home	\$ 694	\$ 2,881	\$ 7,438
(F) Operations and Maintenance .....	.....	712	877
(A) Aid and Attendance Payments .....	.....	82	422
(A) Residents Fees .....	.....	78	480
Total — Northeastern Veterans Home	\$ 694	\$ 3,753	\$ 9,217

^a It is recommended that this continuing appropriation provide funds for operations through June 30, 1995.

MILITARY AFFAIRS

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
<i>INSTITUTIONAL: (continued)</i>			
Subtotal — State Funds	\$ 25,818	\$ 31,437	\$ 40,152
Subtotal — Federal Funds	4,122	7,147	8,324
Subtotal — Augmentations	6,298	8,054	10,793
Total — Institutional	<u>\$ 36,238</u>	<u>\$ 46,638</u>	<u>\$ 59,269</u>
<i>GRANTS AND SUBSIDIES:</i>			
Education of Veterans Children	\$ 90	\$ 90	\$ 90
Education — National Guard	665	665	665
Veterans Assistance	1,519	1,416	1,416
Blind Veterans Pension	156	159	159
Paralyzed Veterans Pension	339	380	380
National Guard Pension	7	10	10
Total — Grants and Subsidies	<u>\$ 2,776</u>	<u>\$ 2,720</u>	<u>\$ 2,720</u>
STATE FUNDS	\$ 41,764	\$ 47,698	\$ 57,091
FEDERAL FUNDS	5,709	22,717	17,874
AUGMENTATIONS	6,456	8,482	10,938
GENERAL FUND TOTAL	<u>\$ 53,929</u>	<u>\$ 78,897</u>	<u>\$ 85,903</u>

MILITARY AFFAIRS

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
STATE MILITARY READINESS							
General Funds.....	\$ 13,170	\$ 13,541	\$ 14,219	\$ 14,219	\$ 14,219	\$ 14,219	\$ 14,219
Federal Funds.....	1,587	15,570	9,550	9,550	9,550	9,550	9,550
Other Funds.....	158	428	145	153	162	169	177
TOTAL.....	\$ 14,915	\$ 29,539	\$ 23,914	\$ 23,922	\$ 23,931	\$ 23,938	\$ 23,946
VETERANS HOMES							
General Funds.....	\$ 25,818	\$ 31,437	\$ 40,152	\$ 44,348	\$ 44,348	\$ 44,348	\$ 44,348
Federal Funds.....	4,122	7,147	8,324	8,324	8,324	8,324	8,324
Other Funds.....	6,298	8,054	10,793	11,408	12,070	12,579	13,221
TOTAL.....	\$ 36,238	\$ 46,638	\$ 59,269	\$ 64,080	\$ 64,742	\$ 65,251	\$ 65,893
COMPENSATION AND ASSISTANCE							
General Funds.....	\$ 2,776	\$ 2,720	\$ 2,720	\$ 2,720	\$ 2,720	\$ 2,720	\$ 2,720
TOTAL.....	\$ 2,776	\$ 2,720	\$ 2,720	\$ 2,720	\$ 2,720	\$ 2,720	\$ 2,720
ALL PROGRAMS:							
GENERAL FUND.....	\$ 41,764	\$ 47,698	\$ 57,091	\$ 61,287	\$ 61,287	\$ 61,287	\$ 61,287
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	5,709	22,717	17,874	17,874	17,874	17,874	17,874
OTHER FUNDS.....	6,456	8,482	10,938	11,561	12,232	12,748	13,398
TOTAL.....	\$ 53,929	\$ 78,897	\$ 85,903	\$ 90,722	\$ 91,393	\$ 91,909	\$ 92,559

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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Armories	104	104	104	104	104	104	104
Pennsylvania National Guard personnel ...	23,041	23,155	23,270	23,380	23,500	23,560	23,590
Percentage of authorized strength level ...	98%	98%	98%	99%	99%	99%	99%

Program Recommendations:

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

General Government Operations	
\$ 45	—to provide an automated communications link with all veterans homes.
633	—to maintain current program.
\$ 678	Appropriation Increase

The continuing appropriation for the Veterans Memorial Commission provides funds for both 1992-93 and 1993-94. This budget recommends extension of the current appropriation to June 30, 1995.

All other appropriations are recommended at current year amounts.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
General Government Operations	\$ 12,600	\$ 12,980	\$ 13,658	\$ 13,658	\$ 13,658	\$ 13,658	\$ 13,658
American Battle Monuments	4	4	4	4	4	4	4
Armory Maintenance and Repair	474	495	495	495	495	495	495
Veterans Memorial Commission	30						
Drug Interdiction	62	62	62	62	62	62	62
TOTAL GENERAL FUND	\$ 13,170	\$ 13,541	\$ 14,219	\$ 14,219	\$ 14,219	\$ 14,219	\$ 14,219

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 \$13.25 per patient day for domiciliary care, \$31.03 per patient day for nursing home care, and an average of \$8.00 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.

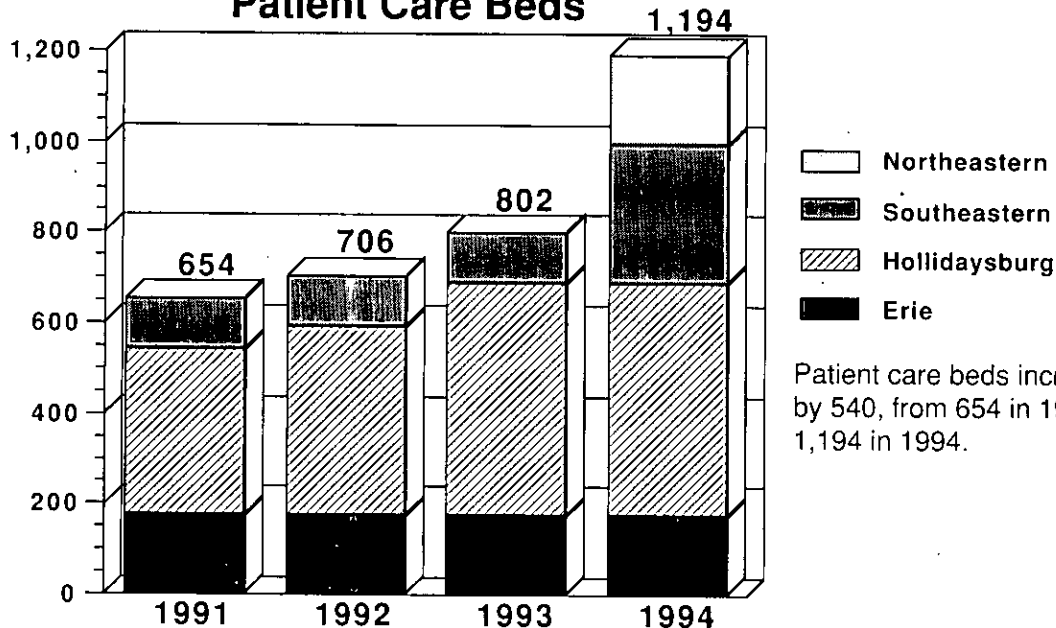
Construction was recently completed on a 200 bed veterans home located in Scranton. This modern nursing care and personal care home is expected to be opened for patient admissions during the early part of 1994.

At the request of the Governor, the Pennsylvania War Veterans Council recommended a site for the fifth veterans home in Pittsburgh. The site selection committee is currently reviewing sites for a possible sixth veterans home.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Beds available (December):							
Erie	175	175	175	175	175	175	175
Hollidaysburg	419	515	515	515	515	515	515
Southeastern	112	112	304	304	304	304	304
Northeastern			200	200	200	200	200
Population (December):							
Erie	164	172	174	174	174	174	174
Hollidaysburg	359	456	485	490	495	500	505
Southeastern	95	97	233	282	282	286	292
Northeastern			126	170	180	185	192

State Veterans' Homes Patient Care Beds



Patient care beds increase by 540, from 654 in 1991 to 1,194 in 1994.

The number of beds for 1993 is less than the amount estimated in last year's budget due to delays in making renovations at the Southeastern Veterans Home.

MILITARY AFFAIRS

Program: Veterans Homes (continued)

State Veterans Homes — Expenditures by Institution

(Dollar Amounts in Thousands)

	1992-93	1993-94	1994-95		1992-93	1993-94	1994-95
	Actual	Available	Budget		Actual	Available	Budget
Erie Soldiers and Sailors Home				Southeastern Veterans Home			
State Funds	\$ 4,576	\$ 4,540	\$ 5,058	State Funds	\$ 6,910	\$ 8,563	\$ 10,007
Federal Funds	1,001	1,283	1,281	Federal Funds	423	1,467	2,090
Augmentations	1,760	1,741	1,811	Augmentations	458	781	1,903
TOTAL	\$ 7,337	\$ 7,564	\$ 8,150	TOTAL	\$ 7,791	\$ 10,811	\$ 14,000
Hollidaysburg Veterans Home				Northeastern Veterans Home			
State Funds	\$ 13,638	\$ 15,453	\$ 17,649	State Funds	\$ 694	\$ 2,881	\$ 7,438
Federal Funds	2,698	3,685	4,076	Federal Funds		712	877
Augmentations	4,080	5,372	6,177	Augmentations		160	902
TOTAL	\$ 20,416	\$ 24,510	\$ 27,902	TOTAL	\$ 694	\$ 3,753	\$ 9,217

Institution:	Projected Dec. 1994 Capacity	Population Dec. 1992	Population Dec. 1993	Projected Population Dec. 1994	Projected Percent of Capacity
Erie Soldiers and Sailors Home	175	164	172	174	99%
Hollidaysburg Veterans Home	515	359	456	485	94%
Southeastern Veterans Home	304	95	97	233	77%
Northeastern Veterans Home	200			126	63%

Program Recommendations:

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

Erie Soldiers and Sailors Home		Southeastern Veterans Home
\$ 122 —for patient care equipment.		\$ 35 —for patient care equipment.
30 —to improve patient record keeping by upgrading computer equipment.		27 —to improve patient record keeping by upgrading computer equipment.
366 —to maintain current program.		1,135 —annualized cost of 192 additional nursing care beds.
\$ 518 Appropriation Increase		247 —to maintain current program.
Hollidaysburg Veterans Home		\$ 1,444 Appropriation Increase
\$ 100 —for patient care equipment.		Northeastern Veterans Home
20 —to improve patient record keeping by upgrading computer equipment.		\$ 4,557 —for additional residents of new 200 bed facility.
1,582 —annualized cost of 96 additional nursing care beds.		
494 —to maintain current program.		
\$ 2,196 Appropriation Increase		

Appropriations within this Program:

(Dollar Amounts in Thousands)

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Erie Soldiers and Sailors Home	\$ 4,576	\$ 4,540	\$ 5,058	\$ 5,058	\$ 5,058	\$ 5,058	\$ 5,058
Hollidaysburg Veterans Home	13,638	15,453	17,649	17,649	17,649	17,649	17,649
Southeastern Veterans Home	6,910	8,563	10,007	11,391	11,391	11,391	11,391
Northeastern Veterans Home	694	2,881	7,438	10,250	10,250	10,250	10,250
TOTAL GENERAL FUND	\$ 25,818	\$ 31,437	\$ 40,152	\$ 44,348	\$ 44,348	\$ 44,348	\$ 44,348

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.

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 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 children of a deceased member, the pension is paid until the 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 were killed or died 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 total and permanent 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 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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Veterans in Pennsylvania	1,416,300	1,405,300	1,394,300	1,383,300	1,372,300	1,361,000	1,350,300
Recipients of veterans emergency assistance	8,659	8,400	8,300	8,200	8,100	8,000	8,000
Recipients of blind veterans pensions	129	132	132	132	132	132	132
Students receiving financial aid	90	90	90	90	90	90	90
National Guard personnel receiving educational financial aid	1,493	1,600	1,600	1,600	1,600	1,600	1,600
Participants in paralyzed veterans program	276	290	290	290	290	290	290

MILITARY AFFAIRS


Program: Compensation and Assistance (continued)

Program Recommendations: _____

The budget recommends continuation of all programs at current levels.

Appropriations within this Program: _____

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Education of Veterans Children	\$ 90	\$ 90	\$ 90	\$ 90	\$ 90	\$ 90	\$ 90
Education — National Guard	665	665	665	665	665	665	665
Veterans Assistance	1,519	1,416	1,416	1,416	1,416	1,416	1,416
Blind Veterans Pensions	156	159	159	159	159	159	159
Paralyzed Veterans Pension	339	380	380	380	380	380	380
National Guard Pensions	7	10	10	10	10	10	10
TOTAL GENERAL FUND	\$ 2,776	\$ 2,720	\$ 2,720	\$ 2,720	\$ 2,720	\$ 2,720	\$ 2,720



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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<u>GENERAL FUND</u>			
<i>GRANTS AND SUBSIDIES:</i>			
Transfer to Milk Marketing Fund	\$ 125	\$ 125	\$ 125
GENERAL FUND TOTAL	<u>\$ 125</u>	<u>\$ 125</u>	<u>\$ 125</u>
 <u>MILK MARKETING FUND</u>			
<i>GENERAL GOVERNMENT:</i>			
General Operations	\$ 1,638	\$ 1,757 ^b	\$ 1,907
(A) Transfer from General Fund .....	..... ^a	..... ^a	..... ^a
(A) Milk Producers Security Fund .....	.....	5	6
MILK MARKETING FUND TOTAL	<u>\$ 1,638</u>	<u>\$ 1,762</u>	<u>\$ 1,913</u>
 DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 125	\$ 125	\$ 125
SPECIAL FUNDS	1,638	1,757	1,907
AUGMENTATIONS .....	.....	5	6
TOTAL ALL FUNDS	<u>\$ 1,763</u>	<u>\$ 1,887</u>	<u>\$ 2,038</u>

^a Not added to the total to avoid double counting: 1992-93 Actual is \$114,000; 1993-94 Available is \$125,000; 1994-95 Budget is \$125,000.

^b Includes recommended supplemental appropriation of \$257,000.

MILK MARKETING BOARD

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
MILK INDUSTRY REGULATION							
General Funds.....	\$ 125	\$ 125	\$ 125	\$ 125	\$ 125	\$ 125	\$ 125
Special Funds.....	1,638	1,757	1,907	1,992	2,108	2,197	2,309
Other Funds.....	0	5	6	6	6	6	6
TOTAL.....	\$ 1,763	\$ 1,887	\$ 2,038	\$ 2,123	\$ 2,239	\$ 2,328	\$ 2,440
ALL PROGRAMS:							
GENERAL FUND.....	\$ 125	\$ 125	\$ 125	\$ 125	\$ 125	\$ 125	\$ 125
SPECIAL FUNDS.....	1,638	1,757	1,907	1,992	2,108	2,197	2,309
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	5	6	6	6	6	6
TOTAL.....	\$ 1,763	\$ 1,887	\$ 2,038	\$ 2,123	\$ 2,239	\$ 2,328	\$ 2,440

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, plus a General Fund transfer to pay costs of the Bureau of Consumer Affairs. 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 Milk Producer's Security Act and board regulations.

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 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.

The General Fund Transfer to the Milk Marketing Fund is used to support the Bureau of Consumer Affairs. This bureau represents the interests of the consumers of Pennsylvania.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Supply of fluid milk compared to demand for fluid milk	126%	126%	126%	126%	126%	126%	126%
Licenses and permits issued	3,026	3,000	3,000	3,000	3,000	3,000	3,000

Program Recommendations:

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

MILK MARKETING FUND:
General Operations
 \$ 150 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Transfer to Milk Marketing Fund	\$ 125	\$ 125	\$ 125	\$ 125	\$ 125	\$ 125	\$ 125
MILK MARKETING FUND:							
General Operations	\$ 1,638	\$ 1,757	\$ 1,907	\$ 1,992	\$ 2,108	\$ 2,197	\$ 2,309



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.

BOARD OF PROBATION AND PAROLE

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1994-95 State Funds (in thousands)
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GENERAL FUND

Supervision and Safety Improvements

General Government Operations	\$	1,024
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This Program Revision improves supervision capacity, increases electronic monitoring to divert offenders from higher levels of custody, establishes a day reporting program to facilitate the reintegration of offenders into society, provides upgraded parole officer safety equipment and improved office security, and provides training on effective parole supervision methods.

DEPARTMENT TOTAL	\$	<u>1,024</u>
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PROBATION AND PAROLE

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 28,942	\$ 33,807	\$ 36,893
(F) DCSI — Electronic Monitoring	172	.....	.....
(F) DCSI — State Parole Services	618	315	60
(F) DCSI — Community Control Electronic Monitoring .....	.....	.....	171
(F) DCSI — Parole Officer Distance Learning .....	.....	.....	718
(F) DCSI — Safety Equipment for Supervisory Personnel .....	.....	.....	518
(A) Parole Supervision Fees	1,248	693	699
Intensive Parole Supervision .....	.....	1,500	3,319
Drug Offenders Work Program	110	150	165
(A) GLOW Program	14	25	.....
Subtotal — State Funds	\$ 29,052	\$ 35,457	\$ 40,377
Subtotal — Federal Funds	790	315	999
Subtotal — Augmentations	1,262	718	699
Total — General Government	<u>\$ 31,104</u>	<u>\$ 36,490</u>	<u>\$ 42,075</u>
 GRANTS AND SUBSIDIES:			
Improvement of Adult Probation Services	\$ 13,355	\$ 16,821	\$ 17,066
(F) DCSI — Local Probation Services	240	.....	.....
(A) Parole Supervision Fees	5,451	4,200	5,331
Total — Grants and Subsidies	<u>\$ 19,046</u>	<u>\$ 21,021</u>	<u>\$ 22,397</u>
 STATE FUNDS	 \$ 42,407	 \$ 52,278	 \$ 57,443
FEDERAL FUNDS	1,030	315	999
AUGMENTATIONS	6,713	4,918	6,030
 GENERAL FUND TOTAL	 <u>\$ 50,150</u>	 <u>\$ 57,511</u>	 <u>\$ 64,472</u>

PROBATION AND PAROLE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	
REINTEGRATION OF THE ADULT OFFENDER							
General Funds.....	\$ 42,407	\$ 52,278	\$ 57,443	\$ 57,397	\$ 57,467	\$ 57,525	\$ 57,576
Federal Funds.....	1,030	315	999	34	17	0	0
Other Funds.....	6,713	4,918	6,030	6,058	6,087	6,117	6,148
TOTAL.....	\$ 50,150	\$ 57,511	\$ 64,472	\$ 63,489	\$ 63,571	\$ 63,642	\$ 63,724
ALL PROGRAMS:							
GENERAL FUND.....	\$ 42,407	\$ 52,278	\$ 57,443	\$ 57,397	\$ 57,467	\$ 57,525	\$ 57,576
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	1,030	315	999	34	17	0	0
OTHER FUNDS.....	6,713	4,918	6,030	6,058	6,087	6,117	6,148
TOTAL.....	\$ 50,150	\$ 57,511	\$ 64,472	\$ 63,489	\$ 63,571	\$ 63,642	\$ 63,724

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.

Act 35 of 1991 mandates that a monthly supervision fee be paid by all offenders under state supervision unless a waiver is granted. In addition, Act 35 requires that the sentencing judge of the Court of Common Pleas impose upon county offenders as a condition of supervision, a monthly supervision fee of at least twenty-five dollars unless reduced, waived or deferred.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Probationers and parolees in caseload:							
County	102,322	112,968	118,172	123,376	128,580	133,784	138,988
State	23,813	25,841	27,290	28,743	30,227	31,704	33,131
Annual addition to caseload population ..	10,719	11,066	11,516	12,076	12,602	13,708	13,437
Investigative reports completed	16,222	17,115	18,008	18,901	19,794	20,687	21,580
Annual caseload additions likely to return to prison	3,859	3,984	4,146	4,347	4,537	4,708	4,837
And as a percentage of annual additions to caseload	36%	36%	36%	36%	36%	36%	36%
Average cases per parole agent	99	114	111	117	123	129	135

The data for the measures: annual addition to caseload and annual caseload additions likely to return to prison have increased from data shown in the 1993-94 budget. This is due to the methodology used by Probation and Parole to estimate these caseloads. The methodology uses a linear regression projected based on actual caseload growth for the prior two years. The estimated return rate is the actual recidivism rate for a three year followup of 1987 cohort releases; it was 36% for 1987 parolees. The return rate is multiplied by the estimated number of new additions to the caseload.

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		
\$ 2,062	—to continue current program.		
1,024	—PRR — Supervision and Safety Improvements. This Program Revision improves supervision capacity, increases electronic monitoring to divert offenders from higher levels of custody, establishes a day reporting program to facilitate the reintegration of offenders into society, provides upgraded parole officer safety equipment and improved office security, and provides training on effective parole supervision methods. See the Program Revision following this program for further information.	\$ 1,819	Intensive Parole Supervision —to continue current program.
		\$ 245	Improvement of Adult Probation Services —for grants to counties for professional county personnel salary costs. A charge of \$25 per month was instituted in 1991-92 to offset the costs of administering this program for employed offenders on State and county parole supervision. Estimated fee collection for 1994-95 is \$5,331,000. This amount will augment State funds of \$17,066,000 and provide \$22,397,000 or 77 percent reimbursement to the counties.
<u>\$ 3,086</u>	<i>Appropriation Increase</i>		
	Drug Offenders Work Program		
\$ 15	—to continue current program.		

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
General Government Operations	\$ 28,942	\$ 33,807	\$ 36,893	\$ 36,847	\$ 36,917	\$ 36,975	\$ 37,026
Drug Offenders Work Program	110	150	165	165	165	165	165
Intensive Parole Supervision . . . . .	. . . . .	1,500	3,319	3,319	3,319	3,319	3,319
Improvement of Adult Probation Services .	13,355	16,821	17,066	17,066	17,066	17,066	17,066
TOTAL GENERAL FUND	<u>\$ 42,407</u>	<u>\$ 52,278</u>	<u>\$ 57,443</u>	<u>\$ 57,397</u>	<u>\$ 57,467</u>	<u>\$ 57,525</u>	<u>\$ 57,576</u>

PROBATION AND PAROLE

Program Revision: Supervision and Safety Improvements

The costs associated with incarcerating and supervising adult offenders continues to escalate. The Pennsylvania Commission on Corrections Planning projects that by the year 2000, the Commonwealth will be spending over \$1 billion annually to house over 33,000 adult offenders. In an effort to address escalating costs, this Program Revision provides funding for incarceration alternatives that will be effective at ensuring public safety and more cost-effective than imprisonment. Specifically, this Program Revision proposes \$1.024 million in State and \$939,000 in Federal funds to provide training on effective parole supervision methods, improve the capacity to supervise additional parolees, increase electronic monitoring to divert offenders from higher levels of custody and establish a day reporting program to facilitate the reintegration of offenders into society.

This Program Revision provides \$633,000 to strengthen the ability of the Board of Probation and Parole to supervise a growing number of offenders paroled from State correctional institutions. As a result, general supervision caseloads will be reduced from the current level of over 120 offenders per parole agent to 110 per agent.

This Program Revision also expands the board's capacity to electronically monitor 1,737 paroled drug offenders and parole violators. A total of \$228,000 is provided for additional voice verification units to control the movement of offenders 24 hours per day and for additional electronic monitoring anklets to restrict offenders to their residences. These efforts will affect an additional 782 parolees and are directed

toward reducing recidivism and parole violations, resulting in more efficient use of parole personnel.

This Program Revision provides \$958,000 in additional safety equipment for Probation and Parole offices and parole officers throughout the Commonwealth. Twenty-four Probation and Parole offices will receive improvements designed to protect personnel from intrusions by armed offenders. Armored glass, special alarm systems and metal detectors will be installed in offices and structural improvements made to increase safety. Improved communications equipment and safety equipment for automobiles will also be provided.

This Program Revision provides \$77,000 for a Parole Day Reporting Center where employment services, drug screening, counseling and supervision fee collections can occur. Provision of reintegration and supervision services in a centralized setting will allow for more effective supervision and also more efficient use of parole agent time.

In addition, this Program Revision provides \$67,000 for improved training for parole officers. The Parole Officer Distance Learning Program will establish two pilot sites to utilize video conferencing technology to provide training on effective parole supervision methods.

This strengthening of the Board of Probation and Parole will provide for improved supervision of a growing offender population and enhance public safety through stricter control of paroled drug offenders and parole violators.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Electronic monitoring capacity							
Current	955	955	955	955	955	955	955
Program Revision .....	.....	.....	1,737	1,737	1,737	1,737	1,737
Offices with enhanced safety equipment							
Current .....	.....	.....	.....	.....	.....	.....	.....
Program Revision .....	.....	.....	24	24	24	24	24

Program Revision Recommendations:

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

\$ 1,024	General Government Operations —to improve supervision capacity, increase electronic monitoring, establish a day reporting program, provide upgraded parole officer safety equipment and improved office security, and provide training on effective parole supervision methods.
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In addition, \$939,000 in Federal Drug Control System Improvement funds is included in this Program Revision to provide training on effective parole supervision methods, increase electronic monitoring and provide upgraded parole officer safety equipment and improved office security.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
General Government Operations	\$ 1,024	\$ 978	\$ 1,048	\$ 1,106	\$ 1,157



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 and two affiliated 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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<u>GENERAL FUND</u>			
<i>GENERAL GOVERNMENT:</i>			
General Government Operations	\$ 2,526	\$ 2,700	\$ 2,888
(A) Special Projects	383	163	.....
Total — General Government	<u>\$ 2,909</u>	<u>\$ 2,863</u>	<u>\$ 2,888</u>
 <i>GRANTS AND SUBSIDIES:</i>			
Public Television Station Grants	\$ 6,057	\$ 6,273	\$ 6,273
Total — Grants and Subsidies	<u>\$ 6,057</u>	<u>\$ 6,273</u>	<u>\$ 6,273</u>
 STATE FUNDS	 \$ 8,583	 \$ 8,973	 \$ 9,161
AUGMENTATIONS	383	163	.....
 GENERAL FUND TOTAL	 <u>\$ 8,966</u>	 <u>\$ 9,136</u>	 <u>\$ 9,161</u>

PUBLIC TELEVISION NETWORK

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
PUBLIC TELEVISION SERVICES							
General Funds.....	\$ 8,583	\$ 8,973	\$ 9,161	\$ 9,161	\$ 9,161	\$ 9,161	\$ 9,161
Other Funds.....	383	163	0	0	0	0	0
TOTAL.....	\$ 8,966	\$ 9,136	\$ 9,161	\$ 9,161	\$ 9,161	\$ 9,161	\$ 9,161
ALL PROGRAMS:							
GENERAL FUND.....	\$ 8,583	\$ 8,973	\$ 9,161	\$ 9,161	\$ 9,161	\$ 9,161	\$ 9,161
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	383	163	0	0	0	0	0
TOTAL.....	\$ 8,966	\$ 9,136	\$ 9,161	\$ 9,161	\$ 9,161	\$ 9,161	\$ 9,161

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 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. In addition, the commission also funds second public television stations in Philadelphia and Pittsburgh which provide different program service for their viewers.

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 Intermediate Units, 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. These instructional series are curriculum-based.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Households watching public television at least once a week	2,600,000	2,600,000	2,700,000	2,720,000	2,740,000	2,760,000	2,780,000
Contributing memberships	295,000	300,000	310,000	320,000	330,000	340,000	350,000
Original programming as a percentage of total broadcasting	5.5%	5.0%	6.0%	6.0%	6.0%	6.0%	6.0%

Increases in number of households watching public television compared to estimates in last years budget is based on Nielson ratings and number of households watching two affiliated stations in Philadelphia and Pittsburgh.

Program Recommendations:

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

<p>General Government Operations</p> <p>\$ 130 —to continue current program.</p> <p>58 —Initiative — PENNTEXT Project. To continue the PENNTEXT Program which provides broadcast text services for individuals who are hearing impaired.</p> <p>\$ 188 <i>Appropriation Increase</i></p>	<p>Public Television Station Grants</p> <p>—recommended at the current funding level.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
General Government Operations	\$ 2,526	\$ 2,700	\$ 2,888	\$ 2,888	\$ 2,888	\$ 2,888	\$ 2,888
Public Television Station Grants	6,057	6,273	6,273	6,273	6,273	6,273	6,273
TOTAL GENERAL FUND	\$ 8,583	\$ 8,973	\$ 9,161	\$ 9,161	\$ 9,161	\$ 9,161	\$ 9,161



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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<u>GENERAL FUND</u>			
GENERAL GOVERNMENT:			
(R) General Government Operations ^a	\$ 32,237 ^c	\$ 34,795	\$ 37,032
(R) First Class City Taxicab Regulation ^b	1,796	2,000	2,100
(F) Natural Gas Pipeline Safety	115	140	185
(F) Motor Carrier Safety	610	775	775
RESTRICTED REVENUES	\$ 34,033	\$ 36,795	\$ 39,132
FEDERAL FUNDS	725	915	960
GENERAL FUND TOTAL	\$ 34,758	\$ 37,710	\$ 40,092

^a Appropriation from a restricted revenue account.

^b Executive Authorization from a restricted revenue account.

^c Actually appropriated as: \$26,971,000 General Government Operations, \$384,000 Chairman and Commissioners and \$4,882,000 Safety and Enforcement.

PUBLIC UTILITY COMMISSION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
REGULATION OF PUBLIC UTILITIES							
Special Funds.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Federal Funds.....	725	915	960	960	960	960	960
Other Funds.....	34,033	36,795	39,132	39,132	39,132	39,132	39,132
TOTAL.....	\$ 34,758	\$ 37,710	\$ 40,092	\$ 40,092	\$ 40,092	\$ 40,092	\$ 40,092
ALL PROGRAMS:							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	725	915	960	960	960	960	960
OTHER FUNDS.....	34,033	36,795	39,132	39,132	39,132	39,132	39,132
TOTAL.....	\$ 34,758	\$ 37,710	\$ 40,092	\$ 40,092	\$ 40,092	\$ 40,092	\$ 40,092

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 18 of approximately 5,000 utilities regulated are electric, the rate increases requested by the electric utilities have historically been much greater than those of all other utilities combined.

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 1972; and,
- conduct management efficiency investigations and construction cost audits.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Utilities regulated:							
Fixed utilities:							
Electric	18	18	18	18	18	18	18
Other	653	675	675	650	650	650	650
Transportation	4,404	4,450	4,475	4,500	4,500	4,500	4,500
Rate requests received:							
Fixed Utilities:							
Electric	3	2	2	3	3	2	2
Other	58	71	75	74	74	76	76
Transportation	469	500	500	500	500	500	500
Rate cases completed:							
Fixed utilities:							
Electric	4	2	2	3	3	2	2
Other	78	79	83	84	83	82	81
Transportation	469	500	500	500	500	500	500
Rate increase requested (in millions):							
Fixed utilities:							
Electric	\$174	\$600	\$600	\$700	\$700	\$600	\$600
Other	\$139	\$140	\$125	\$110	\$125	\$120	\$120
Transportation	\$ 23	\$ 23	\$ 23	\$ 23	\$ 23	\$ 23	\$ 23
Rate increases allowed (in millions):							
Fixed utilities:							
Electric	\$ 71	\$250	\$300	\$300	\$350	\$350	\$510
Other	\$ 58	\$ 60	\$ 55	\$ 60	\$ 60	\$ 55	\$ 55
Transportation	\$ 23	\$ 23	\$ 23	\$ 23	\$ 23	\$ 23	\$ 23

The number of utilities regulated is greater than estimated in last year's budget due to the inclusion of corporations, known as resellers, who bought telephone companies for resale. Resellers were not included in this program measure in prior years. There were 106 telephone companies in the actual year of which 106 were resellers.

The amount of rate increases requested and approved for 1992-93 are lower than projected in last year's budget. Based on current information these measures are expected to return to historical levels beginning in 1993-94.

PUBLIC UTILITY COMMISSION

Program: Regulation of Public Utilities (continued)

Program Measures (continued)

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Audits conducted:							
Fixed utilities:							
Financial	10	10	13	13	13	13	13
Energy fuel	70	70	70	70	70	70	70
Management	10	16	15	15	15	15	15
Transportation	1,604	2,410	2,415	2,420	2,425	2,425	2,425
Enforcement/investigations:							
Fixed utilities	426	900	1,000	1,000	1,000	1,000	1,000
Transportation:							
Rail safety	41,813	50,000	50,000	50,000	50,000	50,000	50,000
Motor safety	24,885	28,000	28,000	28,000	28,000	28,000	28,000
Consumer services:							
Fixed utilities:							
Complaints received, investigated and resolved	21,634	21,000	21,000	21,000	21,000	21,000	21,000

Transportation audits as well as transportation and fixed utilities enforcement/investigations are lower than projected in last year's budget based on the most recent data available.

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>\$ 875 —Initiative — Audits of Telecommunications Businesses — to audit telecommunications companies as directed by Act 67 of 1993 which provides for an alternative form of regulation of telecommunications services.</p> <p>1,362 —to continue current program.</p> <p>\$ 2,237 Appropriation Increase</p>	<p>—In addition, this budget recommends the following from a special restricted account:</p> <p>First Class City Taxicab Regulation —to continue current program.</p> <p>\$ 100</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 and county offices, county boards of assistance and various types of institutions.

PUBLIC WELFARE

PROGRAM REVISION Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1994-95 State Funds (in thousands)
GENERAL FUND		
AIDS Service Initiatives		
	County Administration - Statewide	\$ 68
	Medical Assistance - Outpatient	481
	Medical Assistance - Inpatient	-706
	Subtotal	\$ -157

This Program Revision provides enhancements to the Medical Assistance AIDS Waiver Program, including selected fee increases, additional services and increased outreach efforts. In addition, the program will begin providing community-based services to persons with higher medical costs. As a result of these changes, an additional 765 individuals will receive services. By reducing the need for inpatient services, these changes will result in a net State savings of \$157,000. Please see the Department of Health for further details on this Program Revision.

Improving Preschool Education

Early Intervention	\$ 3,392
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This Program Revision provides \$3.392 million for Early Intervention services for 1,000 additional children with developmental disabilities between birth and age three. Please see the Department of Education for further details on this Program Revision.

Juvenile Justice System Enhancements

Youth Development Institutions and Forestry Camps	\$ 2,927
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This Program Revision provides funds to establish a new 100-bed maximum security Youth Development Center in central Pennsylvania to house violent juvenile offenders. Emphasis will be placed on security and control, with program and treatment services available as appropriate. The staff supervision and physical plant of this new facility will be similar to that of an adult correctional institution while programmatic and treatment services will be similar to those currently provided in secure Youth Development Centers. In addition to State funds, \$736,000 in Federal funds will support this Program Revision. A total of \$3.398 million is provided by this Program Revision across two departments.

PUBLIC WELFARE

Title	Appropriation	1994-95 State Funds (in thousands)
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GENERAL FUND

Maternal and Child Health Care Service Initiatives

County Administration - Statewide	\$	177
Medical Assistance - Outpatient		7,472
Medical Assistance - Inpatient		-3,512
Subtotal	\$	4,137

This Program Revision provides \$4.137 million to improve prenatal, infant and child health care services. The components of the Program Revision include: increasing Medical Assistance fees for selected dental, obstetrical and pediatric services; providing a primary care physician for an additional 232,000 children; providing medically necessary case management services to 23,328 children; and enhancing the state's maternal and child health public awareness campaign. A total of \$4.1 million in State funds and \$200,000 in Federal Maternal and Child Health Services Block Grant funds is provided by this Program Revision across two departments.

Pharmaceutical Cost Containment

Medical Assistance - Outpatient	\$	-10,170
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This Program Revision revises the Medical Assistance pharmaceutical reimbursement formula for brand name and generic drugs. The components of the Program Revision include redefining usual and customary charge to reflect rates paid by cash paying customers and all other third party payors, and readopting the maximum Federal reimbursement rates for generic drugs as the State's payment standard.

Restructuring General Assistance

County Assistance Offices	\$	400
Cash Grants		-76,378
Medical Assistance - Outpatient		-12,059
Medical Assistance - Inpatient		-26
Subtotal	\$	-88,063

This Program Revision provides a restructuring of the existing General Assistance Program to promote family health and stability. It also implements a pilot program aimed at reducing welfare dependency and improving work skills of welfare recipients.

DEPARTMENT TOTAL	\$	-87,934
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PUBLIC WELFARE

Summary by Fund and Appropriation

GENERAL FUND	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Budget
GENERAL GOVERNMENT:			
General Government Operations	\$ 33,280	\$ 37,803	\$ 36,814
(F) Child Welfare Services	2,053	2,072	2,072
(F) Child Welfare Training & Certification	1,483	2,700	2,700
(F) Child Care and Development Block Grant — Administration	1,003	2,043	2,243
(F) Rehabilitation Services Facilities	442	442	442
(F) Medical Assistance — Administration	12,688	13,593	14,050
(F) Maintenance Assistance — Administration	4,251	5,851	6,342
(F) Food Stamp Program — Administration	3,142	3,275	3,439
(F) Developmental Disabilities	3,625	3,723	3,723
(F) Refugees & Persons Seeking Asylum	1,185	1,177	877
(F) ESEA — Education of Disabled Children	487	504	562
(F) Homeless Mentally Ill — Administration	43	52	51
(F) Disabled Education — Early Intervention	3,823	609	751
(F) MH Data Collection Systems	40	208	290
(F) Food Stamps — Welfare Fraud .....	.....	.....	3,345
(F) Maintenance Assistance — Welfare Fraud .....	.....	.....	2,070
(F) Child Support Enforcement .....	.....	.....	84,198
(F) Medical Assistance — Welfare Fraud .....	.....	.....	1,361
(F) Child Abuse Prevention Challenge Grant	194	175	175
(F) MHSBG — Administration	139	150	150
(F) SSBG — Administration	4,849	4,743	4,743
(F) SSBG — Enterprise Communities .....	.....	.....	15,000
(A) Institutional Collections	722	853	823
(A) Management Development Services	539	598	515
(A) Child Abuse Reviews	694	708	743
(A) Miscellaneous Reimbursements	108	93	93
Subtotal — Federal Funds	\$ 39,447	\$ 41,317	\$ 148,584
Subtotal — Augmentations	2,063	2,252	2,174
Total — General Government Operations	\$ 74,790	\$ 81,372	\$ 187,572
Information Systems	25,460	27,488	29,137
(F) Maintenance Assistance	4,802	6,213	3,804
(F) Medical Assistance	13,527	14,201	15,321
(F) Food Stamp Program	6,421	7,060	6,705
(F) Child Support Enforcement	585	722	726
(F) Rehabilitation Services	89	65	34
Total — Information Systems	\$ 50,884	\$ 55,749	\$ 55,727
County Assistance Offices	202,142	210,541	222,097
(F) Maintenance Assistance	41,753	45,534	48,937
(F) Medical Assistance	34,649	39,357	46,181
(F) Food Stamp Program	54,521	57,640	59,070
(F) LIHEAP — Administration	8,326	7,805	8,857
(F) SSBG	11,908	11,649	11,649
Total — County Assistance Offices	\$ 353,299	\$ 372,526	\$ 396,791
County Administration — Statewide	33,708	36,499	40,162
(F) Maintenance Assistance	3,331	4,364	3,842
(F) Medical Assistance	28,826	29,491	26,672
(F) Food Stamp Program	8,050	8,682	9,033
(F) SABG — Program Evaluation	400	350	.....
(A) Fee for Material from Outside Vendors	55	.....	60
(A) Food Stamp Retained Collections	536	596	536
Total — County Administration — Statewide	\$ 74,906	\$ 79,982	\$ 80,305

PUBLIC WELFARE

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
<i>GENERAL GOVERNMENT: (continued)</i>			
Program Accountability	\$ 6,515	\$ 10,300	.....
(F) Medical Assistance	1,538	1,241	.....
(F) Maintenance Assistance	2,599	2,496	.....
(F) Child Support Enforcement	63,964	82,402	.....
(F) Food Stamp Program	4,588	3,919	.....
(A) Title IV-D Incentive Collections	1,853	530	.....
(A) Restitutions & Overpayments	890	1,179	.....
(A) Food Stamp Collections	166	221	.....
(A) State Retained Support Collections	473	1,918	.....
Total — Program Accountability	\$ 82,586	\$ 104,206	.....
 New Directions	 26,202	 30,873	 \$ 32,820
(F) Maintenance Assistance	31,726	38,449	41,542
(F) Food Stamps — Employment Training	12,626	14,526	13,063
(A) SPOC Health Insurance Program	5	6	6
Total — New Directions	\$ 70,559	\$ 83,854	\$ 87,431
 Services for Visually Impaired	 6,539	 7,195	 7,333
(F) Rehabilitation Services — Basic Support	8,727	8,978	8,724
(F) Vocational Rehabilitation — Social Security Disability Beneficiaries	380	380	380
(A) Supported Employment	16	53	200
Total — Visually Handicapped	\$ 15,662	\$ 16,606	\$ 16,637
 Subtotal — State Funds	 \$ 333,846	 \$ 360,699	 \$ 368,363
Subtotal — Federal Funds	382,783	426,841	453,124
Subtotal — Augmentations	6,057	6,755	2,976
Total — General Government	\$ 722,686	\$ 794,295	\$ 824,463
 INSTITUTIONS:			
Youth Development Institutions and Forestry Camps	\$ 45,026	\$ 47,090	\$ 54,144
(F) Food Nutrition Service	725	750	750
(F) SSBG — Basic Institutional Program	1,688	1,378	1,355
(F) DFSC — Special Programs — Juvenile Aftercare Services	1,250	1,250	850
(F) DCSI — Drug Control System Improvement-YDC	1,988	1,902	248
(F) DCSI — Transition/Reentry .....	.....	979	461
(F) Crime and Delinquency Grant	13	.....	.....
(F) DCSI — Southeast Secure Unit .....	.....	34	23
(F) DCSI — Juvenile Justice System Expansion .....	.....	.....	736
(A) Cafeteria Reimbursements	21	25	25
(A) Institutional Reimbursements	3	3	3
(A) School Lunch Program	22	22	22
Total — Youth Development Institutions	\$ 50,736	\$ 53,433	\$ 58,617
 State General Hospitals	 \$ 1	 \$ 1	 \$.1
(F) Medicare Services	1,500	1,000	1,000
(F) Medical Assistance	302	500	500
(A) Institutional Collections	91	642	725
Total — State General Hospitals	\$ 1,894	\$ 2,143	\$ 2,226

PUBLIC WELFARE

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
<i>INSTITUTIONS: (continued)</i>			
Mental Health Services	\$ 539,208	\$ 387,765	\$ 427,217
(F) Medical Assistance — Mental Health	152,321	544,215	416,037
(F) Medicare Services — State Mental Hospitals	14,400	30,813	25,600
(F) Food & Nutrition Services — State Mental Hospital	178	187	142
(F) Library Services & Construction	29	41	....
(F) MHSBG — Community Mental Health Services	14,629	12,479	12,480
(F) SSBG — Community Mental Health Services	14,106	13,799	18,133
(F) Shelter Plus Care .....	....	500	500
(F) Homeless Mentally Ill	1,062	1,032	1,029
(F) Child and Adolescent Services System Grant	285	295	315
(F) Community Support Project MH	811	1,116	1,273
(F) Intensive Case Management	15,644	....	....
(F) ACCESS Cooperative Agreement .....	....	2,088	2,100
(F) Rehabilitation Services Administration .....	....	....	350
(F) SSBG — Closing Philadelphia State Hospital	4,431	4,334	....
(F) MA — Extended Psychiatric Care	11,818	12,633	....
(A) Pennsylvania Energy Office Grant	91	....	....
(A) Cafeteria Reimbursements	56	60	....
(A) Institutional Collections	33,611	22,945	22,172
(A) Miscellaneous Institutional Reimbursements	131	150	150
(A) Intergovernmental Transfers .....	....	16,000	8,000
(A) Robert Wood Johnson Grant	167	150	....
(A) Contributions	8,400	9,300	....
Total — Mental Health Services	\$ 811,378	\$ 1,059,902	\$ 935,498
State Centers for the Mentally Retarded	\$ 122,220	\$ 122,494	\$ 124,418
(F) Medical Assistance — State Centers	154,266	153,995	174,116
(F) Medicare Services — State Centers .....	....	1,930	864
(A) PA Energy Office	52	....	....
(A) Institutional Collections	13,376	14,009	12,743
(A) Miscellaneous	137	221	14
Total — State Centers for the Mentally Retarded	\$ 290,051	\$ 292,649	\$ 312,155
Subtotal — State Funds	\$ 706,455	\$ 557,350	\$ 605,780
Subtotal — Federal Funds	391,446	787,250	658,862
Subtotal — Augmentations	56,158	63,527	43,854
Total — Institutions	\$ 1,154,059	\$ 1,408,127	\$ 1,308,496

PUBLIC WELFARE

Summary by Fund and Appropriation

GENERAL FUND	1992-93	(Dollar Amounts in Thousands)	
	Actual	1993-94 Available	1994-95 Budget
GRANTS AND SUBSIDIES:			
Cash Grants	\$ 698,726	\$ 724,632	\$ 675,682
LIHEAP — State Share .....	.....	10,100^a	.....
(F) Maintenance Assistance	507,850	512,181	499,976
(F) LIHEABG Grants	84,915	76,901	80,964
(A) Public Assistance — Restitutions/Overpayments	21,476	.....	.....
(A) Child Support Payments	57,548	.....	.....
Total — Cash Grants	<u>\$ 1,370,515</u>	<u>\$ 1,323,814</u>	<u>\$ 1,256,622</u>
Supplemental Grants — Aged, Blind and Disabled	103,111	112,936	120,902
(A) Intergovernmental Transfers .....	.....	20,505	20,914
Total — Supplemental Grants	<u>\$ 103,111</u>	<u>\$ 133,441</u>	<u>\$ 141,816</u>
Medical Assistance — Transportation	16,034	18,826	19,324
(F) Medical Assistance	12,670	14,950	15,616
Total — Transportation	<u>\$ 28,704</u>	<u>\$ 33,776</u>	<u>\$ 34,940</u>
Medical Assistance — Outpatient	594,642	631,355^b	714,837
(F) Medical Assistance	590,282	762,960	840,507
(A) General Assistance Drug Rebates	4,378	3,378	3,530
(A) Medicare Part B Recovery	766	.....	.....
(A) Federal Drug Rebates	30,221	30,221	31,581
(A) Enhanced Medical Recovery	1,866	.....	.....
(A) Provider Contributions	34,500	.....	.....
Total — Outpatient	<u>\$ 1,256,655</u>	<u>\$ 1,427,914</u>	<u>\$ 1,590,455</u>
Expanded Medical Services for Women	1,930	3,000	3,000
Medical Assistance — Inpatient	540,078	676,989^c	528,369
(F) Medical Assistance	992,015	991,138	1,002,821
(A) Collections — Inpatient	5,067	.....	.....
(A) Refunds — Inpatient	18	.....	.....
(A) Contributions — Acute Care Hospitals	344,646	.....	.....
(A) Contributions — Rehabilitation Hospitals	10,888	.....	.....
(A) Contributions — Psychiatric Hospitals	195,902	.....	.....
Total — Inpatient	<u>\$ 2,088,614</u>	<u>\$ 1,668,127</u>	<u>\$ 1,531,190</u>
Acute Care Hospital .....	.....	600	.....
Medical Assistance — Capitation	285,205	454,200^d	599,020
(F) Medical Assistance	226,365	308,663	396,010
(A) Provider Contributions	8,100	.....	.....
Total — Capitation	<u>\$ 519,670</u>	<u>\$ 762,863</u>	<u>\$ 995,030</u>
Long-Term Care Facilities	\$ 463,007	\$ 489,774^e	\$ 674,757
(F) Medical Assistance	1,027,208	1,075,132	1,137,325
(A) Collections	492	.....	.....
(A) Intergovernmental Transfers .....	.....	295,091	270,092
(A) Enhanced Medical Recovery	687	.....	.....
Total — Long-Term Care	<u>\$ 1,491,394</u>	<u>\$ 1,859,997</u>	<u>\$ 2,082,174</u>
Geriatric Center .....	.....	100	.....

^a Recommended supplemental appropriation.

^b Actually appropriated as Medical Assistance — Outpatient \$653,571,000.

^c Actually appropriated as Medical Assistance — Inpatient \$681,793,000.

^d Actually appropriated as Medical Assistance — Capitation \$423,679,000.

^e Actually appropriated as Medical Assistance — Long-Term Care Facilities \$493,275,000.

PUBLIC WELFARE

Summary by Fund and Appropriation

GENERAL FUND

(Dollar Amounts in Thousands)

	1992-93 Actual	1993-94 Available	1994-95 Budget
GRANTS AND SUBSIDIES: (continued)			
Pre-Admission Assessment	\$ 4,039	\$ 4,446	\$ 4,427
(F) Medical Assistance	5,276	8,282	8,470
(A) Intergovernmental Transfers .....	.....	.....	2,685
Total — Pre-Admission Assessment	<u>\$ 9,315</u>	<u>\$ 12,728</u>	<u>\$ 15,582</u>
AIDS — Special Pharmaceutical Services	4,140	8,640	8,640
(F) Ryan White	1,142	1,242	900
Total — AIDS — Special Pharmaceutical Services	<u>\$ 5,282</u>	<u>\$ 9,882</u>	<u>\$ 9,540</u>
Psychiatric Services in Eastern Pennsylvania .....	.....	4,000	.....
Community Mental Retardation Services	324,942	358,779	385,578
(F) Medical Assistance — MR Services	100,241	131,968	151,224
(F) SSBG — Community MR Services	17,490	17,124	17,124
Total — Community Mental Health Services	<u>\$ 442,673</u>	<u>\$ 507,871</u>	<u>\$ 553,926</u>
Mental Retardation Services — Lansdowne	193	.....	193
Pennhurst Dispersal	2,710	.....	2,710
Association for Retarded Citizens	212	100	.....
Intermediate Care Facilities — Mentally Retarded	93,925	97,903	103,055
(F) Medical Assistance	118,389	119,120	122,632
Total — Intermediate Care Facilities—Mentally Retarded	<u>\$ 212,314</u>	<u>\$ 217,023</u>	<u>\$ 225,687</u>
Early Intervention	29,851	31,157	34,806
(F) SSBG — Early Intervention	2,747	2,687	2,687
(F) MA — Early Intervention	330	2,481	3,244
(F) Disabled Education .....	.....	8,715	9,693
(F) Special Evaluation Studies .....	.....	80	80
Total — Early Intervention	<u>\$ 32,928</u>	<u>\$ 45,120</u>	<u>\$ 50,510</u>
Beacon Lodge	74	124	124
Support Services for Children .....	.....	140	.....
County Child Welfare	263,334	336,915	303,678
County Child Welfare Overmatch	3,216	.....	.....
(F) Child Welfare Services	10,000	10,000	16,865
(F) Maintenance Assistance	170,000	189,958	206,107
(F) Medical Assistance	4,000	4,000	4,000
(F) Medically Fragile Child Support .....	.....	108	.....
(F) SSBG	15,793	15,449	15,449
(F) DCSI — Alternatives to Institutionalization — Child Welfare ...	377	377	.....
(F) Emergency Assistance — Child Welfare .....	.....	.....	48,991
Total — County Child Welfare Services	<u>\$ 466,720</u>	<u>\$ 556,807</u>	<u>\$ 595,090</u>
Day Care Services	36,205	36,929	37,460
(F) Dependent Care Planning	623	623	615
(F) SSBG — Day Care	38,775	37,931	37,931
(F) Child Development Scholarships	122	100	100
(F) Child Care Improvement	246	.....	.....
(F) CCDBG — Day Care	21,681	23,074	26,974
(F) At-Risk Child Care	12,812	12,808	12,682
Total — Day Care	<u>\$ 110,464</u>	<u>\$ 111,465</u>	<u>\$ 115,762</u>

PUBLIC WELFARE

Summary by Fund and Appropriation

GENERAL FUND	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Budget
<i>GRANTS AND SUBSIDIES: (continued)</i>			
Low Income Summer Programs	\$ 121	\$ 125	\$ 125
Arsenal Family and Children's Center	162	212	162
Domestic Violence	5,895	7,298	7,991
(F) Family Violence and Prevention Services	686	686	686
(F) SSBG — Domestic Violence	1,508	1,476	1,476
(F) DFSC — Special Programs — Domestic Violence	449	449	305
(A) Marriage Law Fees	733	733	733
Total — Domestic Violence	<u>\$ 9,271</u>	<u>\$ 10,642</u>	<u>\$ 11,191</u>
Rape Crisis	\$ 2,834	\$ 3,240	\$ 3,365
(F) PHHSBG — Rape Crisis	360	360	360
(F) SSBG — Rape Crisis	793	776	776
(F) DFSC — Special Programs — Rape Crisis	125	125	85
Total — Rape Crisis	<u>\$ 4,112</u>	<u>\$ 4,501</u>	<u>\$ 4,586</u>
Breast Cancer Screening	720	825	842
(F) SSBG — Family Planning	4,813	4,708	4,708
Legal Services	1,930	2,500	2,000
(F) SSBG — Legal Services	6,321	6,183	6,183
Human Services Development Fund	34,000	34,000	34,000
(F) Refugees and Persons Seeking Asylum — Social Services	6,200	6,200	.....
(F) Immigration Reform and Control	3,488	3,540	400
Total — Human Service Development Fund	<u>\$ 43,688</u>	<u>\$ 43,740</u>	<u>\$ 34,400</u>
Homeless Assistance	15,440	16,000	16,320
(F) Housing Emergency Assistance	30	3,493	3,493
(F) SSBG — Shelters	2,732	2,673	2,673
(F) SABG — Homeless Services	1,982	1,983	1,983
Total — Homeless Assistance	<u>\$ 20,184</u>	<u>\$ 24,149</u>	<u>\$ 24,469</u>
Attendant Care	9,419	11,628	13,381
(F) SSBG — Attendant Care	8,913	8,535	8,535
(F) Medical Assistance — Attendant Care .....	.....	.....	235
Total — Attendant Care	<u>\$ 18,332</u>	<u>\$ 20,163</u>	<u>\$ 22,151</u>
Services for Developmentally Disabled	1,256	3,122	5,632
(F) Medical Assistance	1,253	2,163	3,708
(F) SSBG — Developmentally Disabled	150	147	147
Total — Services for Developmentally Disabled	<u>\$ 2,659</u>	<u>\$ 5,432</u>	<u>\$ 9,487</u>
Subtotal — State Funds	\$ 3,537,351	\$ 4,080,595	\$ 4,300,380
Subtotal — Federal Funds	4,001,152	4,371,549	4,694,740
Subtotal — Augmentations	717,288	349,928	329,535
Total — Grants and Subsidies	<u>\$ 8,255,791</u>	<u>\$ 8,802,072</u>	<u>\$ 9,324,655</u>
STATE FUNDS	\$ 4,577,652	\$ 4,998,644	\$ 5,274,523
FEDERAL FUNDS	4,775,381	5,585,640	5,806,726
AUGMENTATIONS	<u>779,503</u>	<u>420,210</u>	<u>376,365</u>
GENERAL FUND TOTAL	<u>\$ 10,132,536</u>	<u>\$ 11,004,494</u>	<u>\$ 11,457,614</u>

PUBLIC WELFARE

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<u>LOTTERY FUND</u>			
<i>GRANTS AND SUBSIDIES:</i>			
Medical Assistance — Long-Term Care	\$ 40,000	\$ 20,000	.....
<u>ENERGY CONSERVATION AND ASSISTANCE FUND</u>			
<i>GRANTS AND SUBSIDIES:</i>			
Low Income Energy Assistance	\$ 10,200	\$ 9,000	.....
<u>OTHER FUNDS</u>			
CHILDRENS TRUST FUND			
Childrens Programs	\$ 1,127	\$ 1,792	\$ 1,894
EMPLOYMENT FUND FOR THE BLIND			
Operations	\$ 838	\$ 1,742	\$ 841
OTHER FUNDS TOTAL	\$ 1,965	\$ 3,534	\$ 2,735
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 4,577,652	\$ 4,998,644	\$ 5,274,523
SPECIAL FUNDS	50,200	29,000	.....
FEDERAL FUNDS	4,775,381	5,585,640	5,806,726
OTHER FUNDS	1,965	3,534	2,735
AUGMENTATIONS	779,503	420,210	376,365
TOTAL ALL FUNDS	\$ 10,184,701	\$ 11,037,028	\$ 11,460,849

PUBLIC WELFARE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
HUMAN SERVICES SUPPORT							
General Funds.....	\$ 65,255	\$ 75,591	\$ 65,951	\$ 65,740	\$ 65,750	\$ 65,758	\$ 65,768
Federal Funds.....	137,366	159,461	174,999	160,019	160,019	160,019	160,019
Other Funds.....	5,445	6,100	2,174	2,216	2,262	2,297	2,341
TOTAL.....	\$ 208,066	\$ 241,152	\$ 243,124	\$ 227,975	\$ 228,031	\$ 228,074	\$ 228,128
MEDICAL ASSISTANCE							
General Funds.....	\$ 1,909,076	\$ 2,287,931	\$ 2,552,375	\$ 2,875,287	\$ 3,056,727	\$ 3,213,138	\$ 3,392,602
Special Funds.....	40,000	20,000	0	0	0	0	0
Federal Funds.....	2,856,760	3,163,867	3,403,149	3,074,886	3,269,828	3,438,399	3,618,874
Other Funds.....	637,622	329,332	308,613	38,641	38,641	38,641	38,641
TOTAL.....	\$ 5,443,458	\$ 5,801,130	\$ 6,264,137	\$ 5,988,814	\$ 6,365,196	\$ 6,690,178	\$ 7,050,117
INCOME MAINTENANCE							
General Funds.....	\$ 1,063,889	\$ 1,125,581	\$ 1,091,663	\$ 1,105,327	\$ 1,114,462	\$ 1,123,694	\$ 1,133,063
Special Funds.....	10,200	9,000	0	0	0	0	0
Federal Funds.....	828,881	846,929	849,786	855,097	861,016	866,948	873,014
Other Funds.....	79,620	21,107	21,516	602	602	602	602
TOTAL.....	\$ 1,982,590	\$ 2,002,617	\$ 1,962,965	\$ 1,961,026	\$ 1,976,080	\$ 1,991,244	\$ 2,006,679
MENTAL HEALTH							
General Funds.....	\$ 539,208	\$ 391,765	\$ 427,217	\$ 544,148	\$ 544,148	\$ 544,148	\$ 544,148
Federal Funds.....	229,714	623,532	477,959	365,783	365,783	365,783	365,783
Other Funds.....	42,456	48,605	30,322	22,322	22,322	22,322	22,322
TOTAL.....	\$ 811,378	\$ 1,063,902	\$ 935,498	\$ 932,253	\$ 932,253	\$ 932,253	\$ 932,253
MENTAL RETARDATION							
General Funds.....	\$ 574,053	\$ 610,433	\$ 650,760	\$ 665,397	\$ 665,185	\$ 665,022	\$ 664,816
Federal Funds.....	393,463	438,020	481,584	487,790	487,497	487,209	486,924
Other Funds.....	13,565	14,230	12,757	13,484	14,266	14,866	15,624
TOTAL.....	\$ 981,081	\$ 1,062,683	\$ 1,145,101	\$ 1,166,671	\$ 1,166,948	\$ 1,167,097	\$ 1,167,364
HUMAN SERVICES							
General Funds.....	\$ 426,171	\$ 507,343	\$ 486,557	\$ 481,355	\$ 482,189	\$ 482,668	\$ 482,963
Federal Funds.....	329,197	353,831	419,249	430,512	428,450	427,072	425,953
Other Funds.....	2,760	4,370	3,718	3,719	3,721	3,722	3,723
TOTAL.....	\$ 758,128	\$ 865,544	\$ 909,524	\$ 915,586	\$ 914,360	\$ 913,462	\$ 912,639

PUBLIC WELFARE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
ALL PROGRAMS:							
GENERAL FUND.....	\$ 4,577,652	\$ 4,998,644	\$ 5,274,523	\$ 5,737,254	\$ 5,928,461	\$ 6,094,428	\$ 6,283,360
SPECIAL FUNDS.....	50,200	29,000	0	0	0	0	0
FEDERAL FUNDS.....	4,775,381	5,585,640	5,806,726	5,374,087	5,572,593	5,745,430	5,930,567
OTHER FUNDS.....	781,468	423,744	379,100	80,984	81,814	82,450	83,253
TOTAL.....	\$ 10,184,701	\$ 11,037,028	\$ 11,460,349	\$ 11,192,325	\$ 11,582,868	\$ 11,922,308	\$ 12,297,180
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PUBLIC WELFARE

PROGRAM OBJECTIVE: To provide effective administrative and support systems through which the substantive programs of the department can be operated.

Program: Human Services Support

Human services support provides the administrative and support systems for the operation of health, social and economic development programs, and directs the development and implementation of human services policies for these programs.

The network of services provides direction and overhead support for Youth Development Centers, State Centers for the Mentally Retarded and Mental Health Services. Human services support operations provide overall policy, planning, direction, and information system support for a comprehensive human services system and for individuals striving

to attain and maintain a minimally acceptable level of living.

This program ensures the quality of services for 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.

Program Recommendations:

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

	General Government Operations	932	—to replace loss of Federal funds for the Client Information System.
\$ 3,262	—to continue current program.		
-65	—decrease in master lease payments.	63	—increase maintenance costs for EDP equipment.
-4,347	—nonrecurring project.		
99	—Initiative — Emergency Assistance Funding. To secure Federal reimbursement for emergency services to assist children and families through emergency or crisis situations.	980	—for master lease payments.
		-1,231	—nonrecurring items.
		324	—Initiative — Supplemental Security Income Cost Containment. To provide in-house issuance of Supplemental Security income checks in order to avoid Federal Administrative charges.
46	—Initiative — Attendant Care Initiative. To secure attendant care services to an additional 100 individuals. Funds are also provided for the development of a Medicaid Home and Community Based Waiver demonstration project.		
		3	—to provide for renovations to leased facilities and purchase of equipment to meet requirements of the Americans with Disabilities Act.
16	—to provide for renovations to leased facilities and purchase of equipment to meet requirements of the Americans with Disabilities Act.	\$ 1,649	<i>Appropriation Increase</i>
\$ -989	<i>Appropriation Decrease</i>		
	Information System		
\$ 1,046	—to continue current program.		
-468	—decrease due to the implementation of the Pennsylvania Open System Network.	\$ -10,300	Program Accountability
			—Initiative — Investigating Welfare Fraud. To transfer the responsibility of welfare fraud investigations to the Office of Inspector General.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
General Government Operations	\$ 33,280	\$ 37,803	\$ 36,814	\$ 36,830	\$ 36,840	\$ 36,848	\$ 36,858
Information Systems	25,460	27,488	29,137	28,910	28,910	28,910	28,910
Program Accountability	6,515	10,300	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 65,255	\$ 75,591	\$ 65,951	\$ 65,740	\$ 65,750	\$ 65,758	\$ 65,768

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 supplies and 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, dental care, medical supplies and equipment and prosthetic devices. Additional service restrictions, comparable to private insurance, apply to adult general assistance recipients with an exception process.

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 acute care, rehabilitation and private psychiatric 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 the product of the hospital specific average cost per case multiplied by the relative value of the DRG assigned to the admission. 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.

Effective July 1, 1993, psychiatric services, both in special wings of acute care hospitals and private psychiatric facilities, are paid through a perspective payment system.

Rehabilitation 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.

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 six HMOs to provide services to recipients in Allegheny, Armstrong, Beaver, Berks, Bucks, Delaware, Lehigh, Lancaster, Montgomery, Philadelphia 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 HealthPASS (Philadelphia Accessible Services System) and has approximately 73,000 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 can make a profit.

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-five counties have elected to provide transportation directly. The department selected a provider from a competitive bidding process for one county and, for the remaining county, where no provider could be found, the local county assistance office provides these services.

Program: Medical Assistance (continued)

Program Element: Long-Term Care Facilities

Nursing services are 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 care in accordance with established standards.

Nursing home 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. A new prospective payment system for nursing home care will soon be implemented based on the resources required to meet individual care requirements. Patients at each facility will be classified based on Resource Utilization Groups (RUGs) which reflect both clinical variables and rehabilitation needs. The 44 classifications are then ranked according to the resources utilized to provide care and a case mix factor is developed for each facility that reflects average resource requirements per diem cost. This is compared to other facilities within 12 peer groups reflecting facility size within Metropolitan Statistical Areas. A median per diem cost is developed and adjusted to reflect 120 percent of the median for direct patient costs and 115 percent for other patient costs. The average per diem is then adjusted to reflect the individual facility's case mix.

Administrative and capital costs not related to patient care are added on to the basic rate. Facility capital costs will reflect the fair market rental rate based on appraisals of each facility.

The case mix rates will be based on 1990-91 cost reports inflated to the current year using DRI/McGraw-Hill Market Basket rates.

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 home, or through a combination of services that can be provided in the home.

Program Element: Special Pharmaceutical Benefits Program

The Special Pharmaceutical Benefits Program (SPBP) pays for a limited number of drugs for low and moderate income persons with HIV disease/AIDS and for Clozapine drug therapy for persons residing in the community who suffer from schizophrenia. People with a gross annual income of less than \$25,000 for an individual or \$30,000 for a family benefit from this program.

Program Element: Women's Service Programs

Women's Service Programs has two components: women's service programs providing alternatives to abortion and women's medical services. The first provides service through a statewide contract to low-income, pregnant women. Services include pregnancy tests, prenatal care referrals, counseling, adoption referrals, and other alternatives to abortion. The second element provides such services as pap smears, sexually-transmitted disease tests, and laboratory services. Services are usually provided in conjunction with breast cancer screening.

Program Measures

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Persons participating in Medical Assistance (monthly average)	1,544,144	1,624,948	1,702,573	1,737,604	1,747,155	1,756,768	1,766,430
Outpatient							
Outpatient visits:							
Physicians	3,763,823	3,790,750	3,771,489	3,729,071	3,742,674	3,757,803	3,772,953
Dentists	566,521	570,574	567,675	561,290	563,338	565,615	567,895
Total clinic visits	1,888,917	1,902,431	1,892,764	1,871,477	1,878,303	1,885,896	1,893,499
Home health visits	340,055	342,488	340,748	336,915	338,144	339,511	340,880
Prescriptions filled	16,857,961	16,974,675	17,205,072	16,950,325	17,018,851	17,087,583	17,156,418
Inpatient							
Recipients served:							
General hospitals	239,080	240,790	239,567	236,873	237,737	238,698	239,660
Rehabilitation hospitals	11,606	11,689	11,630	11,499	11,541	11,587	11,634
Private psychiatric hospitals	28,970	29,177	29,029	28,703	28,807	28,924	29,040
Average admissions per recipient:							
General hospitals	1.30	1.30	1.30	1.30	1.30	1.30	1.30
Rehabilitation hospitals	1.31	1.31	1.31	1.31	1.31	1.31	1.31
Private psychiatric hospitals	1.45	1.45	1.45	1.45	1.45	1.45	1.45
Average cost per case/admission:							
General hospitals	\$3,252	\$3,327	\$3,215	\$3,360	\$3,511	\$3,669	\$3,834
Rehabilitation hospitals	\$6,012	\$6,240	\$6,405	\$6,694	\$6,995	\$7,310	\$7,638
Private psychiatric hospitals	\$8,291	\$7,533	\$7,302	\$7,631	\$7,974	\$8,333	\$8,708

PUBLIC WELFARE

Program: Medical Assistance (continued)

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Capitation							
Medical Assistance recipients served: (monthly average)							
Fee for service delivery	1,316,845	1,321,684	1,316,767	1,313,222	1,318,531	1,323,856	1,329,189
Capitation programs	227,299	303,264	385,806	424,382	428,624	432,912	437,241
Average HMO program population	148,737	229,927	314,262	352,956	356,484	360,051	363,651
Average HIO program population	78,562	73,337	71,544	71,426	72,140	72,861	73,590
Percent of total eligibles enrolled	14.7%	18.7%	22.7%	24.4%	24.5%	24.6%	24.7%
Transportation Program							
One-way trips (in thousands)	4,523	5,404	5,808	5,808	5,808	5,808	5,808
Long-Term Care Facilities							
Recipients receiving institutional long-term care (monthly average)	70,212	70,108	71,844	72,922	74,015	75,126	76,253
Pre-Admission Assessments							
Initial assessments	39,284	44,075	69,390	69,390	69,390	69,390	69,390
Referrals to nursing homes	26,941	30,227	47,588	47,588	47,588	47,588	47,588
Referrals for community services	12,343	13,848	21,802	21,802	21,802	21,802	21,802
Drug and Alcohol Treatment							
People treated	3,098	13,928	15,000	15,000	15,000	15,000	15,000
Women's Service Programs							
Women counseled on alternatives to abortion		11,444	11,444	11,444	11,444	11,444	11,444

The Medical Assistance caseload reflects a gradual lessening of the impact of the recent economic decline which is reflected in service utilization. The HMO enrollment reflects active recruitment of Medical Assistance clients by the HMO providers as well as the addition of a new HMO provider.

The Outpatient measures have increased from those shown in the 1993-94 Budget because they now reflect the services that were provided to pregnant women and children added to Medical Assistance through the Healthy Beginnings expansion.

PUBLIC WELFARE

Program: Medical Assistance (continued)

Program Recommendations:

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

	GENERAL FUND		
	Medical Assistance — Outpatient	\$ -10,170	Medical Assistance — Outpatient (continued)
\$ 29,279	—provides for average drug cost increase of 11.84%.		—PRR — Pharmaceutical Cost Containment. This Program Revision will revise the pharmaceutical reimbursement formula for both brand name and generic drugs to the rate paid by other third-party prescription plans and Federal maximum reimbursement rates. See the Program Revision following this subcategory for further information.
8,146	—provides for other price increases.		
11,816	—provides for increased caseload and utilization.		
3,411	—revision in Federal financial participation from 54.83% to 54.36%.		
20,983	—to replace one-time savings from audits.	481	—PRR — AIDS Service Initiatives. This Program Revision will increase both the scope of services and the number of people eligible for treatment under the Medical Assistance AIDS waiver. See the Program Revision in the Department of Health for further information.
10,791	—cost of Federal and administrative mandates.		
-17,341	—changes in operating and contract costs.		
7,918	—to replace carryover.		
167	—increase in Medicare Part B premiums and utilization.		
2,545	—to provide drugs for medically needy only residents in long-term care facilities.	-12,059	—PRR — Restructuring General Assistance. This Program Revision will implement a demonstration program aimed at reducing dependency and improving the working skills of welfare recipients and will restructure the existing General Assistance Program to promote family health and stability. See the Program Revision following the Income Maintenance subcategory for further information.
621	—annualization of costs for long-term care residents who choose hospice care.		
-18,779	—nonrecurring costs for pharmacy litigation.		
-29,199	—annualization of 1992-93 healthy beginnings and cost containment PRRs.		
-1,702	—annualization of Disability Advocacy Program (DAP) initiative to secure Federal Social Security disability benefits for Medical Assistance clients.		
36,313	—annualization of enhancing maternal and child health care services PRR which provides health screens, treatment and mental health services for children.	\$ 83,482	<i>Appropriation Increase</i>
		\$ 16,466	Medical Assistance — Inpatient
		6,168	—to replace carryover.
-6,349	—annualization of 1993-94 Medical Assistance Cost Containment PRR for buying insurance for clients where cost efficient.	-4,123	—cost of Federal and administrative mandates.
			—implementation of Hospital Association of Pennsylvania (HAP) settlement.
28,772	—annualization of the 1993-94 Statewide expansion of drug and alcohol nonhospital residential treatment services PRR.	-6,222	—change in costs and utilization.
		-467	—change in cost of operating contracts.
		3,088	—revision in Federal financial participation from 54.83% to 54.36%.
-198	—annualization of 1993-94 savings resulting from increasing access to job training PRR.	2,480	—increased cost of Medicare Part A cost and utilization.
-1,512	—increase in savings from manufacturers' rebate.	9,852	—annualization of 1993-94 enhancing maternal and child health care services PRR which provides health screens, treatment and mental health services for children in approved residential treatment facilities.
5,610	—Initiative — Personal Care Services for Children in Foster Homes. To provide Medical Assistance reimbursement for personal care services provided to children in foster care.		
		-4,088	—annualization of 1992-93 healthy beginnings and cost containment PRR's.
-204	—Initiative — Investigating Welfare Fraud. To expand Front End Investigations to screen new applicants before benefits are paid thus decreasing the number of ineligible Medical Assistance applicants who obtain benefits.	-441	—annualization of 1993-94 increasing access to job training PRR.
			—to replace one-time savings.
		14,109	—annualization of the Disability Advocacy Program (DAP) initiative to secure Social Security Disability benefits for Medical Assistance clients.
6,670	—Initiative — Expansion of Drug and Alcohol Services. To increase the availability of nonhospital, residential drug and alcohol treatment services to eligible Medical Assistance clients.	-3,036	
			—one-time Federal reimbursement.
		-177,919	—annualization of investigating welfare fraud initiative.
		-243	
7,472	—PRR — Maternal and Child Health Care Service Initiatives. This Program Revision will improve access to medical care for children enrolled in Medical Assistance through case management and increased fees for certain dental, obstetrical and pediatric services. See the Program Revision following this subcategory for further information.	-3,512	—PRR — Maternal and Child Health Care Service Initiatives. This Program Revision will improve access to medical care for children enrolled in Medical Assistance through case management which reduces the need for inpatient treatment. See the Program Revision following this subcategory for further information.

PUBLIC WELFARE

Program: Medical Assistance (continued)

Program Recommendations:

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

GENERAL FUND (continued)		Medical Assistance — Long-Term Care	
	Medical Assistance — Inpatient (continued)	\$ 15,672	—to provide for increased caseload and utilization.
\$ -706	—PRR — AIDS Service Initiatives. This Program Revision will increase the scope of services and the number of people eligible for treatment under the Medical Assistance AIDS waiver. See the Program Revision in the Department of Health for further information.	83,317	—to provide for average daily cost increase of 10.2%.
		5,586	—revision of Federal participation rate from 54.83% to 54.36%.
		8,742	—nonrecurring carryover.
		-1,188	—miscellaneous changes in mandatory Federal services, participation and eligibility.
-26	—PRR — Restructuring General Assistance. This Program Revision will implement a demonstration program aimed at reducing dependency and improving the working skills of welfare recipients. See the Program Revision following the Income Maintenance subcategory for further information.	20,000	—long-term care costs transferred from the Lottery Fund.
		-1,394	—nonrecurring contract costs.
		869	—increase in funds reserved for the community spouse as a result of the Federal poverty standard and CPI changes.
\$ -148,620	<i>Appropriation Decrease</i>	-1,720	—annualization of 1992-93 medical assistance cost containment PRR.
	Acute Care Hospital — First Class Cities	55,999	—nonrecurring program support from the Intergovernmental Transfer.
\$ -600	—nonrecurring project.	-900	—Initiative — Investigating Welfare Fraud. To recover long-term care overpayments made as a result of fraudulent or inaccurate claims.
	Medical Assistance — Capitation	\$ 184,983	<i>Appropriation Increase</i>
\$ 12,972	—to provide 8% HIO rate increase.		
-3,227	—decrease of 2.4% in HIO utilization.		
27,540	—to provide 7.1% HMO rate increase.		
108,292	—increase of 35.7% in HMO utilization.		
2,579	—to provide for new HMO participation.	\$ -100	Geriatric Center — First Class City
2,883	—revision of Federal participation rate from 54.83% to 54.36%.		—nonrecurring project.
-6,265	—net adjustment for stop loss payments and HIO rate adjustment and other cost adjustments.	\$ -37	Medical Assistance — Pre-Admission Assessment
-112	—annualization of 1993-94 increasing access to job training PRR.	18	—to continue current program.
158	—to continue current program.		—Initiative — Attendant Care Initiatives. To provide attendant care services, such as in-home personal care and housekeeping, to an additional 100 individuals from the waiting list. Funds are also provided for the development of a Medicaid Home and Community Based Waiver demonstration project to generate additional Federal funds for this program.
\$ 144,820	<i>Appropriation Increase</i>	\$ -19	<i>Appropriation Decrease</i>
	Medical Assistance — Transportation		
\$ 725	—Annualization of 1993-94 enhancing maternal and child health care services PRR which provides health screens.		
-227	—provides for change in usage.		
\$ 498	<i>Appropriation Increase</i>		
			LOTTERY FUND
		\$ -20,000	Medical Assistance — Long-Term Care
			—completion of the initiatives to protect the integrity of the Lottery Fund.

All other appropriations are recommended at the current year level.

PUBLIC WELFARE

Program: Medical Assistance (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Medical Assistance — Outpatient	\$ 594,642	\$ 631,355	\$ 714,837	\$ 710,077	\$ 717,085	\$ 715,255	\$ 725,443
Women's Service Programs	1,930	3,000	3,000	3,000	3,000	3,000	3,000
AIDS Special Pharmaceutical Services ...	4,140	8,640	8,640	8,640	8,640	8,640	8,640
Medical Assistance — Inpatient	540,078	676,989	528,369	659,759	681,286	714,159	748,406
Acute Care Hospital — First Class City ..	.....	600	.....	.....	.....	.....	.....
Medical Assistance — Capitation	285,205	454,200	599,020	695,907	743,639	794,649	849,161
Medical Assistance — Transportation	16,034	18,826	19,324	19,324	19,324	19,324	19,324
Medical Assistance — Long-Term Care ...	463,007	489,774	674,757	771,466	876,639	950,997	1,031,514
Geriatric Center — First Class City .....	.....	100	.....	.....	.....	.....	.....
Medical Assistance — Pre-Admission Assessment	4,039	4,446	4,427	7,113	7,113	7,113	7,113
State General Hospitals	1	1	1	1	1	1	1
TOTAL GENERAL FUND	<u>\$ 1,909,076</u>	<u>\$ 2,287,931</u>	<u>\$ 2,552,375</u>	<u>\$ 2,875,287</u>	<u>\$ 3,056,727</u>	<u>\$ 3,213,138</u>	<u>\$ 3,392,602</u>
LOTTERY FUND:							
Medical Assistance — Long-Term Care ...	\$ 40,000	\$ 20,000	.....	.....	.....	.....	.....
TOTAL LOTTERY FUND	<u>\$ 40,000</u>	<u>\$ 20,000</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>

Program Revision: Maternal and Child Health Care Service Initiatives

This Administration has made significant progress in meeting the health care needs of children including expansion of Medical Assistance eligibility, extensive outreach efforts to increase enrollment and utilization, and the establishment of a comprehensive mental health system. This Program Revision builds upon that progress by proposing additional improvements to prenatal, infant and child health care services. These initiatives are designed to increase access to care, improve the quality and availability of services and expand outreach efforts. Approximately \$4.1 million in State funds and \$200,000 in Federal Maternal and Child Health Block Grant funds are recommended to implement this Program Revision.

To improve access to health care for pregnant women and children, this Program Revision recommends approximately \$3.3 million in State funds to increase the Medical Assistance fees for selected dental, obstetrical and pediatric services. Specifically, this Program Revision proposes to increase dental fees for services to children (i.e., fluoride, space maintainers) and preventive dental services for children and adults (i.e., exams, cleaning, x-rays, restoration) to 70 percent of the usual and customary charge. For obstetrical and pediatric outpatient services, this Program Revision recommends increasing neonatal intensive care fees to 70 percent of the usual and customary charge and pediatric office visit fees from \$20 to \$25. This initiative also recommends increasing the home health care component of the Healthy Beginnings Plus Program from \$51 to \$67 for professional visits and from \$24 to \$37 for visits by aides.

To improve the quality, availability and accessibility of child health services, this Program Revision proposes to expand the Primary Care Case Management Program for children enrolled in the Medical Assistance Program who are not covered by a managed care program.

Through this initiative, a managing physician, selected by the child's parent or guardian, receives a monthly management fee to ensure that the child receives necessary health screenings and preventive care and to provide prior authorization for all medical services other than emergency services. By the end of 1994-95, the number of children having a primary care physician will increase by 232,000, from 168,000 to 400,000. This initiative will generate a net State fund savings of \$3.6 million in 1994-95, primarily as the result of a decreased need for inpatient health services, particularly emergency room care.

This Program Revision also recommends \$4.4 million to provide medically necessary case management services to 23,328 children enrolled in the Medical Assistance Program. While the Primary Care Case Management Program and managed care programs use primary care physicians to manage a child's medical services, this initiative will reimburse case managers who assist children in accessing non-medical as well as medical services determined to be necessary by the child's physician and the department. These services will include medical, educational, habilitative/rehabilitative and social services.

To increase enrollment in and utilization of maternal and child health programs, the Departments of Health and Public Welfare jointly launched a comprehensive public awareness campaign in 1993-94. This campaign consists of a Statewide media effort to emphasize the importance of prenatal and early childhood health care, regional outreach projects targeting public awareness efforts and a toll-free hotline to provide information about the availability and affordability of maternal and child health services in Pennsylvania. This Program Revision recommends \$200,000 in Federal Maternal and Child Health Block Grant funds to expand these efforts in 1994-95.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Children participating in the Primary Care Case Management Program							
Current		72,000	168,000	168,000	168,000	168,000	168,000
Program Revision			400,000	400,000	400,000	400,000	400,000
Children receiving medically necessary case management services							
Current							
Program Revision			23,328	23,328	23,328	23,328	23,328

Program Revision Recommendations:

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

PUBLIC WELFARE				
	County Administration Statewide			
\$ 177	—to provide additional resources for prior authorization for medically necessary case management services.		4,272	
	Medical Assistance—Outpatient			
\$ 3,004	—to increase selected dental fees for children and adults.		\$ 7,472	
293	—to increase selected obstetrical and pediatric fees.			
				Medical Assistance — Outpatient (continued)
				—to provide medically necessary case management services to 23,328 children.
				—savings generated through the Primary Care Case Management Program as a result of a decreased need for outpatient services.
				<i>Appropriation Increase</i>

PUBLIC WELFARE

Program Revision: Maternal and Child Health Care Service Initiatives (continued)

Program Revision Recommendations: _____

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

Medical Assistance—Inpatient
 \$ -3,512 —savings generated through the Primary Care Case Management Program as a result of a decreased need for inpatient services.

\$ 4,137 *Program Revision Total*

The Department of Health will also use \$200,000 in Federal Maternal and Child Health Block Grant funding for this Program Revision.

Recommended Program Revision Costs by Appropriation: _____

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
County Administration Statewide	\$ 177	\$ 169	\$ 176	\$ 181	\$ 188
Medical Assistance—Outpatient	7,472	18,522	18,615	18,708	18,801
Medical Assistance—Inpatient	-3,512	-7,015	-7,050	-7,085	-7,120
TOTAL GENERAL FUND	<u>.....</u>	<u>.....</u>	<u>\$ 4,137</u>	<u>\$ 11,676</u>	<u>\$ 11,741</u>	<u>\$ 11,804</u>	<u>\$ 11,869</u>

Program Revision: Pharmaceutical Cost Containment

Pharmacy expenditures for the Medical Assistance Program have been increasing at an average rate of 18 percent a year over the last four years. From 1989-90 to 1993-94, the estimated average Medical Assistance prescription cost increased 57 percent, from \$18.51 to \$28.99. In 1993-94, the Medical Assistance Program is projected to spend \$212 million in State funds for pharmacy services. This is an increase of 72 percent over 1989-90 when the State spent \$123 million for pharmacy services. In an effort to contain costs, this Program Revision proposes to revise the pharmaceutical reimbursement formula for both brand name and generic drugs.

Currently, the Medical Assistance Program reimburses pharmacies either their usual and customary charge or the drug ingredient cost plus a \$3.50 dispensing fee, whichever is lower. The usual and customary charge is currently defined as the pharmacy's charge to cash paying customers. The drug ingredient cost is currently determined by the average wholesale price for brand name drugs or the maximum reimbursement for generic drugs as determined by the department.

In the past, third party prescription plans generally reimbursed pharmacies at the average wholesale price plus a dispensing fee. In recent years, however, most major third party prescription plans have reduced their payment rates to pharmacies either by discounting the

average wholesale price and/or by lowering the dispensing fee. Since the Commonwealth has not made similar reimbursement adjustments, the Medical Assistance Program is one of the highest paying prescription plans in Pennsylvania.

In order to align the Medical Assistance Program with rates paid by other third party prescription plans, this Program Revision proposes to redefine the department's usual and customary charge to reflect payment rates made by cash paying customers and all other third party payors. Specifically, the Medical Assistance payment rate to a pharmacy may not exceed the lowest rate paid by any cash paying customer or other third party prescription plan for that particular drug.

In addition to redefining the usual and customary charge, this Program Revision proposes to readopt the maximum Federal reimbursement rates for generic drugs as the State's standard. This would reduce the reimbursement rates paid by Medical Assistance and provide the department with an ongoing method of determining payment levels for generic drugs.

Assuming a January 1, 1995 implementation date, this Program Revision will save the Commonwealth approximately \$10.2 million in 1994-95 which increases to \$34.2 million in 1995-96 when implemented for 12 months.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Average Medical Assistance prescription cost							
Current	\$ 25.14	\$ 28.99	\$ 33.27	\$ 36.60	\$ 40.26	\$ 44.29	\$ 48.72
Program Revision			\$ 29.36	\$ 32.30	\$ 35.53	\$ 39.08	\$ 42.99

Program Revision Recommendations:

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

Medical Assistance—Outpatient
 \$-10,170 —savings generated from revising the pharmaceutical reimbursement formula for brand name and generic drugs.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Medical Assistance—Outpatient			\$ -10,170	\$ -34,231	\$ -34,402	\$ -34,574	\$ -34,747

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 provide assistance in a manner that promotes self-respect, rehabilitation and self-dependency.

Program Element: Income Assistance

The County Assistance Office (CAO) 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 1993-94 are funded by 55 percent Federal and 45 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. Recipients of a State Blind Pension 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 effective in 1993-94 of 135 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. Since 1988-89, the LIHEAP Program has been 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 household, the AFDC special energy supplement will replace LIHEAP funds. The State match is provided from the Energy

Conservation and Assistance Fund.

The Supplemental Security Income (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 \$446.00 and \$669.00 for couples. 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 and personal care homes. The department administers 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 homes, the minimum personal care allowance is \$60 a month.

Program Element: Employment Training Program

The purpose of the New Directions Program is to assist Aid to Families with Dependent Children, General Assistance and Food Stamp clients to obtain full-time permanent employment, and to improve vocational and basic skills needed to qualify for employment.

Beginning in April 1987, the department reorganized its employment and training efforts to better respond to individual client needs and target resources to clients who have barriers to employment such as lack of education, training or work experience. Job-ready clients are referred directly to the Job Service for placement assistance. Job Service staff are located in major county assistance offices to facilitate the process. Those clients who need additional preparation for employment are matched by county assistance office staff with education, training and work experience opportunities.

The department supports two inter-departmental programs to provide specialized education and training services to clients under the Single Point of Contact (SPOC) and Transitionally Needy (TN) programs.

Single Point of Contact coordinates the resources of the Department of Public Welfare, the Job Service and the Job Training Partnership Work Program to provide assessment, education, training, support and placement services to participants from a range of target groups. SPOC provides employment activities mandated by the Family Support Act of 1988. The TN program provides intensive training and employment services to clients with barriers to employment who are eligible for cash assistance for only 90 days a year.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Persons receiving cash assistance, monthly average	710,552	722,310	697,560	693,560	693,560	693,560	693,560
Persons receiving State Supplemental Grants, monthly average	226,093	243,100	261,600	261,600	261,600	261,600	261,600
Households receiving energy cash payments	358,974	340,700	309,400	309,400	309,400	309,400	309,400

PUBLIC WELFARE

Program: Income Maintenance (continued)

Program Recommendations:

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

	GENERAL FUND		
	County Assistance Offices		New Directions
\$ 7,944	—to continue current program.	\$ 1,125	—to continue current program.
1,262	—annualization of the automating County Assistance Offices initiative.	185	—annualization of Disability Advocacy Program (DAP) initiative for Federal Social Security Disability Benefits for Medical Assistance clients.
1,576	—annualization of enhancing maternal and child care services PRR to provide outreach to enroll children eligible for Medical Assistance.	-1,839	—nonrecurring costs for transitionally needy demonstration project.
141	—annualization of the Disability Advocacy Program (DAP) initiative to secure Federal Social Security Disability benefits for Medical Assistance clients.	2,476	—Initiative — Increasing Access to Job Training. To expand employment and training services to eligible clients.
215	—to provide for renovations to leased facilities and purchase of equipment to meet requirements of the Americans with Disabilities Act.	<u>\$ 1,947</u>	<i>Appropriation Increase</i>
18	—Initiative — Emergency Assistance Funding. To secure Federal reimbursement for emergency services to assist children and families through emergency or crisis situations.	\$ 3,517	Cash Grants
400	—PRR — Restructuring General Assistance. This Program Revision will implement a demonstration program aimed at reducing the dependency and improving the working skills of welfare recipients. See the Program Revision following this subcategory for further information.	28,476	—to continue current program.
		948	—increase in caseload and average benefits.
		-5,055	—nonrecurring prior year funds.
		4,634	—increased collections.
		-3,814	—revision of Federal participation rate from 54.83% to 54.36%.
		-531	—annualization of 1993-94 initiative — Expansion of the Disability Advocacy Program (DAP) to secure Federal Social Security Disability benefits for Medical Assistance clients.
		-747	—annualization of 1993-94 increasing access to job training PRR.
\$ 11,556	<i>Appropriation Increase</i>		—Initiative — Investigating Welfare Fraud. To expand Front End Investigations to all districts in Philadelphia county in order to screen new applicants before benefits are paid thus decreasing the number of ineligible Aid to Families with Dependent Children, Food Stamp and Medical Assistance applicants who obtain benefits.
	County Administration — Statewide		—PRR — Restructuring General Assistance. This Program Revision will implement a demonstration program aimed at reducing dependency and improving the working skills of welfare recipients and will restructure the existing General Assistance Program to promote family health and stability. See the Program Revision following this subcategory for further information.
\$ 572	—to continue current program.		
58	—for equipment purchases.		
995	—annualization of the 1993-94 Medical Assistance Cost Containment PRR.	-76,378	
42	—annualization of enhancing maternal and child care services PRR which provides health screens, treatment and mental health services for children.		
1,751	—Initiative — Supplemental Security Income Cost Containment. To issue Supplemental Security Income checks in order to avoid Federal administrative charges. Currently, the Federal government charges \$1.67 per check; however, in 1994 that fee will be increased to \$3.33.	<u>\$ -48,950</u>	<i>Appropriation Decrease</i>
177	—PRR — Maternal and Child Health Care Service Initiatives. This Program Revision will improve access to medical care for children enrolled in Medical Assistance through case management. See the Program Revision following the Medical Assistance subcategory for further information.	\$ -10,100	LIHEAP — State Grant
68	—PRR — AIDS Service Initiatives. This Program Revision will increase the scope of services and the number of people eligible for treatment under the Medical Assistance AIDS waiver. See the Program Revision in the Department of Health for further information.		—nonrecurring project.
\$ 3,663	<i>Appropriation Increase</i>		

PUBLIC WELFARE

Program: Income Maintenance (continued)

Program Recommendations:

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

	Supplemental Grants		ENERGY CONSERVATION AND ASSISTANCE FUND
\$ 1,328	—to continue current program.		Low Income Home Energy Assistance
8,544	—increased caseload.		—nonrecurring projects.
5,555	—Federal administrative fee increase.	\$ -9,000	
430	—annualization of 1993-94 initiative — expansion of the Disability Advocacy Program (DAP).		
-7,891	—Initiative — Supplemental Security Income Cost Containment. To issue Supplemental Security Income checks in order to avoid Federal administrative charges. Currently, the Federal government charges \$1.67 per check; however, in 1994 that fee will be increased to \$3.33.		
<u>\$ 7,966</u>	<i>Appropriation Increase</i>		

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
County Assistance Offices	\$ 202,142	\$ 210,541	\$ 222,097	\$ 221,895	\$ 221,899	\$ 221,902	\$ 221,905
County Administration — Statewide	33,708	36,499	40,162	40,800	40,858	40,915	40,977
New Directions	26,202	30,873	32,820	33,504	33,562	33,607	33,664
Cash Grants	698,726	724,632	675,682	668,598	677,613	686,740	695,987
LIHEAP — State Share		10,100					
Supplemental Grants — Aged, Blind and Disabled	103,111	112,936	120,902	140,530	140,530	140,530	140,530
TOTAL GENERAL FUND	<u>\$ 1,063,889</u>	<u>\$ 1,125,581</u>	<u>\$ 1,091,663</u>	<u>\$ 1,105,327</u>	<u>\$ 1,114,462</u>	<u>\$ 1,123,694</u>	<u>\$ 1,133,063</u>
ENERGY CONSERVATION AND ASSISTANCE FUND:							
Low Income Home Energy Assistance ...	<u>\$ 10,200</u>	<u>\$ 9,000</u>					

PUBLIC WELFARE

Program Revision: Restructuring General Assistance (continued)

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
General Assistance clients monthly average							
Current	144,093	143,800	146,500	146,500	146,500	146,500	146,500
Program Revision			111,000	107,000	107,000	107,000	107,000
Pathways: additional case closures accomplished							
Program Revision				30	90	150	210

Program Revision Recommendations:

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

County Assistance Offices	
\$ 400 —to implement demonstration project.	
Cash Grants	
\$ -76,378 —to implement revisions to General Assistance eligibility criteria.	
Medical Assistance — Outpatient	
\$ -12,059 —to implement revisions to Medical Assistance benefits for General Assistance recipients.	
Medical Assistance — Inpatient	
\$ -26 —to implement demonstration project.	
<u>\$ -88,063</u> <i>Program Revision Total</i>	

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
County Assistance Offices			\$ 400	\$ 408	\$ 410	\$ 412	\$ 414
Cash Grants			-76,378	-93,110	-93,110	-93,111	-93,111
Medical Assistance — Outpatient			-12,059	-16,573	-16,888	-17,209	-17,536
Medical Assistance — Inpatient			-26	-27	-27	-27	-27
TOTAL GENERAL FUND			<u>\$ -88,063</u>	<u>\$ -109,302</u>	<u>\$ -109,615</u>	<u>\$ -109,935</u>	<u>\$ -110,260</u>

PUBLIC WELFARE

PROGRAM OBJECTIVE: To maximize individual's capacity for independent living 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 comprehensive community mental health services and State operated hospitals. Community mental health services are administered under the Pennsylvania Mental Health and Mental Retardation (MH/MR) Act of 1966 and the Mental Health Procedures Act (MHPA) of 1976. Thirteen mental hospitals and one restoration (long-term care) center make up the State mental hospital system.

Program Element: Community Mental Health Services

The MH/MR Act of 1966 requires county governments to 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. These services have been expanded through the addition of intensive case management, family based mental health, housing support services, and crisis intervention. Services are generally

administered by a single county, county joiners or through contracts with other provider organizations or agencies. Services, except inpatient and partial hospitalization, intensive case management and family based mental health, are funded with ninety percent State funds and ten percent county matching funds. Community residential services consist of residential treatment, inpatient services, crisis services and community residential rehabilitation (CRR) services. Community services are targeted to adults with serious mental illness and children/adolescents with or at risk of serious disturbance.

Program Element: State Mental Hospitals

State mental hospitals provide long-term inpatient care for individuals who require intensive inpatient treatment or individuals who have no available alternatives. Additionally, they provide specialized services for adolescents, criminal offenders or elderly (long-term) populations. Recent efforts to develop a continuum of community services have resulted in the transfer of patients and funds to community mental health programs.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Persons provided community mental health services (unduplicated)	247,923	248,543	249,902	249,902	249,902	249,902	249,902
State mental hospital population at end of fiscal year	5,637	5,430	5,430	5,430	5,430	5,430	5,430
Persons readmitted to State mental hospitals after last discharge:							
within 30 days	96	82	82	82	82	82	82
31-92 days	218	218	218	218	218	218	218
93-182 days	228	194	194	194	194	194	194
183-364 days	281	253	253	253	253	253	253
over 365 days	969	824	824	824	824	824	824
Persons served in community residential mental health services	7,258	7,711	7,711	7,711	7,711	7,711	7,711
Persons served in intensive case management	10,653	14,225	14,687	14,687	14,687	14,687	14,687
Persons served in family based mental health	1,484	1,922	1,922	1,922	1,922	1,922	1,922

The number of persons served in community residential services increased from last year's budget because of the inclusion of persons in housing support services.

The number of persons being served in intensive case management shows an increase from last year's budget because of the increase in community hospital integration projects.

Persons served in family based mental health is a new measure to reflect the number of in-home services provided to families with emotionally disturbed children.

PUBLIC WELFARE

Program: Mental Health (continued)

Hospital and Restoration Center Populations for the Prior, Current and Upcoming Year:

	Projected Capacity July 1994	Population July 1992	Population July 1993	Projected Population July 1994	Projected Percent of Capacity July 1994
State Mental Hospitals					
Allentown	415	436	440	410	98.80%
Clarks Summit	512	462	463	485	94.73%
Danville	407	460	418	399	98.03%
Eastern State School and Hospital	158	155	122	132	83.54%
Farview	160	140	150	160	100.00%
Harrisburg	392	452	445	387	98.72%
Haverford	376	403	373	350	93.09%
Mayview	712	872	725	705	99.02%
Norristown	697	699	653	608	87.23%
Somerset	240	250	239	237	98.75%
Torrance	337	398	345	312	92.58%
Warren	417	513	417	396	94.96%
Wernersville	465	476	436	439	94.41%
South Mountain	430	404	411	410	95.35%
TOTAL	5,718	6,120	5,637	5,430	94.96%

Total Proposed Expenditures by Hospital, Restoration Center and Community Programs:

	(Dollar Amounts in Thousands)			(Dollar Amounts in Thousands)			
	1992-93 Actual	1993-94 Available	1994-95 Budget	1992-93 Actual	1993-94 Available	1994-95 Budget	
ALLENTOWN							
State Funds	\$ 20,454	\$ 12,315	\$ 16,827	EASTERN STATE SCHOOL AND HOSPITAL			
Federal Funds	10,095	19,062	17,187	State Funds	\$ 8,284	\$ 8,943	\$ 10,677
Augmentations	1,950	2,882	2,324	Federal Funds	13,386	10,944	9,587
TOTAL	\$ 32,499	\$ 34,259	\$ 36,338	Augmentations	956	1,796	1,248
				TOTAL	\$ 22,626	\$ 21,683	\$ 21,512
CLARKS SUMMIT							
State Funds	\$ 20,932	\$ 13,399	\$ 17,297	FARVIEW			
Federal Funds	11,062	19,270	17,659	State Funds	\$ 14,435	\$ 14,666	\$ 18,400
Augmentations	2,024	3,101	2,569	Federal Funds	2	63	.....
TOTAL	\$ 34,018	\$ 35,770	\$ 37,525	Augmentations	4,358	1,369	671
				TOTAL	\$ 18,795	\$ 16,098	\$ 19,071
DANVILLE							
State Funds	\$ 16,234	\$ 11,712	\$ 15,056	HARRISBURG			
Federal Funds	13,286	18,470	16,963	State Funds	\$ 20,895	\$ 12,964	\$ 16,730
Augmentations	2,259	3,286	2,731	Federal Funds	10,221	21,134	20,743
TOTAL	\$ 31,779	\$ 33,468	\$ 34,750	Augmentations	1,698	2,920	1,888
				TOTAL	\$ 32,814	\$ 37,018	\$ 39,361

PUBLIC WELFARE

Program: Mental Health (continued)

Total Proposed Expenditures by Hospital, Restoration Center and Community Program (continued):

	(Dollar Amounts in Thousands)				(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Budget		1992-93 Actual	1993-94 Available	1994-95 Budget
HAVERFORD				TORRANCE			
State Funds	\$ 22,532	\$ 12,887	\$ 15,854	State Funds	\$ 18,759	\$ 14,257	\$ 17,941
Federal Funds	7,876	20,061	17,452	Federal Funds	12,806	17,641	15,987
Augmentations	1,201	2,251	1,518	Augmentations	1,574	2,268	1,466
TOTAL	<u>\$ 31,609</u>	<u>\$ 35,199</u>	<u>\$ 34,824</u>	TOTAL	<u>\$ 33,139</u>	<u>\$ 34,166</u>	<u>\$ 35,394</u>
MAYVIEW				WARREN			
State Funds	\$ 65,530	\$ 52,433	\$ 61,536	State Funds	\$ 23,204	\$ 14,331	\$ 20,024
Federal Funds	26,180	41,971	34,970	Federal Funds	12,490	22,411	20,539
Augmentations	4,839	3,973	3,274	Augmentations	2,646	3,613	3,073
TOTAL	<u>\$ 96,549</u>	<u>\$ 98,377</u>	<u>\$ 99,780</u>	TOTAL	<u>\$ 38,340</u>	<u>\$ 40,355</u>	<u>\$ 43,636</u>
NORRISTOWN				WERNERSVILLE			
State Funds	\$ 45,628	\$ 27,789	\$ 33,230	State Funds	\$ 20,012	\$ 14,512	\$ 16,530
Federal Funds	19,195	43,500	37,595	Federal Funds	9,272	18,545	16,722
Augmentations	5,935	4,112	3,606	Augmentations	1,863	2,969	2,466
TOTAL	<u>\$ 70,758</u>	<u>\$ 75,401</u>	<u>\$ 74,431</u>	TOTAL	<u>\$ 31,147</u>	<u>\$ 36,026</u>	<u>\$ 35,718</u>
SOMERSET				COMMUNITY PROGRAMS			
State Funds	\$ 10,768	\$ 7,283	\$ 9,755	State Funds	\$ 223,511	\$ 124,123	\$ 145,368
Federal Funds	7,524	10,408	9,741	Federal Funds	62,784	232,999	231,049
Augmentations	962	2,088	1,516	Augmentations	8,567	9,300	.....
TOTAL	<u>\$ 19,254</u>	<u>\$ 19,779</u>	<u>\$ 21,012</u>	TOTAL	<u>\$ 294,862</u>	<u>\$ 366,422</u>	<u>\$ 376,417</u>
SOUTH MOUNTAIN RESTORATION CENTER							
State Funds	\$ 8,030	\$ 9,095	\$ 11,992				
Federal Funds	13,535	12,778	11,765				
Augmentations	1,624	2,677	1,972				
TOTAL	<u>\$ 23,189</u>	<u>\$ 24,550</u>	<u>\$ 25,729</u>				

Proposed expenditures by hospital for 1993-94 do not add to the total amounts appropriated due to State budgetary reserves.

PUBLIC WELFARE

Program: Mental Health (continued)

Program Recommendations:

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

Mental Health Services	
\$ 3,090	—to continue current program.
9,300	—replaces nonrecurring psychiatric pooling funds.
8,000	—replaces 1992-93 intergovernmental transfer funds.
7,942	—annualization of the 1993-94 Needs-Based Initiative.
4,772	—annualization of the 1993-94 community hospital integration projects.
4,757	—provides for a 2% cost-of-living adjustment for the community programs.
1,067	—annualization of the 1993-94 maternal and child health care services PRR.
1,050	—provides for increased operating costs.
1,055	—provides for a reduction in Federal participation rate from 54.83% to 54.36%.
-503	—nonrecurring projects.
-1,000	—provides for increased carry-over.
-1,046	—reduced funding requirements for extended acute care.
-1,732	—increased availability of the Mental Health Block Grant.
2,700	—Initiative — Mental Health Needs-Based Services. To address the unmet needs for community mental health services as determined through the mental health needs-based planning process. These funds are targeted to the following services: intensive case management, resource coordination, family-based services, supported employment and crisis intervention.
<u>\$ 39,452</u>	<i>Appropriation Increase</i>

Psychiatric Services in Eastern Pennsylvania
\$ -4,000 —nonrecurring project.

In addition, this Budget provides a Family Center Expansion Initiative. This initiative allocates up to 1% of various appropriations, for a total of \$1.558 million, to be used by the Department of Education, in conjunction with the Departments of Health, Public Welfare, and Labor and Industry, to establish community-based family centers.

These State funds will match private, federal and local funds that become available to support the development of family centers.

Family centers will provide early childhood development and parenting education programs and establish information and referral networks with local health care and social service agencies, and job training employment programs.

The State appropriations subject to the 1% allocation for family centers include: Department of Education — Approved Private Schools, Teen Pregnancy and Parenthood, Dropout Prevention; Department of Health — Supplemental Food Program for Women, Infants and Children, Maternal and Child Health; and Department of Public Welfare — Early Intervention, Day Care, the Living in Family Environments funding within Mental Health, and the Family Preservation funding and Child Abuse Family Services funding within County Child Welfare.

In addition to the 1% allocation of various State appropriations, this initiative recommends that up to \$300,000 from Job Centers appropriation within the Department of Labor and Industry and \$4.119 million in Federal Family Center and Support Services funding be allocated for family center expansion in 1994-95.

The \$5.977 million provided through this initiative, in addition to the \$3.8 million in Federal Child Care and Development Block Grant funds currently allocated to this program, will provide for the continuation and/or enhancement of the 33 existing family centers and for the establishment of approximately 16 new family centers in 1994-95. Of the State funds provided through this initiative, up to \$150,000 is available for the development of training programs and local governance structures that support the family center objectives.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Mental Health Services	\$ 539,208	\$ 387,765	\$ 427,217	\$ 544,148	\$ 544,148	\$ 544,148	\$ 544,148
Psychiatric Services in Eastern Pennsylvania		4,000					
TOTAL GENERAL FUND	<u>\$ 539,208</u>	<u>\$ 391,765</u>	<u>\$ 427,217</u>	<u>\$ 544,148</u>	<u>\$ 544,148</u>	<u>\$ 544,148</u>	<u>\$ 544,148</u>

PUBLIC WELFARE

PROGRAM OBJECTIVE: To maximize the individual's capacity for more independent living through the provision of an array of service, training and support programs.

Program: Mental Retardation

The Department of Public Welfare supports a comprehensive array of mental retardation services including State and privately operated intermediate care facilities and community residential and non-residential programs which are either administered or operated by the counties. In addition to State and Federal funding, local funding is provided for community programs as authorized by the Mental Health and Mental Retardation Act of 1966.

Program Element: State Centers for the Mentally Retarded

The Commonwealth provides services through nine State centers and three mental retardation units. The primary goal is to develop each resident's ability to function more independently thus enabling them to live in less restrictive environments. All facilities are currently certified for Medical Assistance under standards established by the Health Care Financing Administration.

Program Element: Private Intermediate Care Facilities for the Mentally Retarded (ICF/MRs)

Private ICF/MRs provide intensive habilitative services to persons with mental retardation. Large facilities are single or multiple buildings on

campus-like sites accommodating more than 8 persons; small facilities are located in the community and serve 8 or less persons.

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 for people with mental retardation. Community residential facilities provide an opportunity for persons with mental retardation to live in a community environment. Some services are eligible for Federal funds under the Medicaid Home and Community Based Waiver Program. Non-residential services are available to meet the needs of persons with mental retardation and provide an alternative to residential placement.

Program Element: Early Intervention

The Department of Public Welfare administers the Early Intervention Program for children from birth to age two, inclusive. Services include health care, skill development and social services. These services are intended to minimize developmental delay and the need for special education, to enhance potential for independent living, and to assist families in meeting their children's special needs.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Persons receiving MR services during fiscal year	60,556	62,556	62,678	62,678	62,678	62,678	62,678
Persons receiving community non-residential services:							
Early intervention	6,173	7,173	8,173	8,173	8,173	8,173	8,173
Adult day services	17,983	18,466	18,466	18,466	18,466	18,466	18,466
Family support services	17,625	19,349	19,349	19,349	19,349	19,349	19,349
Persons receiving residential services (at end of fiscal year):							
Residents of community residential facilities (CRF)	8,794	9,762	9,762	9,762	9,762	9,762	9,762
Residents in private ICF/MRs	3,452	3,379	3,379	3,379	3,379	3,379	3,379
Residents in State centers and mental retardation units	3,671	3,379	3,379	3,379	3,379	3,379	3,379
Persons transferred to more independent settings during fiscal year from:							
Community residential facilities	286	286	286	286	286	286	286
State centers and MR units	73	148	196	30	30	30	30

In 1993-94 the number of persons transferred to more independent settings from State Centers and Mental Retardation Units is higher than usual because of 74 placements from Western and Embreeville centers plus 54 placements that were planned for 1992-93. The 1994-95 number includes 26 placements that were originally planned for 1993-94 and 140 for the 1994-95 Initiative — Additional Mental Retardation Community Placements.

PUBLIC WELFARE

Program: Mental Retardation (continued)

State Centers Population for the Prior, Current and Upcoming Year:

	Projected Bed Capacity July 1994	Population July 1992	Population July 1993	Projected Population July 1994	Projected Percent Capacity July 1994
State Centers					
Altoona	138	131	130	129	93.5%
Ebensburg	528	478	468	465	88.1%
Embreeville	310	239	210	162	52.3%
Hamburg	416	347	337	334	80.3%
Laurelton	268	212	206	205	76.5%
Polk	859	752	735	732	85.2%
Selinsgrove	812	694	688	683	84.1%
Western	500	364	329	249	49.8%
White Haven	460	406	390	388	84.3%
TOTAL STATE CENTERS	4,291	3,623	3,493	3,347	78.0%
Units for Mentally Retarded					
Mayview	80	78	75	75	93.8%
Somerset	66	58	58	56	84.8%
Torrance	68	48	45	45	66.2%
TOTAL UNITS FOR MENTALLY RETARDED	214	184	178	176	82.2%
GRAND TOTAL	4,505	3,807	3,671	3,523	78.2%

Proposed Expenditures by Center:

	(Dollar Amounts in Thousands)			(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Budget	1992-93 Actual	1993-94 Available	1994-95 Budget
ALTOONA						
State Funds	\$ 2,604	\$ 2,835	\$ 2,905	EMBREEVILLE		
Federal Funds	4,322	4,198	4,742	State Funds	\$ 9,117	\$ 8,719
Augmentations	339	339	342	Federal Funds	10,402	10,031
TOTAL	\$ 7,265	\$ 7,372	\$ 7,989	Augmentations	799	608
				TOTAL	\$ 20,318	\$ 19,358
						\$ 20,267
EBENSBURG						
State Funds	\$ 15,887	\$ 16,366	\$ 16,800	HAMBURG		
Federal Funds	19,306	19,349	22,259	State Funds	\$ 11,303	\$ 11,895
Augmentations	1,510	1,543	1,505	Federal Funds	14,550	14,296
TOTAL	\$ 36,703	\$ 37,258	\$ 40,564	Augmentations	1,250	1,064
				TOTAL	\$ 27,103	\$ 27,255
						\$ 29,322

PUBLIC WELFARE

Program: Mental Retardation (continued)

Proposed Expenditures by Center: (continued)

	(Dollar Amounts in Thousands)				(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Budget		1992-93 Actual	1993-94 Available	1994-95 Budget
LAURELTON				WHITE HAVEN			
State Funds	\$ 7,903	\$ 8,321	\$ 8,532	State Funds	\$ 13,885	\$ 13,054	\$ 13,419
Federal Funds	10,351	10,477	11,787	Federal Funds	17,240	17,543	20,012
Augmentations	594	586	576	Augmentations	1,592	1,638	1,468
TOTAL	<u>\$ 18,848</u>	<u>\$ 19,384</u>	<u>\$ 20,895</u>	TOTAL	<u>\$ 32,717</u>	<u>\$ 32,235</u>	<u>\$ 34,899</u>
POLK				MAYVIEW MR UNIT			
State Funds	\$ 22,809	\$ 23,269	\$ 23,869	State Funds	\$ 1,495	\$ 1,565	\$ 1,608
Federal Funds	29,489	29,793	33,792	Federal Funds	1,645	1,714	1,972
Augmentations	2,850	3,004	2,954	Augmentations	269	290	281
TOTAL	<u>\$ 55,148</u>	<u>\$ 56,066</u>	<u>\$ 60,615</u>	TOTAL	<u>\$ 3,409</u>	<u>\$ 3,569</u>	<u>\$ 3,861</u>
SELINGROVE				SOMERSET MR UNIT			
State Funds	\$ 22,146	\$ 20,907	\$ 21,651	State Funds	\$ 1,161	\$ 1,193	\$ 1,227
Federal Funds	27,947	28,326	32,654	Federal Funds	1,620	1,590	1,797
Augmentations	2,693	3,391	2,651	Augmentations	211	200	205
TOTAL	<u>\$ 52,786</u>	<u>\$ 52,624</u>	<u>\$ 56,956</u>	TOTAL	<u>\$ 2,992</u>	<u>\$ 2,983</u>	<u>\$ 3,229</u>
WESTERN				TORRANCE MR UNIT			
State Funds	\$ 12,733	\$ 12,185	\$ 12,258	State Funds	\$ 1,177	\$ 1,119	\$ 1,157
Federal Funds	15,838	15,652	17,201	Federal Funds	1,556	1,512	1,744
Augmentations	1,249	1,343	990	Augmentations	210	224	209
TOTAL	<u>\$ 29,820</u>	<u>\$ 29,180</u>	<u>\$ 30,449</u>	TOTAL	<u>\$ 2,943</u>	<u>\$ 2,855</u>	<u>\$ 3,110</u>

Proposed expenditures by center for 1993-94 do not add to the total amounts appropriated due to State and Federal budgetary reserves.

PUBLIC WELFARE

Program: Mental Retardation (continued)

Program Recommendations:

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

	State Centers for the Mentally Retarded	-440	—to reflect the conversion of 105 beds to the waiver program.
\$	-403 —nonrecurring project.		
	182 —to reflect a change in Federal participation rate from 54.83% to 54.36%.	2,639	—to continue current program.
	2,145 —to continue current program.	<u>\$ 5,152</u>	<i>Appropriation Increase</i>
\$	1,924 <i>Appropriation Increase</i>		
	Community Mental Retardation Services	\$ 1,345	Early Intervention
\$	7,476 —to provide for a 2% cost-of-living adjustment.	651	—to provide for annualization of 1,000 slots provided in 1993-94.
	12,752 —to annualize 1993-94 expanding community mental retardation services initiative.	28	—to reflect a 2% cost-of-living adjustment.
	-1,000 —one-time initiative for Philadelphia emergency placements.	-1,467	—to reflect a change in Federal participation rate from 54.83% to 54.36%.
	1,366 —to annualize 32 Danny B placements.	-300	—savings due to increased Federal funds for medical assistance eligible clients.
	1,331 —to annualize 326 community and companion placements.	3,392	—reduction for increased carry-over.
	1,236 —to reflect a change in Federal participation rate from 54.83% to 54.36%.		—PRR — Improving Preschool Education. This PRR will provide services for an additional 1,000 children between birth through age two. See the Program Revision in the Department of Education for further information.
	-950 —nonrecurring expenses.		
	-1,879 —savings due to Federally eligible case management.	<u>\$ 3,649</u>	<i>Appropriation Increase</i>
	148 —to continue current program.		
	7.10 —Initiative — Mental Retardation Needs-Based Services. This initiative continues to address the unmet needs for community mental retardation services as determined through the mental retardation needs-based planning process. These funds will be allocated to those counties that are not participating in the Additional Mental Retardation Community Placements Initiative and will be targeted to the following services: home-based, family support, community employment and community residential support.		
	5,609 —Initiative — Additional Mental Retardation Community Placements. This initiative provides community placements for 140 persons currently residing in State mental retardation centers and 39 persons inappropriately residing in nursing homes. It also includes funds to provide community placements for 122 persons on county waiting lists and specialized services to 116 persons remaining in nursing homes.		
\$	26,799 <i>Appropriation Increase</i>		
	MR Residential Services — Lansdowne		
\$	193 —to support individuals with mental retardation at Elwyn Institute.		
	Pennhurst Dispersal		
\$	2,710 —to provide community care for former residents of Pennhurst.		
	Association for Retarded Citizens		
\$	-100 —nonrecurring projects.		
	Intermediate Care Facilities — Mentally Retarded		
\$	1,798 —to provide for a 2% cost-of-living adjustment.		
	1,067 —to reflect a change in Federal reimbursement rate from 54.83% to 54.36%.		
	88 —to annualize 32 community placements.		

In addition, this Budget provides a Family Center Expansion Initiative. This initiative allocates up to 1% of various appropriations, for a total of \$1.558 million, to be used by the Department of Education, in conjunction with the Departments of Health, Public Welfare and Labor and Industry, to establish community-based family centers. These State funds will match private, Federal and local funds that become available to support the development of family centers. Family centers will provide early childhood development and parenting education programs and establish information and referral networks with local health care and social service agencies, and job training and employment program.

The State appropriations subject to the 1% allocation for family centers include: Department of Education - Approved Private Schools, Teen Pregnancy and Parenthood, Dropout Prevention; Department of Health - Supplemental Food Program for Women, Infants and Children, Maternal and Child Health; and Department of Public Welfare - Early Intervention, Day Care, the Living in Family Environments funding within Mental Health, and the Family Preservation funding and Child Abuse Family Services funding within County Child Welfare.

In addition to the 1% allocation of various State appropriations, this initiative recommends that up to \$300,000 from the Job Centers appropriation within the Department of Labor and Industry and \$4.119 million in Federal Family Center and Support Services funding be allocated for family center expansion in 1994-95.

PUBLIC WELFARE

Program: Mental Retardation (continued)

Program Recommendations: (continued)

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

Family Center Expansion (continued)

The \$5.977 provided through this initiative, in addition to the \$3.8 million in Federal Child Care and Development Block Grant funds currently allocated to this program, will provide for the continuation and/or enhancement of the 33 existing family centers and for the establishment of approximately 16 new family centers in 1994-95. Of the State funds provided through this initiative, up to \$150,000 is available for the development of training programs and local governance structures that support the family center objectives.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
State Centers for the Mentally Retarded	\$ 122,220	\$ 122,494	\$ 124,418	\$ 120,758	\$ 120,546	\$ 120,383	\$ 120,177
Community Mental Retardation Services	324,942	358,779	385,578	400,483	400,483	400,483	400,483
MR Residential Services — Lansdowne	193	. . . . .	193	193	193	193	193
Pennhurst Dispersal	2,710	. . . . .	2,710	2,710	2,710	2,710	2,710
Association for Retarded Citizens	212	100	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Intermediate Care Facilities/Mentally Retarded	93,925	97,903	103,055	103,055	103,055	103,055	103,055
Early Intervention	29,851	31,157	34,806	38,198	38,198	38,198	38,198
TOTAL GENERAL FUND	\$ 574,053	\$ 610,433	\$ 650,760	\$ 665,397	\$ 665,185	\$ 665,022	\$ 664,816

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/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 655: 407 secure and 248 open residential beds. The secure care capacity includes 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.

Residential	Projected July 1994 Capacity	July 1992 Population	July 1993 Population	Projected July 1994 Population	Projected July 1994 % of Capacity
Camp No. 2 ..	49	49	49	49	100%
Camp No. 3 ..	62	68	62	62	100%
Loysville	72	75	73	74	103%
New Castle ..	65	108	75	67	103%
Total Residential Program	248	298	259	252	102%
Secure					
Loysville	164	137	147	164	100%
New Castle ..	123	115	90	123	100%
Bensalem	120	80	84	120	100%
Total Secure Program	407	332	321	407	100%
TOTAL ALL PROGRAMS ..	655	630	580	659	101%

Treatment of youth within the YDCs/YFCs is guided by the Master Case Planning System. This system requires the comprehensive 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.

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 (IEPs) for each youth.

Program Element: Family Support Services

Providing 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.

Special programs have been developed to support the delivery of services by county child welfare agencies. One program provides equalized access to adoption services for all eligible children. The Statewide Adoption Network (SWAN) includes services to African-American children and families recruited through the One Church One Child Program.

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.

Local Management Agencies (LMA's) operate Statewide. The objectives of the LMA program are to increase parent choice for child care service, serve more children with the same amount of funding, allow more licensed/registered providers to participate in the State subsidized system, eliminate sole source contracts for day care services, and allow the Commonwealth to purchase services at the prevailing local rate.

PUBLIC WELFARE

Program: Human Services (continued)

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Services for the Visually Impaired							
Persons who are blind or visually impaired	12,889	13,017	13,150	13,250	13,400	13,400	13,400
Persons who are blind or visually impaired placed in employment	379	390	410	440	440	440	440
Youth Development Centers							
YDC — youths served	1,760	1,842	1,977	1,977	1,977	1,977	1,977
YDC — occupancy rates	103%	103%	103%	103%	103%	103%	103%
YDC — youths in work experience	444	444	444	444	444	444	444
YDC — rate of recidivism	41%	41%	41%	41%	41%	41%	41%
Family Support Services							
Children receiving child welfare services at home	122,000	129,000	136,000	141,000	145,000	150,000	154,000
Out of home placement in:							
Community residential programs	22,500	24,329	25,709	26,000	26,500	27,000	27,000
Institutional care programs	4,900	5,125	5,039	5,000	5,000	4,900	4,900
Agency arranged adoptions	750	950	1,100	950	800	800	800
Children waiting for adoption	1,206	1,278	1,300	1,200	1,250	1,250	1,250
Children receiving day care	34,468	34,468	34,468	34,468	34,468	34,468	34,468
Percent of child abuse reports substantiated	35%	35%	35%	35%	35%	35%	35%
Domestic Violence and Rape Crisis							
Domestic violence persons served	45,539	45,620	46,420	46,420	46,420	46,420	46,420
Rape crisis/sexual assault persons served	16,009	18,241	18,241	18,241	18,241	18,241	18,241
Breast cancer screening clients	108,001	113,623	106,219	106,219	106,219	106,219	106,219
Legal service clients	43,491	43,000	40,500	40,500	40,500	40,500	40,500
Attendant care persons served	1,653	1,953	2,053	2,053	2,053	2,053	2,053
Persons with developmental disabilities receiving services	643	1,115	1,318	1,468	1,618	1,768	1,918
Homeless Assistance							
Homeless:							
Persons served in shelters	15,623	15,319	15,319	15,319	15,319	15,319	15,319
Persons served by bridge housing	4,966	5,024	5,024	5,024	5,024	5,024	5,024
Persons receiving housing assistance	31,372	32,314	32,314	32,314	32,314	32,314	32,314
Persons receiving case management	17,916	18,453	18,453	18,453	18,453	18,453	18,453
Families receiving permanent housing	585	603	603	603	603	603	603

For Homeless Assistance, persons served in bridge housing includes clients served by the Social Services Block Grant not previously included. Persons receiving housing assistance includes clients served by the Host Program.

Rape Crisis assault estimates from the 1993-94 Budget have decreased based on the percentage of State funding applied to total cases reported.

Attendant Care figures decline from the 1993-94 Budget because of late passage of supplemental funding.

The number of persons serviced who have developmental disabilities has increased from the 1993-94 Budget in response to additional State efforts and increased mandated services.

PUBLIC WELFARE

Program: Human Services (continued)

Program Recommendations:

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

	Services for the Visually Impaired		
\$ 84	—to continue current program.		
54	—provides for a 2% cost-of-living adjustment for contracted programs.		
\$ 138	<i>Appropriation Increase</i>		
	Youth Development Centers		
\$ 280	—annualization of New Castle 50 bed expansion.		
200	—replacement of Federal Drug Free Communities Funds.		
188	—provides for a 2% cost-of-living adjustment for grants and subsidies.		
160	—annualization of 1993-94 Juvenile Justice System Enhancements PRR.		
151	—to replace Federal Drug Control Systems Improvement funding.		
-898	—nonrecurring projects.		
4,046	—to continue current program.		
2,927	—PRR — Juvenile Justice System Expansion. Provides for 100 additional secure beds for the most violent offenders. See the Program Revision following this subcategory for further information.		
\$ 7,054	<i>Appropriation Increase</i>		
	Support Services for Children		
\$ -140	—nonrecurring project.		
	County Child Welfare		
\$ 21,443	—requirement for needs-based budget as mandated by Act 30 of 1991, including a 2% cost-of-living adjustment.		
-4,000	—County reimbursement for Youth Development Center placements.		
1,391	—increase cost for Castille settlement placements.		
-1,000	—reduction for special needs grants moved to needs-base.		
-48,991	—Initiative — Emergency Assistance Funding. To secure Federal reimbursement for emergency services to assist children and families through emergency or crisis situations. As a result, State and county Child Welfare costs will be reduced.		
-2,080	—Initiative — Personal Care Services for Children in Foster Care. To provide Medical Assistance reimbursement for personal care services provided to approximately 830 children in foster care. These services include medical management, nutritional care, hygiene and personal care and developmental education. Because these services are currently provided through Child Welfare, funding for that program has to be adjusted accordingly.		
\$ -33,237	<i>Appropriation Decrease</i>		
	Day Care Services		
\$ 731	—to provide a 2% cost-of-living adjustment.		
-200	—nonrecurring project.		
\$ 531	<i>Appropriation Increase</i>		
	Arsenal Center		
\$ -50	—nonrecurring project.		
	Domestic Violence		
\$ -1,370	—nonrecurring project.		
119	—to provide a 2% cost-of-living adjustment.		
1,800	—to annualize 1993-94 initiatives.		
144	—to replace declining Drug Free Schools and Communities Federal funds.		
\$ 693	<i>Appropriation Increase</i>		
	Rape Crisis		
\$ -389	—nonrecurring project.		
57	—to provide a 2% cost-of-living adjustment.		
417	—to annualize 1993-94 initiatives.		
40	—to replace declining Drug Free Schools and Communities Federal funds.		
\$ 125	<i>Appropriation Increase</i>		
	Breast Cancer Screening		
\$ 17	—to provide a 2% cost-of-living adjustment.		
	Legal Services		
\$ -500	—nonrecurring project.		
	Homeless Assistance		
\$ 320	—provides for a 2% cost-of-living adjustment.		
	Services for the Developmentally Disabled		
\$ 82	—to provide a 2% cost-of-living adjustment.		
937	—annualization of 1993-94 program initiatives.		
22	—to reflect a revision in Federal participation from 54.83% to 54.36%.		
1,469	—Initiative — Services for Persons with Developmental Disabilities. To provide community-based services for 91 individuals with physical disabilities and to enhance the specialized services provided to 929 nursing home residents. These actions will result in the availability of more appropriate services to individuals who are inappropriately residing in nursing homes. The State funding will also enable the Commonwealth to comply with Federal Nursing Home Reform requirements, ensuring no loss of Federal financial participation.		
\$ 2,510	<i>Appropriation Increase</i>		
	Attendant Care		
\$ 253	—to provide a 2% cost-of-living adjustment.		
1,000	—to annualize the 1993-94 initiative.		
500	—Initiative — Attendant Care Initiatives. To provide attendant care services, such as in-home personal care and housekeeping, to an additional 100 individuals. Funds are also provided for the development of a Medicaid Home and Community Based Waiver demonstration project to generate additional Federal funds for this program.		
\$ 1,753	<i>Appropriation Increase</i>		

All other appropriations in this subcategory are unchanged.

PUBLIC WELFARE

Program: Human Services (continued)

Program Recommendations:

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

In addition, this Budget provides a Family Center Expansion Initiative. This initiative allocates up to 1% of various appropriations, for a total of \$1.558 million, to be used by the Department of Education, in conjunction with the Departments of Health, Public Welfare and Labor and Industry, to establish community-based family centers. These State funds will match private, Federal and local funds that become available to support the development of family centers. Family centers will provide early childhood development and parenting education programs and establish information and referral networks with local health care and social service agencies, and job training employment programs.

The State appropriations subject to the 1% allocation for family centers include: Department of Education — Approved Private Schools, Teen Pregnancy and Parenthood, Dropout Prevention; Department of Health — Supplemental Food Program for Women, Infants and Children, Maternal and Child Health; and Department of Public Welfare — Early Intervention, Day Care, the Living in Family Environments funding within Mental Health, and the Family Preservation funding and Child abuse Family Services funding within County Child Welfare.

In addition to the 1% allocation of various State appropriations, this initiative recommends that up to \$300,000 from Job Centers appropriation within the Department of Labor and Industry and \$4.119 million in Federal Family Center and Support Services funding be allocated for family center expansion in 1994-95.

The \$5.977 provided through this initiative, in addition to the \$3.8 million in Federal Child Care and Development Block Grant funds currently allocated to this program, will provide for the continuation and/or enhancement of the 33 existing family centers and for the establishment of approximately 16 new family centers in 1994-95. Of the State funds provided through this initiative, up to \$150,000 is available for the development of training programs and local governance structures that support the family center objectives.

In addition, this Budget proposes that a portion of the Refugee and Immigration programs currently in the Department of Public Welfare be transferred to the Department of Community Affairs. These funds are shown as Federal funds.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Visually Handicapped	\$ 6,539	\$ 7,195	\$ 7,333	\$ 7,333	\$ 7,333	\$ 7,333	\$ 7,333
Youth Development Institutions	45,026	47,090	54,144	55,697	56,531	57,010	57,305
Beacon Lodge Camp — Blind Services ..	74	124	124	124	124	124	124
Low Income Summer Programs	121	125	125	125	125	125	125
Support Services for Children		140					
County Child Welfare	263,334	336,915	303,678	295,033	295,033	295,033	295,033
County Child Welfare Overmatch	3,216						
Day Care Services	36,205	36,929	37,460	37,460	37,460	37,460	37,460
Arsenal Center	162	212	162	162	162	162	162
Domestic Violence	5,895	7,298	7,991	7,991	7,991	7,991	7,991
Rape Crisis	2,834	3,240	3,365	3,365	3,365	3,365	3,365
Breast Cancer Screening	720	825	842	842	842	842	842
Legal Services	1,930	2,500	2,000	2,000	2,000	2,000	2,000
Human Services Development Fund	34,000	34,000	34,000	34,000	34,000	34,000	34,000
Homeless Assistance	15,440	16,000	16,320	16,320	16,320	16,320	16,320
Services for the Developmentally Disabled	1,256	3,122	5,632	7,022	7,022	7,022	7,022
Attendant Care	9,419	11,628	13,381	13,881	13,881	13,881	13,881
TOTAL GENERAL FUND	\$ 426,171	\$ 507,343	\$ 486,557	\$ 481,355	\$ 482,189	\$ 482,668	\$ 482,963

Program Revision: Juvenile Justice System Expansion

Pennsylvania's juvenile justice system is faced with housing an increasing number of violent and/or habitual juvenile offenders. Approximately 25 percent of the juvenile offenders in the Youth Development Centers (YDCs) are 18 to 20 years of age, have been involved in drugs, have committed violent offenses and generally are stronger and larger than other youths in the YDC system. In addition, many of these individuals are serving multi-year sentences.

With the implementation of the Program Revision recommended in the 1993-94 Budget the YDC system will maintain 407 secure beds and contract for over 600 private sector placements that provide community alternatives to YDC secure commitments. Nonetheless, given the tendency for juvenile courts to commit more serious offenders to the YDC system for longer periods of time, the violence exhibited by some juvenile offenders and the increasing incidence of injury to staff, the demand for secure placements exceeded existing capacity by more than 20 percent at certain facilities as of December 1993.

To address this situation, this Program Revision recommends \$2.9 million to establish a new 100-bed maximum security YDC in the central part of the State. Emphasis will be placed on security and control, with program and treatment services available as appropriate. The staff supervision and physical plant of this new YDC will be similar to that of an adult correctional institution while program and treatment services will be similar to those currently provided in secure YDCs. The \$2.9 million provides sufficient funds to staff and operate the facility for nine months. The commitment of juvenile offenders to this new facility is expected to begin in January 1995.

This Program Revision also recommends \$471,000 for the Department of Education to provide educational programs for youths committed to this new facility.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Additional YDC secure beds							
Program Revision			100	100	100	100	100

Program Revision Recommendations:

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

PUBLIC WELFARE	
Youth Development Institutions	
\$ 2,927	—to provide for a new 100-bed secure facility in central Pennsylvania.
EDUCATION	
Youth Development Centers Education	
\$ 471	—to provide education programs for youths in the new 100-bed secure facility.
\$ 3,398	Program Revision Total

The Department of Public Welfare will also use \$736,000 in Federal Drug Control and System Improvement funds for this Program Revision.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Public Welfare							
Youth Development Institutions			\$ 2,927	\$ 4,480	\$ 5,314	\$ 5,793	\$ 6,088
Education							
Youth Development Centers Education ...			471	507	507	507	507
TOTAL GENERAL FUND			\$ 3,398	\$ 4,987	\$ 5,821	\$ 6,300	\$ 6,595

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

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 the first class city sales tax and various special funds.

The department prepares the official estimates of the tax yield due the Commonwealth and analyzes the effect on revenues of proposed changes in either the laws or the tax structure of the Commonwealth.

The department also administers the State Lottery and the Lottery funded Property Tax and Rent Rebate Program.

REVENUE

Summary by Fund and Appropriation

GENERAL FUND	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Budget
GENERAL GOVERNMENT:			
General Government Operations	\$ 88,469	\$ 90,097	\$ 98,728
(A) Cigarette Fines and Penalties	17	19	19
(A) Cigarette Tax Enforcement	451	465	484
(A) Services to Special Funds	4,721	5,136	5,558
(A) Escheat Sales	1,576	.....	.....
(A) EDP and Staff Support	3,788	4,009	4,122
(A) Tax Information	122	125	125
(A) Graphic Arts	1	.....	.....
(A) Local Sales Tax	594	600	669
(A) Small Games of Chance	243	240	240
Total — General Government Operations	\$ 99,982	\$ 100,691	\$ 109,945
Commissions — Inheritance and Realty (EA)	4,848	5,437	5,358
Computer Acquisitions	1,262	1,698	1,698
(A) Special Fund Charges	299	299	299
Subtotal — State Funds	\$ 94,579	\$ 97,232	\$ 105,784
Subtotal — Augmentations	11,812	10,893	11,516
Total — General Government Operations	\$ 106,391	\$ 108,125	\$ 117,300
GRANTS AND SUBSIDIES:			
Distribution of Public Utility Realty Tax	\$ 150,845	\$ 152,586	\$ 153,000
STATE FUNDS	\$ 245,424	\$ 249,818	\$ 258,784
AUGMENTATIONS	11,812	10,893	11,516
GENERAL FUND TOTAL	\$ 257,236	\$ 260,711	\$ 270,300
MOTOR LICENSE FUND			
GENERAL GOVERNMENT:			
Collection — Liquid Fuels Tax	\$ 7,642	\$ 8,341	\$ 8,959
(A) Fuel Tax Enforcement .....	.....	50	50
(A) International Fuel Tax Agreement .....	.....	77	77
Refunding Liquid Fuels Tax (EA)	8,300	8,300	8,300
STATE FUNDS	\$ 15,942	\$ 16,641	\$ 17,259
AUGMENTATIONS .....	.....	127	127
MOTOR LICENSE FUND TOTAL	\$ 15,942	\$ 16,768	\$ 17,386
LOTTERY FUND			
GENERAL GOVERNMENT:			
General Operations (EA)	\$ 44,423	\$ 49,742	\$ 61,820
(A) License Fees	87	111	113
(A) Telephone Lines	3,758	3,707	3,744
(A) Sale of Automobiles	3	.....	.....
(A) Lotto Numbers Publication	1	1	1
On-Line Vendor Commissions (EA)	18,943	22,833	22,339
Personal Income Tax for Lottery Prizes (EA)	19,951	22,557	21,836
Payment of Prize Money (EA)	130,753	128,894	124,779
Subtotal — State Funds	\$ 214,070	\$ 224,026	\$ 230,774
Subtotal — Augmentations	3,849	3,819	3,858
Total — General Government Operations	\$ 217,919	\$ 227,845	\$ 234,632

REVENUE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
REVENUE COLLECTION AND ADMINISTRATION							
General Funds.....	\$ 94,579	\$ 97,232	\$ 105,784	\$ 105,784	\$ 105,784	\$ 104,086	\$ 104,086
Special Funds.....	230,157	240,826	248,196	249,485	254,787	259,146	264,356
Other Funds.....	15,661	14,839	15,501	15,720	15,957	15,839	16,069
TOTAL.....	\$ 340,397	\$ 352,897	\$ 369,481	\$ 370,989	\$ 376,528	\$ 379,071	\$ 384,511
COMMUNITY DEVELOPMENT AND PRESERVATION							
General Funds.....	\$ 150,845	\$ 152,586	\$ 153,000	\$ 153,000	\$ 153,000	\$ 153,000	\$ 153,000
TOTAL.....	\$ 150,845	\$ 152,586	\$ 153,000	\$ 153,000	\$ 153,000	\$ 153,000	\$ 153,000
HOMEOWNERS AND RENTERS ASSISTANCE							
Special Funds.....	\$ 104,539	\$ 104,000	\$ 100,000	\$ 99,000	\$ 98,000	\$ 97,000	\$ 96,000
TOTAL.....	\$ 104,539	\$ 104,000	\$ 100,000	\$ 99,000	\$ 98,000	\$ 97,000	\$ 96,000
ALL PROGRAMS:							
GENERAL FUND.....	\$ 245,424	\$ 249,818	\$ 258,784	\$ 258,784	\$ 258,784	\$ 257,086	\$ 257,086
SPECIAL FUNDS.....	334,696	344,826	348,196	348,485	352,787	356,146	360,356
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	15,661	14,839	15,501	15,720	15,957	15,839	16,069
TOTAL.....	\$ 595,781	\$ 609,483	\$ 622,481	\$ 622,989	\$ 627,528	\$ 629,071	\$ 633,511

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 from the first class cities sales tax and for the Motor License and Racing Funds.

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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Lottery Bureau operating costs as a percent of ticket sales	2.98%	2.86%	3.66%	3.59%	3.77%	3.90%	4.08%
Collections from delinquent accounts (in millions)	\$493	\$514	\$534	\$555	\$577	\$600	\$624
Amounts due as a result of audit assessments (in millions)	\$152	\$146	\$167	\$176	\$185	\$194	\$204
Tax returns processed (in thousands)							
Personal Income	5,579	5,585	5,588	5,592	5,598	5,604	5,611
Corporation	333	250	250	230	230	230	230
Average settlement time for corporation tax documents (in months)	6	5	5	5	5	5	5

Lottery Bureau operating costs as a percent of ticket sales increased from that shown in the previous budget because of the purchase of instant ticket vending machines and an increase in the advertising budget.

Collections from delinquent accounts is higher than the estimate shown in last year's budget because of continuing efforts to research and locate unregistered companies doing business in the Commonwealth.

The number of Corporation Tax returns processed has increased as a result of implementation of the Automated Corporation Tax System and Act 22 of 1991 which allows the department to use automated data processing and statistical techniques to automatically settle reports.

Program Recommendations:

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

GENERAL FUND:
General Government Operations
 \$ 7,387 —to continue current program.
 994 —net cost of new automated technology equipment and continuation of master lease payments.
 250 —for data entry services.
 \$ 8,631 *Appropriation Increase*

Commissions — Inheritance and Realty Transfer Tax Collections
 \$ -79 —computed cost based on tax estimate.

MOTOR LICENSE FUND:
Collection — Liquid Fuels Tax
 \$ 665 —to implement the International Fuels Tax Agreement to ensure proper collection and distribution of fuels tax between member states.
 -47 —to continue current program.
 \$ 618 *Appropriation Increase*

REVENUE

Program: Revenue Collection and Administration (continued)

Program Recommendations: (continued)

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

LOTTERY FUND:			On-line Vendor Commissions	
General Operations				
\$ 3,700	—for an additional 1,000 instant ticket vending machines.		\$ -494	—cost based on Lottery sales estimate.
2,367	—to increase the number of instant games.		\$ -721	Personal Income Tax for Lottery Prizes
2,000	—to expand advertising for on-line games.			—cost based on Lottery sales estimate.
2,275	—additional costs due to increased instant ticket sales.		\$ -4,115	Payment of Prize Money
674	—to continue current program.			—cost based on Lottery sales estimate.
630	—maintenance costs on instant ticket vending machines.			RACING FUND:
432	—net cost of new automated technology and annualization of installment purchases.		\$ 4	Collections — Racing
				—to continue current program.
<u>\$ 12,078</u>	<i>Appropriation Increase</i>			

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
General Government Operations	\$ 88,469	\$ 90,097	\$ 98,728	\$ 98,728	\$ 98,728	\$ 98,728	\$ 98,728
Commissions — Inheritance and Realty							
Transfer Tax Collections	4,848	5,437	5,358	5,358	5,358	5,358	5,358
Computer Acquisition	1,262	1,698	1,698	1,698	1,698	.....	.....
TOTAL GENERAL FUND	<u>\$ 94,579</u>	<u>\$ 97,232</u>	<u>\$ 105,784</u>	<u>\$ 105,784</u>	<u>\$ 105,784</u>	<u>\$ 104,086</u>	<u>\$ 104,086</u>
MOTOR LICENSE FUND:							
Collections — Liquid Fuels Tax	\$ 7,642	\$ 8,341	\$ 8,959	\$ 9,470	\$ 10,019	\$ 10,440	\$ 10,972
Refunding Liquid Fuels Tax	8,300	8,300	8,300	8,300	8,300	8,300	8,300
TOTAL MOTOR LICENSE FUND	<u>\$ 15,942</u>	<u>\$ 16,641</u>	<u>\$ 17,259</u>	<u>\$ 17,770</u>	<u>\$ 18,319</u>	<u>\$ 18,740</u>	<u>\$ 19,272</u>
LOTTERY FUND:							
General Operations	\$ 44,423	\$ 49,742	\$ 61,820	\$ 61,433	\$ 64,996	\$ 67,726	\$ 71,180
On-line Vendor Commissions	18,943	22,833	22,339	22,511	22,688	22,867	23,049
Personal Income Tax for Lottery Prizes ..	19,951	22,557	21,836	21,983	22,132	22,284	22,438
Payment of Prize Money	130,753	128,894	124,779	125,616	126,470	127,339	128,217
TOTAL LOTTERY FUND	<u>\$ 214,070</u>	<u>\$ 224,026</u>	<u>\$ 230,774</u>	<u>\$ 231,543</u>	<u>\$ 236,286</u>	<u>\$ 240,216</u>	<u>\$ 244,884</u>
RACING FUND:							
Collections — Racing	\$ 145	\$ 159	\$ 163	\$ 172	\$ 182	\$ 190	\$ 200

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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Taxing authorities receiving funds	3,056	3,056	3,056	3,060	3,060	3,060	3,060

Program Recommendations:

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

Public Utility Realty Tax Distribution	
\$ 4,786	—increased cost based on projected tax increases.
—4,372	—reduction in 1993-94 base due to lower than anticipated inflation.
<u>\$ 414</u>	<i>Appropriation Increase</i>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Public Utility Realty Tax Distribution	<u>\$ 150,845</u>	<u>\$ 152,586</u>	<u>\$ 153,000</u>	<u>\$ 153,000</u>	<u>\$ 153,000</u>	<u>\$ 153,000</u>	<u>\$ 153,000</u>

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. The Lottery Preservation Act, Act 36 of 1991, repealed the Older Persons Inflation Dividend Program.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Households provided property tax or rent assistance	403,384	389,823	380,077	372,476	365,026	357,726	350,571


Program Recommendations:

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

Property Tax and Rent Assistance for Older Pennsylvanians
 \$ -4,000 to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
LOTTERY FUND:							
Property Tax and Rent Assistance for Older Pennsylvanians	\$ 104,539	\$ 104,000	\$ 100,000	\$ 99,000	\$ 98,000	\$ 97,000	\$ 96,000
TOTAL LOTTERY FUND	<u>\$ 104,539</u>	<u>\$ 104,000</u>	<u>\$ 100,000</u>	<u>\$ 99,000</u>	<u>\$ 98,000</u>	<u>\$ 97,000</u>	<u>\$ 96,000</u>



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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<u>GENERAL FUND</u>			
GENERAL GOVERNMENT:			
General Government Operations	\$ 2,913	\$ 2,737	\$ 2,353
(A) Consumer Protection	91	1,500	1,516
STATE FUNDS	\$ 2,913	\$ 2,737	\$ 2,353
AUGMENTATIONS	91	1,500	1,516
GENERAL FUND TOTAL	\$ 3,004	\$ 4,237	\$ 3,869

SECURITIES COMMISSION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
SECURITIES INDUSTRY REGULATION							
General Funds.....	\$ 2,913	\$ 2,737	\$ 2,353	\$ 2,353	\$ 2,353	\$ 2,353	\$ 2,353
Other Funds.....	91	1,500	1,516	1,602	1,695	1,766	1,856
TOTAL.....	\$ 3,004	\$ 4,237	\$ 3,869	\$ 3,955	\$ 4,048	\$ 4,119	\$ 4,209
ALL PROGRAMS:							
GENERAL FUND.....	\$ 2,913	\$ 2,737	\$ 2,353	\$ 2,353	\$ 2,353	\$ 2,353	\$ 2,353
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	91	1,500	1,516	1,602	1,695	1,766	1,856
TOTAL.....	\$ 3,004	\$ 4,237	\$ 3,869	\$ 3,955	\$ 4,048	\$ 4,119	\$ 4,209

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 salespersons 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. Act 4 of 1993 provided for additional fees to support enhanced compliance and enforcement activities as well as ongoing operations of the commission.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Formal investigations conducted	202	220	240	260	270	290	310
Dollar amounts of securities cleared for sale (billions)	\$ 8,855	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000
Securities filings received	4,381	4,400	4,400	4,400	4,400	4,400	4,400
Securities filings cleared	3,949	4,000	4,000	4,000	4,000	4,000	4,000
Broker-dealers registered	1,893	1,988	2,087	2,191	2,301	2,416	2,537
Agents registered	75,670	82,237	91,560	100,716	110,788	121,867	134,054
Investment advisers registered	670	771	887	1,020	1,173	1,349	1,551
Associated persons registered	2,552	2,935	3,375	3,881	4,463	5,132	5,902

The increase in the program measure for dollar amounts of securities cleared for sale from estimates in last year's budget is due to the fluctuation in the amounts of Mutual Funds registered in any year by investment companies.

Program Recommendations:

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

General Government Operations
 \$ -384 -to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
General Government Operations	\$ 2,913	\$ 2,737	\$ 2,353	\$ 2,353	\$ 2,353	\$ 2,353	\$ 2,353



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 Bureau on Charitable Organizations, the Corporation Bureau and 27 professional and occupational licensing boards.

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 1,142	\$ 1,166	\$ 1,467
(A) Professional Licensure Augmentation Account .....	.....^a	.....^a	.....^a
(A) Registration of Charitable Organizations	758	600	613
(R) Professional Licensure Augmentation Account ^b	14,127	14,682	14,801
(R) Medical Fees ^b	1,806	1,983	2,196
(R) Osteopathic Fees ^b	308	398	444
(R) Podiatry Fees ^b	124	128	139
(R) State Athletic Commission	237	262	262
(R) Athletic Commission Augmentation Account .....	.....^c	.....^c	.....^c
(R) Corporation Bureau ^d .....	.....^d	.....^d	.....^d
(R) Corporation Bureau (EA)	2,327	3,435	2,435
Voter Registration .....	.....	.....	500
Total — General Government Operations	\$ 20,829	\$ 22,654	\$ 22,857
Publishing Constitutional Amendments (EA)	985	60	60
Electoral College Expenses	8	.....	.....
Subtotal — State Funds	\$ 2,135	\$ 1,226	\$ 2,027
Subtotal — Augmentations	758	600	613
Subtotal — Restricted Revenue	18,929	20,888	20,277
Total — General Government	\$ 21,822	\$ 22,714	\$ 22,917
GRANTS AND SUBSIDIES:			
Voting of Citizens in Military Service	\$ 20	\$ 8	\$ 8
Voter Registration by Mail	650	400	400
County Election Expenses .....	.....	95	.....
Total — Grants and Subsidies	\$ 670	\$ 503	\$ 408
STATE FUNDS	\$ 2,805	\$ 1,729	\$ 2,435
AUGMENTATIONS	758	600	613
RESTRICTED REVENUES	18,929	20,888	20,277
GENERAL FUND TOTAL	\$ 22,492	\$ 23,217	\$ 23,325
OTHER FUNDS			
REAL ESTATE RECOVERY FUND:			
GRANTS AND SUBSIDIES:			
Real Estate Recovery Payments	\$ 59	\$ 175	\$ 150
OTHER FUNDS TOTAL	\$ 59	\$ 175	\$ 150
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 2,805	\$ 1,729	\$ 2,435
AUGMENTATIONS	758	600	613
RESTRICTED REVENUES	18,929	20,888	20,277
OTHER FUNDS	59	175	150
TOTAL ALL FUNDS	\$ 22,551	\$ 23,392	\$ 23,475

^a Amounts not shown to avoid double counting: 1992-93 Actual is \$998,000; 1993-94 Available is \$1,063,000; 1994-95 Budget is \$1,116,000.

^b Appropriation from restricted revenue accounts.

^c Amounts not shown to avoid double counting: 1992-93 Actual is \$43,000; 1993-94 Available is \$43,000; 1994-95 Budget is \$45,000.

^d Amounts not shown to avoid double counting: 1992-93 Actual is \$325,000; 1993-94 Available is \$497,000; 1994-95 Budget is \$522,000.

^e Act 198 of 1990 authorized establishment of a restricted account for the Corporation Bureau from which the Governor may executively authorize funds.

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
CONSUMER PROTECTION							
General Funds.....	\$ 2,805	\$ 1,729	\$ 2,435	\$ 2,513	\$ 2,464	\$ 2,370	\$ 2,301
Other Funds.....	19,746	21,663	21,040	21,573	22,052	22,530	23,057
TOTAL.....	\$ 22,551	\$ 23,392	\$ 23,475	\$ 24,086	\$ 24,516	\$ 24,900	\$ 25,358
ALL PROGRAMS:							
GENERAL FUND.....	\$ 2,805	\$ 1,729	\$ 2,435	\$ 2,513	\$ 2,464	\$ 2,370	\$ 2,301
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	19,746	21,663	21,040	21,573	22,052	22,530	23,057
TOTAL.....	\$ 22,551	\$ 23,392	\$ 23,475	\$ 24,086	\$ 24,516	\$ 24,900	\$ 25,358

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.

The National Voter Registration Act was signed into law on May 20, 1993. This Federal law mandates that the states implement a variety of voter registration reforms by January 1, 1995, including intergrating voter registration into driver's license applications, offering agency based registration as well as mail-in registration, and revised criteria for removal from voter rolls.

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-seven 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 1,670,000 profit and nonprofit corporations, uniform commercial code financial statements and fictitious name registrations. An important goal is to promote a more favorable atmosphere for commerce to enter Pennsylvania.

Act 198 of 1990 made the Corporation Bureau a restricted account with funding levels to be executively authorized by the Governor.

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.

The State Athletic Commission monitors and regulates all professional and amateur boxing and kickboxing, amateur wrestling contests, and the licensing of all persons who participate in these events. There are eleven categories of licenses issued by the Athletic Commission. These categories include announcer, boxer, judge, manager, matchmaker, physician, promoter (including those promoting professional wrestling), referee, second, timekeeper and trainer.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Voter registration transactions	911,484	450,000	917,250	1,234,500	1,484,500	1,084,500	1,234,500
Professional licenses and renewals issued	425,092	380,000	400,000	380,000	400,000	380,000	400,000
Disciplinary actions by boards	649	800	800	800	800	800	800
Complaints processed by legal staff	4,580	4,750	4,750	4,750	4,750	4,750	4,750
Case files opened	4,329	4,400	4,400	4,400	4,400	4,400	4,400
Uniform Commercial Code financing statement filings and information requests fulfilled	185,125	190,000	190,000	190,000	190,000	190,000	190,000
Reviews of fictitious names, business corporations, trademark applications	156,668	160,000	160,000	160,000	160,000	160,000	160,000

The number of Uniform Commercial Code financing statement filings and information requests fulfilled has decreased from the previous budget due to fluctuations in the overall national business climate.

The increase in the measure for the number of fictitious names, business corporations and trademark applications from those shown in the 1993-94 Governor's Budget is due to the addition of 79,572 Corporate Officer cards.

Program: Consumer Protection (continued)

Program Recommendations:

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

	General Government Operations
\$ -21	—nonrecurring projects.
340	—to continue current program.
-34	—PRR — Voter Registration Enhancement. This Program Revision provides funds to expand current voter registration activities, conduct training and outreach programs for counties and produce public service announcements as part of a campaign to increase awareness of the expanded opportunities for voter registration. A total of \$1.206 million is provided by this Program Revision across two departments. See Program Revision following this subcategory for further information.
16	—For instruction and assistance in automated technology applications. In addition \$13,000 will be provided from the Bureau on Charitable Organizations.
<hr/>	
\$ 301	<i>Appropriation Increase</i>
	Voter Registration
\$ 500	—PRR — Voter Registration Enhancement. This Program Revision provides funds to expand current voter registration activities, conduct training and outreach programs for counties and produce public service announcements as part of a campaign to increase awareness of the expanded opportunities for voter registration. A total of \$1.206 million is provided by this Program Revision across two departments. See Program Revision following this subcategory for further information.
	County Election Expenses
\$ -95	—nonrecurring projects.

	Professional Licensure Augmentation Account
\$ -1,024	—nonrecurring projects.
1,075	—to continue current program.
17	—For instruction and assistance in automated technology applications.
51	—to implement the Impaired Professional Program under Act 53 of 1993, the Controlled Substance, Drug, Device and Cosmetic Act.
<hr/>	
\$ 119	<i>Appropriation Increase</i>
	State Board of Medical Education and Licensure
\$ -15	—nonrecurring projects.
226	—to continue current program.
2	—For instruction and assistance in automated technology applications.
<hr/>	
\$ 213	<i>Appropriation Increase</i>
	State Board of Osteopathic Examiners
\$ -2	—nonrecurring projects.
48	—to continue current program.
<hr/>	
\$ 46	<i>Appropriation Increase</i>
	State Board of Podiatry
\$ 11	—to continue current program.
	Corporation Bureau
\$ -1,283	—nonrecurring projects.
272	—to continue current program.
11	—For instruction and assistance in automated technology applications.
<hr/>	
\$ -1,000	<i>Appropriation Decrease</i>

In addition this budget recommends the following changes in the Bureau of Professional and Occupational Affairs for the Professional Licensure Augmentation Account (PLAA) as well as for the State Boards of Medical Education and Licensure, Osteopathic Examiners, Podiatry Examiners, the Athletic Commission Augmentation Account and the Corporation Bureau.

Recommendation assumes that fees for all boards will be sufficient to fund the recommended expenditure level.

Program: Consumer Protection (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
General Government Operations	\$ 1,142	\$ 1,166	\$ 1,467	\$ 1,516	\$ 1,517	\$ 1,519	\$ 1,521
Voter Registration .....	.....	.....	500	529	559	583	612
Publishing Constitutional Amendments ...	985	60	60	60	60	60	60
Electoral College Expenses	8	.....	.....	.....	8	.....	.....
Voting of Citizens in Military Service	20	8	8	8	20	8	8
Voter Registration by Mail	650	400	400	400	300	200	100
County Election Expenses .....	.....	95	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 2,805	\$ 1,729	\$ 2,435	\$ 2,513	\$ 2,464	\$ 2,370	\$ 2,301

Program Revision: Voter Registration Enhancement

In an effort to increase the number of eligible citizens registered to vote and to protect the integrity of the electoral process, President Clinton signed into law the National Voter Registration Act of 1993, which becomes effective January 1, 1995. This act requires states to "designate a State officer or employee as the chief election official to be responsible for coordination of State responsibilities under this act." The Secretary of the Commonwealth has been designated to assume this responsibility for Pennsylvania.

The objectives of the National Voter Registration Act are to establish procedures that will increase the number of eligible citizens who register to vote in elections for Federal offices; to protect the integrity of the electoral process by ensuring that accurate and current voter registration rolls are maintained; and to enhance the participation of eligible citizens as voters in elections for Federal offices. Methods to meet these objectives include expanding the number of locations and opportunities where those eligible may register to vote; requiring voter maintenance procedures that are uniform and non-discriminatory; and instituting voting procedures that ensure one's right to vote.

The Department of State is responsible for the management and dissemination of voter registration data to the counties. This Program Revision provides \$500,000 for the department to expand its current voter registration activities, conduct training and outreach programs for the counties, and produce public service announcements as part of a campaign to increase awareness of the expanded opportunities for voter registration as well as meet the Federal mandate.

The act also requires that individuals be given the opportunity to apply to register to vote and update their current registration. This may be accomplished by various means including through the mail and as part of the application process for various State services. This Program Revision recommends \$740,000 to integrate the voter registration process with the driver license application process operated by the Department of Transportation through its Photo License Centers. Transportation will implement automated technology applications to collect voter registration data and digitized signatures.

Applicants may register to vote at photo license centers using a driver license application card with a printed bar code. This bar code system will contain all information needed for driver licensing and the voter registration process. Applicants will be asked to respond to a series of questions related to driver licensing and voter registration, by using a keypad. The applicant will sign the Declaration of Eligibility on an electronic pad. The digitized signature will be stored in the photo license database. Those applicants who decline to register will also have this information noted and stored by the computer.

It is expected that as a result of this Program Revision there will be an increase in the number of participants in the electoral process and a cost-effective implementation of the National Voter Registration Act of 1993.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Voter registration transactions							
Current	911,484	450,000	600,000	600,000	850,000	450,000	600,000
Program Revision			917,250	1,234,500	1,484,500	1,084,500	1,234,500

Program Revision Recommendations:

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

	State	
	General Government Operations	
\$ -34	—to transfer implementation costs from the General Government Operations appropriation to the Voter Registration program.	
	Voter Registration	
\$ 500	—to provide funding for the initial implementation requirements of the National Voter Registration Act of 1993.	
	Transportation	
	Voter Registration	
\$ 740	—to provide funding for the initial implementation of the National Voter Registration Act of 1993 by integrating the voter registration process with the driver license application process.	
\$ 1,206	<i>Program Revision Total</i>	

Program Revision: Voter Registration Enhancement (continued)

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
State							
General Government Operations			\$ -34				
Voter Registration			500	\$ 529	\$ 559	\$ 583	\$ 612
Transportation							
Voter Registration			740	\$ 311	\$ 329	\$ 342	\$ 360
TOTAL GENERAL FUND			\$ 1,206	\$ 840	\$ 888	\$ 925	\$ 972



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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<u>GENERAL FUND</u>			
<i>GRANTS AND SUBSIDIES:</i>			
National Guard — Employer Contribution	\$ 600	\$ 600	\$ 560
GENERAL FUND TOTAL	<u>\$ 600</u>	<u>\$ 600</u>	<u>\$ 560</u>
 <u>OTHER FUNDS</u>			
<i>STATE EMPLOYEES' RETIREMENT FUND:</i>			
Administration	\$ 12,824	\$ 16,031	\$ 14,312
OTHER FUNDS TOTAL	<u>\$ 12,824</u>	<u>\$ 16,031</u>	<u>\$ 14,312</u>
 DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 600	\$ 600	\$ 560
OTHER FUNDS	12,824	16,031	14,312
TOTAL ALL FUNDS	<u>\$ 13,424</u>	<u>\$ 16,631</u>	<u>\$ 14,872</u>

STATE EMPLOYEES' RETIREMENT SYSTEM

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
STATE EMPLOYEES' RETIREMENT							
General Funds.....	\$ 600	\$ 600	\$ 560	\$ 560	\$ 560	\$ 560	\$ 560
Other Funds.....	12,824	16,031	14,312	15,128	16,005	16,677	17,528
TOTAL.....	\$ 13,424	\$ 16,631	\$ 14,872	\$ 15,688	\$ 16,565	\$ 17,237	\$ 18,088
ALL PROGRAMS:							
GENERAL FUND.....	\$ 600	\$ 600	\$ 560	\$ 560	\$ 560	\$ 560	\$ 560
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	12,824	16,031	14,312	15,128	16,005	16,677	17,528
TOTAL.....	\$ 13,424	\$ 16,631	\$ 14,872	\$ 15,688	\$ 16,565	\$ 17,237	\$ 18,088

STATE EMPLOYEES' RETIREMENT SYSTEM

PROGRAM OBJECTIVE: To provide an effective administrative system for the operation of the retirement system for State employes.

Program: State Employes' Retirement

The State Employes' Retirement System was established to administer the pension system created in 1924. Contributions by the employes and the employing agencies are made to the State Employes' Retirement Fund which uses those moneys and interest earnings for payment of annuities and disability benefits and for administration of the system. The State Employes' Retirement Fund is shown in the Special Funds Appendix.

The assets of the system are in excess of \$13 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 employes for which they are contributing. There is additional cost for employes in safety positions, the Legislature and the Judiciary. Member contributions are the third source of income. Current members contribute 5 percent of pay to the system.

Normal retirement from the system is at age 60, age 50 for safety employes 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.

In the recent past several pieces of legislation were enacted to make early retirement more attractive. Under legislation which expired on June 30, 1993 employes with 30 years of service could retire with a full pension based on service regardless of age. In addition, employes who were 55 years of age prior to January 31, 1992, with ten or more years of service were provided with the opportunity to retire between February 1, 1991 and December 31, 1991 and receive an additional 10 percent service credit.

Act 81 of 1987 established the Commonwealth Deferred Compensation Program which allows Commonwealth employes to defer a portion of their salaries to a retirement savings account. The State Employes' Retirement Board is responsible for its administration. The Deferred Compensation Fund is shown in the Special Funds Appendix to this volume.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Benefit payments processed	6,370	7,000	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)	\$1,471	\$1,596	\$1,731	\$1,878	\$2,037	\$2,210	\$2,397

Program Recommendations:

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

GENERAL FUND

National Guard — Employer Contribution

\$ -40 —to maintain current contribution level.

In addition this budget recommends the following changes for the appropriation from the State Employes' Retirement Fund for General Government Operations for the State Employes' Retirement System:

STATE EMPLOYEES' RETIREMENT FUND

General Government Operations

\$ -1,833 —nonrecurring costs.

114 —to continue current program.

\$ -1,719 *Appropriation Decrease*

STATE EMPLOYEES' RETIREMENT SYSTEM

Program: State Employees' Retirement (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
National Guard — Employer Contribution	<u>\$ 600</u>	<u>\$ 600</u>	<u>\$ 560</u>	<u>\$ 560</u>	<u>\$ 560</u>	<u>\$ 560</u>	<u>\$ 560</u>
STATE EMPLOYEES' RETIREMENT FUND:							
General Government Operations	<u>\$ 12,824</u>	<u>\$ 16,031</u>	<u>\$ 14,312</u>	<u>\$ 15,128</u>	<u>\$ 16,005</u>	<u>\$ 16,677</u>	<u>\$ 17,528</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 1994-95, the recommended ratio is 32 percent General Fund and 68 percent Motor License Fund. In addition, the State Police receive augmentations from the Turnpike Commission for turnpike patrol and from the State Stores Fund for liquor control enforcement.

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 97,592	\$ 98,597	\$ 104,935
(F) DCSI — Drug Law Enforcement	788	500	....
(F) DCSI — Crime Lab Upgrade	601	1,250	150
(F) DCSI — Communications Processor .....	....	783	....
(F) Nationwide Traffic Safety .....	....	28	10
(F) Drug Enforcement	105	200	200
(F) Incident Based Reporting .....	....	436	....
(F) Criminal History Data	196	750	350
(F) Program Management	18	25	16
(F) Alcohol Program Management	25	30	30
(F) Motor Carrier Safety	905	1,500	1,500
(F) DUI Enforcement	502	540	400
(F) Patrol Administration	27	38	35
(F) Highway Safety	68	....	....
(F) Drug Identification	124	....	....
(F) Safety Education	20	40	20
(F) Interstate Highway Enforcement	211	270	250
(F) Safety Belt Promotion	50	....	....
(F) Laser Equipment	17	6	....
(F) Emergency Communications	5	25	10
(F) Occupant Protection	96	900	150
(F) Criminal History Records .....	....	250	100
(F) Drone Radar	24	5	....
(F) Intoxicated and Underage Drinking	38	175	50
(F) Breath Testing Equipment	20	....	....
(F) Highway Incident Management .....	....	35	....
(F) Preliminary Breath Testing	30	....	....
(F) Portable Message Signs	25	....	....
(F) Sobriety Test Training .....	....	30	15
(F) Traffic Accident Reconstruction .....	....	11	....
(F) Selective Traffic Enforcement .....	....	100	60
(F) Multi DUI Offenders .....	....	100	50
(F) Grant Automated System .....	....	45	15
(F) SNA-NET Software .....	....	79	60
(A) Turnpike Commission	15,184	16,055	16,968
(A) Criminal History Record Checks	2,455	2,400	2,400
(A) Photo License Centers	40	....	....
(A) Training Fees	43	38	20
(A) Miscellaneous Services	425	415	440
(A) Transfer From Motor License Fund .....	....^a	....^a	....^a
Subtotal — State Funds	\$ 97,592	\$ 98,597	\$ 104,935
Subtotal — Federal Funds	3,895	8,151	3,471
Subtotal — Augmentations	18,147	18,908	19,828
Total — General Government Operations	\$ 119,634	\$ 125,656	\$ 128,234
Patrol Vehicles	2,010	1,984	1,930
(A) Automobile Sales	1,923	1,000	885
(A) Transfer From Motor License Fund .....	....^a	....^a	....^a
Total — Patrol Vehicles	\$ 3,933	\$ 2,984	\$ 2,815
Municipal Police Training	2,528	4,390	4,403
(A) Transfer From Motor License Fund .....	....^a	....^a	....^a

^a Not added to the total to avoid double counting. See Motor License Fund section of this summary for dollar amounts.

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<u>GENERAL FUND</u>			
<i>GRANTS AND SUBSIDIES: (continued)</i>			
Automated Fingerprint Identification System	\$ 2,317	\$ 1,406	\$ 777
Crime Commission	2,408 ^a	2,448 ^a	2,635
Subtotal — State Funds	\$ 106,855	\$ 108,825	\$ 114,680
Subtotal — Federal Funds	3,895	8,151	3,471
Subtotal — Augmentations	20,070	19,908	20,713
Total — General Government	\$ 130,820	\$ 136,884	\$ 138,864
<i>GRANTS AND SUBSIDIES:</i>			
(F) DCSI — Municipal Police Drug Law Enforcement	\$ 1,152	\$ 1,000	\$ 250
STATE FUNDS	\$ 106,855	\$ 108,825	\$ 114,680
FEDERAL FUNDS	5,047	9,151	3,721
AUGMENTATIONS	20,070	19,908	20,713
GENERAL FUND TOTAL	\$ 131,972	\$ 137,884	\$ 139,114
<u>MOTOR LICENSE FUND</u>			
<i>GENERAL GOVERNMENT:</i>			
General Government Operations	\$ 205,550	\$ 213,498	\$ 224,234
Patrol Vehicles	4,271	4,216	4,100
Municipal Police Training	2,528	4,390	4,403
Commercial Driver Licensing	1,077	.....	.....
MOTOR LICENSE FUND TOTAL	\$ 213,426	\$ 222,104	\$ 232,737
<u>OTHER FUNDS</u>			
<i>GENERAL FUND:</i>			
Seized/Forfeited Property — Federal Court Awarded	\$ 856	\$ 750	\$ 350
State Drug Act Forfeiture Funds — Attorney General	8	100	100
State Criminal Enforcement Forfeiture Funds	22	25	25
Crime Lab User Fees .....	.....	5	20
Assets Forfeiture	29 ^a	37 ^a	.....
<i>STATE STORES FUND:</i>			
Liquor Control Enforcement	13,070	14,098	14,435
OTHER FUNDS TOTAL	\$ 13,985	\$ 15,015	\$ 14,930
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 106,855	\$ 108,825	\$ 114,680
SPECIAL FUNDS	213,426	222,104	232,737
FEDERAL FUNDS	5,047	9,151	3,721
AUGMENTATIONS	20,070	19,908	20,713
OTHER FUNDS	13,985	15,015	14,930
TOTAL ALL FUNDS	\$ 359,383	\$ 375,003	\$ 386,781

^a These funds were appropriated directly to the Crime Commission. Act 84 of 1993 transferred the activities of the Crime Commission to the State Police effective June 30, 1994.

STATE POLICE

Program Funding Summary:

	(Dollar Amounts in Thousands)						1997-98 ESTIMATED	1998-99 ESTIMATED
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED			
PUBLIC PROTECTION AND LAW ENFORCEMENT								
General Funds.....	\$ 106,855	\$ 108,825	\$ 114,680	\$ 114,807	\$ 115,166	\$ 115,219	\$ 115,286	
Special Funds.....	213,426	222,104	232,737	231,757	232,519	232,631	232,774	
Federal Funds.....	5,047	9,151	3,721	3,571	3,571	3,571	3,571	
Other Funds.....	34,055	34,923	35,643	37,674	39,858	41,533	43,651	
TOTAL.....	\$ 359,383	\$ 375,003	\$ 386,781	\$ 387,809	\$ 391,114	\$ 392,954	\$ 395,282	
ALL PROGRAMS:								
GENERAL FUND.....	\$ 106,855	\$ 108,825	\$ 114,680	\$ 114,807	\$ 115,166	\$ 115,219	\$ 115,286	
SPECIAL FUNDS.....	213,426	222,104	232,737	231,757	232,519	232,631	232,774	
FEDERAL FUNDS.....	5,047	9,151	3,721	3,571	3,571	3,571	3,571	
OTHER FUNDS.....	34,055	34,923	35,643	37,674	39,858	41,533	43,651	
TOTAL.....	\$ 359,383	\$ 375,003	\$ 386,781	\$ 387,809	\$ 391,114	\$ 392,954	\$ 395,282	

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: Vehicle Standards Control

The vehicle inspection program within the Commonwealth is currently conducted jointly by the Department of Transportation and the 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. State Police monitor the program through inspection station visitations and examine vehicles involved in fatal accidents for which vehicle failure was listed as a cause.

Program Element: Traffic Supervision

Enforcing the Commonwealth's traffic laws is a major responsibility of the 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 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.

State Police will become the lead agency in the investigation of

organized criminal activities since Act 84 of 1993 transferred these responsibilities from the Crime Commission to the State Police effective June 30, 1994. Through these investigations, State Police will seek to determine and combat causes of organized crime as well as prevent such criminal activities.

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. A special emergency response team has been trained and equipped to assist with high-risk and emergency situations. The 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

This program enforces the Pennsylvania Liquor Code and related Crimes Code Statutes. Operations include covert and overt investigations, assisting municipal police agencies, conducting routine license investigations, performing establishment audits and border patrols.

Program Measures:

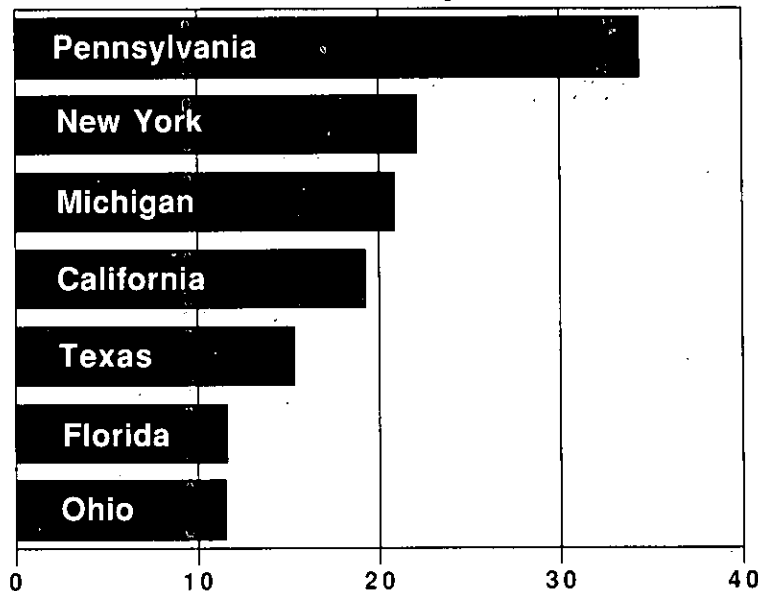
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Vehicle Standards Control							
Inspection station visitations	17,314	17,500	17,500	17,500	17,500	17,500	17,500
School bus and mass transit vehicle inspections	22,516	23,000	23,000	23,000	23,000	23,000	23,000

STATE POLICE

Program: Public Protection and Law Enforcement (continued)

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Traffic Supervision							
Accidents per 1,000 miles of highways in Pennsylvania	1,145	1,135	1,111	1,088	1,064	1,040	1,017
Accidents per 1,000 miles of highways patrolled by State Police	544	539	534	530	525	521	516
Traffic citations issued	473,771	460,000	460,000	460,000	460,000	460,000	460,000
Crime Prevention							
Crimes per 100,000 population in State Police jurisdiction areas:							
Against persons	98	100	105	110	115	120	125
Against property	1,125	1,135	1,145	1,160	1,175	1,190	1,206
Criminal Law Enforcement							
Crimes against persons:							
Persons arrested	2,105	2,110	2,120	2,130	2,140	2,150	2,160
Clearance rate	63.0%	63.0%	63.0%	63.0%	63.0%	63.0%	63.0%
Percent of those arrested who are convicted	57.8%	58.0%	58.0%	58.0%	58.0%	58.0%	58.0%
Crimes against property:							
Persons arrested	8,512	8,580	8,630	8,680	8,730	8,780	8,830
Clearance rate	21.8%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%
Percent of those arrested who are convicted	80.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%
Liquor Control Enforcement							
Enforcement investigations	29,264	30,000	30,000	30,000	30,000	30,000	30,000

State Policemen Per 100,000 Population



Full-time law enforcement officers as of October 1992.

STATE POLICE

Program: Public Protection and Law Enforcement (continued)

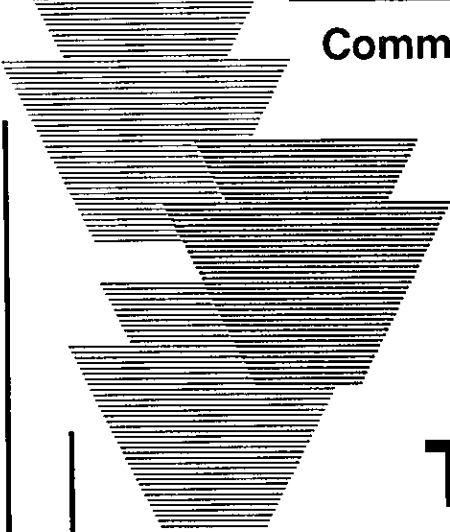
Program Recommendations:

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

	GENERAL FUND AND MOTOR LICENSE FUND COMBINED	725	—to provide for the replacement of high mileage undercover vehicles.
	General Government Operations	1,555	—equipment to improve criminal investigations and law enforcement activities.
\$ 905	—Initiative — Enhanced Trooper Patrol Capabilities. To have more enlisted personnel available for patrol and criminal investigation activities by hiring civilian personnel to do clerical/administrative work presently performed by troopers.	11,848	—to continue current program.
		\$ 17,074	<i>Appropriation Increase</i>
	Patrol Vehicles		
	200 —Initiative — Radio Antenna Tower Site Repair and Replacement. To provide for the replacement of deteriorated radio towers in the State Police communications system.	\$ -170	—to replace approximately 500 patrol vehicles.
	Municipal Police Training		
	261 —Initiative — Communication Improvements. To accommodate increased requests for data from Federal, State and local law enforcement agencies through the Commonwealth Law Enforcement Assistance Network. In addition, \$783,000 in Federal funds will be available.	\$ -892	—planned reduction due to completion of installment payments on initial acquisition of the system.
	Automated Fingerprint Identification System		
	1,250 —Initiative — Enhanced Management. For consultant services to develop electronic data processing improvements which would eliminate paper-based methods of arrest documentation and records management.	263	—purchase of additional computer storage capacity.
		\$ -629	<i>Appropriation Decrease</i>
	Crime Commission		
	330 —To comply with the requirements of the Americans with Disabilities Act for facilities accessible to persons with disabilities.	\$ 187	—to continue investigation of criminal activities.
			Liquor Control Enforcement
		\$ 337	—to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
General Government Operations	\$ 97,592	\$ 98,597	\$ 104,935	\$ 105,062	\$ 105,421	\$ 105,474	\$ 105,541
Patrol Vehicles	2,010	1,984	1,930	1,930	1,930	1,930	1,930
Municipal Police Training	2,528	4,390	4,403	4,403	4,403	4,403	4,403
Automated Fingerprint Identification System	2,317	1,406	777	777	777	777	777
Crime Commission	2,408	2,448	2,635	2,635	2,635	2,635	2,635
TOTAL GENERAL FUND	\$ 106,855	\$ 108,825	\$ 114,680	\$ 114,807	\$ 115,166	\$ 115,219	\$ 115,286
MOTOR LICENSE FUND:							
General Government Operations	\$ 205,550	\$ 213,498	\$ 224,234	\$ 223,254	\$ 224,016	\$ 224,128	\$ 224,271
Patrol Vehicles	4,271	4,216	4,100	4,100	4,100	4,100	4,100
Municipal Police Training	2,528	4,390	4,403	4,403	4,403	4,403	4,403
Commercial Driver Licensing	1,077	.....	.....	.....	.....	.....	.....
TOTAL MOTOR LICENSE FUND	\$ 213,416	\$ 222,104	\$ 232,737	\$ 231,757	\$ 232,519	\$ 232,631	\$ 232,774
STATE STORES FUND:							
Liquor Control Enforcement	\$ 13,070	\$ 14,098	\$ 14,435	\$ 15,258	\$ 16,143	\$ 16,821	\$ 17,679



Commonwealth of Pennsylvania

Tax Equalization Board

The State Tax Equalization Board annually determines 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 State support of public libraries and for determining certain tax limitations.

TAX EQUALIZATION BOARD

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<u>GENERAL FUND</u>			
<i>GENERAL GOVERNMENT:</i>			
General Government Operations	\$ 1,201	\$ 1,236	\$ 1,400
GENERAL FUND TOTAL	\$ 1,201	\$ 1,236	\$ 1,400

TAX EQUALIZATION BOARD

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
EDUCATION SUPPORT SERVICES							
General Funds.....	\$ 1,201	\$ 1,236	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400
TOTAL.....	\$ 1,201	\$ 1,236	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400
ALL PROGRAMS:							
GENERAL FUND.....	\$ 1,201	\$ 1,236	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400
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.....	\$ 1,201	\$ 1,236	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400

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.

Prior to 1992, Act 192 of 1986 required the board to certify assessors for the valuation of real property for ad valorem taxation purposes. Act 28 of 1992 transferred the function of certifying assessors to the State Board of Certified Real Estate Appraisers within the Department of State.

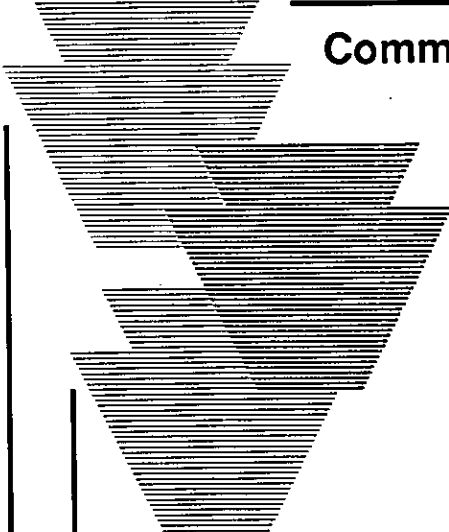
Program Recommendations:

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

General Government Operations	
\$	128 —to continue current program.
	17 —to recertify assessors.
	19 —to improve operational efficiency through acquisition of EDP and office equipment.
\$	164 <i>Appropriation Increase</i>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
General Government Operations	\$ 1,201	\$ 1,236	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400



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	1994-95 State Funds (in thousands)
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GENERAL FUND

Voter Registration Enhancement

Voter Registration	\$	740
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This Program Revision provides funds to integrate the voter registration process with the driver license application process at the Photo License Centers. Please see the Department of State for further details on this Program Revision.

MOTOR LICENSE FUND

Management System Enhancements

Highway and Safety Improvement	\$	400
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This Program Revision provides funding to initiate compliance with Intermodal Surface Transportation Efficiency Act (ISTEA) guidelines which require states to improve the planning and management of surface transportation resources.

DEPARTMENT TOTAL	\$	<u>1,140</u>
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TRANSPORTATION

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available		1994-95 Budget
GENERAL FUND:				
GENERAL GOVERNMENT:				
Transit and Rail Freight Operations	\$ 1,378 ^a	\$ 1,474		\$ 1,581
(F) FTA — Technical Studies Grants	2,308	2,484		2,900
(F) Capital Assistance	63	85		82
(F) Surface Transportation Assistance	544	818		801
(F) FTA — Capital Assistance .....	.....	5		.....
(F) FTA — Capital Improvement Grants	2,320	3,700		3,700
(F) Title IV Rail Assistance	12	55		56
(R) Project Management Oversight — PTAF (EA)	110	1,000		1,000
(A) Local Contribution — Rail Freight	15	20		30
(A) PTAF — Oversight .....	.....^b	.....^b		.....^b
Comprehensive Rail Freight Study .....	.....	.....		100
Rail Safety Inspection	323	336		346
Vehicle Sales Tax Collections	1,640	1,706		1,706
Welcome Centers	898	916		1,144
Voter Registration .....	.....	.....		740
Subtotal — State Funds	\$ 4,239	\$ 4,432		\$ 5,617
Subtotal — Federal Funds	5,247	7,147		7,539
Subtotal — Augmentations	15	20		30
Subtotal — Restricted Revenue	110	1,000		1,000
Total — General Government	\$ 9,611	\$ 12,599		\$ 14,186
GRANTS AND SUBSIDIES:				
Mass Transportation Assistance	\$ 232,933	\$ 237,795		\$ 244,929
Fixed Route Transit	25,090	25,090		25,090
Rural and Intercity Rail and Bus Transportation	4,149	4,205		4,205
(F) Surface Transportation — Operating	3,907	4,700		5,700
(F) Surface Transportation Assistance Capital	1,970	6,000		4,000
(F) Maglev Feasibility Study .....	.....	500		.....
(R) Technical Assistance — PTAF (EA)	165	1,376		1,398
(R) Community Transportation Equipment Grants — PTAF (EA) ..	2,191	2,844		2,300
Rail Freight Assistance	2,600	3,600		2,600
(A) Rail Freight — Reimbursement	139	200		200
Civil Air Patrol	100	95		.....
Subtotal — State Funds	\$ 264,872	\$ 270,785		\$ 276,824
Subtotal — Federal Funds	5,877	11,200		9,700
Subtotal — Augmentations	139	200		200
Subtotal — Restricted Revenue	2,356	4,220		3,698
Total — Grants and Subsidies	\$ 273,244	\$ 286,405		\$ 290,422
STATE FUNDS	\$ 269,111	\$ 275,217		\$ 282,441
FEDERAL FUNDS	11,124	18,347		17,239
AUGMENTATIONS	154	220		230
RESTRICTED REVENUES	2,466	5,220		4,698
GENERAL FUND TOTAL	\$ 282,855	\$ 299,004		\$ 304,608

^a Actually appropriated as Mass Transit Operations.

^b Not added to the total to avoid double counting: 1992-93 Actual is \$20,000; 1993-94 Available is \$7,000 and 1994-95 Budget is \$12,000.

TRANSPORTATION

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available		1994-95 Budget
MOTOR LICENSE FUND:				
GENERAL GOVERNMENT:				
General Government Operations	\$ 24,892	\$ 26,893	\$	27,594
Refunding Collected Monies (EA)	2,296	2,500	\$	2,500
(A) Mass Transportation	110	105		123
(A) Duplicating Services	64	145		150
(A) Aviation Restricted Revenue	107	197		107
(A) Administrative Hearings	13	20		20
Subtotal — State Funds	\$ 27,188	\$ 29,393	\$	30,094
Subtotal — Augmentations	294	467		400
Total — General Government Operations	\$ 27,482	\$ 29,860	\$	30,494
Highway and Safety Improvement	\$ 127,657	\$ 135,000		171,400
Metric Conversion .....	.....	5,000		5,000
(F) Highway Research, Planning and Construction	334,792	465,000		552,400
(F) Highway Safety Program	183	200		200
(A) Highway Construction Contributions	8,493	5,300		8,000
(A) Capital Facilities Fund — Highways .....	.....^a	.....^a		.....
(A) Mass Transportation	268	.....		.....
(R) Highway Capital Projects — Excise Tax (EA)	48,443	48,623		47,746
(R) Highway Bridge Projects (EA)	6,677	14,800		46,100
(R) Bridges — Excise Tax (EA)	37,044	37,182		36,513
(F) Federal Aid — Highway Bridge Projects	103,909	100,000		105,000
(A) Bridge Construction Contributions	2,015	3,500		3,500
(A) Capital Facilities Fund — Bridges .....	.....^b	.....^b		.....^b
(A) Bridge Reimbursement from Local Governments	4	500		500
Subtotal — State Funds	\$ 127,657	\$ 140,000	\$	176,400
Subtotal — Federal Funds	438,884	565,200		657,600
Subtotal — Augmentations	10,780	9,300		12,000
Subtotal — Restricted Revenue	92,164	100,605		130,359
Total — Highway and Safety Improvements	\$ 669,485	\$ 815,105	\$	976,359

^a Not added to the total to avoid double counting: 1992-93 Actual is \$23,910,000, and 1993-94 Available is \$16,555,000.

^b Not added to the total to avoid double counting: 1992-93 Actual is \$0; 1993-94 Available is \$39,500,000 and 1994-95 Budget is \$24,500,000.

TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Budget
GENERAL GOVERNMENT (continued):			
Highway Maintenance	\$ 548,318	\$ 538,947	\$ 571,967
Secondary Roads — Maintenance and Resurfacing (EA)	55,000	55,452	56,130
Highway Maintenance — Supplemental	17,384	37,575	16,903
Reinvestment — Facilities	2,000	3,000	6,000
Local Bridge Inspection	270	625	425
(F) Highway Research, Planning and Construction	126,087	160,765	150,000
(F) State and Community Highway Safety	79	2,200	2,000
(F) Federal Reimbursement — OEP	6,322	2,035	.....
(F) Local Bridge Inspection	598	1,875	1,275
(R) Highway Maintenance — Excise Tax (EA)	119,682	120,127	117,958
(A) Highway Maintenance Contributions	7,398	6,866	8,406
(A) Sale of Automobiles	102	150	150
(A) Sale of Gas, Oil and Antifreeze	1,448	1,900	1,500
(A) Sale of Equipment	690	2,000	2,000
(A) Heavy Hauling-Bonded Roads	417	500	500
(A) Sale of Signs	60	140	100
(A) Accident Damage Claims	2,941	4,500	3,500
(A) Litter Fine Receipts	9	9	9
(A) Recovered Permit Compliance Cost	23	35	35
Subtotal — State Funds	\$ 622,972	\$ 635,599	\$ 651,425
Subtotal — Federal Funds	133,086	166,875	153,275
Subtotal — Augmentations	13,088	16,100	16,200
Subtotal — Restricted Revenue	119,682	120,127	117,958
Total — Highway Maintenance	\$ 888,828	\$ 938,701	\$ 938,858
Safety Administration and Licensing	\$ 60,440^a	\$ 77,898	\$ 78,445
(F) State and Community Highway Safety	1,389	630	300
(A) Administrative Support	87	100	100
(A) Computer Support	139	160	160
(A) Photo ID Program	4,601	4,740	8,900
(A) Vehicle Sales Tax Collections .....	.....^b	.....^b	.....^b
(A) Emission Mechanic Training Courses	5	10	10
(A) Video Sales Reimbursement	1	10	10
Subtotal — State Funds	\$ 60,440	\$ 77,898	\$ 78,445
Subtotal — Federal Funds	1,389	630	300
Subtotal — Augmentations	4,833	5,020	9,180
Total — Safety Administration and Licensing	\$ 66,662	\$ 83,548	\$ 87,925

^a Actually appropriated as Safety Administration and Licensing \$55,708,000, Motor Vehicle Insurance Compliance \$2,096,000 and Commercial Drivers Licensing \$2,636,000.

^b Not added to the total to avoid double counting: 1992-93 Actual is \$1,640,000; 1993-94 Available and 1994-95 Budget is \$1,706,000.

TRANSPORTATION

	1992-93 Actual	(Dollar Amounts in Thousands)	1993-94 Available	1994-95 Budget
GENERAL GOVERNMENT (continued):				
(R) Aviation Operations ^a	\$ 9,548		\$ 13,261	\$ 10,999
(F) Airport Development Aid Program	7		91	25
(F) Airport Inspection	22		35	36
(F) Federal Aid — HIA	818		3,942	1,190
(F) Federal Aid — Other State Airports	829		1,197	1,195
(A) HIA Utility Services	105		109	84
(A) Other State Airports Utility Services	30		84	35
(A) Flight Operations	414		385	387
(A) Police Citations — HIA	5		18	4
(A) Airport Inspections and Licensing	15		5	5
(A) Airport Improvement Program — Other State Airports	376		216	96
(A) Industrial Park Reimbursements	117		519	65
(A) Improvement Program — HIA	242		203	66
(A) General Fund Reimbursement	8		.....	.....
Subtotal — Federal Funds	\$ 1,676		\$ 5,265	\$ 2,446
Subtotal — Augmentations	1,312		1,539	742
Subtotal — Restricted Revenue	9,548		13,261	10,999
Total — Aviation Operations	\$ 12,536		\$ 20,065	\$ 14,187
Subtotal — State Funds	\$ 838,257		\$ 882,890	\$ 936,364
Subtotal — Federal Funds	575,035		737,970	813,621
Subtotal — Augmentations	30,307		32,426	38,522
Subtotal — Restricted Revenue	221,394		233,993	259,316
Total — General Government	\$ 1,664,993		\$ 1,887,279	\$ 2,047,823
 GRANTS AND SUBSIDIES:				
Local Road Maintenance and Construction Payments	\$ 157,598		\$ 159,685	\$ 164,332
Supplemental Local Road Maintenance and Construction Payments	5,000		5,000	5,000
(R) Local Road Payments — Excise Tax (EA)	34,195		34,323	33,703
(R) Local Grants For Bridge Projects (EA)	15,928		30,000	34,000
(R) County Bridges — Excise Tax (EA)	58		2,860	7,281
(F) Federal Aid-Local Grants for Bridge Projects	511		800	800
(A) Local Governments	115		300	300
(R) Toll Roads — Excise Tax (EA)	38,271		39,613	40,101
(R) Annual Maintenance Payments — Highway Transfer (EA)	8,863		9,288	9,588
(R) Restoration Projects — Highway Transfer (EA)	7,933		5,898	7,463
(R) Business Airport Grants ^a	2,000		2,000	2,000
(R) Airport Development ^a	4,000		4,000	4,000
(R) Runway Rehabilitation ^a	500		500	500
(R) Real Estate Tax Rebate ^a	430		250	360
Subtotal — State Funds	\$ 162,598		\$ 164,685	\$ 169,332
Subtotal — Federal Funds	511		800	800
Subtotal — Augmentations	115		300	300
Subtotal — Restricted Revenue	112,178		128,732	138,996
Total — Grants and Subsidies	\$ 275,402		\$ 294,517	\$ 309,428
STATE FUNDS	\$ 1,000,855		\$ 1,047,575	\$ 1,105,696
FEDERAL FUNDS	575,546		738,770	814,421
AUGMENTATIONS	30,422		32,726	38,822
RESTRICTED REVENUES	333,572		362,725	398,312
MOTOR LICENSE FUND TOTAL	\$ 1,940,395		\$ 2,181,796	\$ 2,357,251

^a Appropriation from restricted revenue account.

TRANSPORTATION

(Dollar Amounts in Thousands)

	1992-93 Actual	1993-94 Available	1994-95 Budget
LOTTERY FUND			
<i>GRANTS AND SUBSIDIES:</i>			
Older Pennsylvanians Free Transit (EA)	\$ 53,400	\$ 56,527	\$ 56,100
Older Pennsylvanians Shared Rides (EA)	53,655	55,900	54,925
Total — Grants and Subsidies	\$ 107,055	\$ 112,427	\$ 111,025
LOTTERY FUND TOTAL	\$ 107,055	\$ 112,427	\$ 111,025
 OTHER FUNDS			
<i>GENERAL FUND:</i>			
Federal Grants-Railroad Freight Rehabilitation	\$ 397	\$ 1,000	\$ 500
GENERAL FUND TOTAL	\$ 397	\$ 1,000	\$ 500
 <i>MOTOR LICENSE FUND:</i>			
Federal Reimbursements — Highway Safety Program	\$ 4,364	\$ 5,100	\$ 5,200
Federal Grants — Airport Development Aid Program .....	.....	50	.....
Reimbursements to Municipalities — Vehicle Code Fines and Penalties	13,193	14,750	15,000
Federal Reimbursements — Flood Related Costs	178	500	500
Reimbursements to Other States — Apportioned Registration Plan ..	20,284	22,000	23,000
Federal Reimbursements — Bridge Projects	10,478	20,000	20,000
Motorcycle Safety Education	1,064	2,000	2,100
Equipment Rental Security Deposits .....	.....	100	100
Payments to Blind/Visually Handicapped	1,233	1,500	1,600
Federal Reimbursements — Political Subdivisions	16,503	16,000	17,000
Federal Aid — Timber Bridges	31	75	75
License and Registration Pickups .....	.....	15	10
Backup Withholding — IRS	1	.....	.....
MOTOR LICENSE FUND TOTAL	\$ 67,329	\$ 82,090	\$ 84,585
 <i>HIGHWAY BEAUTIFICATION FUND:</i>			
Control of Junkyards (EA)	\$ 6	\$ 25	\$ 25
Control of Outdoor Advertising (EA)	1,014	1,100	1,100
HIGHWAY BEAUTIFICATION FUND TOTAL	\$ 1,020	\$ 1,125	\$ 1,125
 <i>MOTOR VEHICLE TRANSPORTATION RECOVERY FUND:</i>			
Reimbursement to Transportation	\$ 106	250	\$ 250
MOTOR VEHICLE TRANSPORTATION RECOVERY FUND TOTAL	\$ 106	\$ 250	\$ 250
 <i>LIQUID FUELS TAX FUND:</i>			
Payments to Counties	\$ 25,919	\$ 25,315	\$ 25,390
LIQUID FUELS TAX FUND TOTAL	\$ 25,919	\$ 25,315	\$ 25,390

TRANSPORTATION

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
OTHER FUNDS (continued)			
<i>PUBLIC TRANSPORTATION ASSISTANCE FUND:</i>			
Transfer to General Fund (EA) .....	.....^a	.....^a	.....^a
Mass Transit Grants (EA)	\$ 142,817	\$ 145,525	\$ 150,085
Rural and Intercity Transit Grants (EA)	4,160	4,476	4,565
	<u>146,977</u>	<u>150,001</u>	<u>154,650</u>
PUBLIC TRANSPORTATION ASSISTANCE FUND TOTAL ..	\$ 146,977	\$ 150,001	\$ 154,650
OTHER FUNDS TOTAL	\$ 241,748	\$ 259,781	\$ 266,500
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 269,111	\$ 275,217	\$ 282,441
SPECIAL FUNDS	1,107,910	1,160,002	1,216,721
FEDERAL FUNDS	586,670	757,117	831,660
AUGMENTATIONS	30,576	32,946	39,052
RESTRICTED REVENUE	336,038	367,945	403,010
OTHER FUNDS	241,748	259,781	266,500
	<u>2,572,053</u>	<u>2,853,008</u>	<u>3,039,384</u>
TOTAL ALL FUNDS	\$ 2,572,053	\$ 2,853,008	\$ 3,039,384

^a Not added to the total to avoid double counting: 1992-93 Actual is \$4,679,000; 1993-94 Available is \$4,687,000 and 1994-95 Budget is \$4,699,000.

TRANSPORTATION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
	ACTUAL	AVAILABLE	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED
TRANSPORTATION SUPPORT SERVICES							
General Funds.....	\$ 1,378	\$ 1,474	\$ 1,681	\$ 1,681	\$ 1,581	\$ 1,581	\$ 1,581
Special Funds.....	27,188	29,393	30,094	30,780	31,628	32,502	33,402
Federal Funds.....	5,247	7,147	7,539	7,539	7,539	7,539	7,539
Other Funds.....	405	1,467	1,400	1,423	1,448	1,467	1,490
TOTAL.....	\$ 34,218	\$ 39,481	\$ 40,714	\$ 41,423	\$ 42,196	\$ 43,089	\$ 44,012
STATE HIGHWAY AND BRIDGE CONSTRUCTION/RECONSTRUCTION							
Special Funds.....	\$ 127,657	\$ 140,000	\$ 176,400	\$ 160,800	\$ 171,200	\$ 160,200	\$ 160,100
Federal Funds.....	438,884	565,200	657,600	674,000	705,000	690,000	690,000
Other Funds.....	109,555	118,561	152,272	120,607	116,046	119,666	115,737
TOTAL.....	\$ 676,096	\$ 823,761	\$ 986,272	\$ 955,407	\$ 992,246	\$ 969,866	\$ 965,837
STATE HIGHWAY AND BRIDGE MAINTENANCE							
General Funds.....	\$ 898	\$ 916	\$ 1,144	\$ 1,371	\$ 1,371	\$ 1,371	\$ 1,371
Special Funds.....	622,702	634,974	651,000	615,500	637,500	651,500	651,750
Federal Funds.....	132,488	165,000	152,000	127,000	127,000	127,000	127,000
Other Funds.....	171,225	175,509	172,871	162,744	174,680	180,988	173,605
TOTAL.....	\$ 927,313	\$ 976,399	\$ 977,015	\$ 906,615	\$ 940,551	\$ 960,859	\$ 953,726
LOCAL HIGHWAY AND BRIDGE ASSISTANCE							
Special Funds.....	\$ 162,868	\$ 165,310	\$ 169,757	\$ 168,608	\$ 169,623	\$ 169,924	\$ 170,431
Federal Funds.....	1,109	2,675	2,075	2,600	2,100	2,600	2,100
Other Funds.....	133,216	158,809	169,800	154,977	157,146	161,788	162,539
TOTAL.....	\$ 297,193	\$ 326,794	\$ 341,632	\$ 326,185	\$ 328,869	\$ 334,312	\$ 335,070
URBAN MASS TRANSPORTATION							
General Funds.....	\$ 233,256	\$ 238,131	\$ 245,275	\$ 245,275	\$ 245,275	\$ 245,275	\$ 245,275
Other Funds.....	142,817	145,525	150,085	154,357	159,451	164,553	169,962
TOTAL.....	\$ 376,073	\$ 383,656	\$ 395,360	\$ 399,632	\$ 404,726	\$ 409,828	\$ 415,237
RURAL AND INTERCITY RAIL AND BUS TRANSPORTATION							
General Funds.....	\$ 6,749	\$ 7,805	\$ 6,805	\$ 6,805	\$ 6,805	\$ 6,805	\$ 6,805
Federal Funds.....	5,877	11,200	9,700	9,700	9,700	9,700	9,700
Other Funds.....	4,876	7,072	6,693	6,842	7,013	7,183	7,364
TOTAL.....	\$ 17,502	\$ 26,077	\$ 23,198	\$ 23,347	\$ 23,518	\$ 23,688	\$ 23,869

TRANSPORTATION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
AIR TRANSPORTATION							
General Funds.....	\$ 100	\$ 95	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds.....	1,676	5,265	2,446	2,446	2,446	2,446	2,446
Other Funds.....	17,790	21,600	18,601	19,123	19,818	20,351	21,026
TOTAL.....	\$ 19,566	\$ 26,960	\$ 21,047	\$ 21,569	\$ 22,264	\$ 22,797	\$ 23,472
SAFETY ADMINISTRATION AND LICENSING							
General Funds.....	\$ 1,640	\$ 1,706	\$ 2,446	\$ 2,017	\$ 2,035	\$ 2,048	\$ 2,066
Special Funds.....	60,440	77,898	78,445	79,123	81,496	83,941	86,459
Federal Funds.....	1,389	630	300	300	300	300	300
Other Funds.....	26,287	29,285	34,540	35,657	36,775	37,890	39,008
TOTAL.....	\$ 89,756	\$ 109,519	\$ 115,731	\$ 117,097	\$ 120,606	\$ 124,179	\$ 127,833
OLDER PENNSYLVANIANS TRANSIT							
General Funds.....	\$ 25,090	\$ 25,090	\$ 25,090	\$ 25,090	\$ 25,090	\$ 25,090	\$ 25,090
Special Funds.....	107,055	112,427	111,025	115,810	120,572	125,729	131,102
Other Funds.....	2,191	2,844	2,300	2,300	2,300	2,300	2,300
TOTAL.....	\$ 134,336	\$ 140,361	\$ 138,415	\$ 143,200	\$ 147,962	\$ 153,119	\$ 158,492
ALL PROGRAMS:							
GENERAL FUND.....	\$ 269,111	\$ 275,217	\$ 282,441	\$ 282,239	\$ 282,157	\$ 282,170	\$ 282,188
SPECIAL FUNDS.....	1,107,910	1,160,002	1,216,721	1,170,621	1,212,019	1,223,796	1,233,244
FEDERAL FUNDS.....	586,670	757,117	831,660	823,585	854,085	839,585	839,085
OTHER FUNDS.....	608,362	660,672	708,562	658,030	674,677	696,186	693,031
TOTAL.....	\$ 2,572,053	\$ 2,853,008	\$ 3,039,384	\$ 2,934,475	\$ 3,022,938	\$ 3,041,737	\$ 3,047,548

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, rail freight transportation and oversight responsibility of the Public Transportation Assistance Fund created by Act 26 of 1991. 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 Transportation Advisory Committee are included within this program.

Program Recommendations:

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

<p>GENERAL FUND: Transit and Rail Freight Operations \$ 107 —to continue current program.</p> <p>Comprehensive Rail Freight Study 100 —Initiative — Comprehensive Rail Freight Study. To meet Federal requirements for a comprehensive rail plan.</p>	<p>MOTOR LICENSE FUND: General Government Operations \$ 701 —to continue current program.</p>
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Refunding Collected Monies is recommended at the current year level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Transit and Rail Freight Operations	\$ 1,378	\$ 1,474	\$ 1,581	\$ 1,581	\$ 1,581	\$ 1,581	\$ 1,581
Comprehensive Rail Freight Study . . . . .	. . . . .	. . . . .	100	100	. . . . .	. . . . .	. . . . .
TOTAL GENERAL FUND	\$ 1,378	\$ 1,474	\$ 1,681	\$ 1,681	\$ 1,581	\$ 1,581	\$ 1,581
MOTOR LICENSE FUND:							
General Government Operations	\$ 24,892	\$ 26,893	\$ 27,594	\$ 28,280	\$ 29,128	\$ 30,002	\$ 30,902
Refunding Collected Monies	2,296	2,500	2,500	2,500	2,500	2,500	2,500
TOTAL MOTOR LICENSE FUND	\$ 27,188	\$ 29,393	\$ 30,094	\$ 30,780	\$ 31,628	\$ 32,502	\$ 33,402

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 Commonwealth's 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 Interstate and major primary 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, the Department of 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 capital projects and 13 percent to bridges.

including projects to enhance safety and mobility.

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.

Act 26 of 1991 provides additional State highway and bridge construction/reconstruction funds through a 55 mill Oil Company Franchise Tax of which 17 percent is specifically dedicated to highway

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Miles of construction on new right-of-way	25	14	10	18	23	28	15
Miles of Interstate reconstruction	41	127	117	21	90	90	90
Miles of non-Interstate reconstruction	26	44	34	49	45	54	61
Intersections improved to increase safety and capacity	146	200	225	225	225	240	250
Bridges maintained (larger than 8 feet)	25,752	25,760	25,765	25,770	25,775	25,780	25,785
Bridges replaced/repaired	274	282	265	265	265	255	245

The miles of construction on new right-of-way has increased compared to the prior year's budget since it reflects a shift in program emphasis from miles of non-Interstate reconstruction starting in 1993-94.

New and reconstructed mile measures are project specific and are subject to material fluctuations as a result of factors such as changes in scheduling and completions on a year to year basis.

Program Recommendations:

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

- \$ 400 **Highway and Safety Improvement**
 - PRR — Management System Enhancements. This Program Revision provides funding to develop systems for planning and managing the transportation infrastructure as required by the Federal Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991. See the Program Revision following this program for further information.
- 36,000 —to continue current program. This funding is in combination with Act 26 of 1991 revenues for 1994-95 of \$47.746 million (17 percent of 55 mills) for highway construction/reconstruction. With the completion of the Commonwealth's Interstate Highway System in 1991, new construction has shifted to highway projects that will spur economic development. Key economic development projects that will be underway in 1994-95 include new construction of the Lackawanna Valley Industrial Highway in Lackawanna County, relocation of US 15 between Oak Lynn and Trout Run in Lycoming County, reconstruction of the Harrisburg Expressway (PA 581) in Cumberland County, reconstruction and restoration of sections of PA 56 in the vicinity of Johnstown in Cambria County, widening of

Peninsula Drive in Erie County, widening and reconstruction of US 22 between Five Points and Shieldsburg in Westmoreland County, construction of a new four-lane divided highway to connect I-81 and the Carlisle Pike in Cumberland County, construction of the Airport Parkway/Robinson Towne Center interchange in Allegheny County, improvement of US 220 between Bald Eagle and I-80 in Centre County, the reconstruction of Delaware Avenue between Reed and Race Streets in Philadelphia County and US 15 relocation from Sebring to PA 2023 in Tioga County.

Another priority is the reconstruction of the Interstate Highway System. During 1994-95, key projects in this area will include 19.2 miles of Interstate 70 in Washington County, 4 miles of Interstate 78 in Berks County, 2 miles of Interstate 79 in Allegheny County, 4.9 miles of Interstate 79 in Erie County, 4 miles of Interstate 79 in Greene County, 8.7 miles of Interstate 80 in Clinton County, 5.7 miles of Interstate 80 in Columbia County, 8.7 miles of Interstate 80 in Mercer County, 12 miles of Interstate 81 in Luzerne County, 3.9 miles of Interstate 83 in York County and 19 miles of Interstate 81 in Dauphin/Lebanon Counties.

\$ 36,400 *Appropriation Increase*

TRANSPORTATION

Program State Highway and Bridge Construction/Reconstruction (continued)

Program Recommendations: (continued)

Bridge Restricted Revenue

—Major bridge projects started or underway from the Bridge Restricted Revenue Account and Act 26 of 1991 revenues during 1994-95 include the Peninsula Drive Bridge in Erie County, the Petroleum Street Bridge in Venango County, the Eagle Road Bridge in Delaware County, the Platt Bridge in Philadelphia, the Leaman Place Bridge in Lancaster County, the Lyndora Viaduct and Moores Corner Bridge in Butler County, the Smithfield Street Bridge in

Allegheny County, the Conneaut Swamp Bridge in Crawford County, the Newton Hamilton Bridge in Mifflin County, the Duryea Conrail Bridge in Luzerne County, Treichlers Bridge in Lehigh County, the Bridge Street Bridge in Montgomery County, the Stony Brook Bridge in York County, the Maple Avenue Bridge in Cambria County and the Big Beaver Boulevard Bridge in Beaver County.

Metric Conversion is recommended at the current year level

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
MOTOR LICENSE FUND:							
Highway and Safety Improvement.....	\$ 127,657	\$ 135,000	\$ 171,400	\$ 150,800	\$ 160,200	\$ 160,200	\$ 160,100
Metric Conversion.....	.....	5,000	5,000	10,000	11,000	.....	.....
TOTAL MOTOR LICENSE FUND....	\$ 127,657	\$ 140,000	\$ 176,400	\$ 160,800	\$ 171,200	\$ 160,200	\$ 160,100

TRANSPORTATION

Program Revision: Management System Enhancements

The condition of the nation's infrastructure has become a newsworthy topic in recent years as the Federal Government and states have struggled to accommodate rapidly growing transportation needs within increasingly tight budgets. In an effort to make the best use of available funds, the Federal Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 requires states to take steps to protect the nation's current and future investment in infrastructure resources.

Under ISTEA requirements, states must develop and implement automated and manual data systems that will serve as decision support tools for planning and managing the infrastructure system. Each state must develop systems to manage seven areas critical to surface transportation: bridges, highways, road pavement, traffic congestion, traffic monitoring, public transportation facilities and equipment, and intermodal facilities. ISTEA, the primary source of Federal funds for surface transportation projects, requires states to begin implementing these systems in Federal fiscal year 1995 and to comply with continuing

guidelines for annual certification. Up to 10 percent of Pennsylvania's transportation funding could be withheld for noncompliance.

The Pennsylvania Department of Transportation's compliance effort began in 1993 with the preparation of a plan to identify specific ISTEA requirements and to coordinate the work required for systems development. This Program Revision will begin to implement the plan by providing a State appropriation of \$400,000 that, in conjunction with \$1.6 million in Federal matching funds, will be used for a study which will assess the adequacy of the department's existing infrastructure management systems to determine the mix of automated and manual systems needed to meet the ISTEA guidelines. Further implementation will proceed in phases as individual systems are modified or installed to meet ISTEA criteria. Future year funding will be required to complete the phase-in of each system which will permit the Commonwealth to meet annual certification requirements. Current projections anticipate all systems will be in compliance by 1998-99.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Percent of project completed							
Current
Program Revision	25%	70%	85%	95%	100%
Systems in compliance							
Current
Program Revision	1	3	5	6	7

Program Revision Recommendations:

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

MOTOR LICENSE FUND
Highway and Safety Improvement
 \$ 400 —to continue the department's efforts to improve the planning and management of surface transportation resources as required by ISTEA.

The Department of Transportation will also use \$1.6 million in Federal Highway Research, Planning and Construction funding to implement this Program Revision.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
MOTOR LICENSE FUND:							
Highway and Safety Improvement	<u>\$ 400</u>	<u>\$ 800</u>	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 100</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 case

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 Safety 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.

The accident analysis program uses computer programs to identify those highway locations which have experienced statistically more accidents than similar roads 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. These programs allow for the ranking of high-accident locations and provide a systematic means of selecting the highest priority sites for maintenance and betterment.

Act 26 of 1991 provides additional State highway and bridge maintenance funds through a 55 mill Oil Company Franchise Tax; 42 percent is specifically dedicated for highway maintenance.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Miles of State maintained highways	40,353	40,252	40,117	40,050	39,979	39,919	39,851
Miles of State maintained highways improved:							
Resurfaced	310	266	202	200	200	200	200
Surface treated	6,705	6,046	5,798	5,170	5,550	5,570	5,030
Total	7,015	6,312	6,000	5,370	5,750	5,770	5,230
Truck weight and safety enforcement:							
Trucks weighed	467,490	468,000	468,000	468,000	468,000	468,000	468,000
Weight violations	5,138	5,200	5,200	5,200	5,200	5,200	5,200
Trucks inspected	16,108	16,000	16,000	16,000	16,000	16,000	16,000
Safety violations	34,337	34,000	34,000	34,000	34,000	34,000	34,000

The measure truck weight and safety enforcement, trucks weighed, is higher than shown in last year's budget due to the increased use of weigh-in-motion technology.

TRANSPORTATION

Program: State Highway and Bridge Maintenance (continued)

Program Recommendations:

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

GENERAL FUND:			
Welcome Centers			Highway Maintenance Supplemental
\$	74	—to continue current program.	\$ -20,672 —to continue current program.
	154	—to open new Welcome Centers in Greene, Washington and Pike Counties.	
	228	Appropriation Increase	
			Reinvestment — Facilities
			\$ 1,000 —to continue current program.
			2,000 —to expand program to include maintenance stockpile facilities and driver exam sites.
			\$ 3,000 Appropriation Increase
MOTOR LICENSE FUND:			
		Highway Maintenance	
\$	33,020	—to continue current program.	
Secondary Roads—Maintenance and Resurfacing			
\$	678	—to continue current program.	

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Welcome Centers	\$ 898	\$ 916	\$ 1,144	\$ 1,371	\$ 1,371	\$ 1,371	\$ 1,371
MOTOR LICENSE FUND:							
Highway Maintenance	\$ 548,318	\$ 538,947	\$ 571,967	\$ 551,873	\$ 537,070	\$ 568,000	\$ 571,630
Secondary Roads — Maintenance and Resurfacing	55,000	55,452	56,130	53,122	57,330	59,496	56,870
Highway Maintenance Supplemental	17,384	37,575	16,903	4,505	37,600	18,504	18,000
Reinvestment — Facilities	2,000	3,000	6,000	6,000	5,500	5,500	5,250
TOTAL MOTOR LICENSE FUND.....	\$ 622,702	\$ 634,974	\$ 651,000	\$ 615,500	\$ 637,500	\$ 651,500	\$ 651,750

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 programs to assist municipalities in the maintenance and construction of their highway and 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 municipalities. Also included in the distribution to municipalities is (a) 35 mills of the first 60 mill portion of the oil franchise tax and (b) 12 percent of the 55 mill portion of the oil franchise tax. 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 functionally local roads to acceptable standards and to provide annual maintenance payments in the amount of \$2,500 per mile. Since inception of the program in 1983 more than 3,800 miles of these roads have been returned 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. This program is being administered by the department to assist local governments in meeting the requirements of National Bridge Inspection Standards as mandated by Federal Law. This action prevents 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 charged directly to the individual municipality.

Act 26 of 1991 provides additional local highway and bridge assistance funds through a 55 mill Oil Company Franchise Tax and one percent is specifically dedicated for county bridges.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Miles of highway locally administered:							
Total	71,353	71,768	72,188	72,548	72,922	73,270	73,603
Percent of all highways in the Commonwealth	63.9%	64.1%	64.3%	64.4%	64.6%	64.7%	64.9%
Miles of local highways improved	1,681	1,500	1,500	1,500	1,500	1,500	1,500
Local bridges:							
Total (Greater than 20 feet)	6,355	6,358	6,361	6,364	6,367	6,370	6,373
Brought up to standard through State Bridge Program	57	85	95	95	85	85	90

The miles of local highways improved is higher than shown in last year's budget to fully reflect the impact of additional revenues provided by Act 26 of 1991.

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>\$ 4,647 —to continue program based on current year estimated revenue collections.</p>	<p>Local Bridge Inspection</p> <p>\$ -200 —to continue current program.</p>
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Supplemental Local Road Maintenance and Construction Payments is recommended at the current year level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
MOTOR LICENSE FUND:							
Local Road Maintenance and Construction Payments	\$ 157,598	\$ 159,685	\$ 164,332	\$ 163,008	\$ 164,123	\$ 164,324	\$ 164,931
Supplemental Local Road Maintenance and Construction Payments	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Local Bridge Inspection	270	625	425	600	500	600	500
TOTAL MOTOR LICENSE FUND.....	<u>\$ 162,868</u>	<u>\$ 165,310</u>	<u>\$ 169,757</u>	<u>\$ 168,608</u>	<u>\$ 169,623</u>	<u>\$ 169,924</u>	<u>\$ 170,431</u>

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 26 of 1991 made numerous revisions to the Pennsylvania Urban Mass Transportation Law including the establishment of the Public Transportation Assistance Fund. This fund provides a dedicated source of revenue to the Commonwealth's transit providers and can be used for capital replacement and asset maintenance. The new source of transit revenue is in addition to the mass transit assistance program funded out of the General Fund. The General Fund program is based on fixed percentages of the total amount appropriated annually by the General Assembly. These percentages take into consideration historical funding, farebox 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, provides grants to the State's twenty-one urban transit systems. Generally Pennsylvania provides 41 percent of transit system income including lottery funds, while passenger revenues, Federal and local funds provide the balance. Individuals took over 313 million trips on public transit in the State's urbanized areas last year.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Urban passengers carried by State-assisted operators (millions annually)	313.7	312.9	312.9	312.9	312.9	312.9	312.9
Passengers per vehicle hour	32.2	29.3	29.3	29.3	29.3	29.3	29.3
Percentage share of average income of urban mass transit trips:							
From passenger	42.6%	42.4%	41.6%	42.2%	42.6%	43.0%	43.4%
From Commonwealth	40.8%	41.3%	41.9%	41.3%	40.8%	40.2%	39.7%
From Federal Government	6.1%	5.9%	5.9%	5.9%	5.9%	6.0%	6.0%
From local government	10.5%	10.4%	10.6%	10.6%	10.7%	10.8%	10.9%

The urban passengers carried by State-assisted operators is lower than projected in last year's budget due to revisions based on actual performance.

Program Recommendations:

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

GENERAL FUND:		Mass Transportation Assistance
Rail Safety Inspection	\$ 7,134	—to continue current program.
\$ 10 —to continue current program.		

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Rail Safety Inspection	\$ 323	\$ 336	\$ 346	\$ 346	\$ 346	\$ 346	\$ 346
Mass Transportation Assistance	232,933	237,795	244,929	244,929	244,929	244,929	244,929
TOTAL GENERAL FUND	\$ 233,256	\$ 238,131	\$ 245,275	\$ 245,275	\$ 245,275	\$ 245,275	\$ 245,275

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 the department 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 transportation.

Act 26 of 1991 established the Public Transportation Assistance Fund as a dedicated source of funds to help provide for the capital, asset maintenance and certain other needs of the Commonwealth's small rural transit systems.

The Commonwealth's intercity bus program supports systems where without operating assistance essential service would be terminated. It is estimated that 310,000 passengers will utilize Commonwealth subsidized intercity bus services in 1994-95. 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 112 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:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Total State cost per bus passenger:							
Rural and small urban	\$.61	\$.59	\$.59	\$.59	\$.59	\$.59	\$.59
Intercity	\$4.41	\$4.27	\$4.27	\$4.27	\$4.27	\$4.27	\$4.27
Rail Passenger:							
Average fare	\$28.23	\$28.12	\$28.12	\$28.12	\$28.12	\$28.12	\$28.12
State cost per patron on assisted runs	\$2.22	\$2.50	\$2.39	\$2.39	\$2.39	\$2.39	\$2.39
Rail Freight:							
Miles of rail lines							
State assisted	280	300	243	213	213	213	213
State owned	112	103	103	103	103	103	103
Miles of rail lines rehabilitated:							
Federal/local assistance program	15	40	20				
Accelerated Rail Maintenance Assistance Program	168	197	140	110	110	110	110

Total State cost per bus passenger Intercity, is higher than the amounts shown in last year's budget due to a decrease in ridership.

The rail freight miles of rail lines State owned and miles of rail lines rehabilitated Accelerated Rail Maintenance Assistance Program, are higher in 1993-94 and 1994-95 than in last year's budget due to the completion of a nonrecurring project.

For miles of rail lines rehabilitated, Federal/local assistance program, no Federal funding is anticipated for 1995-96 and subsequent years.

Program Recommendations:

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

GENERAL FUND
Rail Freight Assistance
 \$ -1,000 —nonrecurring project.

Rural and Intercity Rail and Bus Transportation is recommended at the current year level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Rural and Intercity Rail and Bus							
Transportation	\$ 4,149	\$ 4,205	\$ 4,205	\$ 4,205	\$ 4,205	\$ 4,205	\$ 4,205
Rail Freight Assistance	2,600	3,600	2,600	2,600	2,600	2,600	2,600
TOTAL GENERAL FUND	\$ 6,749	\$ 7,805	\$ 6,805	\$ 6,805	\$ 6,805	\$ 6,805	\$ 6,805

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 fourth 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 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.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Harrisburg International Airport (HIA):							
Passengers handled	1,370,805	1,436,603	1,502,687	1,561,292	1,633,111	1,698,436	1,781,659
Flights handled	89,984	93,493	96,578	99,669	102,260	106,146	111,984
Tons of cargo handled	27,803	29,200	30,650	32,200	33,800	35,500	37,250
Airports receiving State grants:							
Runway rehabilitation grants	15	14	16	16	16	16	16
Airport development grants	29	35	36	37	38	38	38
Business airport grants	22	22	22	22	23	24	24

The passengers handled at HIA are higher than anticipated versus data shown in last year's budget due to increased demand.

The flights handled at HIA are lower than anticipated versus data shown in last year's budget due to airlines switching to larger airplanes for regional flights.

The tons of cargo handled data is lower than reflected in last year's budget document due to lower than expected demand.

Program Recommendations:

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

GENERAL FUND:
Civil Air Patrol
 \$ -95 —nonrecurring project.

The Business Airport Grants are recommended to continue at the \$2 million level and the Airport Development Grants at the \$4 million level. Both of these amounts are appropriated from the Aviation Restricted Revenue Account.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Civil Air Patrol	\$ 100	\$ 95					

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, over 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 103,000 trailers registered at greater than 10,000 pounds. In 1992-93, 8 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. Prior to January 1993, the State Police performed examinations with the Department of Transportation issuing the licenses and maintaining records. In January 1993, the driver examination function was transferred from the State Police to the Department of Transportation and added to the department's existing responsibilities for issuing licenses and maintaining records. A more extensive program of commercial and bus driver testing has been 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 3.2 million vehicles annually and is intended to reduce subject vehicle carbon monoxide and hydrocarbon pollutants and improve air quality. Currently affected are the Pittsburgh and Allentown-Bethlehem-Easton metropolitan areas (specific zip codes) and the Philadelphia region consisting of five counties. The emission inspection program will expand to 14 additional counties by January 1, 1995, as required by the Federal Clean Air Act Amendments of 1990. The department licenses inspection stations, trains and vehicle inspection mechanics and periodically checks inspection stations, records and work of mechanics to assure compliance with approved emission program requirements.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Vehicles inspected:							
Safety inspections	8,472,203	8,556,925	8,642,494	8,728,919	8,816,208	8,904,370	8,993,414
Emission inspections	3,237,285	3,269,657	4,050,000	2,929,000	2,958,290	2,987,873	3,017,752
Registrations:							
New	1,422,445	1,436,669	1,451,036	1,465,546	1,480,201	1,495,003	1,509,954
Renewed	7,553,070	7,628,600	7,704,886	7,781,935	7,859,754	7,938,352	8,017,736
Licensed drivers:							
New	235,655	235,000	235,000	235,000	235,000	235,000	235,000
Renewed	1,958,349	1,900,000	1,950,000	2,250,000	1,970,000	1,910,000	1,960,000
New commercial drivers licensed	21,504	20,000	20,000	20,000	20,000	20,000	20,000
Photo identification cards issued (non-driver photo)	64,401	65,000	65,000	65,000	65,000	65,000	65,000

While the vehicles inspected, emission inspections will include 2.7 million additional vehicles by January 1, 1995, the annual number of vehicles being inspected will not increase due to a switch from annual to biennial inspections. More than 4 million inspections are projected for 1994-95 in order to affect this transition.

The licensed drivers renewed measure reflects a cyclical trend due to the introduction of the four year drivers license.

The photo identification cards issued measure is higher than in last year's budget due to increased number and accessibility of photo license centers.

TRANSPORTATION

Program: Safety Administration and Licensing (continued)

Program Recommendations:

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

	GENERAL FUND:		MOTOR LICENSE FUND:
	Voter Registration		Safety Administration and Licensing
\$ 740	—PRR — Voter Registration Enhancement. This Program Revision is designed to make it easier for the citizens of the Commonwealth to register to vote. This \$740,000 will allow Pennsylvanians to register when they obtain or renew their drivers license at a photo license center. See the Program Revision in the Department of State for further information.	\$ 547	—to continue current program.

Vehicle Sales Tax Collection is recommended at the current year level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Vehicle Sales Tax Collections	\$ 1,640	\$ 1,706	\$ 1,706	\$ 1,706	\$ 1,706	\$ 1,706	\$ 1,706
Voter Registration			740	311	329	342	360
TOTAL GENERAL FUND	\$ 1,640	\$ 1,706	\$ 2,446	\$ 2,017	\$ 2,035	\$ 2,048	\$ 2,066
MOTOR LICENSE FUND							
Safety Administration and Licensing	\$ 60,440	\$ 77,898	\$ 78,445	\$ 79,123	\$ 81,496	\$ 83,941	\$ 86,459

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 36 of 1991 permits citizens 65 years of age or older to ride on shared-ride services and pay only 15 percent

of the fare. The State Lottery Fund reimburses shared ride transit operators the remaining 85 percent of the shared ride fare.

The Free Transit Program authorized by Act 101 of 1980 and the Shared Ride Program 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. This program increases the mobility of the Commonwealth's citizens 65 years of age and older.

Program Measures:

	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Free transit trips	59,469,063	59,461,000	59,913,000	60,368,000	60,827,000	61,289,000	61,755,000
Trips on State assisted shared ride vehicles	6,593,504	6,970,000	7,293,000	7,440,000	7,590,000	7,740,000	7,895,000
Cost to the Commonwealth per trip:							
Free Transit	\$1.32	\$1.35	\$1.36	\$1.36	\$1.36	\$1.36	\$1.36
State assisted shared ride vehicles ..	\$6.72	\$7.11	\$7.50	\$7.88	\$8.27	\$8.69	\$9.12

The free transit trips and trips on State assisted shared ride vehicles measures are lower than in the prior years budget based on projections reflecting actual ridership.

The cost to the Commonwealth per trip for free transit includes Fixed Route Transit and Older Pennsylvanians Free Transit funding.

Program Recommendations:

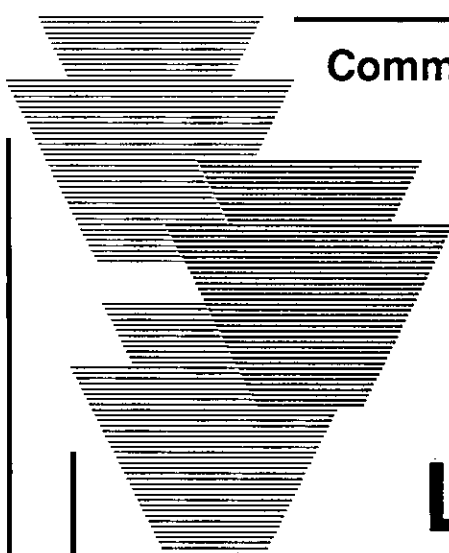
This budget recommends the following changes: (Dollar Amounts in Thousands)

LOTTERY FUND		Older Pennsylvanians Shared Rides
Older Pennsylvanians Free Transit	\$ -975	—to continue current program.
\$ -427 —to continue current program.		

Fixed Route Transit is recommended at the current year level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Fixed Route Transit	\$ 25,090	\$ 25,090	\$ 25,090	\$ 25,090	\$ 25,090	\$ 25,090	\$ 25,090
LOTTERY FUND:							
Older Pennsylvanians Free Transit	\$ 53,400	\$ 56,527	\$ 56,100	\$ 57,000	\$ 57,600	\$ 58,300	\$ 58,900
Older Pennsylvanians Shared Rides	53,655	55,900	54,925	58,810	62,972	67,429	72,202
TOTAL LOTTERY FUND	\$ 107,055	\$ 112,427	\$ 111,025	\$ 115,810	\$ 120,572	\$ 125,729	\$ 131,102



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	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL GOVERNMENT:			
SENATE:			
Fifty Senators	\$ 3,550	\$ 3,550	\$ 3,674
Employes of Senate President	156	240	248
Employes of Chief Clerk	3,104	3,394	3,513
Salaried Officers and Employes	4,531	5,362	5,550
Chief Clerk and Legislative Journal	400	1,590	1,646
Subtotal — Salaries and Postage	\$ 11,741	\$ 14,136	\$ 14,631
Contingent Expenses:			
President	\$ 5	\$ 5	\$ 5
President Pro Tempore	20	20	20
Floor Leader (D)	7	7	7
Floor Leader (R)	7	7	7
Whip (D)	6	6	6
Whip (R)	6	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	\$ 83	\$ 83	\$ 83
Miscellaneous Expenses:			
Incidental Expense	\$ 1,274	\$ 1,411	\$ 1,460
Committee on Appropriations (D)	1,491	1,639	1,696
Committee on Appropriations (R)	1,491	1,639	1,696
Expenses — Senate	575	575	595
Legislative Printing and Expenses	3,927	4,075	4,218
Special Leadership Account (D)	5,609	5,978	6,187
Special Leadersh Account (R)	5,609	5,978	6,187
Legislative Management Committee (D)	3,887	4,077	4,220
Legislative Management Committee (R)	3,887	4,077	4,220
Senate Computer Services	3,703	3,863	3,998
Chamber Communications .....	.....	1,000	300
Subtotal — Miscellaneous Expenses	\$ 31,453	\$ 34,312	\$ 34,777
TOTAL — SENATE	\$ 43,277	\$ 48,531	\$ 49,491
HOUSE OF REPRESENTATIVES:			
Members' Salaries, Speaker's Extra Compensation	\$ 13,627	\$ 13,627	\$ 13,627
House Employes (D)	16,494	15,779*	7,526

* Includes the original appropriation of \$7,179,000 plus \$8,600,000 which was transferred to the House Employes (D) appropriation in December 1993 from two other appropriations: \$6,200,000 from the Special Leadership Account (D) and \$2,400,000 from the Legislative Management Committee (D).

Summary by Fund and Appropriation

GENERAL FUND	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
<i>GENERAL GOVERNMENT: (continued)</i>			
<i>HOUSE OF REPRESENTATIVES: (continued)</i>			
House Employees (R)	\$ 1,161 ^a	\$ 7,179	\$ 7,526
Speaker's Office	644	644	678
Bi-Partisan Committee, Chief Clerk, Comptroller	5,213	7,213	7,213
Subtotal — Salaries	\$ 37,139	\$ 44,442	\$ 36,570
Mileage:			
Representatives, Officers and Employees	\$ 548	\$ 548	\$ 548
Subtotal — Mileage	\$ 548	\$ 548	\$ 548
Postage:			
Chief Clerk and Legislative Journal	\$ 969	\$ 969	\$ 969
Subtotal — Postage	\$ 969	\$ 969	\$ 969
Contingent Expenses:			
Speaker	\$ 20	\$ 20	\$ 20
Chief Clerk	367	367	414
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	\$ 479	\$ 479	\$ 526
Miscellaneous Expenses:			
Legislative Office for Research Liaison	\$ 402	\$ 432	\$ 445
School for New Members	15	.....	15
Incidental Expenses	5,925	5,925	5,925
Committee on Appropriations (D)	1,218	1,340	1,405
Committee on Appropriations (R)	1,218	1,340	1,405
Expenses — Representatives	1,909	1,909	1,909
Legislative Printing and Expenses	9,500	9,500	11,500
National Legislative Conference — Expenses	190	190	190
Special Leadership Account (D) .....	.....	1,083 ^c	7,635
Special Leadership Account (R)	11,533 ^b	5,283	7,635

^a A total of \$5,000,000 was transferred from the original appropriation of \$6,161,000 to the Special Leadership Account (R) in December 1993.

^b Includes the original appropriation of \$6,533,000 plus \$5 million transferred from the House Employees (R) appropriation in December, 1993.

^c A total of \$6,200,000 was transferred from the original appropriation of \$7,283,000 to House Employees (D) in December 1993.

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
<i>HOUSE OF REPRESENTATIVES: (continued)</i>			
Legislative Management Committee (D)	\$ 2,020	\$ 6,712 *	\$ 9,553
Legislative Management Committee (R)	7,820	9,112	9,553
Commonwealth Emergency Medical System	34	34	34
Member's Home Office Expenses	1,928	1,928	1,928
Subtotal — Miscellaneous Expenses	\$ 43,712	\$ 44,788	\$ 59,132
TOTAL — HOUSE OF REPRESENTATIVES	\$ 82,847	\$ 91,226	\$ 97,745
 LEGISLATIVE MISCELLANEOUS AND COMMISSIONS:			
Legislative Reference Bureau:			
Salaries and Expenses	\$ 3,709	\$ 4,641	\$ 4,873
Contingent Expenses	15	15	15
Printing of Pennsylvania Bulletin and Pennsylvania Code	427	611	611
Subtotal — Legislative Reference Bureau	\$ 4,151	\$ 5,267	\$ 5,499
Legislative Budget and Finance Committee	1,956	2,073	2,135
(A) Legislative Budget and Finance Committee	2	2	....
Subtotal — Legislative Budget and Finance Committee	\$ 1,958	\$ 2,075	\$ 2,135
Legislative Data Processing Center	\$ 2,945	\$ 2,900	\$ 2,900
Joint State Government Commission	935	1,650	1,712
Local Government Commission	493	615	644
Local Government Codes	48	53	57
Joint Legislative Air and Water Pollution Control Committee	220	281	284
House Flag Purchase	24	24	24
Senate Flag Purchase	24	24	24
Capital Preservation Projects .....	....	1,300	....
Legislative Audit Advisory Commission	19	134	134
Ethics Commission	786	861	1,035
Ethics Commission — Comptroller .....	....	60	....
Independent Regulatory Review Commission	973	1,131	1,235
Capitol Preservation Committee	202	202	202
Capitol Restoration	100	100	100
Colonial History	92	97	97
Commission on Sentencing	456	500	575
Health Care Cost Containment Council	1,000	3,000	3,331
(F) Health Care Research Grant .....	....	....	1,000
Center for Rural Pennsylvania	752	800	925
Reapportionment Commission .....	....	500	....
Subtotal — State Funds	\$ 15,176	\$ 21,572	\$ 20,913
Subtotal — Federal Funds .....	....	....	1,000
Subtotal — Augmentations	2	2	....
TOTAL — LEGISLATIVE MISCELLANEOUS AND COMMISSIONS	\$ 15,178	\$ 21,574	\$ 21,913
STATE FUNDS	\$ 141,300	\$ 161,329	\$ 168,149
FEDERAL FUNDS .....	....	....	1,000
AUGMENTATIONS	2	2	....
GENERAL FUND TOTAL	\$ 141,302	\$ 161,331	\$ 169,149

* A total of \$2,400,000 was transferred from the original appropriation of \$9,112,000 to the House Employees (D) in December, 1993.

LEGISLATURE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
LEGISLATURE							
General Funds.....	\$ 141,300	\$ 161,329	\$ 168,149	\$ 168,149	\$ 168,149	\$ 168,149	\$ 168,149
Federal Funds.....	0	0	1,000	1,000	1,000	1,000	1,000
Other Funds.....	2	2	0	0	0	0	0
TOTAL.....	\$ 141,302	\$ 161,331	\$ 169,149	\$ 169,149	\$ 169,149	\$ 169,149	\$ 169,149
ALL PROGRAMS:							
GENERAL FUND.....	\$ 141,300	\$ 161,329	\$ 168,149	\$ 168,149	\$ 168,149	\$ 168,149	\$ 168,149
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	1,000	1,000	1,000	1,000	1,000
OTHER FUNDS.....	2	2	0	0	0	0	0
TOTAL.....	\$ 141,302	\$ 161,331	\$ 169,149	\$ 169,149	\$ 169,149	\$ 169,149	\$ 169,149

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.

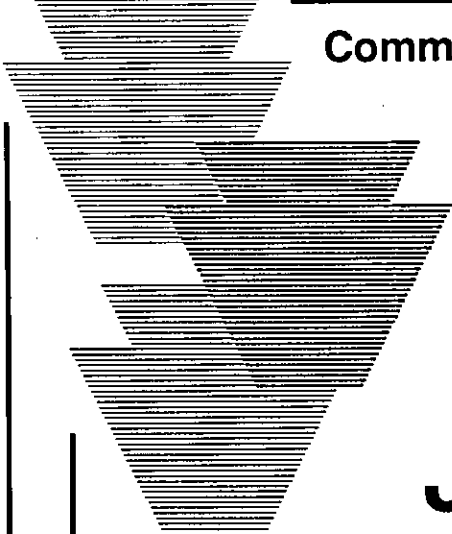
Program Recommendations:

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

Legislature
\$ 6,820 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
TOTAL GENERAL FUND.....	<u>\$ 141,300</u>	<u>\$ 161,329</u>	<u>\$ 168,149</u>	<u>\$ 168,149</u>	<u>\$ 168,149</u>	<u>\$ 168,149</u>	<u>\$ 168,149</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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
SUPREME COURT:			
Supreme Court	\$ 7,201	\$ 8,002	\$ 8,440
(A) Filing Fees	431	400	431
Justice Expenses	172	180	180
Office of Legal Systems .....	....	400	....
Civil Procedural Rules Committee	286	295	309
Criminal Procedural Rules Committee	279	286	300
State Board of Law Examiners	29	22	....
(A) Law Student Fees	1,008	1,213 ^b	1,319
Judicial Conduct Board	434 ^a	434 ^a	966
Court of Judicial Discipline	216 ^a	216 ^a	392
Domestic Relations Committee	126	137	139
Court Administrator	3,579	3,962	4,237
(A) Miscellaneous	2	3	3
(R) Judicial Computer System	11,500	13,000	13,000
Subtotal — State Funds	\$ 12,322	\$ 13,934	\$ 14,963
Subtotal — Augmentations	1,441	1,616	1,753
Subtotal — Restricted Revenue	11,500	13,000	13,000
Total — Supreme Court	\$ 25,263	\$ 28,550	\$ 29,716
SUPERIOR COURT:			
Superior Court	\$ 13,483	\$ 14,590 ^c	\$ 15,286
(A) Filing Fees	274	255	260
Justice Expenses	226	237 ^c	237
Subtotal — State Funds	\$ 13,709	\$ 14,827	\$ 15,523
Subtotal — Augmentations	274	255	260
Total — Superior Court	\$ 13,983	\$ 15,082	\$ 15,783
COMMONWEALTH COURT:			
Commonwealth Court	\$ 8,853	\$ 9,158	\$ 9,793
(A) Filing Fees	182	180	200
Justice Expenses	136	68	143
(A) Law Student Fees .....	....	75 ^b	....
Subtotal — State Funds	\$ 8,989	\$ 9,226	\$ 9,936
Subtotal — Augmentations	182	255	200
Total — Commonwealth Court	\$ 9,171	\$ 9,481	\$ 10,136
COURTS OF COMMON PLEAS:			
Courts of Common Pleas	\$ 39,781	\$ 42,754	\$ 45,486
Senior Judges	2,527	2,759	2,840
Judicial Education	369	419	435
Total — Courts of Common Pleas	\$ 42,677	\$ 45,932	\$ 48,761

^a Actually appropriated as part of the \$650,000 for the Judicial Inquiry and Review Board.

^b Judiciary certified in December 1993 that \$75,000 of law student fees are available for transfer as an augmentation to the Justice Expenses appropriation for Commonwealth Court.

^c A total of \$124,000 was transferred from the Superior Court appropriation to the Justice Expenses appropriation for the Superior Court in January 1994.

Summary by Fund and Appropriation

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Budget
GENERAL GOVERNMENT: (continued)			
COMMUNITY COURTS:			
District Justices	\$ 32,089	\$ 34,490	\$ 38,805
District Justice Education	436	436	452
(A) Registration Fees	48	20	20
Subtotal — State Funds	\$ 32,525	\$ 34,926	\$ 39,257
Subtotal — Augmentations	48	20	20
Total — Community Courts	<u>\$ 32,573</u>	<u>\$ 34,946</u>	<u>\$ 39,277</u>
PHILADELPHIA COURTS:			
Traffic Court	\$ 428	\$ 461	\$ 507
Municipal Court	2,886	3,007	3,352
Law Clerks	39	39	39
Domestic Violence	119	185	119
Total — Philadelphia Courts	<u>\$ 3,472</u>	<u>\$ 3,692</u>	<u>\$ 4,017</u>
GENERAL GOVERNMENT TOTALS:			
Total — State Funds	\$ 113,694	\$ 122,537	\$ 132,457
Total — Augmentations	1,945	2,146	2,233
Total — Restricted Revenue	11,500	13,000	13,000
Total — General Government	<u>\$ 127,139</u>	<u>\$ 137,683</u>	<u>\$ 147,690</u>
GRANTS AND SUBSIDIES:			
Reimbursement of County Costs:			
County Courts	\$ 25,030	\$ 29,071	\$ 29,071
Jurors	1,469	1,469	1,469
Total — Grants and Subsidies	<u>\$ 26,499</u>	<u>\$ 30,540</u>	<u>\$ 30,540</u>
STATE FUNDS	\$ 140,193	\$ 153,077	\$ 162,997
AUGMENTATIONS	1,945	2,146	2,233
RESTRICTED REVENUE	11,500	13,000	13,000
GENERAL FUND TOTAL	<u>\$ 153,638</u>	<u>\$ 168,223</u>	<u>\$ 178,230</u>

JUDICIARY

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1992-93 ACTUAL	1993-94 AVAILABLE	1994-95 BUDGET	1995-96 ESTIMATED	1996-97 ESTIMATED	1997-98 ESTIMATED	1998-99 ESTIMATED
STATE JUDICIAL SYSTEM							
General Funds.....	\$ 140,193	\$ 153,077	\$ 162,997	\$ 162,997	\$ 162,997	\$ 162,997	\$ 162,997
Other Funds.....	13,445	15,146	15,233	16,101	17,034	17,749	18,654
TOTAL.....	\$ 153,638	\$ 168,223	\$ 178,230	\$ 179,098	\$ 180,031	\$ 180,746	\$ 181,651
ALL PROGRAMS:							
GENERAL FUND.....	\$ 140,193	\$ 153,077	\$ 162,997	\$ 162,997	\$ 162,997	\$ 162,997	\$ 162,997
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	13,445	15,146	15,233	16,101	17,034	17,749	18,654
TOTAL.....	\$ 153,638	\$ 168,223	\$ 178,230	\$ 179,098	\$ 180,031	\$ 180,746	\$ 181,651

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 court system consisting of the Supreme Court, Superior Court, Commonwealth Court, Courts of Common Pleas, Philadelphia Municipal Court, Pittsburgh Magistrates Court, Traffic Court of Philadelphia and 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 lower

level consists of the Superior Court with fifteen judges and the Commonwealth Court with nine judges. At the higher level, Pennsylvania's court of last resort is the Supreme Court, with seven justices.

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 the State Constitution, statute and court rule, the Administrative Office of Pennsylvania Courts (AOPC) administers the Commonwealth's court system. The AOPC 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 is implementing a plan to computerize Pennsylvania courts' record-keeping systems. Known as the Judicial Computer Project, its initial phase was completed December 1992 with all of Pennsylvania's 538 district justice offices on line in a system providing many offices for the first time with non manual case management, processing, tracking, accounting and reporting functions.

Act JR1 of 1993 abolished the Judicial Inquiry and Review Board and created two new entities: 1) the Judicial Conduct Board, and 2) the Court of Judicial Discipline. Investigation of complaints regarding judicial conduct is the responsibility of the Judicial Conduct Board. Hearings will be conducted by the Court of Judicial Discipline to determine whether a sanction should be imposed upon a member of the judiciary.

Program Recommendations:

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

<p>Judicial Conduct Board</p> <p>\$ 532 —to support operations of a new board.</p> <p>Court of Judicial Discipline</p> <p>\$ 176 —to support operations of a new court.</p> <p>District Justices</p> <p>\$ 737 —for new district justice positions created as a result of realignment of districts.</p> <p>291 —to extend survivor health benefits to spouses in order to make this benefit uniform for all judicial officers.</p> <p>3,287 —to maintain current program.</p> <p>\$ 4,315 <i>Appropriation Increase</i></p>	<p>Philadelphia Traffic Court</p> <p>\$ 18 —to extend survivor health benefits to spouses in order to make this benefit uniform for all judicial officers.</p> <p>28 —to maintain current program.</p> <p>\$ 46 <i>Appropriation Increase</i></p>
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This budget recommends all other appropriations either at levels based on estimated revenues or at levels to carry current programs forward. Recommendations include funding for salary increases for all judicial officers as specified in Act 167 of 1992.

JUDICIARY

Program: State Judicial System (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1992-93 Actual	1993-94 Available	1994-95 Budget	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
GENERAL FUND:							
Supreme Court	\$ 7,201	\$ 8,002	\$ 8,440	\$ 8,440	\$ 8,440	\$ 8,440	\$ 8,440
Supreme Court Justice Expenses	172	180	180	180	180	180	180
Office of Legal Systems		400					
Civil Procedural Rules Committee	286	295	309	309	309	309	309
Criminal Procedural Rules Committee	279	286	300	300	300	300	300
State Board of Law Examiners	29	22					
Judicial Conduct Board	434	434	966	966	966	966	966
Court of Judicial Discipline	216	216	392	392	392	392	392
Domestic Relations Committee	126	137	139	139	139	139	139
Court Administrator	3,579	3,962	4,237	4,237	4,237	4,237	4,237
Superior Court	13,483	14,590	15,286	15,286	15,286	15,286	15,286
Superior Court Justice Expenses	226	237	237	237	237	237	237
Commonwealth Court	8,853	9,158	9,793	9,793	9,793	9,793	9,793
Commonwealth Court Justice Expenses	136	68	143	143	143	143	143
Courts of Common Pleas	39,781	42,754	45,486	45,486	45,486	45,486	45,486
Common Pleas — Senior Judges	2,527	2,759	2,840	2,840	2,840	2,840	2,840
Common Pleas — Judicial Education	369	419	435	435	435	435	435
Community Courts — District Justices	32,089	34,490	38,805	38,805	38,805	38,805	38,805
District Justice Education	436	436	452	452	452	452	452
Philadelphia Traffic Court	428	461	507	507	507	507	507
Philadelphia Municipal Court	2,886	3,007	3,352	3,352	3,352	3,352	3,352
Law Clerks	39	39	39	39	39	39	39
Domestic Violence	119	185	119	119	119	119	119
Reimbursement of County Court Costs	25,030	29,071	29,071	29,071	29,071	29,071	29,071
Juror Cost Reimbursement	1,469	1,469	1,469	1,469	1,469	1,469	1,469
TOTAL GENERAL FUND	\$ 140,193	\$ 153,077	\$ 162,997	\$ 162,997	\$ 162,997	\$ 162,997	\$ 162,997



Governor's Executive Budget

Capital
Budget

CAPITAL BUDGET

This section contains the 1994-95 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, Original Furniture and Equipment, Redevelopment Assistance, Flood Control, Site Development and Transportation Assistance Projects shown will be financed by general obligation bonds. Game Commission projects and the Department of Transportation highway projects are 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. The majority of these projects are designed and constructed through the Department of General Services. However, the Keystone Recreation, Park and Recreation Projects will be administered by the Department of Environmental Resources.

Public Improvement—Original Furniture and Equipment Projects — 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 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.

1994-95 New Project Authorizations — This section itemizes and describes the new capital projects recommended for authorization in 1994-95, 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 1995-96 through 1998-99. 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 1994-95 and future projects (1995-99).

CAPITAL BUDGET

FORECAST OF DEBT LIMIT AND OUTSTANDING DEBT 1993-94 Through 1998-99

This table includes debt subject to the constitutional debt limit and debt issued under Article 8, Section 7(a)(4) of the Pennsylvania Constitution for projects included in a capital budget. Debt issued under voter approved referendums and for disaster relief is not included.

	(Dollar Amounts in Thousands)					
	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Average Tax Revenues Previous Five Years . . .	\$ 15,465,559	\$ 16,422,044	\$ 17,484,155	\$ 18,749,921	\$ 19,509,595	\$ 20,324,797
Debt Limit ¹	27,064,728	28,738,577	30,597,271	32,812,362	34,141,791	35,568,395
Debt Subject to Constitutional Debt Limit:						
Outstanding Debt—Beginning of Fiscal Year ² . . .	4,046,413	3,983,987	4,021,544	4,053,592	4,013,299	3,960,984
Debt to be Issued ³	348,135	476,282	410,440	350,609	313,787	300,982
Debt to be Retired or Escrowed	-410,561	-438,725	-378,392	-390,902	-366,102	-391,156
Outstanding Debt—End of Fiscal Year	\$ 3,983,987	\$ 4,021,544	\$ 4,053,592	\$ 4,013,299	\$ 3,960,984	\$ 3,870,810
Ratio of Outstanding Debt to Debt Limit	14.7%	14.0%	13.2%	12.2%	11.6%	10.9%

¹1.75 times the average tax revenues of previous five fiscal years.

²1993-94 amount excludes sinking fund balances.

³Include interest accreting on Capital Appreciation Bonds during fiscal year.

CAPITAL BUDGET

PROJECTED CAPITAL BUDGET DEBT ISSUES AND DEBT OUTSTANDING 1993-94 Through 1998-99

This table shows the projected amount of general obligation bonds and bond anticipation notes to be issued and the level of debt outstanding at the end of each fiscal year for projects included in a capital budget. A projection of all Commonwealth general obligation debt to be issued and debt outstanding is contained in the Public Debt section of this budget document.

	(Dollar Amounts in Thousands)					
	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Projected Capital Budget Debt Issues						
Bridges	\$ 23,700					
Buildings and Structures	135,000	\$ 230,000	\$ 205,000	\$ 200,000	\$ 200,000	\$ 200,000
Flood Control	2,300	14,000	20,000	7,000	1,000	1,000
Furnishings and Equipment ..	6,000	19,000	11,000	27,000	20,000	7,000
Redevelopment Assistance ..	39,000	101,000	57,000	34,000	5,000	10,000
Transportation Assistance ...	140,000	110,000	115,000	80,000	85,000	80,000
Total	<u>\$ 346,000</u>	<u>\$ 474,000</u>	<u>\$ 408,000</u>	<u>\$ 348,000</u>	<u>\$ 311,000</u>	<u>\$ 298,000</u>
Capital Budget Debt Outstanding Projections						
Advance Construction						
Interstate	\$ 48,000					
Bridges ¹	265,452	\$ 250,399	\$ 235,269	\$ 200,029	\$ 203,496	\$ 185,955
Buildings and Structures	1,296,845	1,388,710	1,453,200	1,516,550	1,577,280	1,644,395
Community Colleges	10,510	9,045	7,495	5,840	4,090	2,630
Flood Control	11,915	25,465	44,290	49,095	47,520	45,870
Furnishings and Equipment ..	29,545	44,400	49,290	69,300	80,545	76,700
Highways	853,055	718,110	604,545	516,975	428,465	337,940
Redevelopment Assistance ...	267,845	349,405	381,820	390,490	368,065	353,780
Refunding Bonds ²	511,450	481,570	453,853	411,495	364,918	311,680
Site Development	124,445	117,600	110,700	103,740	96,715	89,625
Transportation Assistance ...	564,925	636,840	713,130	749,785	789,890	822,235
Total	<u>\$ 3,983,987</u>	<u>\$ 4,021,544</u>	<u>\$ 4,053,592</u>	<u>\$ 4,013,299</u>	<u>\$ 3,960,984</u>	<u>\$ 3,870,810</u>

¹Includes bonds issued to refund bridge project bonds.

²Bonds issued to refund Capital Budget bonds (except for bridge projects) and to refinance General State Authority rentals.

CAPITAL BUDGET

FORECAST OF DEBT SERVICE REQUIREMENTS 1994-95 Through 1998-99

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. 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)				
	1994-95	1995-96	1996-97	1997-98	1998-99
GENERAL FUND					
Treasury Department					
Building and Structure Projects	\$ 213,412	\$ 217,456	\$ 217,123	\$ 220,929	\$ 217,745
Community College Projects ¹	2,029	2,025	2,035	2,029	1,638
Flood Control Projects	1,483	3,043	4,686	5,151	5,141
Furnishings and Equipment Projects	6,088	8,518	9,820	12,540	14,997
Redevelopment Assistance Projects	37,711	45,601	47,553	49,554	45,162
Refunding ²	60,851	56,830	69,494	71,388	74,637
Site Development Projects	14,856	14,480	14,104	13,726	13,342
Transportation Assistance Projects	72,612	75,713	83,868	87,158	91,743
Less: Augmentations, Interest Earnings and Miscellaneous Revenues	-54,577	-15,557	-5,853	-5,795	-5,737
TOTAL—GENERAL FUND	\$ 354,465	\$ 408,109	\$ 442,830	\$ 456,680	\$ 458,668
MOTOR LICENSE FUND					
Department of Transportation					
Advance Construction Interstate—Interest Payments ³	\$ 1,776				
Treasury Department					
Highway Projects	179,099	\$ 150,106	\$ 118,071	\$ 113,798	\$ 110,910
Building and Structure Projects ²	1,674	2,094	2,475	2,409	2,368
Less: Miscellaneous Revenue					
TOTAL—MOTOR LICENSE FUND	\$ 182,549	\$ 152,200	\$ 120,546	\$ 116,207	\$ 113,278
FISH FUND					
Treasury Department					
Building and Structure Projects ²	\$ 24	\$ 4	\$ 1		
TOTAL—FISH FUND	\$ 24	\$ 4	\$ 1		
OTHER FUNDS					
Motor License Fund Restricted Receipts					
Aviation—Airport Building and Structure Projects ²	\$ 1,246	\$ 1,674	\$ 1,679	\$ 1,688	\$ 1,671
Highway Bridge Improvement Projects ²	31,134	30,290	29,467	29,809	29,614
TOTAL—OTHER FUNDS	\$ 32,380	\$ 31,964	\$ 31,146	\$ 31,497	\$ 31,285
TOTAL DEBT SERVICE—ALL FUNDS	\$ 569,418	\$ 592,277	\$ 594,523	\$ 604,384	\$ 603,231

¹Fifty percent of this amount is reimbursed by the appropriate colleges.

²Includes debt service on bonds to refund Capital Budget bonds and/or to refinance the General State Authority rentals.

³Principal payments made from Federal reimbursements.

CAPITAL BUDGET

CAPITAL FACILITIES FUND FINANCIAL STATEMENT¹

1994-95 Through 1998-99

(Dollar Amounts in Thousands)

	Building & Structure Projects	Transportation Assistance Projects	Furnishings & Equipment Projects	Redevelopment Assistance Projects	Flood Control Projects	Bridge Projects	Total
Balance, July 1, 1994	\$ 56,636	\$ 34,784	\$ 2,696	\$ 1,091	\$ 49	\$ 24,500	\$ 119,756
Bond Issues	230,000	110,000	19,000	101,000	14,000	. . . . .	474,000
Miscellaneous Revenue	3,058	1,466	94	172	25	. . . . .	4,815
Estimated Expenditures	-255,895	-137,691	-21,700	-98,255	-13,378	-24,500	-551,419
Balance, July 1, 1995	\$ 33,799	\$ 8,559	\$ 90	\$ 4,008	\$ 696	. . . . .	\$ 47,152
Bond Issues	205,000	115,000	11,000	57,000	20,000	. . . . .	408,000
Miscellaneous Revenue	1,236	764	14	296	45	. . . . .	2,355
Estimated Expenditures	-237,297	-110,289	-10,786	-56,572	-20,112	. . . . .	-435,056
Balance, July 1, 1996	\$ 2,738	\$ 14,034	\$ 318	\$ 4,732	\$ 629	. . . . .	\$ 22,451
Bond Issues	200,000	80,000	27,000	34,000	7,000	. . . . .	348,000
Miscellaneous Revenue	231	646	55	327	61	. . . . .	1,320
Estimated Expenditures	-198,871	-89,609	-26,074	-34,120	-6,516	. . . . .	-355,190
Balance, July 1, 1997	\$ 4,098	\$ 5,071	\$ 1,299	\$ 4,939	\$ 1,174	. . . . .	\$ 16,581
Bond Issues	200,000	85,000	20,000	5,000	1,000	. . . . .	311,000
Miscellaneous Revenue	403	371	111	353	73	. . . . .	1,311
Estimated Expenditures	-196,673	-84,542	-19,435	-4,800	-1,254	. . . . .	-306,704
Balance, July 1, 1998	\$ 7,828	\$ 5,900	\$ 1,975	\$ 5,492	\$ 993	. . . . .	\$ 22,188
Bond Issues	200,000	80,000	7,000	10,000	1,000	. . . . .	298,000
Miscellaneous Revenue	664	266	135	384	83	. . . . .	1,532
Estimated Expenditures	-196,673	-84,204	-7,087	-10,000	-600	. . . . .	-298,564
Balance, July 1, 1999	<u>\$ 11,819</u>	<u>\$ 1,962</u>	<u>\$ 2,023</u>	<u>\$ 5,876</u>	<u>\$ 1,476</u>	<u>.</u>	<u>\$ 23,156</u>

¹Bonds are issued to meet the cash requirements of each category of projects and to maintain minimum cash balances.

CAPITAL BUDGET

ESTIMATED CAPITAL PROJECT EXPENDITURES State Funds 1994-95 Through 1998-99

FROM GENERAL OBLIGATION BONDS

	1994-95	1995-96	(Dollar Amounts in Thousands)		1998-99
			1996-97	1997-98	
Capital Facilities Fund					
Public Improvement Projects—Buildings and Structures	\$ 255,895	\$ 237,297	\$ 198,871	\$ 196,673	\$ 196,673
Public Improvement Projects—Original Furniture and Equipment	21,700	10,786	26,074	19,435	7,087
Redevelopment Assistance Projects	98,255	56,572	34,120	4,800	10,000
Flood Control Projects	13,378	20,112	6,516	1,254	600
Transportation Assistance Projects	137,691	110,289	89,609	84,542	84,204
Highway Projects	24,500	.....	.....	.....	.....
Subtotal—Capital Facilities Fund	<u>\$ 551,419</u>	<u>\$ 435,056</u>	<u>\$ 355,190</u>	<u>\$ 306,704</u>	<u>\$ 298,564</u>
Keystone Recreation, Park and Conservation Fund					
Acquisition, Improvement and Restoration Projects	\$ 2,770	\$ 9,695	\$ 2,960	\$ 1,575	.....
Subtotal — Keystone Recreation, Park and Conservation Fund	<u>\$ 2,770</u>	<u>\$ 9,695</u>	<u>\$ 2,960</u>	<u>\$ 1,575</u>	.....
Total—General Obligation Bonds	<u>\$ 554,189</u>	<u>\$ 444,751</u>	<u>\$ 358,150</u>	<u>\$ 308,279</u>	<u>\$ 298,564</u>
 FROM CURRENT REVENUES					
Public Improvement Projects—Game Fund ..	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Highway Projects—Motor License Fund	125,873	93,643	89,011	89,011	88,961
Total—Current Revenues	<u>\$ 128,873</u>	<u>\$ 96,643</u>	<u>\$ 92,011</u>	<u>\$ 92,011</u>	<u>\$ 91,961</u>
TOTAL—ALL STATE FUNDS	<u><u>\$ 683,062</u></u>	<u><u>\$ 541,394</u></u>	<u><u>\$ 450,161</u></u>	<u><u>\$ 400,290</u></u>	<u><u>\$ 390,525</u></u>

CAPITAL BUDGET

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

	(Dollar Amounts in Thousands)					Total
	1994-95	1995-96	1996-97	1997-98	1998-99	
Department of Agriculture .....	.....	\$ 450	.....	.....	.....	\$ 450
Department of Corrections	\$ 7,726	23,069	\$ 28,460	\$ 29,883	\$ 31,377	120,515
Department of Education	22,428	47,176	44,919	47,165	49,523	211,211
Emergency Management Agency .....	.....	1,064	1,780	1,869	1,962	6,675
Department of Environmental Resources	29,815	29,449	28,523	29,949	31,447	149,183
Game Commission .....	.....	3,000	3,000	3,000	3,000	12,000
Department of General Services	12,302	11,181	9,513	9,989	10,488	53,473
Historical and Museum Commission .....	.....	13,000	15,750	16,538	17,364	62,652
Department of Military Affairs ..	1,868	2,797	2,001	2,100	2,207	10,973
Department of Public Welfare ..	6,943	21,240	21,656	22,739	23,876	96,454
State Police	1,766	3,268	4,898	5,143	5,400	20,475
Department of Transportation ..	178,032	155,564	155,125	157,881	110,775	757,377
TOTAL	\$ 260,880	\$ 311,258	\$ 315,625	\$ 326,256	\$ 287,419	\$ 1,501,438

CAPITAL BUDGET

RECOMMENDED 1994-95 NEW PROJECT AUTHORIZATIONS STATE FUNDS Summary by Department

(Dollar Amounts in Thousands)

	Capital Facilities Bond Funds				Keystone Recreation, Park and Conservation Bond Funds	Current Revenues	
	Public Improvement Projects	Original Furniture & Equipment	Flood Control Projects	Transportation Assistance Projects	Public Improvement Projects	Total Highway Projects	All Funds
Department of Corrections	\$ 7,726	.....	.....	.....	.....	.....	\$ 7,726
Department of Education	22,428	.....	.....	.....	.....	.....	22,428
Department of Environmental Resources	10,455	\$ 198	\$ 5,312	.....	\$ 13,850	.....	29,815
Department of General Services .	12,302	.....	.....	.....	.....	.....	12,302
Department of Military Affairs ...	1,868	.....	.....	.....	.....	.....	1,868
Department of Public Welfare ...	6,943	.....	.....	.....	.....	.....	6,943
State Police	1,766	.....	.....	.....	.....	.....	1,766
Department of Transportation ...	4,882	.....	.....	\$ 40,344	.....	\$ 132,806	178,032
TOTAL	\$ 68,370	\$ 198	\$ 5,312	\$ 40,344	\$ 13,850	\$ 132,806	\$ 260,880

CAPITAL BUDGET

DEPARTMENT OF CORRECTIONS

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
1994-95 PUBLIC IMPROVEMENT PROJECTS				
Institutionalization of Offenders	\$ 6,438	.....	\$ 1,288	\$ 7,726
TOTAL PROJECTS	<u>\$ 6,438</u>	<u>.....</u>	<u>\$ 1,288</u>	<u>\$ 7,726</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund – Buildings and Structures	\$ 6,438	.....	\$ 1,288	\$ 7,726
TOTAL	<u>\$ 6,438</u>	<u>.....</u>	<u>\$ 1,288</u>	<u>\$ 7,726</u>

CAPITAL BUDGET

Department of Corrections 1994-95 Projects

(Dollar Amounts in Thousands)

FROM CAPITAL FACILITIES BOND FUNDS

PUBLIC IMPROVEMENT PROJECTS

State Correctional Institution - Cambridge Springs

RENOVATE KOSCIUSZKO HALL: This project provides for the renovation of Kosciuszko Hall into a 300 bed minimum security housing unit with 10 maximum security cells. This project will add 9,756 square feet of housing space to this institution

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
	\$ 3,685	.....	\$ 737	\$ 4,422

State Correctional Institution - Graterford

ADDITIONAL FUNDS FOR PROJECT NO. DGS 577-24, NEW KITCHEN AND DINING FACILITIES: This additional funding provides for new fixed kitchen equipment and related utilities. This additional funding will increase the total State funding for this project to \$9.9 million

	2,326	465	2,791
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State Correctional Institution - Waynesburg

CONSTRUCT PERIMETER ROAD AND EXPAND PARKING: This project provides for the construction of a perimeter security road 3,000 feet long and 16 feet wide with guard rails. This project will also provide a new parking area of 56 spaces

	427	86	513
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PROGRAM TOTAL

	\$ 6,438	\$ 1,288	\$ 7,726
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CAPITAL BUDGET

DEPARTMENT OF EDUCATION

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
1994-95 PUBLIC IMPROVEMENT PROJECTS				
State owned Schools	\$ 1,294	....	\$ 85	\$ 1,379
Higher Education – State System of Higher Education	1,331	....	266	1,597
Higher Education – State-related Universities	15,749	....	2,766	18,515
Higher Education – State Aided Universities	852	....	85	937
TOTAL PROJECTS	\$ 19,226	....	\$ 3,202	\$ 22,428

SOURCE OF FUNDS

General Obligation Bond Issues

Capital Facilities Fund – Buildings and Structures	\$ 19,226	....	\$ 3,202	\$ 22,428
TOTAL	\$ 19,226	....	\$ 3,202	\$ 22,428

CAPITAL BUDGET

Department of Education 1994-95 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM CAPITAL FACILITIES BOND FUNDS				
PUBLIC IMPROVEMENT PROJECTS				
PROGRAM: STATE OWNED SCHOOLS				
Thaddeus Stevens State School of Technology				
RENOVATION OF TWO FIRE TOWERS: This project will provide for the renovation of two fire towers located on the east and west ends of Brenner Hall. The building is currently used as a student dormitory	\$ 426	.....	\$ 85	\$ 511
ASBESTOS REMOVAL: This project will provide for the removal of asbestos containing materials from 19 areas on the campus	868	.....	.....	868
PROGRAM TOTAL	<u>\$ 1,294</u>	<u>.....</u>	<u>\$ 85</u>	<u>\$ 1,379</u>
PROGRAM: HIGHER EDUCATION — STATE SYSTEM OF HIGHER EDUCATION				
East Stroudsburg University				
PEDESTRIAN SAFETY IMPROVEMENTS: This project will realign campus roadways intersections, construct raised pedestrian walkways, install sidewalks and install vehicular traffic flow control devices	\$ 1,331	.....	\$ 266	\$ 1,597
PROGRAM TOTAL	<u>\$ 1,331</u>	<u>.....</u>	<u>\$ 266</u>	<u>\$ 1,597</u>
PROGRAM: HIGHER EDUCATION — STATE RELATED UNIVERSITIES				
Lincoln University				
CAMPUS SECURITY SYSTEM: This project will install closed-circuit television cameras and a non-audible alarm system at 36 building locations and five campus gates	\$ 1,251	.....	.....	\$ 1,251
The Pennsylvania State University				
RENOVATION OF THE ANIMAL DIAGNOSTICS LABORATORY AND INCINERATOR: This project provides for an overhead rail connection between the incinerator and the necropsy area, as well as refitting the laboratory for an integrated microbiology program. The renovations will involve approximately 5,700 sq. ft.	1,331	.....	\$ 133	1,464
EXPANSION AND IMPROVEMENTS TO TELECOMMUNICATIONS INFRASTRUCTURE: This project will provide fiber optic cabling together with translation devices, data network upgrades, interactive video for distance learning and switch gear upgrades	13,167	.....	2,633	15,800
PROGRAM TOTAL	<u>\$ 15,749</u>	<u>.....</u>	<u>\$ 2,766</u>	<u>\$ 18,515</u>

CAPITAL BUDGET

Department of Education 1994-95 Projects

(Dollar Amounts in Thousands)

Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
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FROM CAPITAL FACILITIES BOND FUNDS

PROGRAM: HIGHER EDUCATION — STATE AIDED UNIVERSITIES

University of Pennsylvania

INCINERATOR CONSTRUCTION AT NEW BOLTON CENTER:

This project provides for the construction of an incinerator system to aid in the safe disposal of animal waste generated from research and diagnostic services

\$ 852	....	\$ 85	\$ 937
<u>\$ 852</u>	<u>....</u>	<u>\$ 85</u>	<u>\$ 937</u>

PROGRAM TOTAL

CAPITAL BUDGET

ENVIRONMENTAL RESOURCES

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
1994-95 FLOOD CONTROL PROJECTS				
Environmental Protection and Management	\$ 36,194	.....	.....	\$ 36,194
1994-95 PUBLIC IMPROVEMENT PROJECTS				
Parks and Forests Management	\$ 1,972	.....	\$ 355	\$ 2,327
Environmental Protection and Management	6,938	.....	1,388	8,326
Subtotal	\$ 8,910	.....	\$ 1,743	\$ 10,653
1994-95 KEYSTONE RECREATION, PARK AND CONSERVATION — PUBIC IMPROVEMENT PROJECTS				
Parks and Forests Management	\$ 13,850	.....	.....	\$ 13,850
TOTAL PROJECTS	<u>\$ 58,954</u>	<u>.....</u>	<u>\$ 1,743</u>	<u>\$ 60,697</u>
SOURCE OF FUNDS				
General Obligation Bonds Issues				
Capital Facilities Fund — Flood Control	\$ 5,312	.....	.....	\$ 5,312
Capital Facilities Fund — Buildings and Structures	8,712	.....	\$ 1,743	10,455
Capital Facilities Fund — Furniture and Equipment	198	.....	.....	198
Keystone Recreation, Park and Conservation Fund — Acquisition, Improvements and Restoration	13,850	.....	.....	13,850
Subtotal General Obligation Bond Issues	\$ 28,072	.....	\$ 1,743	\$ 29,815
Federal Funds	\$ 25,570	.....	.....	\$ 25,570
Local Funds	5,312	.....	.....	5,312
Total	<u>\$ 58,954</u>	<u>.....</u>	<u>\$ 1,743</u>	<u>\$ 60,697</u>

CAPITAL BUDGET

Department of Environmental Resources 1994-95 Projects

FROM CAPITAL FACILITIES BOND FUNDS

(Dollar Amounts in Thousands)

FLOOD CONTROL PROJECTS

Program: Environmental Protection and Management

Borough of Olyphant

CONSTRUCTION OF LEVEE AND REINFORCED FLOOD WALL

ALONG THE LACKAWANNA RIVER: This project provides for the construction of approximately 3,770 feet of compacted earth levee and approximately 1,410 feet of reinforced concrete flood walls with appropriate access ramps, slope protection and environmental restoration

		Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
State	\$	2,400	....	....	\$ 2,400
Fed.		9,400	....	....	9,400
Local		2,400	....	....	2,400

Borough of Palmerton

CHANNEL EXCAVATION AND REMOVAL OF OBSTRUCTIONS ON

THE AQUASHICOLA CREEK: This project provides for channel excavation of approximately 4,200 along with the removal of the Sixth Street bridge

State		312	....	....	312
Fed.		1,870	....	....	1,870
Local		312	....	....	312

Borough of Scranton

CONSTRUCTION OF LEVEE AND REINFORCED FLOOD WALL

ALONG THE LACKAWANNA RIVER: This project provides for the construction of approximately 5,750 feet of earthen levee and approximately 1,660 feet of reinforced concrete flood walls with appropriate access ramps, slope protection, flood warning system and environmental restoration

State		2,600	....	....	2,600
Fed.		14,300	....	....	14,300
Local		2,600	....	....	2,600

Total State Funds		\$ 5,312	....	....	\$ 5,312
Total Federal Funds		25,570	25,570
Total Local Funds		5,312	5,312

PROGRAM TOTAL		\$ 36,194	\$ 36,194
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CAPITAL BUDGET

Department of Environmental Resources 1994-95 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM CAPITAL FACILITIES BOND FUNDS (continued)				
PUBLIC IMPROVEMENT PROJECTS				
Program: Parks and Forests Management				
<i>Lehigh Gorge State Park</i>				
DEVELOPMENT OF THE ROCKPORT ACCESS AREA: This project provides for the construction of an entrance road, bridge restoration, white water boater takeout facility, water, sewer, electric and telephone facilities	\$ 1,774	.....	\$ 355	\$ 2,129
<i>Pymatuning State Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR PROJECT NO. 103-5, ESPYVILLE BOAT LIVERY: This project provides for original furniture and equipment to maintain the boat livery constructed by the improvement project	43	.....	.....	43
ORIGINAL FURNITURE AND EQUIPMENT FOR PROJECT NO. 103-6, JAMESTOWN BOAT LIVERY: This project provides for original furniture and equipment to maintain the boat livery constructed by the improvement project	70	.....	.....	70
<i>Prince Gallitzin State Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR PROJECT NO. 195-37, REHABILITATION OF MARINA FACILITY: This project provides for original furniture and equipment to maintain the marina rehabilitated by the improvement project	85	.....	.....	85
PROGRAM TOTAL	\$ 1,972	.....	\$ 355	\$ 2,327
Program: Environmental Protection and Management				
<i>Borough of Pitcairn</i>				
CONCRETE CHANNEL PROTECTION SYSTEM: This project provides for the construction of over 4,000 feet of concrete channel on Dirty Camp Run and providing tributary protection through the placement of large culverts	\$ 5,768	.....	\$ 1,154	\$ 6,922
<i>Borough of Nanty Glo</i>				
ADDITIONAL FUNDS FOR PROJECT NO. DGS 184-6, TO WIDEN BLACKLICK CREEK FLOOD PROTECTION: This project provides additional funding to complete the construction of 4,000 feet of channel excavation and earth levees, and 300 feet of concrete floodwall along Blacklick Creek. The project will also complete 700 feet of channel excavation and 350 of rectangular concrete channel along Davis Run. This additional funding will increase the total investment in this project to \$2.8 million	1,170	.....	234	1,404
PROGRAM TOTAL	\$ 6,938	.....	\$ 1,388	\$ 8,326

CAPITAL BUDGET

Department of Environmental Resources 1994-95 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM KEYSTONE RECREATION, PARK AND CONSERVATION BOND FUNDS				
PUBLIC IMPROVEMENT PROJECTS				
Program: Parks and Forests Management				
<i>Caledonia State Park</i>				
REHABILITATE SEWAGE COLLECTION SYSTEM AND LIFT STATION: This project will repair or replace all existing sewage collection lines in the park and replace mechanical equipment in the lift station.....	\$ 700	....	....	\$ 700
<i>Delaware Canal State Park</i>				
REPLACEMENT OF FIVE WEIGHT RESTRICTED BRIDGES: This project will replace five bridges which are currently under weight restrictions. The bridges are nos. 1469, 1634, 1668, 3394 and 4451. Construction will include approach roadway	2,000	....	....	2,000
<i>Hills Creek State Park</i>				
RECONSTRUCT BRIDGE ON MAIN ENTRANCE ROAD: This project will replace the existing weight restricted entrance bridge no. 0500, including the reconstruction of approach roadway.....	750	....	....	750
<i>Kettle Creek State Park</i>				
CONSTRUCT WATER TREATMENT PLANT AND DISTRIBUTION SYSTEM: This project will construct a new water treatment plant and approximately four miles of distribution piping	1,000	....	....	1,000
<i>Laurel Hill State Park</i>				
RECONSTRUCT WATER DISTRIBUTION SYSTEM: This project will replace more than seven miles of existing water piping and also replace existing storage reservoirs	1,500	....	....	1,500
<i>Lyman Run State Park</i>				
REHABILITATION OF DAM AND SPILLWAY: This project will repair the dam structure and concrete spillway in accordance with current construction standards	2,800	....	....	2,800
<i>Nockamixon State Park</i>				
REHABILITATION OF SEWAGE TREATMENT AND COLLECTION SYSTEM: This project will replace all mechanical equipment in the sewage treatment plant; repair or replace all collection lines; and replace mechanical equipment in the lift stations	2,000	....	....	2,000

CAPITAL BUDGET

Department of Environmental Resources 1994-95 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM KEYSTONE RECREATION, PARK AND CONSERVATION BOND FUNDS (continued)				
PUBLIC IMPROVEMENT PROJECTS (continued)				
Program: Parks and Forests Management (continued)				
<i>Parker Dam State Park</i>				
REHABILITATION OF MAIN ENTRANCE ROAD: This project will reconstruct approximately two miles of State Park and State Forest road including appropriate drainage and safety improvements	\$ 1,500	....	....	\$ 1,500
<i>Promised Land State Park</i>				
REHABILITATE SEWAGE TREATMENT AND COLLECTION SYSTEM: This project will provide structural and mechanical repairs to the sewage treatment plant and repair or replace existing collector system piping	1,000	....	....	1,000
<i>Trough Creek State Park</i>				
RECONSTRUCT THREE BRIDGES: This project will reconstruct three of the park's weight restricted bridges nos.; 1300, 1301 and 1302	600	....	....	600
PROGRAM TOTAL	\$ 13,850	....	....	\$ 13,850

CAPITAL BUDGET

DEPARTMENT OF GENERAL SERVICES

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
1994-95 PUBLIC IMPROVEMENT PROJECTS				
Management and Operation of Facilities	\$ 10,251	.....	\$ 2,051	\$ 12,302
TOTAL PROJECTS	<u>\$ 10,251</u>	<u>.....</u>	<u>\$ 2,051</u>	<u>\$ 12,302</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund – Buildings and Structures	\$ 10,251	.....	\$ 2,051	\$ 12,302
TOTAL	<u>\$ 10,251</u>	<u>.....</u>	<u>\$ 2,051</u>	<u>\$ 12,302</u>

CAPITAL BUDGET

Department of General Services 1994-95 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM CAPITAL FACILITIES BOND FUNDS				
PUBLIC IMPROVEMENT PROJECTS				
Program: Management and Operation of Facilities				
Philadelphia State Office Building				
ADDITIONAL FUNDS FOR PROJECT NO. DGS 943-7, FIRE AND SAFETY IMPROVEMENTS : This funding provides for the completion of phases four through six which involve the installation of an automatic sprinkler system throughout the building. This will increase State funding for this project to \$4.5 million.	\$ 1,864	....	\$ 373	\$ 2,237
Capitol Complex				
RENOVATION OF THE LABOR AND INDUSTRY BUILDING: This project provides for the renovation and upgrade of the roofing system, ventilation dampers, cooling towers and chillers	2,583	....	517	3,100
RENOVATION OF THE HEALTH AND WELFARE BUILDING: This project provides for upgrading the roofing system and high voltage switchgear	1,544	....	309	1,853
Pittsburgh State Office Building				
RENOVATION OF PITTSBURGH STATE OFFICE BUILDING: This project provides for the replacement of the fire alarm annunciator panel and the rewiring of the fire alarm system	4,260	....	852	5,112
PROGRAM TOTAL	\$ 10,251	....	\$ 2,051	\$ 12,302

CAPITAL BUDGET

DEPARTMENT OF MILITARY AFFAIRS

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
1994-95 PUBLIC IMPROVEMENT PROJECTS				
State Military Readiness	\$ 5,326	....	\$ 295	\$ 5,621
Veterans Homes	165	....	33	198
TOTAL PROJECTS	\$ 5,491	....	\$ 328	\$ 5,819

SOURCE OF FUNDS

General Obligation Bond Issues				
Capital Facilities Fund – Buildings and Structures	\$ 1,540	....	\$ 328	\$ 1,868
Federal Funds	\$ 3,951	....	....	\$ 3,951
TOTAL	\$ 5,491	....	\$ 328	\$ 5,819

CAPITAL BUDGET

Department of Military Affairs 1994-95 Projects

(Dollar Amounts in Thousands)

FROM CAPITAL FACILITIES BOND FUNDS

PUBLIC IMPROVEMENT PROJECTS

Program: State Military Readiness

Clearfield County Armory

CONSTRUCTION OF NEW ARMORY AND AVIATION FACILITY:

		Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
This project provides for the construction of new armory and aviation support facilities at Philipsburg	State	\$ 650	....	\$ 150	\$ 800
	Fed.	2,151	....	....	2,151

Indiana County Armory

CONSTRUCTION OF NEW ARMORY: This project provides for the construction of a new National Guard Armory

	State	725	....	145	870
	Fed.	1,800	....	....	1,800

Total State Funds		\$ 1,375	\$ 295	\$ 1,670
Total Federal Funds		3,951	3,951

PROGRAM TOTAL		\$ 5,326	\$ 295	\$ 5,621
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Program: Veterans Homes

Erie Soldier's and Sailors Home

REPLACEMENT OF FIRE AND SMOKE DETECTION SYSTEM:

This project provides for the replacement and upgrade of the fire and smoke detection system in the nursing care and personal care units of the facility

		\$ 165	\$ 33	\$ 198
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PROGRAM TOTAL		\$ 165	\$ 33	\$ 198
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CAPITAL BUDGET

DEPARTMENT OF PUBLIC WELFARE

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
1994-95 PUBLIC IMPROVEMENT PROJECTS				
Human Services	\$ 403	....	\$ 81	\$ 484
Mental Health	4,783	....	956	5,739
Mental Retardation	600	....	120	720
	<u>5,786</u>	<u>....</u>	<u>1,157</u>	<u>6,943</u>
TOTAL PROJECTS	<u>\$ 5,786</u>	<u>....</u>	<u>\$ 1,157</u>	<u>\$ 6,943</u>

SOURCE OF FUNDS

General Obligation Bond Issues

Capital Facilities Fund – Buildings and Structures	\$ 5,786	....	\$ 1,157	\$ 6,943
	<u>5,786</u>	<u>....</u>	<u>1,157</u>	<u>6,943</u>
TOTAL	<u>\$ 5,786</u>	<u>....</u>	<u>\$ 1,157</u>	<u>\$ 6,943</u>

CAPITAL BUDGET

Department of Public Welfare 1994-95 Projects

FROM CAPITAL FACILITIES BOND FUNDS

(Dollar Amounts in Thousands)

PUBLIC IMPROVEMENT PROJECTS

Program: Human Services

Loysville Youth Development Center

AIR CONDITION ALLEGHENY BUILDING: This Project provides a central air conditioning system for the first and second floors of the Allegheny Building No. 11.

The project will also provide steam coils in the ducting to balance temperature throughout the building

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
	\$ 190	....	\$ 38	\$ 228

Youth Forestry Camp #2

ADDITION TO DORMATORY "A": This project provides for the construction of expanded living space for students attending the camp

	213	43	256
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PROGRAM TOTAL

	\$ 403	\$ 81	\$ 484
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Program: Mental Health

Allentown State Hospital

UPGRADE ELECTRICAL DISTRIBUTION SYSTEM: This project provides for the refurbishment and partial replacement of the primary electrical distribution system including switchgear and transformers

	\$ 1,598	\$ 319	\$ 1,917
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Clarks Summit State Hospital

REPLACEMENT OF WATER DISTRIBUTION SYSTEM: This project provides for the replacement of distribution piping and systemwide replacement of control valves

	1,500	300	1,800
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Norristown State Hospital

RENOVATE LAUNDRY BUILDING NO. 35: This project provides for replacement of selected water supply, drain and air piping. This project will also upgrade existing fixed laundry equipment

	1,000	200	1,200
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Mayview State Hospital

RENOVATE BATHS IN DIXON BUILDING NO. 27: This project provides for upgrading the floor surface and subflooring in the bathroom and shower areas

	235	47	282
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Warren State Hospital

UPGRADE HEATING CONTROL SYSTEMS: This project provides for upgrading the existing heating controls for North Center Building No. 1, Main Building No. 2, and South Center Building No. 3

	450	90	540
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PROGRAM TOTAL

	\$ 4,783	\$ 956	\$ 5,739
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Program: Mental Retardation

Laurelton Center

REPLACE AIR CONDITIONING AND WINDOWS: This project provides for the installation of a new air conditioning system and thermo-insulated windows

	\$ 600	\$ 120	\$ 720
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PROGRAM TOTAL

	\$ 600	\$ 120	\$ 720
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CAPITAL BUDGET

STATE POLICE

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
1994-95 PUBLIC IMPROVEMENT PROJECTS				
Public Protection and Law Enforcement	\$ 1,500	.....	\$ 266	\$ 1,766
TOTAL PROJECTS	<u>\$ 1,500</u>	<u>.....</u>	<u>\$ 266</u>	<u>\$ 1,766</u>

SOURCE OF FUNDS

General Obligation Bond Issues				
Capital Facilities Fund – Buildings and Structures	\$ 1,500	.....	\$ 266	\$ 1,766
TOTAL	<u>\$ 1,500</u>	<u>.....</u>	<u>\$ 266</u>	<u>\$ 1,766</u>

CAPITAL BUDGET

State Police 1994-95 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM CAPITAL FACILITIES BOND FUNDS				
PUBLIC IMPROVEMENT PROJECTS				
Program: Public Protection and Law Enforcement				
<i>Bethlehem Troop Headquarters</i>				
<p>ADDITIONAL FUNDS FOR PROJECT NO. DGS 206-3, RENOVATIONS AND ADDITION TO BETHLEHAM TROOP HEADQUARTERS: This project provides for an addition to the current building of approximately 10,000 square feet for storage of supplies and evidence and a garage. Renovations include upgrading of heating, lighting, plumbing and air conditioning systems along with interior changes to the communications room. This additional funding will increase the total State commitment for this project to \$2.8 million.</p>				
	\$ 1,500	.....	\$ 266	\$ 1,766
PROGRAM TOTAL	\$ 1,500	.....	\$ 266	\$ 1,766

CAPITAL BUDGET

DEPARTMENT OF TRANSPORTATION

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
1994-95 PUBLIC IMPROVEMENT PROJECTS				
Highway Maintenance	\$ 3,195	\$ 200	\$ 639	\$ 4,034
Highway Safety	707	.....	141	848
Subtotal	<u>\$ 3,902</u>	<u>\$ 200</u>	<u>\$ 780</u>	<u>\$ 4,882</u>
1994-95 TRANSPORTATION ASSISTANCE PROJECTS				
Urban Mass Transportation	\$ 186,882	.....	.....	\$ 186,882
Rural and Intercity Rail	5,060	.....	.....	5,060
Subtotal	<u>\$ 191,942</u>	<u>.....</u>	<u>.....</u>	<u>\$ 191,942</u>
1994-95 HIGHWAY PROJECTS				
Highway and Safety Improvement	\$ 773,346	\$ 17,364	\$ 86,909	\$ 877,619
TOTAL PROJECTS	<u>\$ 969,190</u>	<u>\$ 17,564</u>	<u>\$ 87,689</u>	<u>\$ 1,074,443</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund – Buildings and Structures	\$ 3,902	\$ 200	\$ 780	\$ 4,882
Capital Facilities Fund – Transportation Assistance Projects	\$ 40,344	.....	.....	\$ 40,344
Subtotal General Obligation Bonds	<u>\$ 44,246</u>	<u>\$ 200</u>	<u>\$ 780</u>	<u>\$ 45,226</u>
Current Revenues				
Motor License Fund	\$ 100,220	\$ 9,054	\$ 23,532	\$ 132,806
Federal Funds	\$ 803,208	\$ 8,310	\$ 63,377	\$ 874,895
Local Funds	\$ 21,516	.....	.....	\$ 21,516
TOTAL	<u>\$ 969,190</u>	<u>\$ 17,564</u>	<u>\$ 87,689</u>	<u>\$ 1,074,443</u>

CAPITAL BUDGET

Department of Transportation 1994-95 Projects

FROM CAPITAL FACILITIES BOND FUNDS

(Dollar Amounts in Thousands)

PUBLIC IMPROVEMENT PROJECTS

Program: Highway Maintenance

Luzerne County Maintenance Facility

REPLACEMENT: This project provides for the construction of new 36,000 square foot maintenance facility to house maintenance equipment and offices

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
	\$ 3,195	\$ 200	\$ 639	\$ 4,034
PROGRAM TOTAL	\$ 3,195	\$ 200	\$ 639	\$ 4,034

Program: Highway Safety

Adams County Welcome Center

ADDITIONAL FUNDS FOR PROJECT NO. DGS 657-6, WELCOME CENTER CONSTRUCTION: This project will provide additional funding to complete the Adams County Welcome Center located on U.S. Route 15. This additional funding will increase the Commonwealth's commitment to this project to \$4.5 million

	\$ 479	\$ 95	\$ 574
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York County Examination Facility

DEMOLITION OF YORK SUBSTATION: This project provides for the demolition of the York Substation of the State Police. The cleared site will be the location for an integrated vehicle examination, registration and licensing program

	228	.....	46	274
PROGRAM TOTAL	\$ 707	.....	\$ 141	\$ 848

TRANSPORTATION ASSISTANCE PROJECTS

Program: Urban Mass Transportation

Altoona Metro Transit

	State	\$ 163	.....	.....	\$ 163
PURCHASE OF BUSES: This project provides for the purchase of four heavy-duty accessible transit buses and spare parts	Fed.	784	.....	.....	784
	Local	33	.....	.....	33

Butler County Transit

	State	27	.....	.....	27
PURCHASE OF BUSES: This project provides for the purchase of two heavy-duty accessible small transit buses	Fed.	130	.....	.....	130
	Local	5	.....	.....	5

Cambria County Transportation Authority

	State	79	.....	.....	79
PURCHASE OF VANS AND RELATED EQUIPMENT, AND RENOVATIONS TO GARAGE: This project provides for the purchase of two accessible vans, inclined plane fare collection equipment, bus wash water recycler, a road safety vehicle and upgrades to the garage flooring and roofing systems	Fed.	379	.....	.....	379
	Local	16	.....	.....	16

Capitol Area Transit

	State	413	.....	.....	413
PURCHASE OF BUSES: This project provide for the purchase of 10 transit buses and related equipment	Fed.	1,982	.....	.....	1,982
	Local	83	.....	.....	83

CAPITAL BUDGET

Department of Transportation 1994-95 Projects

(Dollar Amounts in Thousands)

FROM CAPITAL FACILITIES BOND FUNDS (continued)	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
TRANSPORTATION ASSISTANCE PROJECTS (continued)				
Program: Urban Mass Transportation (continued)				
<i>Centre Area Transportation Authority</i>				
	State	\$	600	\$ 600
PURCHASE OF BUSES: This project provides for the purchase of 16 transit buses	Fed.		2,880	2,880
	Local		120	120
PURCHASE OF SPARE BUS PARTS, FAREBOXES AND FARE COLLECTION SYSTEM: This project provides for the purchase of 40 fareboxes and 17 two-way radios	State		81	81
	Fed.		365	365
	Local		40	40
<i>City of Philadelphia</i>				
ALTERNATIVE FUEL SHUTTLE DEMONSTRATION: This project provides for the acquisition of up to 15 alternatively fueled mini-buses to serve visitors to the Philadelphia Convention Center with demand responsive transportation to center city attractions and facilities, and to demonstrate impact upon traffic congestion and air quality	State		267	267
	Fed.		1,280	1,280
	Local		53	53
<i>County of Lebanon Transit Authority</i>				
PURCHASE OF BUSES AND RELATED EQUIPMENT AND VEHICLES: This project provides for the purchase of 10 transit buses, spare engine and transmission and a service vehicle with plow	State		199	199
	Fed.		955	955
	Local		40	40
<i>Erle Metro Transit Authority</i>				
PURCHASE OF BUSES AND REHABILITATION OF TRANSIT FACILITIES: This project for the purchase of three 40 foot transit buses, completion of the heating and electrical systems rehabilitation of the maintenance facility and purchase of additional shop tools	State		128	128
	Fed.		616	616
	Local		26	26
<i>Lehigh and Northampton Transportation Authority</i>				
REHABILITATION OF MAINTENANCE GARAGE: This project provides for the rehabilitation of the Allentown maintenance garage office facility	State		42	42
	Fed.		202	202
	Local		8	8
PURCHASE OF TRANSIT VEHICLES: This project provides for the purchase of vans and mini-buses to replace those which have met their useful life	State		27	27
	Fed.		130	130
	Local		5	5
PURCHASE OF HEAVY DUTY TRANSIT VEHICLES: This project provides for the purchase of five 26 foot heavy duty buses	State		135	135
	Fed.		648	648
	Local		27	27
<i>Mid County Transit Authority</i>				
PURCHASE OF BUSES AND RELATED EQUIPMENT: This Project provides for the purchase of replacement buses and spare parts	State		40	40
	Fed.		192	192
	Local		8	8
<i>Monroe County Transportation Authority</i>				
PURCHASE OF BUSES AND RELATED EQUIPMENT: This projects provides for the purchase of four transit buses, electronic telecommunications equipment and maintenance shop equipment	State		144	144
	Fed.		691	691
	Local		29	29

CAPITAL BUDGET

Department of Transportation 1994-95 Projects

(Dollar Amounts in Thousands)

FROM CAPITAL FACILITIES BOND FUNDS (continued)		Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
TRANSPORTATION ASSISTANCE PROJECTS (continued)					
Program: Urban Mass Transportation (continued)					
Port Authority of Allegeny County					
SECTION 9 PROGRAM, 1994: This project provides for maintenance garage rehabilitation and the purchase of replacement mobile radios and support vehicles	State	\$ 4,000	.....	.....	\$ 4,000
	Fed.	19,200	.....	.....	19,200
	Local	800	.....	.....	800
SECTION 9 PROGRAM, 1995: This project provides for the purchase of transit buses, support vehicles and related maintenance equipment and, capital improvements to fix facilities	State	4,500	.....	.....	4,500
	Fed.	21,600	.....	.....	21,600
	Local	900	.....	.....	900
VEHICLE OVERHAUL: This project provides for mechanical overhaul of transit vehicles.	State	2,000	.....	.....	2,000
	Local	2,000	.....	.....	2,000
Southeastern Pennsylvania Transportation Authority					
ADDITIONAL FUNDS FOR THE MIDVALE MAINTENANCE FACILITY: This project provides additional funds for the construction of a facility to replace the Luzerne bus garage. When complete the facility will house 300 buses and complete maintenance facilities	State	2,992	.....	.....	2,992
	Fed.	14,362	.....	.....	14,362
	Local	598	.....	.....	598
REHABILITATION OF SUBURBAN LINE BRIDGE CATENARY AND OVERBROOK STATION, FRA PROGRAM, 1993: This program provides for the rehabilitation of six bridges on the Suburban Line. Rehabilitation of Overbrook station will include the tunnel, structural members of the station and general electrical and mechanical improvements.	State	1,458	.....	.....	1,458
	Fed.	6,998	.....	.....	6,998
	Local	292	.....	.....	292
CONSTRUCTION OF AN INTERMODAL PARK: This project provides for the construction of an intermodal facility in Montgomery County along SEPTA'S regional railroad. The facility will provide transfer between auto, bus and rail transportation modes	State	833	.....	.....	833
	Fed.	3,998	.....	.....	3,998
	Local	167	.....	.....	167
FRANKFORD ELEVATED RECONSTRUCTION, SECTION 3 PROGRAM, 1994: This program provides for the completion of deck replacement between Berks and Huntingdon stations and the of the Amtrak bridge. Also, deck replacement will begin between Somerset station and Amtrak bridge, between Amtrak bridge and Church station	State	8,334	.....	.....	8,334
	Fed.	37,500	.....	.....	37,500
	Local	4,166	.....	.....	4,166
FIXED GUIDEWAY MODERNIZATION, SECTION 3 PROGRAM, 1994: This project provides for construction improvements to the Market-Frankford infrastructure, light rail lines in North Philadelphia, utility fleet renewal and a consolidated control center	State	3,000	.....	.....	3,000
	Fed.	13,500	.....	.....	13,500
	Local	1,500	.....	.....	1,500
VEHICLE OVERHAUL: This project provides for mechanical overhaul of transit vehicles.	State	7,500	.....	.....	7,500
	Local	7,500	.....	.....	7,500
Schuylkill Transportation System					
PURCHASE OF BUSES AND SPARE PARTS: This project provides for the purchase of four transit buses, a spare engine/transmission assembly and a spare heating/air conditioning unit	State	145	.....	.....	145
	Fed.	696	.....	.....	696
	Local	29	.....	.....	29

CAPITAL BUDGET

Department of Transportation 1994-95 Projects

(Dollar Amounts in Thousands)

FROM CAPITAL FACILITIES BOND FUNDS (continued)

TRANSPORTATION ASSISTANCE PROJECTS (continued)

Program: Urban Mass Transportation (continued)

York County Transportation Authority

		Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
PURCHASE OF BUSES AND RELATED EQUIPMENT: This project provides for the purchase of eight transit buses, spare parts, fareboxes, radios and CNG compressor station	State	\$ 157	....	....	\$ 157
	Fed.	754	....	....	754
	Local	31	....	....	31
IMPROVEMENTS TO TRANSFER STATION: This project provides for the installation of passenger waiting shelters and construction of a sales booth.	State	50	....	....	50
	Fed.	240	....	....	240
	Local	10	....	....	10

Class 3 Public Transportation System

VEHICLE OVERHAUL: This project provides for mechanical overhaul of transit vehicles.	State	250	....	....	250
	Local	250	....	....	250

Class 4 Public Transportation System

VEHICLE OVERHAUL: This project provides for mechanical overhaul of transit vehicles.	State	250	....	....	250
	Local	250	....	....	250

		\$ 37,814	....	....	\$ 37,814
Total State Funds		130,082	....	....	130,082
Total Federal Funds		18,986	....	....	18,986
Total Local Funds		186,882	....	....	186,882
PROGRAM TOTAL		<u>\$ 186,882</u>	<u>....</u>	<u>....</u>	<u>\$ 186,882</u>

PROGRAM: RURAL AND INTERCITY RAIL

Columbia County

NORTH SHORE RAILROAD - RAIL REPLACEMENT: This project will replace rail sections along 36.5 miles between Northumberland and Berwick. The rehabilitated track will permit higher operating speeds	State	\$ 720	....	....	\$ 720
	Local	720	....	....	720

Fayette County

LABELLE PROCESSING COMPANY - SIDING TRACK AND TRESSEL IMPROVEMENTS: This project provides replacement of rehabilitation of approximately 12,000 feet of siding track and construction of a tressel to upgraded rail service to the Labelle Coal Processing facility along the Monongahela River near Brownsville.....	State	1,810	....	....	1,810
	Local	1,810	....	....	1,810
Total State Funds		\$ 2,530	....	....	\$ 2,530
Total Local Funds		2,530	....	....	2,530
PROGRAM TOTAL		<u>\$ 5,060</u>	<u>....</u>	<u>....</u>	<u>\$ 5,060</u>

CAPITAL BUDGET

Department of Transportation 1994-95 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

HIGHWAY PROJECTS

Program: Highway and Safety Improvement

		Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
ADAMS COU TY, U.S. 30, T-514 to Abbottstown: Widening: Length 1.6 miles	State Fed.	\$ 666 2,663	\$ 324 1,296	\$ 53 211	\$ 1,043 4,170
ADAMS COUNTY, U.S. 30, Gettysburg Line to U.S. 15: Widening: Length 1.7 miles	State Fed.	600 2,400	100 400	100 400	800 3,200
ADAMS COUNTY, PA 234 and PA 394: Transportation Study	State Fed.	..... .....	..... .....	1,200 300	1,200 300
ALLEGHENY COUNTY, I-79, PA 69 TO PA 51: Pavement and bridge rehabilitation and safety improvements: Length 6 miles	State Fed.	150 1,350	..... .....	15 135	165 1,485
ALLEGHENY COUNTY, PA 51, Payne Hill Rd. to Elliot Rd.: Median Barrier and Jughandle: Length 1.5 miles	State Fed.	196 1,764	14 119	16 144	226 2,027
ALLEGHENY COUNTY, I-376, Jct. PA Turnpike to I-279: Pavement Rehabilitation and Safety Improvements: Length 14 miles	State Fed.	400 3,600	..... .....	40 360	440 3,960
ALLEGHENY COUNTY, PA 286, US 22 to PA 380 Golden Mile Highway: Widening and Rehabilitation: Length 5 miles	State Fed.	2,000 8,000	320 1,280	280 1,120	2,600 10,400
ALLEGHENY COUNTY, US 19: West End Bridge Lane Control, and West End Bridge Lane Control, and Widening from Ramp to Leedsdale	State Fed.	530 2,120	10 40	60 240	600 2,400
ALLEGHENY COUNTY, US 19, PA 51 to McFarland: Signal Improvement	State Fed.	160 632	..... .....	18 70	178 702
ALLEGHENY COUNTY, I-79 at SR 51: Interchange Improvement: Length .5 miles	State Fed.	1,200 4,800	80 320	112 288	1,392 5,408
ALLEGHENY COUNTY, I-279: Pedestrian Bridge and Facilities	State Fed.	100 900	..... .....	18 157	118 1,057
ARMSTRONG COUNTY, PA 28, Butler County line to US 422: Pavement, Bridge Rehabilitation, and Safety Improvements : Length 13.9 miles	State Fed.	2,400 9,600	..... .....	240 960	2,640 10,560
BERKS COUNTY, I-78, Lebanon County line to 0.5 miles east of Frystown: Rehabilitation and Safety Improvements: Length 2.5 miles	State Fed.	345 3,105	..... .....	35 310	380 3,415
BERKS COUNTY, I-78, Hamburg to Lehigh County: Pavement and Bridge Rehabilitation, and Safety Improvements: Length 14 miles	State Fed.	2,100 18,900	..... .....	210 1,890	2,310 20,790
BERKS COUNTY, SR 3055, Park Road Expressway: Pavement and Bridge Rehabilitation, and Safety Improvements: Length 5.1 miles	State Fed.	3,500 14,000	80 320	180 720	3,760 15,040
BLAIR COUNTY, US 22 Intersections with SR 1011 and T-444: Intersection Improvements	State Fed.	105 420	30 120	11 99	146 639
BLAIR COUNTY, US 22 Intersection of US 22 and PA 866: Intersection Improvement	State Fed.	50 450	5 45	50	105 495

CAPITAL BUDGET

Department of Transportation 1994-95 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 (continued)					
BLAIR COUNTY, US 22, Yellow Springs to 1 mile west of Yellow Springs: Truck Climbing Lane: Length 1 mile	State	\$ 173	\$ 34	\$ 100	\$ 307
	Fed.	694	136	.....	830
BRADFORD COUNTY, SR 14 Alba Borough North to Troy Borough: Reconstruct: Length 5.8 miles	State	320	40	40	400
	Fed.	1,280	160	160	1,600
BUCKS COUNTY, PA 132 Bustleton Avenue (PA 532): Safety Improvements and Restoration: Length 1 mile	State	314	120	50	484
	Fed.	1,256	480	200	1,936
BUCKS COUNTY, I-95, Neshaminy Creek to New Jersey State line: Rehabilitation, and Safety Improvements: Length 12.2 miles	State	1,350	.....	135	1,485
	Fed.	12,150	.....	1,215	13,365
BUTLER COUNTY, US 422, I-79 to SR 4005: Pavement and Bridge Rehabilitation, and Safety Improvements: Length 6.1 miles	State	1,110	.....	20	1,130
	Fed.	21,090	.....	80	21,170
CARBON COUNTY, PA 902, Lehighton Borough: Heintzelman's Curve Transportation Study	State	.....	.....	100	100
	Fed.	.....	.....	400	400
CARBON COUNTY, I-80: Construct Weigh Station at Rest Area	State	50	.....	5	55
	Fed.	450	.....	45	495
CENTRE COUNTY, PA 504: From Cold Stream Bridge toward Airport, Two-lane relocation/reconstruction: Length 1 mile	State	240	60	100	400
	Fed.	960	240	400	1,600
CENTRE COUNTY, I-80, Yarnell to Clinton County Line: Pavement and bridge rehabilitation and safety improvements: Length 16.7 miles	State	1,400	.....	85	1,485
	Fed.	12,600	.....	765	13,365
CHESTER COUNTY, US 1, PA 472 to PA 896: Pavement Rehabilitation and Safety Improvements: Length 5 miles	State	1,800	1,000	1,000	3,800
	Fed.	7,200	.....	.....	7,200
CHESTER COUNTY, US 1, PA 896 to PA 41: Pavement Rehabilitation and Safety Improvements: Length 6.3 miles	State	2,600	1,000	1,000	4,600
	Fed.	10,400	.....	.....	10,400
CHESTER COUNTY, US 1, PA 41 to Baltimore Pike: Pavement Rehabilitation and Safety Improvements: Length 6.6 miles	State	2,400	1,000	1,000	4,400
	Fed.	9,600	.....	.....	9,600
CLEARFIELD COUNTY, US 219, Intersection with SR 4019: Widen, Signal and Update	State	138	30	20	188
	Fed.	552	120	80	752
CRAWFORD COUNTY, I-79, Interchange with TR 6 and US 322: Interchange Lighting	State	90	.....	10	100
	Fed.	360	.....	40	400
CRAWFORD COUNTY, I-79, Mercer County line to US 322: Pavement Rehabilitation and Safety Improvements: Length 11 miles	State	1,650	.....	165	1,815
	Fed.	14,850	.....	1,485	16,335
CUMBERLAND COUNTY, I-81, Franklin County line to US 11: Pavement Rehabilitation and Safety Improvements: Length 29 miles	State	3,750	.....	375	4,125
	Fed.	33,750	.....	3,375	37,125

CAPITAL BUDGET

Department of Transportation 1994-95 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost	
HIGHWAY PROJECTS					
Program: Highway and Safety Improvement (continued)					
CUMBERLAND COUNTY, US 11, I-81 to Turnpike entrance: Safety Improvements	State Fed.	\$ 369 3,316	\$ 11 99	\$ 30 270	\$ 410 3,685
DAUPHIN COUNTY, I-83, 19th Street to Colonial Park: Pavement Rehabilitation and Safety Improvements: Length 6.2 miles	State Fed.	140 1,260	..... .....	14 126	154 1,386
DAUPHIN COUNTY, US 22/322, Dauphin Narrows to Amity Hall: Pavement and Bridge Rehabilitation and Safety Improvements: Length 8.4 miles	State Fed.	1,700 6,800	..... .....	170 680	1,870 7,480
ERIE COUNTY, I-90, Ohio State line to PA 832: Pavement Rehabilitation and Safety Improvements: Length 18 miles	State Fed.	750 6,750	..... .....	50 450	800 7,200
ERIE COUNTY, I-90, PA 832 to New York State line: Pavement Rehabilitation and Safety Improvements: Length 22 miles	State Fed.	3,750 33,750	..... .....	375 3,375	4,125 37,125
ERIE COUNTY, I-90: Construct Weigh Station	State Fed.	50 450	..... .....	5 45	55 495
FAYETTE COUNTY, PA 31, Three Mile Hill Ramp: Truck Escape Ramp: Length 2 miles	State Fed.	100 400	40 160	25 75	165 635
FAYETTE COUNTY, PA 51, Intersection with SR 4036 and T-699: Intersection Improvement and Signal Update	State Fed.	104 418	6 24	10 38	120 480
FRANKLIN COUNTY, I-81, US 30 to Cumberland County: Pavement and Bridge Rehabilitation, and Safety Improvements: Length 10.9 miles	State Fed.	1,650 14,850	..... .....	165 1,485	1,815 16,335
FRANKLIN COUNTY, US 30, PA 995 to PA 116: Safety Improvements	State Fed.	250 1,000	5 45	40 160	295 1,205
FULTON COUNTY, I-70, Crystal Springs Bridge at Crystal Springs: Bridge Rehabilitation: Length .2 miles	State Fed.	35 315	..... .....	10 40	45 355
GREENE COUNTY, I-79, W. VA line to Washington County line: Pavement Rehabilitation and Safety Improvements: Length 22.9 miles	State Fed.	3,450 31,050	..... .....	345 3,105	3,795 34,155
INDIANA COUNTY, PA 56, Seward Railroad Bridge: Replace Structure	State Fed.	500 2,000	30 120	60 240	590 2,360
INDIANA COUNTY, PA 56, Armagh Bridge: Bridge Rehabilitation	State Fed.	375 1,500	40 160	35 140	450 1,800
LACKAWANNA COUNTY, I-84, Mount Cobb to Wayne County: Pavement and Bridge Rehabilitation, and Safety Improvements: Length 4 miles	State Fed.	1,200 10,800	..... .....	120 1,080	1,320 11,880
LACKAWANNA COUNTY, US 6 From Turnpike to North Scranton Expressway: Safety Improvement	State Fed.	179 714	10 40	20 80	209 834

CAPITAL BUDGET

Department of Transportation 1994-95 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
HIGHWAY PROJECTS				
Program: Highway and Safety Improvement (continued)				
LACKAWANNA COUNTY, PA 307, Mulberry Street to North	\$ 427	....	\$ 48	\$ 475
Scranton Expressway: Archway and Scenic Enhancements	1,704	....	189	1,893
	State			
	Fed.			
LEBANON COUNTY, I-78, I-81 to Berks County line: Pavement and Bridge Rehabilitation, and Safety Improvements:	600	....	60	660
Length 8 miles	5,400	....	540	5,940
	State			
	Fed.			
LEHIGH COUNTY, US 222, I-78 to Berks County line:	....	....	150	150
Transportation Study .....	....	....	625	625
	State			
	Fed.			
LEHIGH COUNTY, I-78, Berks County line to Fogelsville: Pavement	400	....	40	440
Rehabilitation, and Safety Improvements: Length 4 miles	3,600	....	360	3,960
	State			
	Fed.			
LEHIGH COUNTY, I-78 Fogelsville Rest Area: Construct Safety	392	....	100	492
Rest Area	3,528	....	400	3,928
	State			
	Fed.			
LUZERNE COUNTY, I-81, Schuylkill County line to PA 93:	360	....	36	396
Pavement Rehabilitation, and Safety Improvements:	3,240	....	324	3,564
Length 6 miles				
	State			
	Fed.			
LYCOMING COUNTY, I-180, Northumberland County line to US 15:	2,850	....	285	3,135
Pavement Rehabilitation Safety Improvements: Length 19 miles	25,650	....	2,565	28,215
	State			
	Fed.			
MERCER COUNTY, I-80, PA 173 to Venango County: Pavement and Bridge Rehabilitation, and Safety Improvements:	750	....	75	825
Length 3 miles	6,750	....	675	7,425
	State			
	Fed.			
MIFFLIN COUNTY, US 22-322 Lewistown to Mifflintown:	....	....	1,000	1,000
Transportation Study .....	....	....	4,000	4,000
	State			
	Fed.			
MONROE COUNTY, PA 33, US 209 to I-80: Pavement and Bridge	2,200	\$ 50	140	2,390
Rehabilitation, and Safety Improvements: Length 4 miles	8,800	200	560	9,560
	State			
	Fed.			
MONTGOMERY COUNTY, Piedmont Highway Corridor PA 309 to	....	....	120	120
Turnpike: Transportation Study .....	....	....	480	480
	State			
	Fed.			
MONTOUR COUNTY, I-80, PA 254 to Columbia County: Pavement and Bridge Rehabilitation, and Safety Improvements:	1,650	....	165	1,815
Length 12 miles	14,850	....	1,485	16,335
	State			
	Fed.			
MONTOUR COUNTY, I-80, Eastbound and Westbound: Safety Rest Areas, Parking Expansion, and Safety Improvements:	250	....	25	275
Length .5 miles	2,250	....	225	2,475
	State			
	Fed.			
NORTHAMPTON COUNTY, I-78, PA 512 to Delaware River:	300	....	30	330
Pavement and Bridge Rehabilitation, and Safety Improvements	2,700	....	270	2,970
Length 10 miles				
	State			
	Fed.			

CAPITAL BUDGET

Department of Transportation 1994-95 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

HIGHWAY PROJECTS

Program: Highway and Safety Improvement (continued)

		Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
NORTHAMPTON COUNTY, PA 33, Belfast to PA 512: Pavement and Bridge Rehabilitation, and Safety Improvements: Length 10.9 miles	State Fed.	\$ 2,600 10,400	\$ 50 200	\$ 140 560	\$ 2,790 11,160
NORTHAMPTON COUNTY, PA 33, SR 248 to Belfast: Pavement and Bridge Rehabilitation, and Safety Improvements: Length 5.1 miles	State Fed.	4,600 18,400	50 200	160 540	4,810 19,140
PHILADELPHIA COUNTY, SR 2001, Delaware Avenue, Race Street to Richmond Street: Reconstruction: Length 1.6 miles	State Fed.	3,000 12,000	400 1,600	..... .....	3,400 13,600
PHILADELPHIA COUNTY, I-95, Delaware State line to Woodhaven Road: Rehabilitation, and Safety Improvements: Length 22 miles	State Fed.	3,450 31,500	..... .....	345 3,105	3,795 34,605
PHILADELPHIA COUNTY, US 1, Twin Bridges to 9th Street: Rehabilitation and Operational Improvements: Length 2.9 miles	State Fed.	4,800 19,200	1,000	1,000	6,800 19,200
PHILADELPHIA COUNTY, US 1, Ninth Street to Tyson Avenue: Rehabilitation and Operational Improvements: Length 4.8 miles	State Fed.	2,600 10,400	1,000	1,000	4,600 10,400
PHILADELPHIA COUNTY, US 1, Tyson Avenue to Conwell Avenue: Rehabilitation and Operational Improvements: Length 4 miles	State Fed.	2,000 8,000	1,000	1,000	4,000 8,000
PHILADELPHIA COUNTY, US 1, Conwell Avenue to Bucks County Line: Rehabilitation and Operational Improvements: Length 3.1 miles	State Fed.	1,600 6,400	1,000	1,000	3,600 6,400
PIKE COUNTY, I-84, PA 507 to New York line: Pavement and Bridge Rehabilitation, and Safety Improvements: Length 34 miles	State Fed.	4,950 44,550	..... .....	495 4,455	5,445 49,005
SCHUYLKILL COUNTY, I-81, Ravine to PA 25: Pavement and Bridge Rehabilitation, and Safety Improvements: Length 7 miles	State Fed.	750 6,750	..... .....	75 675	825 7,425
SCHUYLKILL COUNTY, I-81, PA 54 to Luzerne County line: Pavement Rehabilitation, and Safety Improvements: Length 8 miles	State Fed.	600 5,400	..... .....	60 540	660 5,940
SCHUYLKILL COUNTY, PA 61, I-78 to Frackville: Transportation Study	State Fed.	..... .....	..... .....	333 1,320	333 1,320
SCHUYLKILL COUNTY, PA 924 North of Shenandoah: Restoration: Length .5 miles	State Fed.	325 975	22 66	75 224	422 1,265
SNYDER, NORTHUMBERLAND, and UNION COUNTIES, US 15, Selinsgrove to I-80: Transportation Study	State Fed.	..... .....	..... .....	260 1,040	260 1,040
STATEWIDE: Noise Barrier Study	State Fed.	..... .....	..... .....	200 800	200 800
UNION COUNTY, I-80, Clinton County line to PA 254: Pavement Rehabilitation, and Safety Improvements: Length 18 miles	State Fed.	3,300 29,700	..... .....	3,630 2,970	6,930 32,670

CAPITAL BUDGET

Department of Transportation 1994-95 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
HIGHWAY PROJECTS				
Program: Highway and Safety Improvement (continued)				
VENANGO COUNTY, I-80, Mercer County line to PA 38:				
Pavement and Bridge Rehabilitation, and Safety Improvements: State	\$ 2,250	....	\$ 2,475	\$ 4,725
Length 15 miles Fed.	20,250	....	2,025	22,275
WASHINGTON COUNTY, I-70, West Virginia line to Taylorstown:				
Pavement and Bridge Rehabilitation, and Safety Improvements: State	300	....	30	390
Length 5.1 miles Fed.	2,700	....	270	2,970
WASHINGTON COUNTY, PA 519, Houston Borough: Intersection				
Improvements State	60	\$ 20	20	100
..... Fed.	240	80	80	400
WAYNE COUNTY, I-84, Lackawanna County line to PA 507:				
Pavement Rehabilitation, and Safety Improvements: State	1,200	....	120	1,320
Length 8 miles Fed.	10,800	....	1,080	11,880
WESTMORELAND COUNTY, I-70, Washington County to PA				
Turnpike: Pavement and Bridge Rehab., and Safety Improvements: State	780	....	78	858
Length 17.6 miles Fed.	6,020	....	602	6,622
WESTMORELAND COUNTY, Center Avenue, New Stanton :				
Borough Two-Lane Relocation: Length .5 miles State	700	50	100	850
..... Fed.	2,800	150	400	3,350
WESTMORELAND COUNTY, PA 56, Seventh Street North to				
TR 780: Intersection Improvements and Signal Update State	217	13	20	250
..... Fed.	870	50	80	1,000
WESTMORELAND COUNTY, US 119, Youngwood to SR 3099:				
Safety Improvements: Length 1.5 miles State	320	10	10	340
..... Fed.	1,680	40	40	1,760
YORK COUNTY, I-83, US 30 to PA Turnpike: Pavement and Bridge				
Rehabilitation, and Safety Improvements: Length 19 miles State	3,150	....	315	3,465
..... Fed.	28,350	....	2,835	31,185
Total State Funds	\$ 100,220	\$ 9,054	\$ 23,532	\$ 132,806
Total Federal Funds	673,126	8,310	63,377	744,813
PROGRAM TOTAL	<u>\$ 773,346</u>	<u>\$ 17,364</u>	<u>\$ 86,909</u>	<u>\$ 877,619</u>

CAPITAL BUDGET

SUMMARY OF FORECAST OF FUTURE NEW PROJECT AUTHORIZATIONS STATE FUNDS

	1995-96	(Dollar Amounts in Thousands)		1998-99
		1996-97	1997-98	
Department of Agriculture	\$ 450	.....	.....	.....
Department of Corrections	23,069	\$ 28,460	\$ 29,883	\$ 31,377
Department of Education	47,176	44,919	47,165	49,523
Emergency Management Agency	1,064	1,780	1,869	1,962
Department of Environmental Resources	29,449	28,523	29,949	31,447
Game Commission	3,000	3,000	3,000	3,000
Department of General Services	11,181	9,513	9,989	10,488
Historical and Museum Commission	13,000	15,750	16,538	17,364
Department of Military Affairs	2,797	2,001	2,100	2,207
Department of Public Welfare	21,240	21,656	22,739	23,876
State Police	3,268	4,898	5,143	5,400
Department of Transportation	155,564	155,125	157,881	110,775
TOTAL	<u>\$ 311,258</u>	<u>\$ 315,625</u>	<u>\$ 326,256</u>	<u>\$ 287,419</u>

CAPITAL BUDGET

Forecast of Future Projects

This section contains estimated authorizations (State funds only) for future Capital Budgets for 1995-96 through 1998-99. Amounts in this section have been grouped by department and are identified by capital project category.

FROM CAPITAL FACILITIES BOND FUNDS	(Dollar Amounts in Thousands)			
	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
Department of Agriculture				
PUBLIC IMPROVEMENT PROJECTS: Provides for improvements at the Farm Show Complex and the Summerdale Laboratory.	\$ 450			
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.	23,069	\$ 28,460	\$ 29,883	\$ 31,377
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.	47,176	44,919	47,165	49,523
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.	1,064	1,780	1,869	1,962
Department of Environmental Resources				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of support, day use, camping facilities and utility systems at the 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 the purchase of original furniture and equipment to furnish such facilities.	24,299	28,523	29,949	31,447
FLOOD CONTROL PROJECTS: Provides for the State's share of Federal flood control works and improvements; levees, dikes, walls, revetments, dams, lakes, reservoirs and other works and improvements deemed necessary to prevent floods, and to control, preserve and regulate the flow of rivers and streams.	2,000			
Department of General Services				
PUBLIC IMPROVEMENT PROJECTS: Provides for renovation and improvements of State office buildings and facilities.	11,181	9,513	9,989	10,488
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.	13,000	15,750	16,538	17,364

CAPITAL BUDGET

Forecast of Future Projects

FROM CAPITAL FACILITIES BOND FUNDS (continued)	1995-96 Estimated	(Dollar Amounts in Thousands)		
	1996-97 Estimated	1997-98 Estimated	1998-99 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.				
	\$ 2,797	\$ 2,001	\$ 2,100	\$ 2,207
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 centers and youth development centers. Also includes the purchase of original furniture and equipment to furnish such facilities.				
	21,240	21,656	22,739	23,876
State Police				
PUBLIC IMPROVEMENT PROJECTS: Provides for renovation, expansion and construction of troop headquarters/station facilities and driver examination facilities.				
	3,268	4,898	5,143	5,400
Department of Transportation				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction of and additions to highway maintenance and district office buildings, driver examination facilities, welcome centers and State-owned airport facilities				
	2,906			
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.				
	<u>52,658</u>	<u>55,125</u>	<u>57,881</u>	<u>60,775</u>
Total—Public Improvement Program	\$ 150,450	\$ 157,500	\$ 165,375	\$ 173,644
Total—Flood Control Program	2,000			
Total—Transportation Assistance Program	<u>52,658</u>	<u>55,125</u>	<u>57,881</u>	<u>60,775</u>
 SUBTOTAL—CAPITAL FACILITIES BOND FUNDS	 <u>\$ 205,108</u>	 <u>\$ 212,625</u>	 <u>\$ 223,256</u>	 <u>\$ 234,419</u>

FROM KEYSTONE RECREATION, PARK AND CONSERVATION BOND FUNDS

Department of Environmental Resources

KEYSTONE RECREATION, PARK AND CONSERVATION FUND PROJECTS: Provides for the rehabilitation, repair and development of State park and forest facilities which are critical for visitor safety, environmental protection or essential for facility operation. Also these projects provide for the acquisition of recreation and natural areas which face imminent loss or damage

	\$ 3,150	.....	.....	.....
 Subtotal—Keystone Recreation, Park and Conservation Bond Fund	 <u>\$ 3,150</u>	 <u>.....</u>	 <u>.....</u>	 <u>.....</u>

CAPITAL BUDGET

Forecast of Future Projects

	(Dollar Amounts in Thousands)			
	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 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
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.	100,000	100,000	100,000	50,000
Total—Public Improvement Program	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Total—Highway Program	100,000	100,000	100,000	50,000
SUBTOTAL—CURRENT REVENUES	<u>\$ 103,000</u>	<u>\$ 103,000</u>	<u>\$ 103,000</u>	<u>\$ 53,000</u>
TOTAL—ALL PROGRAMS	<u>\$ 311,258</u>	<u>\$ 315,625</u>	<u>\$ 326,256</u>	<u>\$ 287,419</u>

CAPITAL BUDGET

SUMMARY OF ESTIMATED CAPITAL PROJECT EXPENDITURES STATE FUNDS

Department	(Dollar Amounts in Thousands)				
	1994-95 Estimated	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
Agriculture	\$ 679	\$ 1,757	\$ 1,482	\$ 1,250	\$ 866
Community Affairs	98,255	56,572	34,120	4,800	10,000
Corrections	101,796	26,490	18,104	20,210	23,754
Economic Development Partnership	1,435	79	65	53	34
Education	112,820	112,300	107,955	100,163	76,391
Emergency Management Agency	313	820	779	884	1,069
Environmental Resources	29,975	53,621	35,730	25,741	26,935
Game Commission	3,000	3,000	3,000	3,000	3,000
General Services	26,711	38,726	28,779	27,611	25,562
Health	278				
Historical and Museum Commission	4,309	10,384	10,158	10,402	15,099
Military Affairs	2,800	5,451	4,778	4,553	4,166
Public Welfare	8,509	17,161	16,402	17,948	20,539
State Police	1,058	2,861	2,803	3,224	3,923
Transportation	291,124	212,172	186,006	180,451	179,187
TOTAL	\$ 683,062	\$ 541,394	\$ 450,161	\$ 400,290	\$ 390,525

CAPITAL BUDGET

Estimate of Capital Expenditures

(Dollar Amounts in Thousands)

CAPITAL FACILITIES BOND FUNDS	1994-95 Estimated	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
Department of Agriculture					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 679	\$ 1,752	\$ 1,441	\$ 1,182	\$ 753
Future Projects (1995-99)					
Buildings and Structures		5	41	68	113
TOTAL—AGRICULTURE	<u>\$ 679</u>	<u>\$ 1,757</u>	<u>\$ 1,482</u>	<u>\$ 1,250</u>	<u>\$ 866</u>
Department of Community Affairs					
Redevelopment Assistance Projects					
Projects Currently Authorized					
Acquisition and Construction	\$ 98,255	\$ 56,572	\$ 34,120	\$ 4,800	\$ 10,000
TOTAL—COMMUNITY AFFAIRS	<u>\$ 98,255</u>	<u>\$ 56,572</u>	<u>\$ 34,120</u>	<u>\$ 4,800</u>	<u>\$ 10,000</u>
Department of Corrections					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 100,744	\$ 25,239	\$ 14,584	\$ 11,958	\$ 7,625
Furniture and Equipment	975	325			
Projects in 1994-95 Budget					
Buildings and Structures	77	695	1,159	1,932	3,090
Future Projects (1995-99)					
Buildings and Structures		231	2,361	6,320	13,039
TOTAL—CORRECTIONS	<u>\$ 101,796</u>	<u>\$ 26,490</u>	<u>\$ 18,104</u>	<u>\$ 20,210</u>	<u>\$ 23,754</u>
Economic Development Partnership					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 1,435	\$ 79	\$ 65	\$ 53	\$ 34
TOTAL—ECONOMIC DEVELOPMENT PARTNERSHIP	<u>\$ 1,435</u>	<u>\$ 79</u>	<u>\$ 65</u>	<u>\$ 53</u>	<u>\$ 34</u>
Department of Education					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 96,567	\$ 102,983	\$ 79,797	\$ 63,630	\$ 40,569
Furniture and Equipment	16,029	6,826	20,099	19,335	3,579
Projects in 1994-95 Budget					
Buildings and Structures	224	2,019	3,364	5,607	8,971
Future Projects (1995-99)					
Buildings and Structures		472	4,695	11,591	23,272
TOTAL—EDUCATION	<u>\$ 112,820</u>	<u>\$ 112,300</u>	<u>\$ 107,955</u>	<u>\$ 100,163</u>	<u>\$ 76,391</u>
Emergency Management Agency					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 313	\$ 809	\$ 665	\$ 545	\$ 348
Future Projects (1995-99)					
Buildings and Structures		11	114	339	721
TOTAL—EMERGENCY MANAGEMENT	<u>\$ 313</u>	<u>\$ 820</u>	<u>\$ 779</u>	<u>\$ 884</u>	<u>\$ 1,069</u>

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
CAPITAL FACILITIES BOND FUNDS	1994-95 Estimated	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
Department of Environmental Resources					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 13,202	\$ 20,533	\$ 16,814	\$ 13,787	\$ 8,791
Furniture and Equipment	469	143	.....	.....	.....
Projects in 1994-95 Budget					
Buildings and Structures	105	941	1,568	2,614	4,182
Furniture and Equipment	51	154	.....	.....	.....
Future Projects (1995-99)					
Buildings and Structures .....	.....	243	2,472	6,511	13,362
Furniture and Equipment .....	.....	1,800	5,400	.....	.....
Subtotal	<u>\$ 13,827</u>	<u>\$ 23,814</u>	<u>\$ 26,254</u>	<u>\$ 22,912</u>	<u>\$ 26,335</u>
Flood Control Projects					
Projects Currently Authorized					
Structures and Improvements	\$ 12,050	\$ 16,925	\$ 5,719	\$ 1,254	\$ 600
Projects in 1994-95 Budget					
Structures and Improvements	1,328	3,187	797	.....	.....
Subtotal	<u>\$ 13,378</u>	<u>\$ 20,112</u>	<u>\$ 6,516</u>	<u>\$ 1,254</u>	<u>\$ 600</u>
TOTAL—ENVIRONMENTAL RESOURCES	<u>\$ 27,205</u>	<u>\$ 43,926</u>	<u>\$ 32,770</u>	<u>\$ 24,166</u>	<u>\$ 26,935</u>
Department of General Services					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 12,481	\$ 26,732	\$ 21,833	\$ 17,902	\$ 11,415
Furniture and Equipment	3,419	1,131	.....	.....	.....
Projects in 1994-95 Budget					
Buildings and Structures	123	1,107	1,845	3,076	4,921
Future Projects (1995-99)					
Buildings and Structures .....	.....	112	1,101	2,633	5,226
TOTAL—GENERAL SERVICES	<u>\$ 16,023</u>	<u>\$ 29,082</u>	<u>\$ 24,779</u>	<u>\$ 23,611</u>	<u>\$ 21,562</u>
Department of Health					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 278	.....	.....	.....	.....
TOTAL—HEALTH	<u>\$ 278</u>	.....	.....	.....	.....
Historical and Museum Commission					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 4,292	\$ 10,056	\$ 8,255	\$ 6,769	\$ 4,316
Furniture and Equipment	17	6	.....	.....	.....
Future Projects (1995-99)					
Buildings and Structures .....	.....	130	1,328	3,533	7,275
Furniture and Equipment .....	.....	192	575	100	3,508
TOTAL—HISTORICAL AND MUSEUM	<u>\$ 4,309</u>	<u>\$ 10,384</u>	<u>\$ 10,158</u>	<u>\$ 10,402</u>	<u>\$ 15,099</u>

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
CAPITAL FACILITIES BOND FUNDS	1994-95 Estimated	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
Department of Military Affairs					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 2,438	\$ 5,176	\$ 4,226	\$ 3,465	\$ 2,209
Furniture and Equipment	343	79	.....	.....	.....
Projects in 1994-95 Budget					
Buildings and Structures	19	168	280	467	747
Future Projects (1995-99)					
Buildings and Structures .....	.....	28	272	621	1,210
TOTAL—MILITARY AFFAIRS	<u>\$ 2,800</u>	<u>\$ 5,451</u>	<u>\$ 4,778</u>	<u>\$ 4,553</u>	<u>\$ 4,166</u>
 Department of Public Welfare					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 8,043	\$ 16,194	\$ 13,232	\$ 10,850	\$ 6,918
Furniture and Equipment	397	130	.....	.....	.....
Projects in 1994-95 Budget					
Buildings and Structures	69	625	1,041	1,736	2,777
Future Projects (1995-99)					
Buildings and Structures .....	.....	212	2,129	5,362	10,844
TOTAL—PUBLIC WELFARE	<u>\$ 8,509</u>	<u>\$ 17,161</u>	<u>\$ 16,402</u>	<u>\$ 17,948</u>	<u>\$ 20,539</u>
 State Police					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 1,040	\$ 2,669	\$ 2,195	\$ 1,800	\$ 1,148
Projects in 1994-95 Budget					
Buildings and Structures	18	159	265	442	706
Future Projects (1995-99)					
Buildings and Structures .....	.....	33	343	982	2,069
TOTAL—STATE POLICE	<u>\$ 1,058</u>	<u>\$ 2,861</u>	<u>\$ 2,803</u>	<u>\$ 3,224</u>	<u>\$ 3,923</u>
 Department of Transportation					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 3,011	\$ 7,772	\$ 6,392	\$ 5,241	\$ 3,342
Projects in 1994-95 Budget					
Buildings and Structures	49	439	732	1,221	1,953
Future Projects (1995-99)					
Buildings and Structures .....	.....	29	262	436	727
Subtotal	<u>\$ 3,060</u>	<u>\$ 8,240</u>	<u>\$ 7,386</u>	<u>\$ 6,898</u>	<u>\$ 6,022</u>
 Highway Projects					
Projects Currently Authorized					
Highway and Railroad Bridge Construction and Restoration	\$ 24,500	.....	.....	.....	.....
Subtotal	<u>\$ 24,500</u>	.....	.....	.....	.....

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
	1994-95 Estimated	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
CAPITAL FACILITIES BOND FUNDS					
Department of Transportation (continued)					
Transportation Assistance Projects					
Projects Currently Authorized					
Mass Transit, Rail and Air	\$ 120,000	\$ 78,000	\$ 46,000	\$ 33,000	\$ 27,000
Projects in 1994-95 Budget					
Mass Transit and Rail	17,691	9,198	7,431	3,893	2,122
Future Projects (1995-99)					
Mass Transit and Rail		23,091	36,178	47,649	55,082
Subtotal	<u>\$ 137,691</u>	<u>\$ 110,289</u>	<u>\$ 89,609</u>	<u>\$ 84,542</u>	<u>\$ 84,204</u>
TOTAL—TRANSPORTATION	<u>\$ 165,251</u>	<u>\$ 118,529</u>	<u>\$ 96,995</u>	<u>\$ 91,440</u>	<u>\$ 90,226</u>
Administration					
Public Improvement Program					
Department of General Services					
Buildings and Structures	\$ 10,688	\$ 9,644	\$ 4,000	\$ 4,000	\$ 4,000
TOTAL — ADMINISTRATION	<u>\$ 10,688</u>	<u>\$ 9,644</u>	<u>\$ 4,000</u>	<u>\$ 4,000</u>	<u>\$ 4,000</u>
TOTAL—CAPITAL FACILITIES BOND FUNDS					
Public Improvement Projects					
Buildings and Structures	\$ 255,895	\$ 237,297	\$ 198,871	\$ 196,673	\$ 196,673
Furniture and Equipment	21,700	10,786	26,074	19,435	7,087
Redevelopment Assistance Projects					
Acquisition and Construction	98,255	56,572	34,120	4,800	10,000
Flood Control Projects					
Structures and Improvements	13,378	20,112	6,516	1,254	600
Highway Projects					
Highway and Railroad Bridge Construction and Restoration	24,500				
Transportation Assistance Projects					
Mass Transit, Rail and Air	137,691	110,289	89,609	84,542	84,204
TOTAL	<u>\$ 551,419</u>	<u>\$ 435,056</u>	<u>\$ 355,190</u>	<u>\$ 306,704</u>	<u>\$ 298,564</u>
KEYSTONE RECREATION, PARK AND CONSERVATION BOND FUNDS					
Department of Environmental Resources					
Public Improvement Projects					
Projects in 1994-95 Budget					
Acquisition, Improvements and Restoration	\$ 2,770	\$ 9,695	\$ 1,385		
Future Projects (1995-99)					
Acquisition, Improvements and Restoration			1,575	\$ 1,575	
TOTAL	<u>\$ 2,770</u>	<u>\$ 9,695</u>	<u>\$ 2,960</u>	<u>\$ 1,575</u>	

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
CURRENT REVENUES	1994-95 Estimated	1995-96 Estimated	1996-97 Estimated	1997-98 Estimated	1998-99 Estimated
Game Commission					
Public Improvement Projects					
Projects Currently Authorized					
Game Fund	\$ 3,000				
Future Projects (1995-99)					
Game Fund		\$ 3,000	\$ 3,000	\$ 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>
Department Transportation					
Highway and Bridge Projects					
Projects Currently Authorized					
Motor License Fund	\$ 125,873	\$ 91,643	\$ 83,011	\$ 79,011	\$ 76,961
Projects in 1994-95 Budget					
Motor License Fund		2,000	4,000	6,000	6,000
Future Projects (1995-99)					
Motor License Fund			2,000	4,000	6,000
TOTAL—TRANSPORTATION	<u>\$ 125,873</u>	<u>\$ 93,643</u>	<u>\$ 89,011</u>	<u>\$ 89,011</u>	<u>\$ 88,961</u>
TOTAL—CURRENT REVENUES					
Public Improvement Projects					
Game Fund	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Highway and Bridge Projects					
Motor License Fund	125,873	93,643	89,011	89,011	89,961
TOTAL	<u>\$ 128,873</u>	<u>\$ 96,643</u>	<u>\$ 92,011</u>	<u>\$ 92,011</u>	<u>\$ 91,961</u>
TOTAL—ALL STATE FUNDS	<u>\$ 683,062</u>	<u>\$ 541,394</u>	<u>\$ 450,161</u>	<u>\$ 400,290</u>	<u>\$ 390,525</u>



Governor's Executive Budget

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 1994-95 are Land and Water Development, Volunteer Companies Loans, PENNVEST, Economic Revitalization, Agricultural Conservation Easement, Local Criminal Justice, Keystone Recreation, Park and Conservation, and Capital Budget projects.

The following statement reflects the debt of the Commonwealth as of December 31, 1993. 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 ^a	Sinking Fund	Net Indebtedness ^a
Capital Budget	\$ 22,455,095	\$ 7,475,830	\$ 4,085,034	\$ 3,390,796	\$ 2,349	\$ 3,388,447
Refunding Bonds		786,579	275,968	510,611		510,611
General State Authority	1,165,250	1,165,250	1,165,250 ^b			
Subtotal	<u>\$ 23,620,345</u>	<u>\$ 9,427,659</u>	<u>\$ 5,526,252</u>	<u>\$ 3,901,407</u>	<u>\$ 2,349</u>	<u>\$ 3,899,058</u>
Debt Not Subject to Constitutional Limit						
Disaster Relief	\$ 192,708	\$ 170,800	\$ 103,950	\$ 66,850		\$ 66,850
Economic Revitalization	190,000	174,000	75,570	98,430		98,430
Land and Water Development	500,000	497,700	311,005	186,695	\$ 11	186,684
Nursing Home Loan Agency	100,000	69,000	51,095	17,905	15	17,890
Project 70 Land Acquisition	70,000	70,000	65,560	4,440	1	4,439
Vietnam Veterans' Compensation	65,000	62,000	37,790	24,210	1	24,209
Volunteer Companies Loan	50,000	33,000	15,630	17,370		17,370
Water Facilities—1981 Referendum	300,000	253,500	111,500	142,000	1	141,999
PENNVEST—1988 & 1992 Referenda	650,000	250,500	14,555	235,945		235,945
Agricultural Conservation Easement	100,000	73,000	2,380	70,620	1	70,619
Local Criminal Justice	200,000	96,000	515	95,485	1	95,484
Keystone Recreation, Park and Conservation	50,000					
Refunding Bonds		130,835	25,513	105,322		105,322
Matured Loans Unclaimed				141	145	-4
Subtotal	<u>\$ 2,467,708</u>	<u>\$ 1,880,335</u>	<u>\$ 815,063</u>	<u>\$ 1,065,413</u>	<u>\$ 176</u>	<u>\$ 1,065,237</u>
TOTAL	<u>\$ 26,088,053</u>	<u>\$ 11,307,994</u>	<u>\$ 6,341,315</u>	<u>\$ 4,966,820</u>	<u>\$ 2,525</u>	<u>\$ 4,964,295</u>

^aDoes not include \$4,437,000 accreted value of capital appreciation 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.

PUBLIC DEBT

PROJECTED DEBT ISSUES AND DEBT OUTSTANDING 1993-94 Through 1998-99

This table shows the projected amount of general obligation bonds and bond anticipation notes of the Commonwealth to be issued and the level of debt outstanding at the end of the fiscal year. Outstanding debt amounts are also shown 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.

Projected Debt Issues	(Dollar Amounts in Thousands)					
	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Capital Budget						
Bridges	\$ 23,700					
Buildings and Structures	135,000	\$ 230,000	\$ 205,000	\$ 200,000	\$ 200,000	\$ 200,000
Flood Control	2,300	14,000	20,000	7,000	1,000	1,000
Furnishings and Equipment	6,000	19,000	11,000	27,000	20,000	7,000
Redevelopment Assistance	39,000	101,000	57,000	34,000	5,000	10,000
Transportation Assistance	140,000	110,000	115,000	80,000	85,000	80,000
Total	<u>\$ 346,000</u>	<u>\$ 474,000</u>	<u>\$ 408,000</u>	<u>\$ 348,000</u>	<u>\$ 311,000</u>	<u>\$ 298,000</u>
Special Purpose						
Agricultural Conservation Easement ..	\$ 25,000	\$ 25,000	\$ 2,000			
Economic Revitalization	10,000	8,000	3,000			
Keystone Recreation, Park & Conservation		22,000	16,000	\$ 11,000	\$ 1,000	
Land and Water Development	4,300					
Local Criminal Justice	42,000	52,000	35,000			
PENNVEST — 1988 & 1992						
Referenda	145,000	65,000	65,000	61,500	42,000	\$ 30,000
Volunteer Companies Loan	10,000	7,000				
Water Facilities Loan — 1981						
Referendum	69,000	8,500				
Total	<u>\$ 305,300</u>	<u>\$ 187,500</u>	<u>\$ 121,000</u>	<u>\$ 72,500</u>	<u>\$ 43,000</u>	<u>\$ 30,000</u>
TOTAL	<u>\$ 651,300</u>	<u>\$ 661,500</u>	<u>\$ 529,000</u>	<u>\$ 420,500</u>	<u>\$ 354,000</u>	<u>\$ 328,000</u>
Debt Outstanding Projection						
Capital Budget and Refunding Bonds ¹	\$ 3,983,987	\$ 4,021,544	\$ 4,053,592	\$ 4,013,299	\$ 3,960,984	\$ 3,870,810
Special Purpose						
Agricultural Conservation Easement ..	70,370	92,700	90,705	86,525	82,265	77,910
Disaster Relief	63,600	56,510	49,035	41,320	33,175	25,920
Economic Revitalization	102,170	102,490	99,910	94,845	89,690	84,440
Keystone Recreation, Park & Conservation		22,000	36,900	46,000	44,550	42,050
Land and Water Development	174,120	148,560	122,630	101,205	81,170	64,660
Local Criminal Justice	110,910	159,110	187,550	179,080	170,445	161,630
Nursing Home Loan	17,745	12,720	9,920	6,985	5,230	3,405
PENNVEST — 1988 and 1992						
Referenda	324,585	375,710	423,250	463,630	481,335	484,645
Project 70 Land Acquisition	3,930	3,380	2,790	2,160	1,490	770
Refunding Bonds ¹	104,121	99,594	93,457	83,046	72,383	62,268
Vietnam Veterans Compensation	21,320	17,955	14,375	10,575	6,540	4,235
Volunteer Companies Loan	26,935	31,610	28,875	26,075	24,125	22,165
Water Facilities Loan — 1981						
Referendum	175,730	171,365	160,515	149,965	141,610	133,675
TOTAL	<u>\$ 5,179,523</u>	<u>\$ 5,315,248</u>	<u>\$ 5,373,504</u>	<u>\$ 5,304,710</u>	<u>\$ 5,194,992</u>	<u>\$ 5,038,583</u>

¹Refunding 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)				
	1994-95	1995-96	1996-97	1997-98	1998-99
General Fund					
Capital Budget ¹	\$ 409,042	\$ 423,666	\$ 448,683	\$ 462,475	\$ 464,405
Agricultural Conservation Easement	7,080	8,923	8,962	8,833	8,712
Disaster Relief	10,458	10,424	10,223	10,195	8,862
Economic Revitalization	13,890	11,644	10,823	10,630	10,435
Land and Water Development	35,034	33,931	28,051	25,392	20,703
Local Criminal Justice	10,182	15,195	18,064	17,801	15,545
Keystone Recreation Park and Conservation	375	2,444	3,911	4,802	4,751
Nursing Home Loan	6,044	3,566	3,514	2,175	2,114
PENNVEST—1988 & 1992 Referenda	32,652	38,464	44,554	49,555	52,675
Project 70 Land Acquisition	775	779	780	778	783
Refunding Bonds	10,626	11,912	15,735	15,421	14,188
Vietnam Veterans Compensation	4,567	4,575	4,574	4,572	2,592
Volunteer Companies Loan	3,973	4,496	4,380	3,369	3,239
Water Facilities Loan—1981 Referendum. Less: Augmentations, Interest and Miscellaneous Revenue	22,692	20,287	19,348	16,515	15,619
	<u>-57,774</u>	<u>-18,707</u>	<u>-10,206</u>	<u>-12,261</u>	<u>-14,489</u>
TOTAL	<u>\$ 509,616</u>	<u>\$ 571,599</u>	<u>\$ 611,396</u>	<u>\$ 620,252</u>	<u>\$ 610,134</u>
Motor License Fund					
Capital Budget—Highways	\$ 179,099	\$ 150,106	\$ 118,071	\$ 113,798	\$ 110,910
Capital Budget ¹	1,674	2,094	2,475	2,409	2,368
Advance Construction Interstate—Interest Payments ²	1,776	.....	.....	.....	.....
TOTAL	<u>\$ 182,549</u>	<u>\$ 152,200</u>	<u>\$ 120,546</u>	<u>\$ 116,207</u>	<u>\$ 113,278</u>
Fish Fund					
Capital Budget ¹	\$ 24	\$ 4	\$ 1	.....	.....
Motor License Fund Restricted Receipts					
Aviation—Capital Budget ¹	\$ 1,246	\$ 1,674	\$ 1,679	\$ 1,688	\$ 1,671
Highway Bridge Improvement—Capital Budget ¹	31,134	30,290	29,467	29,809	29,614
TOTAL	<u>\$ 32,380</u>	<u>\$ 31,964</u>	<u>\$ 31,146</u>	<u>\$ 31,497</u>	<u>\$ 31,285</u>
TOTAL	<u>\$ 724,569</u>	<u>\$ 755,767</u>	<u>\$ 763,089</u>	<u>\$ 767,956</u>	<u>\$ 754,697</u>

¹Includes bonds issued to refund Capital Budget bonds and/or to refinance General State Authority rentals.

²Principal 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, 1993.

Purpose of Bonds	Bond Date	Interest Rate	First and Last Year of Maturity	Original Amount in Thousands
Agricultural Easement —	September 1, 1993	5.0%	1994-13	\$ 25,000
Capital Budget — Bridge Projects	April 15, 1993	5.1%	1994-13	\$ 15,000
	June 15, 1993	5.3%	1994-13	24,000
Subtotal				\$ 39,000
Capital Budget — Buildings and Structures	April 15, 1993	5.1%	1994-13	\$ 5,000
	June 15, 1993	5.3%	1994-13	35,000
	September 1, 1993	5.0%	1994-13	50,000
Subtotal				\$ 90,000
Capital Budget — Flood Control	April 15, 1993	5.1%	1994-13	\$ 1,000
	September 1, 1993	5.0%	1994-13	2,000
Subtotal				\$ 3,000
Capital Budget — Furnishings and Equipment	April 15, 1993	5.1%	1994-03	\$ 1,000
	September 1, 1993	5.0%	1994-13	3,000
Subtotal				\$ 4,000
Capital Budget — Highways Projects	April 15, 1993	5.1%	1994-13	\$ 14,000
Capital Budget — Redevelopment Assistance	September 1, 1993	5.0%	1994-13	\$ 3,000
Capital Budget — Transportation Assistance	April 15, 1993	5.1%	1994-13	\$ 85,000
	June 15, 1993	5.3%	1994-13	32,000
	September 1, 1993	5.0%	1994-13	40,000
Subtotal				\$ 157,000
Economic Revitalization —	September 1, 1993	5.0%	1994-13	\$ 5,000
Land & Water Development —	April 15, 1993	5.1%	1994-13	\$ 2,000
	June 15, 1993	5.3%	1994-13	3,000
	September 1, 1993	5.0%	1994-13	2,000
Subtotal				\$ 7,000
Local Criminal Justice —	June 15, 1993	5.3%	1994-13	\$ 52,000
	September 1, 1993	5.0%	1994-13	25,000
Subtotal				\$ 77,000
PENNVEST — 1988 & 1992 Referenda	April 15, 1993	5.1%	1994-13	\$ 21,500
	June 15, 1993	5.3%	1994-13	17,000
	September 1, 1993	5.0%	1994-13	53,000
Subtotal				\$ 91,500
Refunding —	April 15, 1993	5.1%	1994-13	\$ 247,000
Volunteer Companies —	April 15, 1993	5.1%	1994-13	\$ 1,000
	June 15, 1993	5.3%	1994-13	1,000
	September 1, 1993	5.0%	1994-13	3,000
Subtotal				\$ 5,000
Water Facilities —	April 15, 1993	5.1%	1994-13	\$ 11,500
	June 15, 1993	5.3%	1994-13	9,000
	September 1, 1993	5.0%	1994-13	31,000
Subtotal				\$ 51,500
TOTAL				<u>\$ 819,000</u>

PUBLIC DEBT

ANNUAL DEBT SERVICE ON OUTSTANDING GENERAL OBLIGATION BONDS Bonds Issued as of December 31, 1993

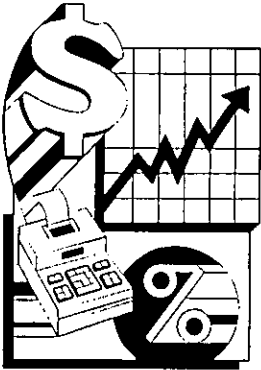
(Dollar Amounts in Thousands)

Fiscal Year	Capital Budget (Non-highway) ¹	Capital Budget (Highway) ²	Land and Water	Disaster Relief	Vietnam Veterans Comp.	Project 70	Volunteer Companies Loan	
1993-94	\$389,611	\$250,724	\$35,251	\$10,485	\$4,562	\$769	\$2,824	
1994-95	378,480	257,638	34,804	10,458	4,567	775	2,898	
1995-96	349,118	178,084	33,707	10,424	4,575	779	2,825	
1996-97	333,833	145,287	27,832	10,223	4,574	780	2,751	
1997-98	315,671	141,414	25,179	10,195	4,572	778	1,783	
1998-99	288,890	138,391	20,496	8,862	2,592	783	1,695	
1999-00	278,874	125,092	18,704	7,053	2,601	785	1,613	
2000-01	253,527	104,239	17,766	7,056	478	.....	1,525	
2001-02	229,208	83,092	12,149	7,083	482	.....	1,449	
2002-03	204,582	62,533	8,837	7,108	487	.....	1,084	
2003-04	186,063	51,562	5,396	195	491	.....	643	
2004-05	165,315	34,542	1,605	186	.....	.....	632	
2005-06	148,957	35,269	1,577	177	.....	.....	631	
2006-07	131,225	31,496	1,542	168	.....	.....	623	
2007-08	117,224	28,978	1,509	158	.....	.....	614	
2008-09	106,383	24,812	1,485	149	.....	.....	615	
2009-10	88,015	19,548	1,218	.....	.....	.....	604	
2010-11	74,542	17,678	1,159	.....	.....	.....	597	
2011-12	65,757	15,112	1,084	.....	.....	.....	589	
2012-13	39,854	7,270	916	.....	.....	.....	575	
2013-14	7,436	.....	154	.....	.....	.....	231	

Fiscal Year	Nursing Home Loan Agency	Agricultural Easement Purchase	Water Facilities Loans-1981 Referendum	PENNVEST 1988 & 1992 Referenda	Economic Revitalization	Local Criminal Justice	Refunding Bonds (Non-capital)	Total
1993-94	\$6,096	\$5,168	\$17,841	\$19,961	\$13,844	\$6,499	\$10,419	\$774,054
1994-95	6,044	6,455	18,842	22,452	13,265	7,832	10,626	775,136
1995-96	3,566	6,402	15,734	22,294	10,363	7,845	11,912	657,628
1996-97	3,514	6,353	14,912	22,189	9,424	7,850	15,735	605,257
1997-98	2,175	6,292	12,195	21,748	9,264	7,852	15,420	574,538
1998-99	2,114	6,239	11,415	21,441	9,101	7,860	14,188	534,087
1999-00	879	6,177	11,296	21,190	8,945	7,869	14,594	505,872
2000-01	822	6,123	11,172	20,929	8,780	7,878	13,630	453,925
2001-02	764	6,055	11,043	20,663	8,605	7,884	12,379	400,856
2002-03	755	5,990	10,942	20,349	8,434	7,883	11,366	350,350
2003-04	195	5,925	10,281	20,019	8,257	7,884	11,182	308,093
2004-05	185	5,850	10,183	19,729	8,072	7,882	7,220	261,401
2005-06	175	5,779	10,089	19,440	7,895	7,877	1,833	239,699
2006-07	165	5,706	9,989	19,135	7,702	7,861	1,457	217,069
2007-08	.....	5,622	9,518	18,824	7,517	7,849	743	198,556
2008-09	.....	5,543	9,435	18,516	7,325	7,830	.....	182,093
2009-10	.....	5,459	9,322	16,885	7,142	7,811	.....	156,004
2010-11	.....	5,375	9,164	15,466	6,944	7,794	.....	138,719
2011-12	.....	5,048	8,765	14,872	5,997	7,779	.....	125,003
2012-13	.....	4,358	7,596	13,395	2,167	7,754	.....	83,885
2013-14	.....	1,953	2,424	4,147	384	1,953	.....	18,682

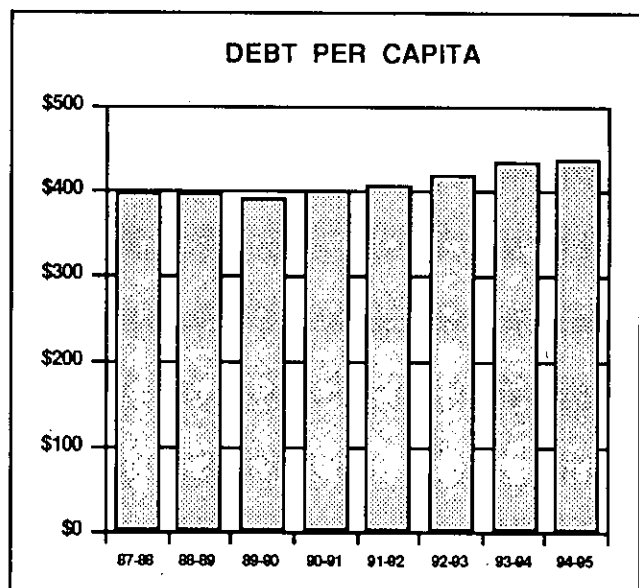
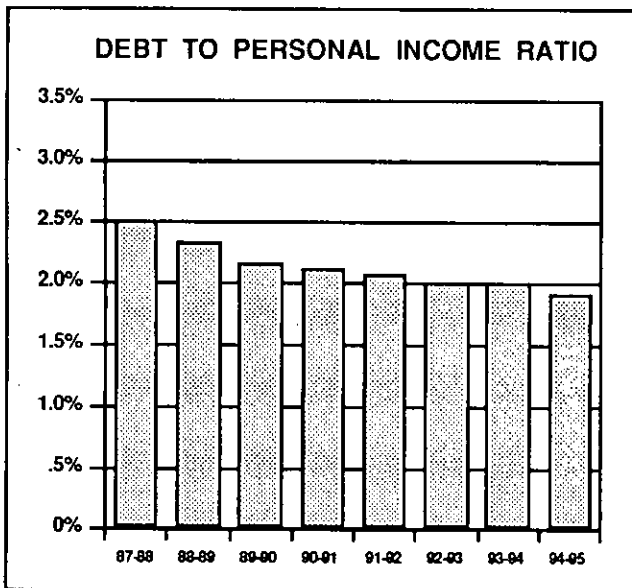
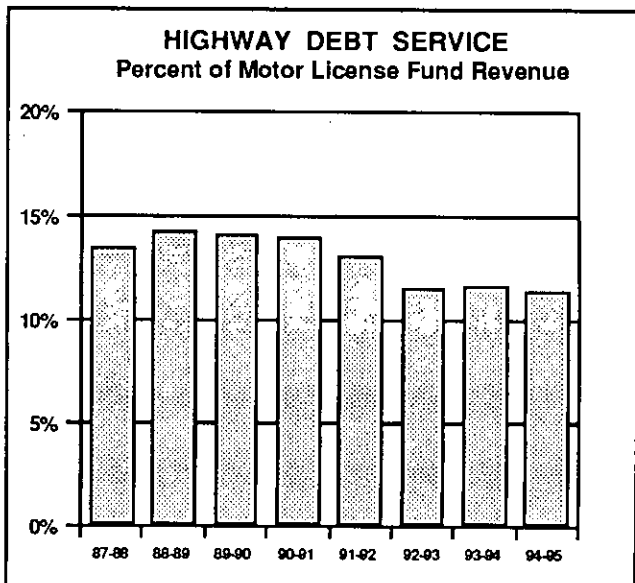
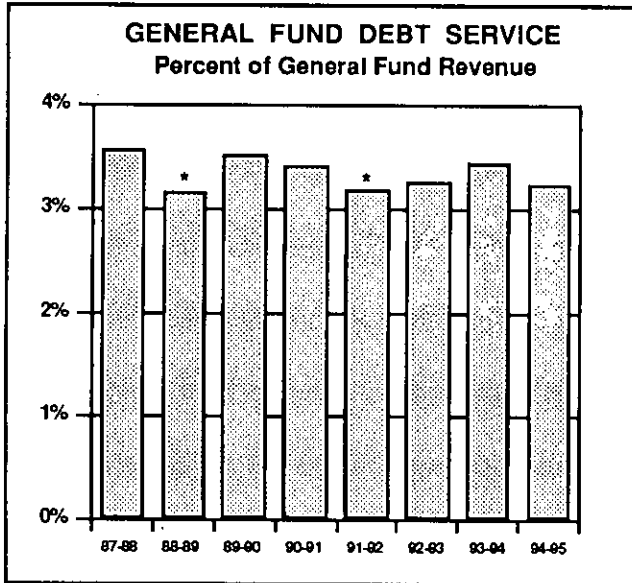
¹Debt service on bonds issued to refund Capital Budget Bonds and refinance General State Authority rentals is included.

²Debt service on bonds issued for Highway, Advance Construction Interstate, and Bridge programs and to refund these bonds.



Trends in Debt Service and Debt Ratios

1987-88 Through 1994-95



* Temporary drop due to bond refinancings.

**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 Article VIII of the State Constitution.

As of December 31, 1993
(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.	\$ 57,350
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.	239,404
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.	380,756
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.	163,650
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.	1,158,785
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.	1,805,931
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.	2,065,473
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.	256,360
Pennsylvania Infrastructure Investment Authority Created in 1988 to provide low interest rate loans and grants for constructing new and for improving existing water supply and sewage disposal systems. Loans and grants are available to local governments and, in certain circumstances, to private companies. The bonds are secured by principal repayments and interest payments on loans.	192,500
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.	1,152,640
Philadelphia Regional Port Authority Created in 1989 for the purpose of acquiring and operating port facilities in Bucks and Delaware counties, and the City of Philadelphia. Debt service on the bonds is paid by a pledge of the authority's revenues, rentals and receipts.	53,815
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.	306,409
TOTAL	<u>\$ 7,833,073</u>



Governor's Executive Budget

Other

Special Funds

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

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.

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, 1993.

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.

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.

ACID MINE DRAINAGE ABATEMENT AND TREATMENT FUND

This fund was created in 1992 to receive money authorized by Title IV of the Federal Surface Mining Control and Reclamation Act. This fund receives up to ten percent of the Commonwealth's Federal Title IV grant for abandoned mine reclamation. Funds are used for acid mine drainage abatement and treatment.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning		\$ 3,832	\$ 3,872
Receipts:			
Federal Funds	\$ 3,782	\$ 1,995	\$ 2,000
Interest	50	40	50
Total Receipts	<u>3,832</u>	<u>2,035</u>	<u>2,050</u>
Total Funds Available	\$ 3,832	\$ 5,867	\$ 5,922
Disbursements:			
Environmental Resources		\$ 1,995	\$ 2,000
Total Disbursements		<u>-1,995</u>	<u>-2,000</u>
Cash Balance, Ending	\$ <u>3,832</u>	\$ <u>3,872</u>	\$ <u>3,922</u>

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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 8,722	\$ 2,687	\$ 1,964
Receipts:			
Federal Unemployment Trust Fund	\$ 175,005	\$ 173,109	\$ 174,000
Other Federal Funds	8,498	11,912	12,000
Other	13,529	13,860	13,900
Total Receipts	<u>197,032</u>	<u>198,881</u>	<u>199,900</u>
Total Funds Available	\$ 205,754	\$ 201,568	\$ 201,864
Disbursements:			
Executive Offices	\$ 7,418	\$ 7,863	\$ 7,900
Labor and Industry	195,649	191,741	192,000
Total Disbursements	<u>-203,067</u>	<u>-199,604</u>	<u>-199,900</u>
Cash Balance, Ending	\$ <u>2,687</u>	\$ <u>1,964</u>	\$ <u>1,964</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. The net investment adjustment shown below is to reflect market value of long term investments as of June 30.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 652	\$ 665	\$ 664
Receipts:			
Interest on Securities	\$ 39	\$ 39	\$ 39
Net Investment Adjustment	14	.....	.....
Total Receipts	53	39	39
Total Funds Available	\$ 705	\$ 704	\$ 703
Disbursements:			
Treasury	\$ 40	\$ 40	\$ 30
Total Disbursements	-40	-40	-30
Cash Balance, Ending	\$ 665	\$ 664	\$ 673

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. Act 23 of 1992 increased the annual ceiling on easement purchases from bond sales from \$20 to \$25 million. Act 22 of 1991 provided that two thirty-firsts of the cigarette tax be transferred twice a year into the fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 268	\$ 169	.....
Receipts:			
Sale of Bonds	\$ 24,507	\$ 24,629	\$ 25,000
Interest on Securities	170	100	.....
Transfer of Cigarette Tax .....	.....	11,100	21,200
Transfer from General Fund	4,200	.....	.....
Other	-254	.....	.....
Total Receipts	28,623	35,829	46,200
Total Funds Available	\$ 28,891	\$ 35,998	\$ 46,200
Disbursements:			
Agriculture	\$ 18,435	\$ 35,998	\$ 46,200
Treasury	37	.....	.....
Transfer to General Fund	10,250	.....	.....
Total Disbursements	-28,722	-35,998	-46,200
Cash Balance, Ending	\$ 169	.....	.....

AGRICULTURAL CONSERVATION EASEMENT PURCHASE SINKING FUND

Payment of interest and principal due on outstanding agricultural conservation easement purchase bonds is made from this fund. Revenues of this fund come from annual appropriations by the General Assembly and from a portion of the interest earned in the Agricultural Conservation Easement Purchase Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 1		
Receipts:			
Transfer from General Fund	\$ 2,565	\$ 5,141	\$ 7,080
Accrued Interest on Bonds Sold	21	27	
Total Receipts	2,586	5,168	7,080
Total Funds Available	\$ 2,587	\$ 5,168	\$ 7,080
Disbursements:			
Treasury	\$ 2,587	\$ 5,168	\$ 7,080
Total Disbursements	-2,587	-5,168	-7,080
Cash Balance, Ending			

AIR QUALITY IMPROVEMENT FUND

This fund was created by Act 95 of 1992, which authorized the Governor to provide funding via a transfer of up to \$3 million from the Hazardous Sites Cleanup Fund. Funds are used to provide loans to Pennsylvania small businesses to reduce or prevent air pollution through the purchase and installation of air pollution control equipment and facilities, the purchase of equipment to make operational changes and the modification of production practices. The act also provides that the Air Quality Improvement Fund shall repay the Hazardous Sites Cleanup Fund over a ten year period from loan repayments, with the first such repayment to be made after the fifth year.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning			\$ 2,101
Receipts:			
Transfer from Hazardous Sites Cleanup Fund		\$ 3,000	
Interest		62	\$ 61
Loan Repayments		31	308
Miscellaneous		10	21
Total Receipts		3,103	390
Total Funds Available		\$ 3,103	\$ 2,491
Disbursements:			
Economic Development Partnership		\$ 1,002	\$ 2,110
Total Disbursements		-1,002	-2,110
Cash Balance, Ending		\$ 2,101	\$ 381

ANTHRACITE EMERGENCY BOND FUND

This fund was created by Act 171 of 1986 to provide loans for anthracite underground mine operators who cannot obtain necessary bonding or whose bonding has been cancelled due to insolvency or bankruptcy of the original bonding company. Revenues are provided by appropriation from the General Fund, a fee for each ton of coal estimated by certain mine operations and payments made by operators in lieu of a bond.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 240	\$ 254	\$ 275
Receipts:			
Transfer from the General Fund .....	.....	.....	.....
Operator Payments .....	.....	\$ 3	\$ 5
Production Fees	\$ 7	9	9
Interest	9	14	10
Total Receipts	16	26	24
Total Funds Available	\$ 256	\$ 280	\$ 299
Disbursements:			
Environmental Resources	\$ 2	\$ 5	\$ 5
Total Disbursements	-2	-5	-5
Cash Balance, Ending	\$ 254	\$ 275	\$ 294

BEN FRANKLIN/IRC PARTNERSHIP FUND

This fund was created by Act 64 of 1993 for the receipt and disbursement of all appropriations and other funds made available to the Ben Franklin Partnership Program and the Industrial Resource Centers (IRC) Program, with the further provision that funds appropriated by the General Assembly for each respective program will be used solely for that program. In addition, any other moneys, including Federal funds, which are earmarked for a specific program or purpose must be allocated to that program or purpose.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning
Receipts:			
Transfer from General Fund	\$ 32,790
Total Receipts	32,790
Total Funds Available	\$ 32,790
Disbursements:			
Economic Development Partnership	\$ 32,790
Total Expenditures	-32,790
Cash Balance, Ending

CAPITAL DEBT FUND

Principal and interest payments on bonds issued for purposes of capital budget projects are paid from this fund. Annual appropriations by the General Assembly for payment of interest and principal due on general obligation bonds are the primary source of revenue. 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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 9,143	\$ 13,747	\$ 20,000
Receipts:			
Transfer from Other Funds	\$ 679,353	\$ 632,027	\$ 662,061
Rentals — State-Aided and State- Related Institutions	4,589	2,656	100
Interest Subsidy — Higher Education Construction Projects	158	158	158
Refunding Bond Maturing Escrow Funds	627,338	168,246	136,289
Interest on Lock Haven Escrow Account	25	18	.....
Accrued Interest on Bonds Sold	1,512	104	.....
Interest on Securities	342	322	302
Bond Sale for BANs Repayment .....	.....	3,000	.....
Sale of State Property	3,435	23,000	.....
Total Receipts	<u>1,316,752</u>	<u>829,531</u>	<u>798,910</u>
Total Funds Available	\$ 1,325,895	\$ 843,278	\$ 818,910
Disbursements:			
Treasury	\$ 1,312,148	\$ 823,278	\$ 818,910
Total Disbursements	<u>-1,312,148</u>	<u>-823,278</u>	<u>-818,910</u>
Cash Balance, Ending	<u>\$ 13,747</u>	<u>\$ 20,000</u>	<u>.....</u>

CAPITAL FACILITIES FUND

Monies in this fund are used to meet the financial costs of capital projects as authorized by capital budget acts. Revenue for this fund comes principally from the sale of general obligation debt and interest earnings. Debt issued for this fund is subject to a debt limit equal to one and three quarter times the average of 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 monies in the fund is credited to the account in the fund to which such invested or deposited money was originally credited. Project money that remained after the refunding of the General State Authority was deposited in this fund. This money is used for the maintenance and repair of General State Authority projects.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 81,533	\$ 160,905	\$ 122,070
Receipts:			
Sale of Bonds	\$ 365,205	\$ 342,540	\$ 474,000
Bond Anticipation Notes Sold	3,000	.....	.....
Interest on Securities	7,925	4,906	4,907
Interest on Grant Funds — Redevelopment Assistance Projects	57	60	.....
Other	23,886	20,645	.....
Total Receipts	400,073	368,151	478,907
Total Funds Available	\$ 481,606	\$ 529,056	\$ 600,977
Disbursements:			
Community Affairs	\$ 4,190	\$ 44,057	\$ 98,255
Environmental Resources	4,970	2,319	13,378
General Services	164,346	134,237	277,595
Transportation	129,540	218,373	162,191
Treasury	17,655	8,000	2,000
Total Disbursements	-320,701	-406,986	-553,419
Cash Balance, Ending	\$ 160,905	\$ 122,070	\$ 47,558

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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 135	\$ 152	\$ 159
Receipts:			
Contributions and Sales	\$ 12	\$ 12	\$ 12
Other	5	5	6
Total Receipts	17	17	18
Total Funds Available	\$ 152	\$ 169	\$ 177
Disbursements:			
Capitol Preservation Committee		\$ 10	\$ 10
Total Disbursements		-10	-10
Cash Balance, Ending	\$ 152	\$ 159	\$ 167

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 owed by the Catastrophic Loss Trust Fund. Monies in the former Catastrophic Loss Trust Fund were transferred to this fund effective July 1, 1989. Additional revenue is obtained from a surcharge on certain motor vehicle moving violations.

Act 70 of 1990 permits the Continuation Fund to borrow from the Workers' Compensation Security Fund.

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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 3,508	\$ 16,799	\$ 16,196
Receipts:			
Moving Violation Surcharge	\$ 33,778	\$ 34,000	\$ 34,000
Interest	346	300	300
Miscellaneous	467	9	9
Total Receipts	34,591	34,309	34,309
Total Funds Available	\$ 38,099	\$ 51,108	\$ 50,505
Disbursements:			
Executive Offices	\$ 9	\$ 9	\$ 9
Insurance	21,291	34,903	27,345
Total Disbursements	-21,300	-34,912	-27,354
Cash Balance, Ending	\$ 16,799	\$ 16,196	\$ 23,151

CHILDREN'S TRUST FUND

Act 151 of 1988 created the Children's Trust Fund. Revenue is generated by a \$10 fee on marriage licenses and divorce applications. 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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 3,302	\$ 3,601	\$ 2,724
Receipts:			
Marriage/Divorce Surcharge	\$ 1,287	\$ 1,287	\$ 1,287
Miscellaneous Revenue	119	132	132
Total Receipts	<u>1,406</u>	<u>1,419</u>	<u>1,419</u>
Total Funds Available	\$ 4,708	\$ 5,020	\$ 4,143
Disbursements:			
Public Welfare	\$ 1,107	\$ 2,296	\$ 1,864
Total Disbursements	<u>-1,107</u>	<u>-2,296</u>	<u>-1,864</u>
Cash Balance, Ending	<u>\$ 3,601</u>	<u>\$ 2,724</u>	<u>\$ 2,279</u>

CLEAN AIR FUND

This fund was created to meet the provisions of Act 787 of 1959, as amended by Act 95 of 1992, to finance the attainment of air quality standards, the administration of the rules and regulations promulgated under these acts, the reduction of interstate air pollution transport and a program to assist businesses in meeting emission standards. Fines, civil penalties and fees from air pollution emitters, as well as appropriations from the General Assembly, Federal or local governments, and interest earnings are deposited in this fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning		\$ 15,394	\$ 13,478
Receipts:			
Transfer from Restricted Revenue			
Account	\$ 7,025		
Fines and Penalties	3,152	\$ 3,151	\$ 3,151
Fees	8,392	8,392	8,392
Interest	223	502	575
Other	7		
Total Receipts	<u>18,799</u>	<u>12,045</u>	<u>12,118</u>
Total Funds Available	\$ 18,799	\$ 27,439	\$ 25,596
Disbursements:			
Environmental Resources	\$ 3,405	\$ 13,961	\$ 17,125
Total Disbursements	<u>-3,405</u>	<u>-13,961</u>	<u>-17,125</u>
Cash Balance, EndIng	<u>\$ 15,394</u>	<u>\$ 13,478</u>	<u>\$ 8,471</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. The net investment adjustment shown below reflects carrying value of long-term investments as of June 30.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 12,434	\$ 13,569	\$ 13,433
Receipts:			
Premiums Collected	\$ 2,561	\$ 2,575	\$ 2,650
Interest	494	600	600
Other	39	.....	.....
Net Investment Adjustments	-3	.....	.....
Total Receipts	<u>3,091</u>	<u>3,175</u>	<u>3,250</u>
Total Funds Available	\$ 15,525	\$ 16,744	\$ 16,683
Disbursements:			
Executive Offices	\$ 39	.....	.....
Environmental Resources	<u>1,917</u>	<u>\$ 3,311</u>	<u>\$ 3,411</u>
Total Disbursements	<u>-1,956</u>	<u>-3,311</u>	<u>-3,411</u>
Cash Balance, Ending	<u>\$ 13,569</u>	<u>\$ 13,433</u>	<u>\$ 13,272</u>

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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 367	\$ 279	\$ 287
Receipts:			
Sale of Land	\$ -100 ^a	.....	.....
Interest	<u>12</u>	<u>\$ 8</u>	<u>\$ 8</u>
Total Receipts	<u>-88</u>	<u>8</u>	<u>8</u>
Total Funds Available	\$ 279	\$ 287	\$ 295
Disbursements:			
Environmental Resources .....	.....	.....	.....
Total Disbursements .....	.....	.....	.....
Cash Balance, Ending	<u>\$ 279</u>	<u>\$ 287</u>	<u>\$ 295</u>

^aNegative revenue results from release of money held in escrow until completion of reclamation work.

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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 49	\$ 51	\$ 47
Receipts:			
Interest on Securities	\$ 2	\$ 2	\$ 3
Total Receipts	<u>2</u>	<u>2</u>	<u>3</u>
Total Funds Available	\$ 51	\$ 53	\$ 50
Disbursements:			
Historical and Museum Commission .....	.....	<u>6</u>	.....
Total Disbursements .....	.....	<u>-6</u>	.....
Cash Balance, Ending	<u>\$ 51</u>	<u>\$ 47</u>	<u>\$ 50</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. This fund is used as a holding account until monies are transferred to one of the investment plan options. Interest earned while the monies are held is used to offset administrative expenses. The disbursements shown under the Executive Offices and the State Employees' Retirement System 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 separation or financial hardship. Funds in this program, including interest, are expected to total \$218 million in 1994-95. 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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 215	\$ 124	\$ 172
Receipts:			
Employee Contributions	\$ 42,480	\$ 48,232	\$ 51,819
Interest	<u>7</u>	<u>6</u>	<u>9</u>
Total Receipts	<u>42,487</u>	<u>48,238</u>	<u>51,828</u>
Total Funds Available	\$ 42,702	\$ 48,362	\$ 52,000
Disbursements:			
Executive Offices	\$ 33,317	\$ 38,564	\$ 41,660
State Employees' Retirement System	<u>9,261</u>	<u>9,626</u>	<u>10,000</u>
Total Disbursements	<u>-42,578</u>	<u>-48,190</u>	<u>-51,660</u>
Cash Balance, Ending	<u>\$ 124</u>	<u>\$ 172</u>	<u>\$ 340</u>

DEFERRED COMPENSATION FUND — SHORT-TERM PORTFOLIO

On November 6, 1987, Act 81 was signed into law establishing the Deferred Compensation Program. The program enables 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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 8,331	\$ 9,011	\$ 9,800
Receipts:			
Transfers from Deferred Compensation Fund	\$ 2,662	\$ 2,784	\$ 2,930
Interest	327	305	320
Total Receipts	2,989	3,089	3,250
Total Funds Available	\$ 11,320	\$ 12,100	\$ 13,050
Disbursements:			
State Employees' Retirement System	\$ 2,309	\$ 2,300	\$ 2,450
Total Disbursements	-2,309	-2,300	-2,450
Cash Balance, Ending	\$ 9,011	\$ 9,800	\$ 10,600

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 redevelopment activity in this program was completed during July 1991. Fund receipts are transferred to the Disaster Relief Redemption Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 1	\$ 1	.....
Receipts:			
Interest on Securities	\$ 11	1	.....
Interest of Grant Bank Account	493	100	.....
Total Receipts	504	101	.....
Total Funds Available	\$ 505	\$ 102	.....
Disbursements:			
Transfer to Disaster Relief Redemption Fund	\$ 504	\$ 102	.....
Total Disbursements	-504	-102	.....
Cash Balance, Ending	\$ 1	.....	.....

DISASTER RELIEF REDEMPTION FUND

Payment of interest and principal due on bonds issued for the Disaster Relief Fund are made from this 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 monies provided from the Disaster Relief Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning .....	.....	\$ 332	.....
Receipts:			
Transfer from General Fund	\$ 10,349	\$ 10,050	\$ 10,457
Transfer from Disaster Relief Fund ..	504	102	.....
Interest on Securities .....	.....	1	1
Total Receipts	<u>10,853</u>	<u>10,153</u>	<u>10,458</u>
Total Funds Available	\$ 10,853	\$ 10,485	\$ 10,458
Disbursements:			
Treasury	\$ 10,521	\$ 10,485	\$ 10,458
Total Disbursements	<u>-10,521</u>	<u>-10,485</u>	<u>-10,458</u>
Cash Balance, Ending	<u>\$ 332</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; provide assistance, coordination and support of the development and maintenance of a comprehensive emergency medical services system; determine qualifications, eligibility and certification of emergency medical services personnel; and fund ambulance services. The fund was created by The Emergency Medical Services Act (Act 45) enacted on July 7, 1985. 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.

In addition to the fee imposed by Act 121, revenue is derived from a \$10 fine levied on all moving traffic violations. 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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 18,280	\$ 18,739	\$ 12,139
Receipts:			
Fines	\$ 10,337	\$ 10,544	\$ 10,754
Interest	724 ^a	656	425
Other .....	.....	.....	800
Total Receipts	<u>11,061</u>	<u>11,200</u>	<u>11,979</u>
Total Funds Available	\$ 29,341	\$ 29,939	\$ 24,118
Disbursements:			
Health	\$ 10,602	\$ 17,800	\$ 18,600
Total Disbursements	<u>-10,602</u>	<u>-17,800</u>	<u>-18,600</u>
Cash Balance, Ending	<u>\$ 18,739</u>	<u>\$ 12,139</u>	<u>\$ 5,518</u>

^aAdjust for a duplicate interest entry by Treasury.

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 vending or refreshment stands or other suitable business enterprises in suitable locations 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 where 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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 746	\$ 1,057	\$ 150
Receipts:			
Federal Reimbursement — Business			
Enterprise Program	\$ 328	\$ 300	\$ 300
Vending Stand Equipment Rentals ..	265	200	200
Vending Machine Receipts	503	310	310
Interest	36	30	36
Other	6		6
Total Receipts	1,138	840	852
Total Funds Available	\$ 1,884	\$ 1,897	\$ 1,002
Disbursements:			
Treasury		\$ 5	
Public Welfare	\$ 827	1,742	\$ 852
Total Disbursements	-827	-1,747	-852
Cash Balance, Ending	\$ 1,057	\$ 150	\$ 150

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. The fund is supported by an appropriation from the General Fund as well as from interest earnings.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 3,981	\$ 2,940	\$ 1,982
Receipts:			
Transfer from General Fund	300	\$ 300	\$ 300
Interest	144	90	50
Other	2	2	
Total Receipts	446	392	350
Total Funds Available	\$ 4,427	\$ 3,332	\$ 2,332
Disbursements:			
Executive Offices	\$ 1,487	\$ 1,350	\$ 1,445
Total Disbursements	-1,487	-1,350	-1,445
Cash Balance, Ending	\$ 2,940	\$ 1,982	\$ 887

ENVIRONMENTAL EDUCATION FUND

This fund was authorized by Act 24 of 1993 to provide environmental education programs and to provide grants to schools and other organizations. Funding is from the transfer of 5 percent of fines and penalties deposited in the special funds and restricted revenue accounts which are administered by the Department of Environmental Resources.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning			\$ 4
Receipts:			
Transfers from other funds		\$ 616	\$ 616
Interest		10	14
Total Receipts		626	630
Total Funds Available		\$ 626	\$ 634
Disbursements:			
Environmental Resources		\$ 622	\$ 625
Total Disbursements		-622	-625
Cash Balance, Ending		\$ 4	\$ 9

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. The General Fund Distressed Communities Assistance appropriation to Community Affairs is transferred to this fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 3,782	\$ 1,686	\$ 1,686
Receipts:			
Transfer from General Fund	\$ 483	\$ 2,740	\$ 1,300
Loan Repayments	816	527	823
Interest	122	100	100
Total Receipts	1,421	3,367	2,223
Total Funds Available	\$ 5,203	\$ 5,053	\$ 3,909
Disbursements:			
Community Affairs	\$ 3,517	\$ 3,367	\$ 3,246
Total Disbursements	-3,517	-3,367	-3,246
Cash Balance, Ending	\$ 1,686	\$ 1,686	\$ 663

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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 49,815	\$ 50,695	\$ 49,901
Receipts:			
Foreign Fire Insurance Premiums Tax Payable to Municipalities ..	\$ 50,594	\$ 50,594	\$ 50,000
Total Receipts	50,594	50,594	50,000
Total Funds Available	\$ 100,409	\$ 101,289	\$ 99,901
Disbursements:			
Auditor General	\$ 49,714	\$ 51,388	\$ 50,000
Total Disbursements	-49,714	-51,388	-50,000
Cash Balance, Ending	\$ 50,695	\$ 49,901	\$ 49,901

HAZARDOUS MATERIAL RESPONSE FUND

This fund was created by Act 165 of 1990 to carry out Pennsylvania's responsibilities under Title III of the Federal Superfund Amendments and Reauthorization Act (SARA Title III). Revenue is generated from toxic chemical registration fees and toxic chemical release form fees. Expenditures are for training programs for hazardous material response teams, public education programs, grants to counties to support their SARA Title III activities and for administration of the program including data collection and management.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 1,562	\$ 825	.....
Receipts:			
Toxic Release Inventory Registration Fee	\$ 33	.....	.....
Chemical Inventory Fee	1,026	\$ 1,100	\$ 1,100
Toxic Chemical Release Form Fee ..	228	220	220
Interest on Securities	83	53	53
Miscellaneous	506	.....	.....
Total Receipts	1,876	1,373	1,373
Total Funds Available	\$ 3,438	\$ 2,198	\$ 1,373
Disbursements:			
Emergency Management Agency ...	\$ 2,448	\$ 1,955	\$ 1,263
Labor and Industry	165	243	110
Total Disbursements	-2,613	-2,198	-1,373
Cash Balance, Ending	\$ 825	.....	.....

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 Hazardous Waste Fee as well as money received from parties determined responsible for site contamination. Expenditures are for cleaning up abandoned hazardous waste sites throughout the Commonwealth and restoring the land to productive use. Act 95 of 1992 authorizes a transfer of up to \$3 million to the Air Quality Improvement Fund to capitalize a loan program to small businesses. This amount is to be repaid between the 1997-98 and the 2002-03 fiscal year.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 69,430	\$ 93,786	\$ 76,252
Receipts:			
Capital Stock and Franchise Tax ...	\$ 34,815	\$ 35,200	\$ 36,300
Hazardous Waste Fee	2,659	2,659	2,659
Transfer From General Fund .....	.....	.....	28,960 ^a
Cost Recovery	3,135	3,000	3,000
Interest	2,729	2,799	3,031
Federal Funds	38	.....	50
Other	891	.....	.....
Repayment of Storage Tank Indemnification Fund Loan	382	334	.....
Total Receipts	<u>44,649</u>	<u>43,992</u>	<u>74,000</u>
Total Funds Available	\$ 114,079	\$ 137,778	\$ 150,252
Disbursements:			
Executive Offices	\$ 707	.....	.....
Economic Development Partnership .....	.....	\$ 3,000 ^b	.....
Environmental Resources	19,252	58,526	\$ 68,251
Insurance	334	.....	.....
Total Disbursements	<u>-20,293</u>	<u>-61,526</u>	<u>-68,251</u>
Cash Balance, Ending	<u>\$ 93,786</u>	<u>\$ 76,252</u>	<u>\$ 82,001</u>

^aIncludes unexpended balances from all prior General Fund appropriations.

^bLoan to provide capitalization of Air Quality Improvement Fund.

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 Math and Science Programs; (7) provision for minority students entering graduate professional schools under the Equal Opportunity Professional Education Program; (8) provision for loan forgiveness for teachers in urban and rural areas; and (9) payment of PHEAA administrative costs. Revenue to this fund is derived from appropriations by the General Assembly of General Fund money, gifts, Federal funds, interest earnings and servicing fees.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 132,304	\$ 152,747	\$ 136,124
Receipts:			
Transfer from General Fund	\$ 209,381	\$ 234,628	\$ 253,662
Interest	8,812	6,858	6,991
Federal Revenue	205,000	165,485	164,094
Other	89,292	138,416	139,391
Net Investment Adjustment	-3,049	.....	.....
Total Receipts	<u>509,436</u>	<u>545,387</u>	<u>564,138</u>
Total Funds Available	\$ 641,740	\$ 698,134	\$ 700,262
Disbursements:			
Treasury	\$ 162	.....	.....
Executive Offices	1,916	\$ 2,000	\$ 2,000
Pennsylvania Higher Education Assistance Agency	<u>486,915</u>	<u>560,010</u>	<u>569,859</u>
Total Disbursements	<u>-488,993</u>	<u>-562,010</u>	<u>-571,859</u>
Cash Balance, Ending	<u>\$ 152,747</u>	<u>\$ 136,124</u>	<u>\$ 128,403</u>

HIGHWAY BEAUTIFICATION FUND

The Highway Beautification Fund was created by Act 5 of 1966, Third Special Session. Activities include control of outdoor advertising and control of junkyards. Although General Fund monies were initially appropriated to establish the fund, highway beautification activities are now supported by licenses, fees, fines, penalties, Federal Highway Administration grants 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 highway beautification activities.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 155	\$ 230	\$ 225
Receipts:			
Federal Grants	\$ 771	\$ 800	\$ 800
Licenses and Fees	313	300	300
Other	<u>7</u>	<u>21</u>	<u>17</u>
Total Receipts	<u>1,091</u>	<u>1,121</u>	<u>1,117</u>
Total Funds Available	\$ 1,246	\$ 1,351	\$ 1,342
Disbursements:			
Transportation	\$ 1,015	\$ 1,125	\$ 1,125
Treasury	<u>1</u>	<u>1</u>	<u>1</u>
Total Disbursements	<u>-1,016</u>	<u>-1,126</u>	<u>-1,126</u>
Cash Balance, Ending	\$ <u>230</u>	\$ <u>225</u>	\$ <u>216</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.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 375	\$ 434	\$ 400
Receipts:			
Admission Fees	\$ 906	\$ 950	\$ 975
Other	<u>3,008</u>	<u>2,975</u>	<u>3,080</u>
Total Receipts	<u>3,914</u>	<u>3,925</u>	<u>4,055</u>
Total Funds Available	\$ 4,289	\$ 4,359	\$ 4,455
Disbursements:			
Executive Offices	\$ 55		
Historical and Museum Commission	<u>3,800</u>	<u>3,959</u>	<u>4,055</u>
Total Disbursements	<u>-3,855</u>	<u>-3,959</u>	<u>-4,055</u>
Cash Balance, Ending	\$ <u>434</u>	\$ <u>400</u>	\$ <u>400</u>

HOME INVESTMENT TRUST FUND

This Fund was established by Act 172 of 1992 in order to administer Pennsylvania's program under the National Affordable Housing Act of 1990. Funding will be provided by the Federal Department of Housing and Urban Development on an annual basis. Expenditures are for development and support of affordable rental housing and home ownership through the acquisition, new construction, reconstruction or rehabilitation of housing.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning			
Receipts:			
Federal Funds		\$ 4,576	\$ 7,500
Total Receipts		4,576	7,500
Total Funds Available		\$ 4,576	\$ 7,500
Disbursements:			
Community Affairs		\$ 4,576	\$ 7,500
Total Disbursements		-4,576	-7,500
Cash Balance, Ending			

INDUSTRIAL DEVELOPMENT FUND

Previously appropriations made by the General Assembly to the Pennsylvania Industrial Development Authority (PIDA) were credited to this fund. Effective January 1, 1992, these appropriations were replaced by an annual \$70 million transfer \$17.5 million per quarter of Corporate Income Tax revenues as provided by Act 22 of 1991. This transfer is proposed to end at the close of the 1993-94 fiscal year as part of the PIDA recapitalization. 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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 29,344	\$ 63,604	\$ 61,104
Receipts:			
Tax Revenue	\$ 70,000	\$ 70,000	
Interest on Securities	1,366	2,500	\$ 1,250
Miscellaneous	165		
Total Receipts	71,531	72,500	1,250
Total Funds Available	\$ 100,875	\$ 136,104	\$ 62,354
Disbursements:			
Economic Development Partnership	\$ 37,271	\$ 75,000	\$ 62,354
Total Disbursements	-37,271	-75,000	-62,354
Cash Balance, Ending	\$ 63,604	\$ 61,104	^a

^aSufficient additional funds for 1994-95 loan activities are available from loan repayments and other funds available to PIDA

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 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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 109,585	\$ 114,498	\$ 115,498
Receipts:			
Carrier Assets	\$ 7,300	\$ 3,000	\$ 2,000
Interest	4,113	4,000	5,000
Total Receipts	11,413	7,000	7,000
Total Funds Available	\$ 120,998	\$ 121,498	\$ 122,498
Disbursements:			
Insurance	\$ 6,500	\$ 6,000	\$ 6,000
Total Disbursements	-6,500	-6,000	-6,000
Cash Balance, Ending	\$ 114,498	\$ 115,498	\$ 116,498

KELLOGG FOUNDATION FUND

The W. K. Kellogg Foundation 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. The program ended in 1992-93

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 8		
Receipts:			
Income, Kellogg Foundation			
Interest Earnings			
Total Receipts			
Total Funds Available	\$ 8		
Disbursements:			
Education	\$ 8		
Total Disbursements	\$ -8		
Cash Balance, Ending			

KEYSTONE RECREATION, PARK AND CONSERVATION FUND

This fund, authorized by Act 50 of 1993, provides for increased acquisition, improvements and expansions of Commonwealth and community parks, recreation facilities, historic sites, zoos, public libraries, nature preserves and wildlife habitats. Initial funding is provided by \$50 million in bonds which were approved in a General Referendum in November 1992. In addition, beginning July 31, 1994, 15 percent of the State Realty Transfer Tax is to be deposited in this fund and made available for expenditure beginning July 1, 1995.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning
Receipts:			
Sale of Bonds	\$ 22,000
Realty Transfer Tax	34,700
Interest	300
Total Receipts	57,000
Total Funds Available	\$ 57,000
Disbursements:			
Environmental Resources	\$ 2,770
Community Affairs	6,000
Education	2,500
Historical and Museum Commission	2,700
Fish and Boat Commission	500
Game Commission	1,500
State System of Higher Education
Total Disbursements	-15,970
Cash Balance, Ending	\$ 41,030

KEYSTONE RECREATION, PARK AND CONSERVATION SINKING FUND

Monies in this fund are used to redeem or pay interest on bonds issued for the Keystone Recreation, Park and Conservation Fund. An appropriation from the General Fund provides revenues to the fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning
Receipts:			
Transfer from General Fund	\$ 375
Total Receipts	375
Total Funds Available	\$ 375
Disbursements:			
Treasury	\$ 375
Total Disbursements	-375
Cash Balance, Ending

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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 726	\$ 4,654	\$ 4,581
Receipts:			
Sale of Bonds	\$ 8,965	\$ 4,270	.....
Federal Augmentations	30	.....	.....
Other	147	489	.....
Total Receipts	9,142	4,759	.....
Total Funds Available	\$ 9,868	\$ 9,413	\$ 4,581
Disbursements:			
Executive Offices	\$ 139	.....	.....
Environmental Resources	5,075	\$ 4,832*	\$ 4,581
Total Disbursements	-5,214	-4,832	-4,581
Cash Balance, Ending	\$ 4,654	\$ 4,581	.....

*Includes \$1,000,000 transfer to capitalize the Remining Financial Assurance Fund.

LAND AND WATER DEVELOPMENT SINKING FUND

Payment of interest and principal due on outstanding land and water development bonds is made from this fund. Annual appropriations by the General Assembly and interest on invested balances in this fund and in the Land and Water Development Fund provide the revenues to the fund.

Statement of Cash Receipts and Disbursements

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 4	\$ 8	.....
Receipts:			
Transfer from General Fund	\$ 34,995	\$ 35,107	\$ 35,024
Interest on Securities	35	134	10
Accrued Interest on Bonds Sold	12	2	.....
Total Receipts	35,042	35,234	35,034
Total Funds Available	\$ 35,046	\$ 35,242	\$ 35,034
Disbursements:			
Treasury	\$ 35,038	\$ 35,251	\$ 35,034
Total Disbursements	-35,038	-35,251	-35,034
Cash Balance, Ending	\$ 8	.....	.....

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 gasoline and diesel fuel taxes is deposited into the fund for semi-annual distribution to county governments and to pay registration fees for vehicles operated by mass transportation systems. After payment of fees, remaining funds are allocated to the counties on a three-year average refund to total refund formula and must be used for highway purposes. Since the majority of counties have direct jurisdiction over a limited number of roads, a large portion of these funds are further allocated by the counties to their political subdivisions.

Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 2,364	\$ 3,812	\$ 3,732
Receipts:			
Tax on Gasoline	\$ 24,209	\$ 22,934	\$ 23,115
Tax on Diesel Fuel	4,879	4,812	5,014
Interest .....	.....	.....	.....
Total Receipts	<u>29,088</u>	<u>27,746</u>	<u>28,129</u>
Total Funds Available	\$ 31,452	\$ 31,558	\$ 31,861
Disbursements:			
Treasury	\$ 81	\$ 174	\$ 174
Revenue	<u>27,559</u>	<u>27,652</u>	<u>27,999</u>
Total Disbursements	<u>-27,640</u>	<u>-27,826</u>	<u>-28,173</u>
Cash Balance, Ending	\$ <u>3,812</u>	\$ <u>3,732</u>	\$ <u>3,688</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)

	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 2,484	\$ 2,447	\$ 2,481
Receipts:			
Liquor License Fees	\$ 4,817	\$ 4,900	\$ 4,900
Beer License Fees	119	119	119
Other	<u>15</u>	<u>15</u>	<u>15</u>
Total Receipts	<u>4,951</u>	<u>5,034</u>	<u>5,034</u>
Total Funds Available	\$ 7,435	\$ 7,481	\$ 7,515
Disbursements:			
Treasury	\$ 9	.....	.....
Liquor Control Board	<u>4,979</u>	<u>5,000</u>	<u>5,000</u>
Total Disbursements	<u>-4,988</u>	<u>-5,000</u>	<u>-5,000</u>
Cash Balance, Ending	\$ <u>2,447</u>	\$ <u>2,481</u>	\$ <u>2,515</u>

LOCAL CRIMINAL JUSTICE FUND

This fund was created by Act 71 of 1990 to provide \$200 million for grants to counties for the repair, expansion, construction, rehabilitation and improvement of local correctional facilities or multicounty regional prison facilities or the purchase of electronic monitoring equipment for alternative sentencing programs.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 3,938	\$ 51,243	\$ 133
Receipts:			
Sale of Bonds	\$ 51,271	\$ 41,629	\$ 52,000
Interest	108	1,100	500
Total Receipts	51,379	42,729	52,500
Total Funds Available	\$ 55,317	\$ 93,972	\$ 52,633
Disbursements:			
Treasury	\$ 31	\$ 65	\$ 35
Corrections	4,043	93,774	51,970
Total Disbursements	-4,074	-93,839	-52,005
Cash Balance, Ending	\$ 51,243	\$ 133	\$ 628

LOCAL CRIMINAL JUSTICE SINKING FUND

Payment of interest and principal due on outstanding local criminal justice bonds is made from this fund. Annual appropriations by the General Assembly and interest on invested balances in this fund provide the revenues to this fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 79	\$ 15	.....
Receipts:			
Transfer from General Fund	\$ 1,101	\$ 6,457	\$ 10,181
Accrued Interest on Bonds Sold	15	27	.....
Interest on Securities	1	.....	1
Total Receipts	1,117	6,484	10,182
Total Funds Available	\$ 1,196	\$ 6,499	\$ 10,182
Disbursements:			
Treasury	\$ 1,181	\$ 6,499	\$ 10,182
Total Disbursements	-1,181	-6,499	-10,182
Cash Balance, Ending	\$ 15	.....	.....

LOCAL GOVERNMENT CAPITAL PROJECT LOAN FUND

This fund was created by Act 210 of 1990 to assist municipal governments in acquiring equipment and facilities by providing low-interest loans to those governments which find conventional loan costs to be prohibitive. Loans are provided at a rate of two percent for periods not to exceed ten years. Revenues received from loan repayment and interest accrual will be returned to the fund on a revolving basis. The program will expire on June 30, 1994 unless legislation is enacted to extend it.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 503	\$ 445	\$ 407
Receipts:			
Transfer from General Fund .....	.....	\$ 1,474	\$ 750
Loan Repayments .....	.....	10	100
Interest	\$ 19	60	40
Total Receipts	19	1,544	890
Total Funds Available	\$ 522	\$ 1,989	\$ 1,297
Disbursements:			
Community Affairs	\$ 77	\$ 1,582	\$ 750
Total Disbursements	-77	-1,582	-750
Cash Balance, Ending	\$ 445	\$ 407	\$ 547

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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 1,833	\$ 887	\$ 651
Receipts:			
Transfer from General Fund	\$ 193	\$ 1,850	\$ 1,770
Federal Funds — DOE ^a .....	.....	.....	.....
Fines and Penalties ^a .....	.....	.....	.....
Licenses and Fees ^a .....	.....	.....	.....
Surcharges ^a .....	.....	.....	.....
Interest	51	48	43
Other	23	.....	.....
Total Receipts	267	1,898	1,813
Total Funds Available	\$ 2,100	\$ 2,785	\$ 2,464
Disbursements:			
Environmental Resources	\$ 1,191	\$ 2,134	\$ 2,143
Executive Offices	22	.....	.....
Total Disbursements	-1,213	-2,134	-2,143
Cash Balance, Ending	\$ 887	\$ 651	\$ 321

^aThese revenues will not be received until the Commonwealth's low-level waste disposal site becomes operational in 1995.

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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 5,329	\$ 7,131	\$ 3,696
Receipts:			
Transfer from Pennsylvania Economic Revitalization Fund ..	\$ 7,200	\$ 7,800	\$ 7,800
Loan Principal and Interest Repayments	3,512	4,674	7,586
Interest on Securities	152	154	146
Miscellaneous	119	162	178
Total Receipts	10,983	12,790	15,710
Total Funds Available	\$ 16,312	\$ 19,921	\$ 19,406
Disbursements:			
Economic Development Partnership	\$ 9,181	\$ 16,225	\$ 17,915
Total Disbursements	-9,181	-16,225	-17,915
Cash Balance, Ending	\$ 7,131	\$ 3,696	\$ 1,491

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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 4,650	\$ 4,954	\$ 3,328
Receipts:			
Sale of Manufactured Products	\$ 23,184	\$ 24,500	\$ 25,500
Interest	155	175	215
Other	444	224	285
Total Receipts	23,783	24,899	26,000
Total Funds Available	\$ 28,433	\$ 29,853	\$ 29,328
Disbursements:			
Executive Offices	\$ 444	\$ 525	\$ 550
Corrections	23,035	26,000	26,500
Total Disbursements	-23,479	-26,525	-27,050
Cash Balance, Ending	\$ 4,954	\$ 3,328	\$ 2,278

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)

	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 105,572	\$ 113,395	\$ 110,306
Receipts:			
Surcharges	\$ 167,061	\$ 177,100	\$ 192,377
Interest	3,993	2,893	2,867
Other	166	.....	.....
Total Receipts	171,220	179,993	195,244
Total Funds Available	\$ 276,792	\$ 293,388	\$ 305,550
Disbursements:			
Executive Offices	\$ 163,391	\$ 183,082	\$ 188,700
Treasury	6	.....	.....
Total Disbursements	-163,397	-183,082	188,700
Cash Balance, Ending	\$ 113,395	\$ 110,306	\$ 116,850

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)

	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 11,651	\$ 7,116	\$ 20
Receipts:			
Transfer from General Fund .....	.....	\$ 1,200	\$ 9,150
Loan Principal and Interest Repayments	\$ 1,477	1,953	2,200
Interest on Securities	376	206	25
Other	30	45	50
Total Receipts	1,883	3,404	11,425
Total Funds Available	\$ 13,534	\$ 10,520	\$ 11,445
Disbursements:			
Economic Development Partnership	\$ 6,418	\$ 10,500	\$ 9,730
Total Disbursements	-6,418	-10,500	-9,730
Cash Balance, Ending	\$ 7,116	\$ 20	\$ 1,715

MOTOR VEHICLE TRANSACTION RECOVERY FUND

This fund was created by Act 83 of 1990 to provide protection from dealers or other agents who fail to forward fees or taxes pertaining to an application for titling or registration of a vehicle to the Department of Transportation. Revenues to the fund consist of assessments (or reassessments should the balance of the fund fall below \$500,000) on every applicant for motor vehicle dealer registration plates or for the authority to act as agent of the department with respect to vehicle titling and registration.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 808	\$ 934	\$ 738
Receipts:			
Motor Vehicle Dealer/Agent Assessment	\$ 200	\$ 30	\$ 200
Interest	32	24	24
Total Receipts	232	54	224
Total Funds Available	\$ 1,040	\$ 988	\$ 962
Disbursements:			
Transportation	\$ 106	\$ 250	\$ 250
Total Disbursements	-106	-250	-250
Cash Balance, Ending	\$ 934	\$ 738	\$ 712

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 various municipal, police and fire pension funds.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 117,259	\$ 116,793	\$ 115,941
Receipts:			
Foreign Casualty Insurance Premium Tax	\$ 102,833	\$ 112,132	\$ 110,000
Foreign Fire Insurance Premium Tax	11,558	11,790	11,600
Interest	3,435	2,226	2,200
Total Receipts	117,826	126,148	123,800
Total Funds Available	\$ 235,085	\$ 242,941	\$ 239,741
Disbursements:			
Auditor General	\$ 118,292	\$ 127,000	\$ 127,000
Total Disbursements	-118,292	-127,000	-127,000
Cash Balance, Ending	\$ 116,793	\$ 115,941	\$ 112,741

NON-COAL SURFACE MINING CONSERVATION AND RECLAMATION FUND

This fund was created by Act 219 of 1984 to finance reclamation projects on land scarred by non-coal surface mining. Projects include recontouring, terracing and planting 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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 3,471	\$ 3,777	\$ 2,995
Receipts:			
License and Fees	\$ 182	\$ 200	\$ 196
Penalties	52	100	95
Interest	132	145	155
Collateral	155	100	100
Forfeiture of Bond	5	50	55
Other	4	5	8
Total Receipts	530	600	609
Total Funds Available	\$ 4,001	\$ 4,377	\$ 3,604
Disbursements:			
Environmental Resources	\$ 224	\$ 1,382	\$ 1,228
Total Disbursements	-224	-1,382	-1,228
Cash Balance, Ending	\$ 3,777	\$ 2,995	\$ 2,376

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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 7,205	\$ 5,387	\$ 4,387
Receipts:			
Miscellaneous	\$ 5	.....	.....
Total Receipts	5	.....	.....
Total Funds Available	\$ 7,210	\$ 5,387	\$ 4,387
Disbursements:			
Treasury	\$ 1,823	\$ 1,000	\$ 1,000
Total Disbursements	-1,823	-1,000	-1,000
Cash Balance, Ending	\$ 5,387	\$ 4,387	\$ 3,387

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 deposited into the General Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning .....	.....	.....	.....
Receipts:			
Sale of Nursing Home Loans .....	.....	\$ 10,000	.....
Transfer from Nursing Home Loan Development Fund	\$ 1,823	1,000	\$ 1,000
Total Receipts	1,823	11,000	1,000
Total Funds Available	\$ 1,823	\$ 11,000	\$ 1,000
Disbursements:			
Economic Development Partnership Pennsylvania Housing Finance Agency	\$ 1,823	\$ 1,000	\$ 1,000
.....	.....	10,000	.....
Total Disbursements	\$ -1,823	\$ -11,000	\$ -1,000
Cash Balance, Ending .....	.....	.....	.....

NURSING HOME LOAN SINKING FUND

Redemption of nursing home loan bonds at maturity and all interest payable on such bonds is paid from this fund. An annual appropriation by the General Assembly and annual earnings received from investment of balances in this fund and in the Nursing Home Loan Development Fund provide income to the fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 28	\$ 16	.....
Receipts:			
Transfer from General Fund	\$ 5,897	\$ 5,905	\$ 5,944
Interest on Securities	238	175	100
Total Receipts	6,135	6,080	6,044
Total Funds Available	\$ 6,163	\$ 6,096	\$ 6,044
Disbursements:			
Treasury	\$ 6,147	\$ 6,096	\$ 6,044
Total Disbursements	-6,147	-6,096	-6,044
Cash Balance, Ending	\$ 16	.....	.....

NUTRIENT MANAGEMENT FUND

This fund was created under the authority of Act 6 of 1993 to fund loans and grants for the implementation of nutrient management plans by agricultural operations. Revenue comes from Commonwealth and Federal appropriations, interest, loan repayments and gifts.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning			
Receipts:			
Transfer from General Fund			\$ 750
Total Receipts			750
Total Funds Available			\$ 750
Disbursements:			
Environmental Resources			\$ 750
Total disbursements			-750
Cash Balance, Ending			

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 these purposes. Revenues are derived from rents and royalties from oil and gas leases of Commonwealth owned land with the exception of rents and royalties from land owned by either the Pennsylvania Game or Fish and Boat Commissions. Those revenues are paid into the Game and Fish Funds.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 11,700	\$ 11,778	\$ 3,828
Receipts:			
Rents and Royalties	\$ 3,625	\$ 3,625	\$ 3,625
Interest	421	418	418
Other	16	3	3
Total Receipts	4,062	4,046	4,046
Total Funds Available	\$ 15,762	\$ 15,824	\$ 7,874
Disbursements:			
Executive Offices	\$ 16		
Environmental Resources	3,968	\$ 11,996	\$ 7,639
Total Disbursements	-3,984	-11,996	-7,639
Cash Balance, Ending	\$ 11,778	\$ 3,828	\$ 235

PENNSYLVANIA CAPITAL LOAN FUND

The Pennsylvania Capital Loan Program began in 1982 with funding from the U.S. Appalachian Regional Commission (ARC) and the U.S. Economic Development Administration (EDA) to provide low-interest loans to businesses for capital development projects. Act 109 of 1984 created this fund and provided additional funding from the Pennsylvania Economic Revitalization Fund.

Loans are used by manufacturing, industrial and export service businesses for the purchase of land, buildings, machinery, equipment and working capital. County and regional economic development organizations assist the department in packaging and reviewing the loan applications. This budget proposes to transfer \$15 million in surplus funds to the Pennsylvania Economic Revitalization Fund (PERF) to support economic development programs.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 28,349	\$ 31,072	\$ 29,458
Receipts:			
Loan Principal and Interest			
Repayments	\$ 9,962	\$ 10,686	\$ 11,085
Interest — Securities	1,092	1,200	1,120
Transfer From Pennsylvania Economic Revitalization Fund — PENNAG	1,135	1,000	1,000
Total Receipts	12,189	12,886	13,205
Total Funds Available	\$ 40,538	\$ 43,958	\$ 42,663
Disbursements:			
Economic Development Partnership	\$ 9,466	\$ 14,500	\$ 29,500 ^a
Total Disbursements	-9,466	-14,500	-29,500
Cash Balance, Ending	\$ 31,072	\$ 29,458	\$ 13,163

^aIncludes \$15 million transfer to Pennsylvania Economic Revitalization Fund

PENNSYLVANIA ECONOMIC REVITALIZATION SINKING FUND

Payment of interest and principal due on outstanding economic revitalization bonds is made from this fund. Annual appropriations by the General Assembly together with interest earned in this fund and interest earned in and transferred from the Pennsylvania Economic Revitalization Fund provide the revenues to the fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning .....	.....	\$ 64	.....
Receipts:			
Transfer from General Fund	\$ 15,084	\$ 13,051	\$ 13,289
Transfer from Pennsylvania Economic Revitalization Fund ..	621	724	600
Interest on Securities	1	1	1
Accrued Interest on Bonds Sold	12	5	.....
Total Receipts	\$ 15,718	\$ 13,781	\$ 13,890
Total Funds Available	\$ 15,718	\$ 13,845	\$ 13,890
Disbursements:			
Treasury	\$ 15,654	\$ 13,845	\$ 13,890
Total Disbursements	-15,654	-13,845	-13,890
Cash Balance, Ending	\$ 64	.....	.....

PENNSYLVANIA HISTORICAL AND MUSEUM COMMISSION TRUST FUND

This fund was created by Act 113 of 1931 and 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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 104	\$ 108	\$ 112
Receipts:			
Interest on Securities	\$ 4	\$ 4	\$ 5
Total Receipts	4	4	5
Total Funds Available	\$ 108	\$ 112	\$ 117
Disbursements:			
Historical and Museum Commission .....	.....	.....	.....
Total Disbursements .....	.....	.....	.....
Cash Balance, Ending	\$ 108	\$ 112	\$ 117

PENNSYLVANIA MUNICIPAL RETIREMENT FUND

Act 15 of 1974 created the Pennsylvania Municipal Retirement System which replaced the "Municipal Employees Retirement Law" and the "Municipal Police Retirement Law" and combined all employes covered under both into a State-related municipal system.

The fund established under that act provides for payment of retirement allowances to officers, employes, 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

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 348,801	\$ 409,652	\$ 472,133
Receipts:			
Contributions	\$ 27,060	\$ 27,362	\$ 27,665
Interest	12,582	14,277	15,972
Net Investment Adjustment	29,563	40,431	40,119
Other	9,751	.....	.....
Total Receipts	78,956	82,070	83,756
Total Funds Available	\$ 427,757	\$ 491,722	\$ 555,889
Disbursements:			
Executive Offices	\$ 40	\$ 2,211	\$ 2,332
Municipal Employees' Retirement Board	18,065	17,378	18,943
Total Disbursements	-18,105	-19,589	-21,275
Cash Balance, Ending	\$ 409,652	\$ 472,133	\$ 534,614

PENNSYLVANIA VETERANS MEMORIAL TRUST FUND

Act 60 of 1988 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 are solicited from public and private sources.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 137	\$ 148	\$ 11
Receipts:			
Public/Private Donations	\$ 5	\$ 110	\$ 8
Interest	6	13	1
Total Receipts	11	123	9
Total Funds Available	\$ 148	\$ 271	\$ 20
Disbursements:			
Military Affairs .....	.....	\$ 260	.....
Total Disbursements .....	.....	-260	.....
Cash Balance, Ending	\$ 148	\$ 11	\$ 20

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 Equity Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 14,765	\$ 53,295	\$ 173,269
Receipts:			
Referendum Bonds	\$ 100,488	\$ 145,000 ^a	\$ 65,000 ^a
Water Facilities Bonds	62,053	73,874	12,500
Interest	417	1,000	1,000
Total Receipts	162,958	219,874	78,500
Total Funds Available	\$ 177,723	\$ 273,169	\$ 251,769
Disbursements:			
PENNVEST Fund	\$ 11,212	\$ 1,000	\$ 1,000
PENNVEST Water Pollution Control Revolving Fund	8,279	11,900	10,300
PENNVEST Revolving Fund	142,908	87,000	138,800
PENNVEST Non-Revolving Equity Fund	-38,131 ^b	.....	.....
Treasury	160	.....	.....
Total Disbursements	-124,428	-99,900	-150,100
Cash Balance, Ending	\$ 53,295	\$ 173,269	\$ 101,669

^aAmount received includes receipts from the sale of bonds approved in the 1992 referendum.

^bIncludes reclassification of certain prior year non-revolving loans and revenues as revolving loans and revenues.

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

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 9,482	\$ 20,760	\$ 22,617
Receipts:			
Transfer from General Fund	\$ 1,900	\$ 10,000	\$ 7,000
Revolving loan payments	20,298	11,000	6,000
Interest	504	500	500
Bond Authorization Fund	1,019	1,000	1,000
Other	180	42	42
Total Receipts	23,901	22,542	14,542
Total Funds Available	\$ 33,383	\$ 43,302	\$ 37,159
Disbursements:			
Executive Offices	\$ 49	\$ 42	\$ 42
Infrastructure Investment Authority:			
Loans and Grants	-3,328*	7,000	7,000
Administration	2,815	3,143	3,086
Revenue Bond Transfer	13,087	10,500	12,500
Total Disbursements	-12,623	-20,685	-22,628
Cash Balance, Ending	\$ 20,760	\$ 22,617	\$ 14,531

*Reflects transfer of loans to other PENNVEST Funds.

PENNVEST NON-REVOLVING EQUITY FUND

This fund, created under the authority of Act 16 of 1988, receives moneys transferred from the PENNVEST Bond Authorization Fund and which are 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

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning		\$ 4	\$ 4
Receipts:			
Bond Authorization Fund	\$ -38,131*		
PENNVEST Fund	968		
Interest	3		
Total Receipts	-37,160		
Total Funds Available	\$ -37,160	\$ 4	\$ 4
Disbursements:			
Drinking Water Projects	\$ -26,209*		
Sewer Projects	-10,955*		
Total Disbursements	37,164		
Cash Balance, Ending	\$ 4	\$ 4	\$ 4

*Includes reclassification of certain prior year non-revolving loans and revenues as revolving loans and revenues.

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 which are used to retire general obligation bonds issued for Pennvest.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 1	\$ 5	.....
Receipts:			
Transfer from General Fund	\$ 11,346	\$ 17,515	\$ 30,291
Interest on Securities	1	15	10
Accrued Interest on Bonds Sold	104	56	.....
Non-Revolving Loan Repayments	371	2,371	2,351
Bond Sale for BANs Repayment	.....	19,000	.....
Total Receipts	<u>11,822</u>	<u>38,957</u>	<u>32,652</u>
Total Funds Available	\$ 11,823	\$ 38,962	\$ 32,652
Disbursements:			
Treasury	\$ 11,818	\$ 38,962	\$ 32,652
Total Disbursements	<u>-11,818</u>	<u>-38,962</u>	<u>-32,652</u>
Cash Balance, Ending	\$ 5	.....	.....

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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 14	\$ 14	\$ 14
Receipts:			
Bond Authorization Fund	\$ 142,908 ^a	\$ 87,000	\$ 138,800
PENNVEST Fund	.....	.....	.....
Interest	1	.....	.....
Total Receipts	<u>142,909</u>	<u>87,000</u>	<u>138,800</u>
Total Funds Available	\$ 142,923	\$ 87,014	\$ 138,814
Disbursements:			
Infrastructure Investment Authority:			
Drinking Water Projects	\$ 106,241	\$ 45,240	\$ 106,000
Sewer Projects	36,668	41,760	32,800
Total Disbursements	<u>-142,909</u>	<u>-87,000</u>	<u>-138,800</u>
Cash Balance, Ending	\$ 14	\$ 14	\$ 14

^aIncludes reclassification of certain prior year non-revolving loans and revenues as revolving loans and revenues.

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

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 1,495	\$ 3,121	\$ 3,196
Receipts:			
Bond Authorization Fund	\$ 8,279	\$ 11,900	\$ 10,300
Federal Funds	38,088	58,100	51,500
Interest Payments	1,363	2,000	2,000
Investment Income	484	75	75
Total Receipts	48,214	72,075	63,875
Total Funds Available	\$ 49,709	\$ 75,196	\$ 67,071
Disbursements:			
Infrastructure Investment Authority	\$ 46,588	\$ 72,000	\$ 63,800
Total Disbursements	-46,588	-72,000	-63,800
Cash Balance, Ending	\$ 3,121	\$ 3,196	\$ 3,271

PHARMACEUTICAL ASSISTANCE FUND (CONTRACT FOR THE ELDERLY)

This fund, created by Act 63 of 1983 and reauthorized by Act 36 of 1991, provides 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 are 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

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 2,273	\$ 5,940	\$ 2,996
Receipts:			
Transfer from Lottery Fund	\$ 200,000	\$ 191,000	\$ 196,000
Interest on Securities	322	200	200
Other	31	32	32
Total Receipts	200,353	191,232	196,232
Total Funds Available	\$ 202,626	\$ 197,172	\$ 199,228
Disbursements:			
Treasury		\$ 5	\$ 5
Executive Offices	\$ 31	32	32
Aging	200,918	194,139	195,886
Vouchers Payable in Transit ^a	-4,263		
Total Disbursements	-196,686	-194,176	-195,923
Cash Balance, Ending	\$ 5,940	\$ 2,996	\$ 3,305

^aRepresents vouchers payable recorded in the Integrated Central System and in transit to Treasury on June 30, 1993.

PHILADELPHIA REGIONAL PORT AUTHORITY FUND

This authority was created by Act 50 of 1989 to acquire and operate the port facilities of the former Philadelphia Port Corporation. This fund currently handles only payroll of the authority via transfer of funds by the authority from its private bank accounts. Once accounting systems are in place all activities of the authority will be carried out through this fund. The authority is authorized to issue bonds to finance port improvements and may pledge its revenues to pay off such bonds.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning		\$ 424	\$ 37
Receipts:			
Transfer from Philadelphia Regional Port Authority	\$ 1,150	\$ 2,800	\$ 3,400
Interest	2	13	10
Total Receipts	<u>1,152</u>	<u>2,813</u>	<u>3,410</u>
Total Funds Available	\$ 1,152	\$ 3,237	\$ 3,447
Disbursements:			
Executive Offices		\$ 180	\$ 180
Philadelphia Regional Port Operations	\$ 728	3,020	3,120
Total Disbursements	<u>-728</u>	<u>-3,200</u>	<u>-3,300</u>
Cash Balance, Ending	\$ 424	\$ 37	\$ 147

PORT OF PITTSBURGH COMMISSION FUND

The Port of Pittsburgh Commission was created by Act 133 of 1992 to promote and encourage capital investment in port facilities and port-related projects within the port district encompassing Allegheny, Armstrong, Beaver, Butler, Clarion, Fayette, Greene, Lawrence, Washington and Westmoreland counties.

Grants to the commission, and previously to Allegheny County for port-related improvements, are deposited into this fund, along with interest earnings from deposited funds. The commission also has the authority to issue bonds to finance port improvements and may pledge its revenues to pay off such bonds.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning			\$ 309
Receipts:			
Transfer from General Fund		\$ 1,600	\$ 200
Interest		9	20
Total Receipts		<u>1,609</u>	<u>220</u>
Total Funds Available		\$ 1,609	\$ 529
Disbursements:			
Port of Pittsburgh Commission		\$ 1,300	\$ 500
Total Disbursements		<u>-1,300</u>	<u>-500</u>
Cash Balance, Ending		\$ 309	\$ 29

PROJECT 70 LAND ACQUISITION SINKING FUND

Payment of interest and principal on Project 70 bonds is made from this fund. Annual appropriations by the General Assembly for payment of interest and principal on Project 70 bonds together with monies reimbursed to the Commonwealth by political subdivisions for inappropriate use of Project 70 funds are credited to this fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 1	\$ 1	.....
Receipts:			
Transfer from General Fund	\$ 770	\$ 768	\$ 775
Total Receipts	770	768	775
Total Funds Available	\$ 771	\$ 769	\$ 775
Disbursements:			
Treasury	\$ 770	\$ 769	\$ 775
Total Disbursements	-770	-769	-775
Cash Balance, Ending	\$ 1	.....	.....

PUBLIC TRANSPORTATION ASSISTANCE FUND

This fund was established by Act 26 of 1991 to help provide for the capital, asset maintenance and certain other transportation needs of the Commonwealth's transit entities. Revenue is derived from a fee on the sale of new tires, a tax on the sale of periodicals, an additional motor vehicle lease tax, a motor vehicle rental fee and an additional utility realty tax.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 9,584	\$ 6,276	\$ 6,276
Receipts:			
Utility Realty Tax	\$ 62,441	\$ 62,680	\$ 62,840
Other Taxes and Fees	85,447	91,708	96,109
Interest	460	300	400
Total Receipts	148,348	154,688*	159,349
Total Funds Available	\$ 157,932	\$ 160,964	\$ 165,625
Disbursements:			
Transportation:			
Administration	\$ 1,000	\$ 1,000	\$ 1,000
Grants	150,656	153,688	158,349
Total Disbursements	-151,656	-154,688	-159,349
Cash Balance, Ending	\$ 6,276	\$ 6,276	\$ 6,276

*The 1993-94 revenues are higher than shown in last year's budget document due to revised estimates.

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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 11,675	\$ 6,958	\$ 16,223
Receipts:			
Reimbursement to General Services	\$ 29,469	\$ 37,153	\$ 30,353
Reimbursements to Executive Offices	41,365	42,333	45,365
Other	600	686	629
Total Receipts	<u>71,434</u>	<u>80,172</u>	<u>76,347</u>
Total Funds Available	\$ 83,109	\$ 87,130	\$ 92,570
Disbursements:			
Executive Offices	\$ 40,764	\$ 41,569	\$ 44,238
General Services	35,387	29,338	37,330
Total Disbursements	<u>-76,151</u>	<u>-70,907</u>	<u>-81,568</u>
Cash Balance, Ending	<u>\$ 6,958</u>	<u>\$ 16,223</u>	<u>\$ 11,002</u>

REAL ESTATE RECOVERY FUND

This fund was established in 1980 to reimburse aggrieved persons any amounts unpaid from final judgements against any person licensed by the Real Estate Commission. Revenue is derived from additional fees paid by licensees, with interest on investments being retained by the fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 1,544	\$ 1,598	\$ 1,538
Receipts:			
Additional License Fees	\$ 54	\$ 55	\$ 55
Interest	59	60	60
Total Receipts	<u>113</u>	<u>115</u>	<u>115</u>
Total Funds Available	\$ 1,657	\$ 1,713	\$ 1,653
Disbursements:			
State	\$ 59	\$ 175	\$ 150
Total Disbursements	<u>-59</u>	<u>-175</u>	<u>-150</u>
Cash Balance, Ending	<u>\$ 1,598</u>	<u>\$ 1,538</u>	<u>\$ 1,503</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 and waste minimization studies, and public information and education activities throughout the Commonwealth.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 58,148	\$ 55,037	\$ 43,370
Receipts:			
Recycling Fees	\$ 29,426	\$ 29,426	\$ 29,426
Fine and Penalties	71	85	85
Interest	2,248	2,591	1,830
Environmental Technology Loan Repayments and Interest	215	95	95
Total Receipts	<u>31,960</u>	<u>32,197</u>	<u>31,436</u>
Total Funds Available	\$ 90,108	\$ 87,234	\$ 74,806
Disbursements:			
Environmental Resources	\$ 34,638	\$ 43,864	\$ 47,881
Commerce	433	.....	.....
Total Disbursements	<u>-35,071</u>	<u>-43,864</u>	<u>-47,881</u>
Cash Balance, Ending	\$ <u>55,037</u>	\$ <u>43,370</u>	\$ <u>26,925</u>

REFUND OF AXLE TAX FUND

The Refund of Axle Tax Fund was established as an escrow account to facilitate the receipt of tax refunds plus interest and the disbursement of axle tax refunds, legal fees and other litigation expenses. This was the result of a conditional Commonwealth Court order issued on May 8, 1992.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 32,000	\$ 42,386	\$
Receipts:			
Refund of Axle Tax	\$ 30,550	.....	.....
Interest	2,020	\$ 450	.....
Total Receipts	<u>32,570</u>	<u>450</u>	<u>.....</u>
Total Funds Available	\$ 64,570	\$ 42,836	.....
Disbursements:			
Axle Tax and Legal Fee Refunds	\$ 22,184	\$ 42,836	.....
Total Disbursements	<u>-22,184</u>	<u>-42,836</u>	<u>.....</u>
Cash Balance, Ending	\$ <u>42,386</u>	.....	.....

REGIONAL FACILITY SITING FUND

This fund was created by Act 107 of 1990 to provide for establishing a low-level radioactive waste disposal facility in Pennsylvania. The act requires certain generators of low-level radioactive waste, primarily nuclear power generating facilities, to make advance payments of disposal fees which will fund the initial costs of designing and constructing the new disposal facility.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 15,853	\$ 18,080	\$ 10,668
Receipts:			
Advance Payments	\$ 6,870	\$ 5,373	.....
Interest	738	611	\$ 373
Other	<u>2</u>	.....	.....
Total Receipts	<u>7,610</u>	<u>5,984</u>	<u>373</u>
Total Funds Available	\$ 23,463	\$ 24,064	\$ 11,041
Disbursements:			
Executive Offices	\$ 2	.....	.....
Environmental Resources	<u>5,381</u>	<u>\$ 13,396</u>	<u>\$ 9,459</u>
Total Disbursements	<u>-5,383</u>	<u>-13,396</u>	<u>-9,459</u>
Cash Balance, Ending	<u>\$ 18,080</u>	<u>\$ 10,668</u>	<u>\$ 1,582</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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 10,458	\$ 10,227	\$ 10,158
Receipts:			
Clients Fees	\$ 11,096	\$ 13,080	\$ 12,505
Other	<u>1,547</u>	<u>1,533</u>	<u>1,537</u>
Total Receipts	<u>12,643</u>	<u>14,613</u>	<u>14,042</u>
Total Funds Available	\$ 23,101	\$ 24,840	\$ 24,200
Disbursements:			
Executive Offices	\$ 453	\$ 467	\$ 481
Labor and Industry	<u>12,421</u>	<u>14,215</u>	<u>14,815</u>
Total Disbursements	<u>-12,874</u>	<u>-14,682</u>	<u>-15,296</u>
Cash Balance, Ending	<u>\$ 10,227</u>	<u>\$ 10,158</u>	<u>\$ 8,904</u>

REMINING ENVIRONMENTAL ENHANCEMENT FUND

Act 173 of 1992 authorized this fund to operate an incentive program to encourage remining and reclamation, including the designation of areas suitable for reclamation by remining, and to assist operators applying for a remining permit. The transfer of up to \$1 million is authorized from a combination of the Surface Mining Conservation and Reclamation Fund, the Clean Water Fund, the Coal Refuse Disposal Fund, and the Bituminous Mine Subsidence and Land Conservation Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning
Receipts:			
Transfers from other funds	\$ 500
Interest	10
Total Receipts	510
Total Funds Available	\$ 510
Disbursements:			
Environmental Resources	\$ 500
Total Disbursements	-500
Cash Balance, Ending	\$ 10

REMINING FINANCIAL ASSURANCE FUND

Act 173 of 1992 authorized this fund to assist mine operators who qualify to purchase reclamation bonds or make payment in lieu of reclamation bonds. Revenues are the transfer of up to \$5 million from the Land and Water Development Fund and from in lieu of bond premium payments. Interest earnings are deposited in the Land and Water Development Sinking Fund. Expenditures from this fund occur only when mine operators default.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 1,050
Receipts:			
Transfer from Land and Water Development Fund	\$ 1,000	.....
Premium Payments	50	.....
Total Receipts	1,050	.....
Total Funds Available	\$ 1,050	\$ 1,050
Disbursements:			
Environmental Resources
Total Disbursements
Cash Balance, Ending	\$ 1,050	\$ 1,050

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)

	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 85	\$ 101	\$ 2
Receipts:			
Interest on Securities	\$ 4	\$ 2	.....
Total Receipts	4	2	.....
Total Funds Available	\$ 89	\$ 103	\$ 2
Disbursements:			
General Services	\$ 6	\$ 101	\$ 2
Refunds of Expenditures	-18	.....	.....
Total Disbursements	12	-101	-2
Cash Balance, Ending	\$ 101	\$ 2	.....

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 contribution's 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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 21,298,497	\$ 24,338,466	\$ 26,541,003
Receipts:			
Transfer from General Fund —			
Employer Contribution	\$ 487,130	\$ 444,059	\$ 444,059
Transfers from State Retirement System	2,153	5,000	5,000
Contribution of School Employees ...	372,547	395,636	421,353
Returned Contributions of School Employees	17,582	40,000	15,000
Contributions of School Districts ...	464,752	444,059	485,360
Interest on Securities	1,859,031	1,250,000	1,350,000
Other	52,704	15,000	10,000
Total Receipts	3,255,899	2,593,754	2,730,772
Net Investment Adjustment	1,006,143	1,100,000	1,200,000
Total Funds Available	\$ 25,560,539	\$ 28,032,220	\$ 30,471,775
Disbursements:			
Executive Offices	\$ 603	\$ 30	\$ 30
Treasury	238	500	520
Public School Employees' Retirement Board	1,221,232	1,490,687	1,639,756
Total Disbursements	-1,222,073	-1,491,217	-1,640,306
Cash Balance, Ending	\$ 24,338,466	\$ 26,541,003	\$ 28,831,469

SELF-INSURANCE GUARANTY FUND

This fund was created by Act 44 of 1993, the Pennsylvania Workers' Compensation Act. The purpose of this fund is to pay claims arising from defaulting members of self-insurance pooling arrangements under the Workers' Compensation Act. The fund is maintained by assessments on self-insurers and is administered by the Department of Labor and Industry.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning			\$ 3,591
Receipts:			
Assessments		\$ 3,591	\$ 750
Total Receipts		3,591	750
Total Funds Available		\$ 3,591	\$ 4,341
Disbursements:			
Labor and Industry			\$ 1,000
Total Disbursements			-1,000
Cash Balance, Ending		\$ 3,591	\$ 3,341

SINKING FUND

This sinking fund existed prior to the practice of having a sinking fund for each separate bond fund. Monies 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 monies remaining in the fund is credited to the State School Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 4,516	\$ 2,742	\$ 3,744
Receipts:			
Social Security Contributions —			
Public	\$ 59	\$ 4	.....
Refund of Expenditures .....	.....	2,000	.....
Other	167	78	\$ 78
Total Receipts	<u>226</u>	<u>2,082</u>	<u>78</u>
Total Funds Available	\$ 4,742	\$ 4,824	\$ 3,822
Disbursements:			
Labor and Industry	\$ 2,000	\$ 1,080	.....
Total Disbursements	<u>-2,000</u>	<u>-1,080</u>	<u>.....</u>
Cash Balance, Ending	<u>\$ 2,742</u>	<u>\$ 3,744</u>	<u>\$ 3,822</u>

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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 6,969	\$ 6,405	\$ 5,625
Receipts:			
Interest	\$ 246	\$ 220	\$ 195
Transfer From General Fund .....	.....	.....	.....
Total Receipts	<u>246</u>	<u>220</u>	<u>195</u>
Total Funds Available	\$ 7,215	\$ 6,625	\$ 5,820
Disbursements:			
Environmental Resources	\$ 810	\$ 1,000	\$ 1,000
Total Disbursements	<u>-810</u>	<u>-1,000</u>	<u>-1,000</u>
Cash Balance, Ending	<u>\$ 6,405</u>	<u>\$ 5,625</u>	<u>\$ 4,820</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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 2,112	\$ 2,562	\$ 2,112
Receipts:			
Interest and Penalties	\$ 5,779	\$ 6,000	\$ 6,000
Other	187	200	200
Transfer to Unemployment Contribution Fund	-5,475	-5,000	-5,000
Total Receipts	491	1,200	1,200
Total Funds Available	\$ 2,603	\$ 3,762	\$ 3,312
Disbursements:			
Labor and Industry	\$ 41	\$ 1,650	\$ 1,200
Total Disbursements	-41	-1,650	-1,200
Cash Balances, Ending	\$ 2,562	\$ 2,112	\$ 2,112

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

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 26	\$ 27	\$ 27
Receipts:			
Miscellaneous	\$ 3	\$ 2	\$ 2
Total Receipts	3	2	2
Total Funds Available	\$ 29	\$ 29	\$ 29
Disbursements:			
Treasury	\$ 2	\$ 2	\$ 2
Total Disbursements	-2	-2	-2
Cash Balance, Ending	\$ 27	\$ 27	\$ 27

STATE EMPLOYEES' 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

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$11,793,470	\$13,609,543	\$14,413,443
Receipts:			
Contributions of Employes	\$ 190,820	\$ 178,000	\$ 185,100
State Share Contribution	314,356	316,000	329,500
Interest on Securities	377,176	477,000	508,000
Other	550,874	.....	.....
Net Investment Adjustment	<u>1,144,800</u>	<u>622,890</u>	<u>560,520</u>
Total Receipts	<u>2,578,026</u>	<u>1,593,890</u>	<u>1,583,120</u>
Total Funds Available	\$14,371,496	\$15,203,433	\$15,996,563
Disbursements:			
Executive Offices	\$ 409	\$ 256	\$ 269
Treasury	22	.....	.....
State Employees' Retirement System	<u>761,522</u>	<u>789,734</u>	<u>826,851</u>
Total Disbursements	<u>-761,953</u>	<u>-789,990</u>	<u>-827,120</u>
Cash Balance, Ending	<u>\$13,609,543</u>	<u>\$14,413,443</u>	<u>\$15,169,443</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 is 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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 10,964	\$ 10,554	\$ 9,613
Receipts:			
Interest	\$ 924	\$ 910	\$ 895
Total Receipts	924	910	895
Total Funds Available	\$ 11,888	\$ 11,464	\$ 10,508
Disbursements:			
General Services	\$ 1,334	\$ 1,851	\$ 1,500
Total Disbursements	-1,334	-1,851	-1,500
Cash Balance, Ending	\$ 10,554	\$ 9,613	\$ 9,008

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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 973	\$ 1,082	\$ 963
Receipts:			
Revenue from General Operations ..	\$ 102	\$ 96	\$ 115
Other	38	35	38
Total Receipts	140	131	153
Total Funds Available	\$ 1,113	\$ 1,213	\$ 1,116
Disbursements:			
General Services	\$ 31	\$ 250	\$ 35
Total Disbursements	-31	-250	-35
Cash Balance, Ending	\$ 1,082	\$ 963	\$ 1,081

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. 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. The 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 of the Fund 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 other relevant governmental agencies.

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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 343	\$ 363	\$ 335
Receipts:			
Sinking Fund Interest	\$ 6	\$ 5	\$ 5
Treasury Interest	17	17	17
Total Receipts	<u>23</u>	<u>22</u>	<u>22</u>
Total Funds Available	\$ 366	\$ 385	\$ 357
Disbursements:			
Education	\$ 3	\$ 50	\$ 50
Total Disbursements	<u>-3</u>	<u>-50</u>	<u>-50</u>
Cash Balance, Ending	<u>\$ 363</u>	<u>\$ 335</u>	<u>\$ 307</u>

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. This fund receives 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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 4,686	\$ 46,427	\$ 36,022
Receipts:			
Fees	\$ 8,614	\$ 8,600	\$ 8,600
Fines and Penalties	1,246	1,200	1,300
Sale of Goods	847,950	844,500	866,500
Recovered Losses and Damages ...	3,492	2,500	2,500
General Fund Loans	76,000	66,000	66,000
Other	8,876	9,000	9,000
Total Receipts	<u>946,178</u>	<u>931,800</u>	<u>953,900</u>
Total Funds Available	\$ 950,864	\$ 978,227	\$ 989,922
Disbursements:			
Executive Offices	\$ 6,987	\$ 7,000	\$ 7,000
Treasury	19	.	.
State Police	13,041	14,098	14,520
Health	796	814	1,066
Liquor Control Board ^a	883,594	920,293	925,061
Total Disbursements	<u>-904,437</u>	<u>-942,205</u>	<u>-947,647</u>
Cash Balance, Ending	\$ <u>46,427</u>	\$ <u>36,022</u>	\$ <u>42,275</u>

^aIncludes repayment of General Fund loans.

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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 298	\$ 382	\$ 284
Receipts:			
Interest	\$ 13	\$ 12	\$ 8
Armory Rentals	134	170	170
Total Receipts	<u>147</u>	<u>182</u>	<u>178</u>
Total Funds Available	\$ 445	\$ 564	\$ 462
Disbursements:			
Military Affairs	\$ 63	\$ 280	\$ 240
Total Disbursements	<u>-63</u>	<u>-280</u>	<u>-240</u>
Cash Balance, Ending	\$ <u>382</u>	\$ <u>284</u>	\$ <u>222</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.

Act 60 of 1990 provides for the transfer of money from SWIF. Annual payments will be made to the General Fund which would have been paid in taxes had SWIF been subject to taxes. The act also established an Advisory Council to recommend the amount of surplus in SWIF, if any, that could be distributed without jeopardizing its legal obligations to policy holders. If such a surplus exists, the SWIF Board may then recommend distribution of the surplus to the Sunny Day and the Tax Stabilization Reserve funds and/or as refunds to current or former policyholders. The funds recommended by the board to be transferred to the reserve funds and refunded to policy holders must be approved and appropriated by the General Assembly.

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)		
	1992-93 Actual	1993-94 Available	194-95 Estimated
Cash Balance, Beginning	\$ 1,096,432	\$ 1,279,755	\$ 1,445,578
Receipts:			
Premiums	\$ 408,914	\$ 470,000	\$ 517,000
Other	121,113	98,276	97,062
Net Investment Adjustment	38,277	.....	.....
Total Receipts	<u>568,304</u>	<u>568,276</u>	<u>614,062</u>
Total Funds Available	\$ 1,664,736	\$ 1,848,031	\$ 2,059,640
Disbursements:			
Executive Offices	\$ 635	\$ 660	\$ 686
Treasury	85	93	97
Labor and Industry	376,780	392,300	397,900
Premium Tax Payment to the General Fund	<u>7,481</u>	<u>9,400</u>	<u>10,340</u>
Total Disbursements	<u>-384,981</u>	<u>-402,453</u>	<u>-409,023</u>
Cash Balance, Ending	<u>\$ 1,279,755</u>	<u>\$ 1,445,578</u>	<u>\$ 1,650,617</u>

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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 14,886	\$ 16,595	\$ 15,033
Receipts:			
Registration Fees	\$ 6,199	\$ 6,340	\$ 6,340
Permit Fees .....	.....	.....	.....
Federal Funds — EPA	1,654	4,168	2,185
Cost Recovery .....	.....	.....	.....
Fines and Penalties	137	200	200
Interest	591	567	496
Other	247	.....	.....
Total Receipts	8,828	11,275	9,221
Total Funds Available	\$ 23,714	\$ 27,870	\$ 24,254
Disbursements:			
Environmental Resources	\$ 6,532	\$ 12,837	\$ 10,083
Executive Offices	587	.....	.....
Total Disbursements	-7,119	-12,837	-10,083
Cash Balance, Ending	\$ 16,595	\$ 15,033	\$ 14,171

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 in danger of a release of a regulated substance from a storage tank. The assistance is in the form of low-interest loans to finance the cost of all or a portion of the ordered response actions. Revenue consists primarily of two percent of fees collected from registration of above-ground and underground tanks in Pennsylvania.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 246	\$ 379	\$ 624
Receipts:			
Fees	\$ 270	\$ 750	\$ 750
Loan Principal	6	15	34
Interest — Loans	1	3	8
Interest — Securities	12	25	56
Miscellaneous .....	.....	2	2
Total Receipts	289	795	850
Total Funds Available	\$ 535	\$ 1,174	\$ 1,474
Disbursements:			
Economic Development Partnership	\$ 156	\$ 550	\$ 927
Total Disbursements	-156	-550	-927
Cash Balance, Ending	\$ 379	\$ 624	\$ 547

SUNNY DAY FUND

The purpose of this fund, created by Act 32 of 1985 and administered by the Economic Development Partnership, 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 the 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.

Act 60 of 1990 provides for the transfer of money from the State Workmen's Insurance Fund (SWIF). Annual payments will be made to the General Fund in an amount equal to that which would have been paid in taxes had SWIF been subject to taxes. The act also established an Advisory Council to recommend the amount of surplus in SWIF, if any, that could be distributed without jeopardizing its legal obligations to policy holders. If such a surplus exists, the SWIF Board may then recommend distribution of the surplus to the Sunny Day and the Tax Stabilization Reserve funds and/or as refunds to current or former policyholders. The funds recommended by the board to be transferred to the reserve funds and refunded to policy holders must be approved and appropriated by the General Assembly.

This statement is presented on a modified accrual rather than a cash basis.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 31,177	\$ 43,818	\$ 3,043
Receipts:			
Transfer from General Fund .....	.....	.....	\$ 25,000
Loan Principal and Interest			
Repayments	\$ 4,474	\$ 10,000	5,500
Interest on Securities	2,171	3,000	500
Miscellaneous	1,246	1,150	1,150
Total Receipts	7,891	14,150	32,150
Prior Year Lapses	11,500	.....	.....
Total Funds Available	\$ 50,568	\$ 57,968	\$ 35,193
Expenditures:			
Economic Development Partnership	\$ 6,750	\$ 54,925 ^b	\$ 35,000 ^c
Total Expenditures	-6,750	-54,925	-35,000
Cash Balance, Ending^a	\$ 43,818	\$ 3,043	\$ 193

^aCash balance less encumbrances and available balances.

^bIncludes estimated \$25 million in projects to be approved in spring of 1994; this amount has not been carried forward to other financial presentations since not all specific projects have been identified.

^cAnticipated projects; however, this amount has not been carried forward to other financial presentations since not all specific projects have been identified.

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. The Supplemental State Assistance Fund 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 Fund. Those revenues were made available immediately for loans to municipalities in imminent danger of defaulting on the obligations of their pension plans.

Beginning in December of 1988, the Auditor General also became responsible for disbursement of supplemental state assistance to distressed municipal pension systems based on certified state assistance amounts provided by the Public Employee Retirement Commission.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 18	\$ 33	\$ 33
Receipts:			
Transfer from General Fund	\$ 8,910	\$ 5,882	\$ 3,296
Interest	15	.....	.....
Total Receipts	<u>8,925</u>	<u>5,882</u>	<u>3,296</u>
Total Funds Available	\$ 8,943	\$ 5,915	\$ 3,329
Disbursements:			
Auditor General	\$ 8,910	\$ 5,882	\$ 3,296
Total Disbursements	<u>-8,910</u>	<u>-5,882</u>	<u>-3,296</u>
Cash Balances, Ending	<u>\$ 33</u>	<u>\$ 33</u>	<u>\$ 33</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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 20,082	\$ 20,799	\$ 22,556
Receipts:			
Licenses and Fees	\$ 172	\$ 200	\$ 200
Fines and Penalties	1,123	1,050	1,050
Interest	754	750	750
Forfeiture of Bonds	1,296	1,500	1,500
Trust Account Collateral	285	250	250
Other	14	.....	.....
Total Receipts	<u>3,644</u>	<u>3,750</u>	<u>3,750</u>
Total Funds Available	\$ 23,726	\$ 24,549	\$ 26,306
Disbursements:			
Executive Offices	\$ 14	.....	.....
Environmental Resources	2,913	\$ 1,993	\$ 1,686
Total Disbursements	<u>-2,927</u>	<u>-1,993</u>	<u>-1,686</u>
Cash Balance, Ending	<u>\$ 20,799</u>	<u>\$ 22,556</u>	<u>\$ 24,620</u>

TAX NOTE SINKING FUND

Monies 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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 3,462	\$ 344	.....
Receipts:			
Transfer from General Fund	\$ 995,425	\$ 407,656	\$ 720,000
Interest on Securities	3,081	975	504
Excess Interest on Securities Transferred to General Fund ...	-6,199	.....	.....
Total Receipts	992,307	408,631	720,504
Total Funds Available	\$ 995,769	\$ 408,975	\$ 720,504
Disbursements:			
Treasury	\$ 995,425	\$ 408,975	\$ 720,504
Total Disbursements	-995,425	-408,975	-720,504
Cash Balance, Ending	\$ 344	.....	.....

TAX STABILIZATION RESERVE FUND

Created in July 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 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.

Act 60 of 1990 provides for the transfer of money from the State Workmen's Insurance Fund. Annual payments will be made to the General Fund which would have been paid in taxes had SWIF been subject to taxes. The act also established an Advisory Council to recommend the amount of surplus in SWIF, if any, that could be distributed without jeopardizing its legal obligations to policy holders. If such a surplus exists, the SWIF Board may then recommend distribution of the surplus to the Sunny Day and the Tax Stabilization Reserve Funds and/or as refunds to current or former policyholders. The funds recommended by the board to be transferred to the reserve funds and refunded to policy holders must be approved and appropriated by the General Assembly. Under Act 35 of 1991, if in any fiscal year there is a surplus of operating funds in the General Fund certified by the Budget Secretary, ten percent of such surplus shall be deposited into the Tax Stabilization Reserve Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 2,021	\$ 4,871	\$ 29,742
Receipts:			
Transfer from General Fund	\$ 2,727	\$ 24,226	\$ 29,682
Transfer from PIDA .....	.....	.....	100,000 ^a
Interest on Securities	123	645	1,000
Total Receipts	2,850	24,871	130,682
Total Funds Available	\$ 4,871	\$ 29,742	\$ 160,424
Disbursements:			
.....
Total Disbursements .....	.....	.....	.....
Cash Balance, Ending	\$ 4,871	\$ 29,742	\$ 160,424

^aFunds available from a proposed recapitalization of PIDA recommended to be deposited into the Tax Stabilization Reserve Fund to be available in 1995-96 to help offset the cost of the proposed tax reduction.

TUITION PAYMENT FUND

This fund was created by Act 11 of 1992 to implement the tuition account program, providing for the advance purchase of tuition credits for a beneficiary attending a participating institution. The program is administered by the Tuition Account Bureau within the Treasury Department with oversight by the Tuition Account Program Advisory Board. Revenue is derived primarily from application fees, tuition unit purchases and investment income. Fund expenditures consist mainly of payments to participating institutions for the dollar value of the tuition purchased and of administrative costs.

Statement of Cash Receipts and Disbursements

	1992-93 Actual	(Dollar Amounts in Thousands) 1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 16,515
Receipts:			
Application Fees	\$ 705	\$ 1,175
Tuition Purchases	15,000	50,000
Interest Earnings	810	6,429
Total Receipts	16,515	57,604
Total Funds Available	\$ 16,515	\$ 74,119
Disbursements:			
Treasury	\$ 2,376
Total Disbursements	-2,376
Cash Balance, Ending	\$ 16,515	\$ 71,743

UNDERGROUND STORAGE TANK INDEMNIFICATION FUND

The Storage Tank and Spill Prevention Act, Act 32 of 1989, established the Underground Storage Tank Indemnification Fund to administer a program to provide claim payments to owners and operators of underground storage tanks who incur liability for taking corrective action or for bodily injury or property damage caused by a release from underground storage tanks. Expenses for administration of the fund are also covered. The act authorized a loan from the Hazardous Sites Cleanup Fund to cover start-up expenses of the fund.

The fund is administered by the Insurance Department in conjunction with a seven member Underground Storage Tank Indemnification Board.

Act 32 authorizes the board to establish a fee to be paid by underground storage tank owner/operators to fund the program. At the December 19, 1990 board meeting, a \$100 tank fee and two cents per gallon gas fee were approved by the board. Act 184 of 1992 amended Act 32 by requiring the Board to establish a capacity fee for heating oil and diesel fuel underground storage tanks.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 13	\$ 156	\$ 18,338
Receipts:			
Tank Fee .....	.....	\$ 4,700	\$ 4,700
Gallon Fee .....	.....	32,000	96,000
Tank Capacity Fee .....	.....	9,300	22,320
Loan From Hazardous Sites Cleanup Fund	\$ 334	.....	.....
Investment Income	2	300	300
Miscellaneous	3	3	3
Total Receipts	<u>339</u>	<u>46,303</u>	<u>123,323</u>
Total Funds Available	\$ 352	\$ 46,459	\$ 141,661
Disbursements:			
Insurance	\$ 193	\$ 28,118	\$ 67,015*
Treasury	3	3	3
Total Disbursements	<u>-196</u>	<u>-28,121</u>	<u>-67,018</u>
Cash Balance, Ending	<u>\$ 156</u>	<u>\$ 18,338</u>	<u>\$ 74,643</u>

*To be expended: \$7,015,000 for administration and \$60,000,000 for claims.

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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 313		
Receipts:			
Regular Unemployment Compensation Program	\$ 1,548,424	\$ 1,703,000	\$ 1,652,000
Federal Receipts in Transit ^a	8,055	9,000	9,600
Other	1,136,901	547,000	92,000
Total Receipts	<u>2,693,380</u>	<u>2,259,000</u>	<u>1,753,600</u>
Total Funds Available	\$ 2,693,693	\$ 2,259	\$ 1,753,600
Disbursements:			
Labor and Industry	\$ 2,693,693	\$ 2,259,000	\$ 1,753,600
Total Disbursements	<u>-2,693,693</u>	<u>-2,259,000</u>	<u>-1,753,600</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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 155	\$ 264	\$ 264
Receipts:			
Contributions of Employers and Employees	\$ 1,537,416	\$ 1,868,000	\$ 1,892,000
Other	203	203	203
Total Receipts	<u>1,537,619</u>	<u>1,868,203</u>	<u>1,892,203</u>
Total Funds Available	\$ 1,537,774	\$ 1,868,467	\$ 1,892,467
Disbursements:			
Labor and Industry	\$ 1,537,510	\$ 1,868,203	\$ 1,892,203
Total Disbursements	<u>-1,537,510</u>	<u>-1,868,203</u>	<u>-1,892,203</u>
Cash Balance, Ending	<u>\$ 264</u>	<u>\$ 264</u>	<u>\$ 264</u>

VIETNAM CONFLICT VETERANS' COMPENSATION SINKING FUND

Monies 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 to this fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 1	\$ 1	.....
Receipts:			
Transfer from General Fund	\$ 4,559	\$ 4,561	\$ 4,567
Total Receipts	4,559	4,561	4,567
Total Funds Available	\$ 4,560	\$ 4,562	\$ 4,567
Disbursements:			
Treasury	\$ 4,559	\$ 4,562	\$ 4,567
Total Disbursements	-4,559	-4,562	-4,567
Cash Balance, Ending	\$ 1	.....	.....

VOCATIONAL REHABILITATION FUND

This fund, administered by the State Board of Vocational Rehabilitation in the Department of Labor and Industry, was created to provide vocational rehabilitation services to any person who has a disability mental or physical which constitutes a handicap to employment or to 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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 8,693	\$ 12,026	\$ 12,851
Receipts:			
Transfer from General Fund	\$ 23,918	\$ 23,955	\$ 24,718
Federal Vocational Rehabilitation Funds	91,808	95,402	93,468
Other	2,244	2,268	2,316
Total Receipts	117,970	121,625	120,502
Total Funds Available	\$ 126,663	\$ 133,651	\$ 133,353
Disbursements:			
Executive Offices	\$ 1,617	\$ 1,800	\$ 1,875
Labor and Industry	113,020	119,000	117,250
Total Disbursements	-114,637	-120,800	-119,125
Cash Balance, Ending	\$ 12,026	\$ 12,851	\$ 14,228

VOLUNTEER COMPANIES LOAN FUND

On November 4, 1975, a voter referendum authorized a \$10 million 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 million to be added to the fund. In November 1990 a third voter referendum was approved which provided an additional \$25 million for the fund, bringing the total amount authorized to \$50 million. 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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 4,202	\$ 4,595	\$ 1,665
Receipts:			
Loan Principal Repayments	\$ 9,177	\$ 9,150	\$ 9,200
Loan Interest	994	875	900
Interest on Securities	178	200	225
Miscellaneous	3	2	2
Bond Proceeds	4,983	10,950	9,000
Total Receipts	<u>15,335</u>	<u>21,177</u>	<u>19,327</u>
Total Funds Available	\$ 19,537	\$ 25,772	\$ 20,992
Disbursements:			
Treasury	\$ 7	\$ 7	\$ 7
Pennsylvania Emergency Management Agency	14,935	24,100	16,225
Total Disbursements	<u>-14,942</u>	<u>-24,107</u>	<u>-16,232</u>
Cash Balance, Ending	\$ <u>4,595</u>	\$ <u>1,665</u>	\$ <u>4,760</u>

VOLUNTEER COMPANIES LOAN SINKING FUND

Monies 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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning .....	.....	\$ 1	.....
Receipts:			
Transfer from General Fund	\$ 2,443	\$ 2,820	\$ 3,973
Accrued Interest on Bonds Sold	5	3	.....
Total Receipts	<u>2,448</u>	<u>2,823</u>	<u>3,973</u>
Total Funds Available	\$ 2,448	\$ 2,824	\$ 3,973
Disbursements:			
Treasury	\$ 2,447	\$ 2,824	\$ 3,973
Total Disbursements	<u>-2,447</u>	<u>-2,824</u>	<u>-3,973</u>
Cash Balance, Ending	\$ <u>1</u>	.....	.....

WATER FACILITIES LOAN FUND

This fund was created by Act 167 of 1982 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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 3,770	\$ 8,889	\$ 15
Receipts:			
Sale of Bonds	\$ 67,236	\$ 65,000	\$ 12,500
Total Receipts	<u>67,236</u>	<u>65,000</u>	<u>12,500</u>
Total Funds Available	\$ 71,006	\$ 73,889	\$ 12,515
Disbursements:			
Environmental Resources	\$ 65		
Infrastructure Investment Authority	<u>62,052</u>	<u>73,874</u>	<u>12,500</u>
Total Disbursements	<u>-62,117</u>	<u>-73,874</u>	<u>-12,500</u>
Cash Balance, Ending	<u>\$ 8,889</u>	<u>\$ 15</u>	<u>\$ 15</u>

WATER FACILITIES LOAN REDEMPTION FUND

Payment of interest and principal due on outstanding water facilities loan bonds is made from this fund. Annual appropriations by the General Assembly and interest and dividends on monies in the Water Facilities Loan Fund provide revenues to this fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 13	\$ 17	.....
Receipts:			
Transfer from General Fund	\$ 14,076	\$ 17,695	\$ 22,596
Interest on Securities	174	96	96
Accrued Interest on Bonds Sold	74	33	.....
Bond Sale for BANs Repayment .....	.....	<u>17,000</u>	.....
Total Receipts	<u>14,324</u>	<u>34,824</u>	<u>22,692</u>
Total Funds Available	\$ 14,338	\$ 34,841	\$ 22,692
Disbursements:			
Treasury	\$ 14,320	\$ 34,841	\$ 22,692
Total Disbursements	<u>-14,320</u>	<u>-34,841</u>	<u>-22,692</u>
Cash Balance, Ending	<u>\$ 17</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 collects information relating to population, distribution, habitat needs, limiting factors and other biological and ecological data to classify plants and to determine necessary management measures. These management measures include promotion of a Statewide system of private wild plant sanctuaries, permitting of removal, collection or transplanting of endangered or threatened plant species, and regulation of the digging, harvesting, sale and exploitation of designated species.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 776	\$ 960	\$ 995
Receipts:			
Tax Check-Offs	\$ 560	\$ 423	\$ 475
Interest on Securities	29	29	55
Voluntary Donations	60	50	50
License Plate Sales .....	.....	500	1,000
Other	33	33	113
Total Receipts	<u>682</u>	<u>1,035</u>	<u>1,693</u>
Total Funds Available	\$ 1,458	\$ 1,995	\$ 2,688
Disbursements:			
Environmental Resources	\$ 498	\$ 1,000	\$ 1,000
Total Disbursements	<u>-498</u>	<u>-1,000</u>	<u>-1,000</u>
Cash Balance, Ending	<u>\$ 960</u>	<u>\$ 995</u>	<u>\$ 1,688</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 Workers' Compensation Act and the Pennsylvania Occupational Disease Act. Act 44 of 1993 amended the Workers' Compensation Act, expanding the administrative responsibilities of the Department. The fund is supported by annual assessments on insurers and self-insurers under the act. These administrative funds are approved by the Legislature for expenditure through the appropriation process.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 16,213	\$ 18,693	\$ 20,338
Receipts:			
Assessments	\$ 23,092	\$ 25,846	\$ 41,598
Other	1,511	1,550	1,600
Total Receipts	<u>24,603</u>	<u>27,396</u>	<u>43,198</u>
Total Funds Available	\$ 40,816	\$ 46,089	\$ 63,536
Disbursements:			
Executive Offices	\$ 772	\$ 900	\$ 1,000
Labor and Industry	21,351	24,851	40,165
Total Disbursements	<u>-22,123</u>	<u>25,751</u>	<u>-41,165</u>
Cash Balance, Ending	<u>\$ 18,693</u>	<u>\$ 20,338</u>	<u>\$ 22,371</u>

WORKERS' 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.

Act 70 of 1990 authorized the Catastrophic Loss Benefits Continuation Fund to borrow funds from the Workers' Compensation Security Fund. The loan is expected to be repaid in 1993-94.

Payment equal to one percent of the net written premiums received for workmen's compensation insurance policies written in the Commonwealth by stock companies, mutual carriers and reciprocal exchanges during the preceding annual reporting period are 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 companies for payments of benefits under the Workmen's Compensation Law.

As of June 30, 1992, the indemnity reserves were \$398.5 million and the medical reserves were \$88.6 million. The June 30, 1992, fund balance less reserves was negative \$193.8 million while five percent of the outstanding workmen's compensation carrier reserves was \$319.0 million. A one percent assessment was made for 1991-92.

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)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 291,593	\$ 336,185	\$ 367,687
Receipts:			
Premium Contributions	\$ 29,999	\$ 34,000	\$ 37,000
Interest on Securities	24,633	25,000	25,000
Net Investment Adjustment	25,396	9,860	10,000
Loan Repayment .....	.....	6,642	.....
Total Receipts	<u>80,028</u>	<u>75,502</u>	<u>72,000</u>
Total Funds Available	\$ 371,621	\$ 411,687	\$ 439,687
Disbursements:			
Insurance	\$ 35,434	\$ 44,000	\$ 46,000
Treasury	<u>2</u>	.....	.....
Total Disbursements	<u>-35,436</u>	<u>-44,000</u>	<u>-46,000</u>
Cash Balance, Ending	<u>\$ 336,185</u>	<u>\$ 367,687</u>	<u>\$ 393,687</u>

WORKMEN'S COMPENSATION SUPERSEDEAS FUND

The purpose of this fund is to reimburse insurers for payments made by them to claimants under the Workers' Compensation Act who are later determined to be ineligible. The fund is maintained by annual assessments on insurers and self-insurers and is administered by the Department of Labor and Industry.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1992-93 Actual	1993-94 Available	1994-95 Estimated
Cash Balance, Beginning	\$ 126	\$ 26	\$ 31
Receipts:			
Assessments	\$ 13,636	\$ 16,385	\$ 20,000
Other	<u>182</u>	<u>200</u>	<u>200</u>
Total Receipts	<u>13,818</u>	<u>16,585</u>	<u>20,200</u>
Total Funds Available	\$ 13,944	\$ 16,611	\$ 20,231
Disbursements:			
Labor and Industry	\$ 13,918	\$ 16,580	\$ 20,200
Total Disbursements	<u>-13,918</u>	<u>-16,580</u>	<u>-20,200</u>
Cash Balance, Ending	<u>\$ 26</u>	<u>\$ 31</u>	<u>\$ 31</u>

