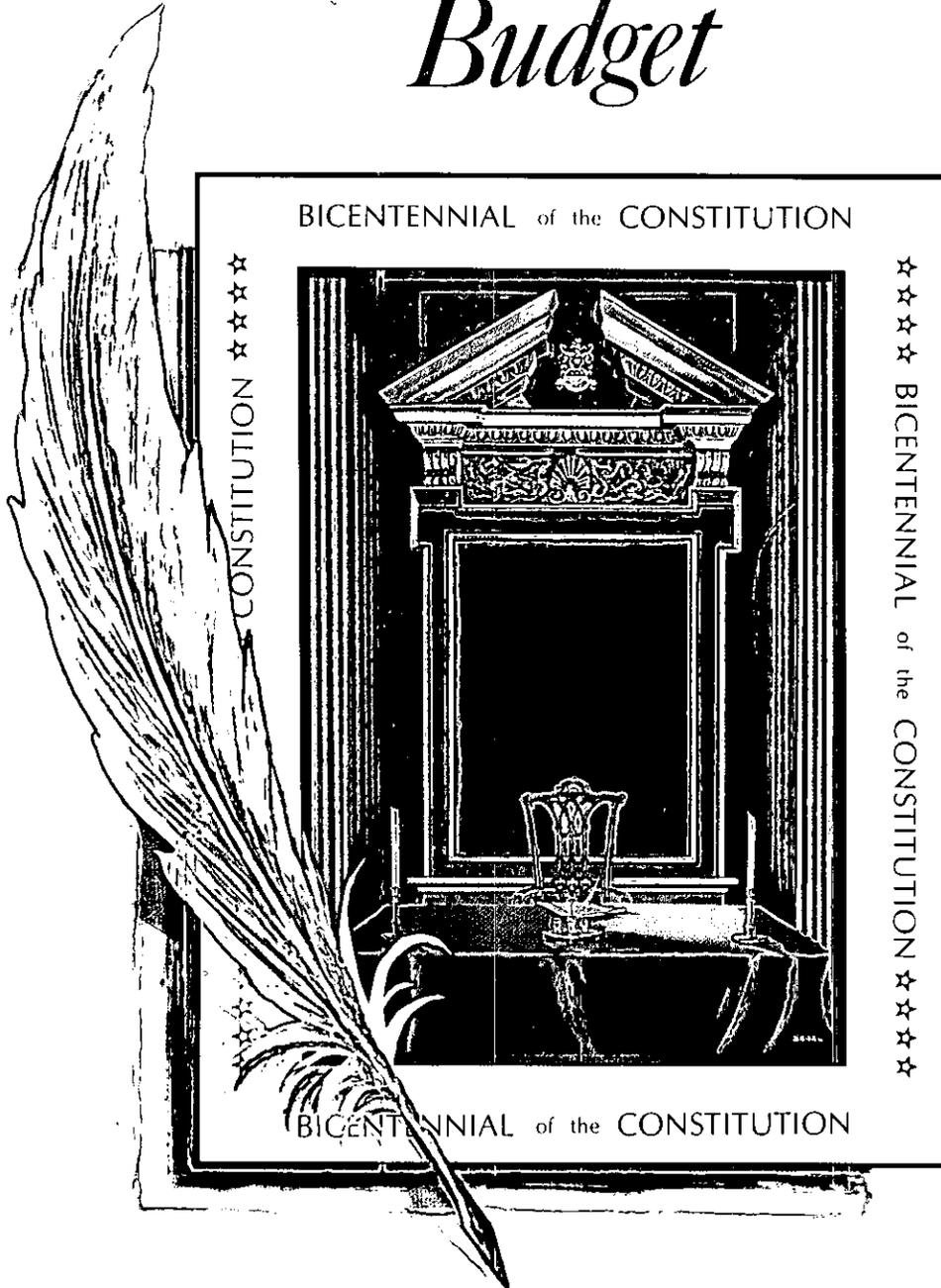


1987-88

Governor's Executive Budget



Commonwealth of Pennsylvania

Robert P. Casey
Governor

The cover depicts the rising sun chair used by George Washington when he presided at this nation's constitutional convention two centuries ago at Independence Hall in Philadelphia.

. . . . "Two centuries ago, in 1787, a troubled people who were the children of destiny gathered in Pennsylvania.

In the turbulent wake of a revolution only just ended, their infant nation would surely perish unless they could form a new political and social partnership unlike the world had ever seen.

Torn by faction, paralyzed by petty partisanship, unsure of their course, and uncertain of their possibilities, they convened in Pennsylvania to invent the future.

Through the months of summer and into the fall, they struggled to write a Constitution unlike any before in the history of humankind.

And during the long and sometimes bitter debate, a former governor of Pennsylvania, Dr. Benjamin Franklin, took to musing about a wooden carving on the back of the chair of the convention's presiding officer.

The carving was a representation of the sun, and in it Franklin saw a metaphor for the infant nation; but he wondered, had the artist meant to carve it as a sun that was rising or setting?

Finally, on September 17, 1787, the Constitution was born, and Dr. Franklin told his fellow delegates: 'Now at length I have the happiness to know that it is a rising and not a setting sun.'

. . . . "I believe that once again, it is within our power to determine whether Pennsylvania's sun is to set or to rise. I believe the future is ours; all we have to do is seize it.

"That is why I have come here today: to take command, not of the status quo, which is shadowed by the dusk, but of our future, illuminated in the brilliance of the dawn.

That is why I call for a new Pennsylvania Partnership:

—A Pennsylvania Partnership which must be as bold and stunning as that which two centuries ago fashioned in Philadelphia the Constitution which I have just sworn to uphold.

—A Pennsylvania Partnership which brings into the same house the men and women of labor and business, of government and education, of cities and suburbs, of factories and farms.

—A Pennsylvania Partnership which knows that if the sun does not rise for all of us, it will surely set on most of us."

**From the inaugural speech of
Governor Robert P. Casey,
January 20, 1987**

FOREWORD

The Commonwealth's Budget is presented in two volumes; Volume I is a summary volume while Volume II contains the departmental budgetary detail both by department-appropriation and by program.

The budget of each department or agency is presented in Volume II first on an appropriation basis, and then immediately following on a program-subcategory basis. Program-subcategory materials, comments and measures are given by individual department rather than by Commonwealth Program and thus do not cross department lines. However, there is a summary presentation by Commonwealth Program which does cross departmental lines in this summary volume.

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

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

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

The resources available to the Commonwealth in the coming fiscal period are allocated on the basis of the program subcategories. Recommendations for major program changes in 1987-88 are identified as Program Revisions which provide detailed justification.

Beyond 1987-88, the projections of financial data, as well as impacts and other program measures, show the future implications of the 1987-88 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 1987-88 level of commitment.

The Governor has proposed a major reorganization and strengthening of the Commonwealth's economic development programs. The complete program and financial details are contained in the "*Spending Plan for an Economic Development Partnership*" which is a separate presentation.

In addition there are several initiatives summarized in a special presentation in this volume and the details included in individual agency and program presentations in Volume II. These include:

- Pennsylvania Economic Revitalization Fund
- Federal Block Grants.

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.

In Pennsylvania, oil overcharge settlements are deposited in the Energy Conservation and Assistance Fund. The 1987-88 recommendations for use of oil overcharge funds are discussed in the Energy Management and Conservation Subcategory in the Executive Offices.

In several cases the budget proposed 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.

An appendix is included in Volume I showing descriptions and financial statements for all of the active special funds of the Commonwealth not otherwise reflected in the budget.

TABLE OF CONTENTS

A. STATEMENTS

| | |
|--|-----|
| Five Year Financial Statement-General Fund | A3 |
| Five Year Financial Statements-Special Funds | A4 |
| Five Year Summary by Department and Fund | A8 |
| Dollar Chart by Program-General and Special Funds | A12 |
| Five Year Commonwealth Program Summary-General and Special Funds | A13 |
| Dollar Chart by Program-General Fund | A14 |
| Five Year Commonwealth Program Summary-General Fund | A15 |
| Five Year Summary of Commonwealth Programs-Operating and Capital | A16 |
| Dollar Charts-General Fund, Income and Outgo | A18 |
| Program Summary-General Fund | A19 |
| Program Revisions-Summary | A20 |
| Dollar Chart by Character of Expenditure-General Fund | A23 |
| Federal Block Grants | A25 |
| Pennsylvania Economic Revitalization Fund | A37 |
| Public Information and Communications | A38 |
| Program Evaluations | A39 |

B. PROGRAM BUDGET SUMMARY

| | |
|---|-----|
| Commonwealth Program Budget | B3 |
| Five Year Summary by Commonwealth Programs | B4 |
| Direction and Supportive Services | B6 |
| Protection of Persons and Property | B9 |
| Health-Physical and Mental Well-Being | B12 |
| Intellectual Development and Education | B15 |
| Social Development | B18 |
| Economic Development and Income Maintenance | B21 |
| Transportation and Communication | B24 |
| Recreation and Cultural Enrichment | B27 |

C. SUMMARY BY FUND

General Fund

| | |
|--|-----|
| Financial Statement | C5 |
| Notes on Financial Statement | C7 |
| State Funds by Department | C8 |
| Federal Funds by Department | C9 |
| Augmentations by Department | C10 |
| Governor's Office | C11 |
| Executive Offices | C11 |
| Lieutenant Governor | C12 |
| Attorney General | C12 |
| Auditor General | C12 |
| Treasury Department | C13 |
| Aging, Department of | C13 |
| Agriculture, Department of | C14 |
| Civil Service Commission | C14 |
| Commerce, Department of | C15 |
| Community Affairs, Department of | C16 |
| Corrections, Department of | C16 |
| Crime Commission | C16 |
| Economic Development Partnership | C17 |
| Education, Department of | C17 |
| Emergency Management Agency | C21 |
| Environmental Resources, Department of | C21 |
| Fish Commission | C23 |

| | |
|--|------|
| General Services, Department of | C23 |
| Health, Department of | C23 |
| Higher Education Assistance Agency | C25 |
| Historical and Museum Commission | C25 |
| Housing Finance Agency | C26 |
| Insurance Department | C26 |
| Labor and Industry, Department of | C26 |
| Military Affairs, Department of | C27 |
| Milk Marketing Board | C27 |
| Probation and Parole, Board of | C28 |
| Public Television Network | C28 |
| Public Utility Commission | C28 |
| Public Welfare, Department of | C29 |
| Revenue, Department of | C30 |
| Securities Commission | C30 |
| State, Department of | C31 |
| State Employees' Retirement System | C31 |
| State Police | C31 |
| Tax Equalization Board | C32 |
| Transportation, Department of | C32 |
| Legislature | C32 |
| Judiciary | C33 |
| General Fund Total-All Funds | C33 |
| General Fund Revenue Summary | C34 |
| Adjustments to Revenue Estimate | C35 |
| Revenues | C36 |
| Motor License Fund | |
| Financial Statement | C66 |
| Notes on Financial Statement | C67 |
| Summary by Department | C68 |
| Motor License Fund Revenue Summary | C71 |
| Adjustments to Revenue Estimate | C72 |
| Revenues | C73 |
| Banking Department Fund | |
| Financial Statement | C80 |
| Summary by Department | C81 |
| Revenues | C82 |
| Boating Fund | |
| Financial Statement | C86 |
| Summary by Department | C87 |
| Revenues | C88 |
| Fair Fund | |
| Financial Statement | C92 |
| Summary by Department | C93 |
| Revenues | C94 |
| Farm Products Show Fund | |
| Financial Statement | C98 |
| Summary by Department | C99 |
| Revenues | C100 |
| Fish Fund | |
| Financial Statement | C104 |
| Summary by Department | C105 |
| Revenues | C106 |

| | |
|--|------|
| Game Fund | |
| Financial Statement | C110 |
| Summary by Department | C111 |
| Revenues | C112 |
| Lottery Fund | |
| Financial Statement | C118 |
| Summary by Department | C119 |
| Revenues | C121 |
| Milk Marketing Fund | |
| Financial Statement | C126 |
| Summary by Department | C127 |
| Revenues | C128 |
| Racing Fund | |
| Financial Statement | C132 |
| Summary by Department | C133 |
| Revenues | C134 |
| Revenue Sharing Trust Fund | |
| Financial Statement | C140 |
| Summary by Department | C141 |
| Revenues | C142 |
| | |
| D. CAPITAL BUDGET | |
| Forecast of Debt Limit and Outstanding Debt | D4 |
| Projected Capital Budget Bond Issues and Debt Outstanding | D5 |
| Forecast of Debt Service Requirements | D6 |
| Capital Facilities Fund Financial Statement | D8 |
| Estimated Capital Project Expenditures-State Funds | D9 |
| Forecast of New Project Authorizations-State Funds | D10 |
| Recommended 1987-88 New Project Authorizations | D11 |
| Agriculture, Department of | D12 |
| Corrections, Department of | D14 |
| Education, Department of | D16 |
| Emergency Management Agency | D22 |
| Environmental Resources, Department of | D24 |
| Game Commission | D29 |
| General Services, Department of | D31 |
| Historical and Museum Commission | D33 |
| Military Affairs, Department of | D35 |
| Public Welfare, Department of | D37 |
| State Police | D40 |
| Transportation, Department of | D42 |
| Summary of Forecast of Future New Project Authorizations-State Funds | D53 |
| Forecast of Future Projects-Departments | D54 |
| Summary of Estimated Capital Project Expenditures | D59 |
| Estimate of Capital Expenditures-Departments | D60 |
| | |
| E. SINKING FUNDS AND PUBLIC DEBT | |
| Bonds Authorized, Issued and Outstanding | E3 |
| Projected Bond Issues and Debt Outstanding | E4 |
| Forecast of Debt Service on Bonded Debt | E5 |
| Annual Debt Service on Outstanding Bonds and Authority Rentals | E6 |
| Terms of Bonds Issued | E8 |
| Trends in Debt Service and Debt Ratios | E9 |
| Outstanding Indebtedness of Pennsylvania Agencies and Authorities | E10 |

F. OTHER SPECIAL FUNDS

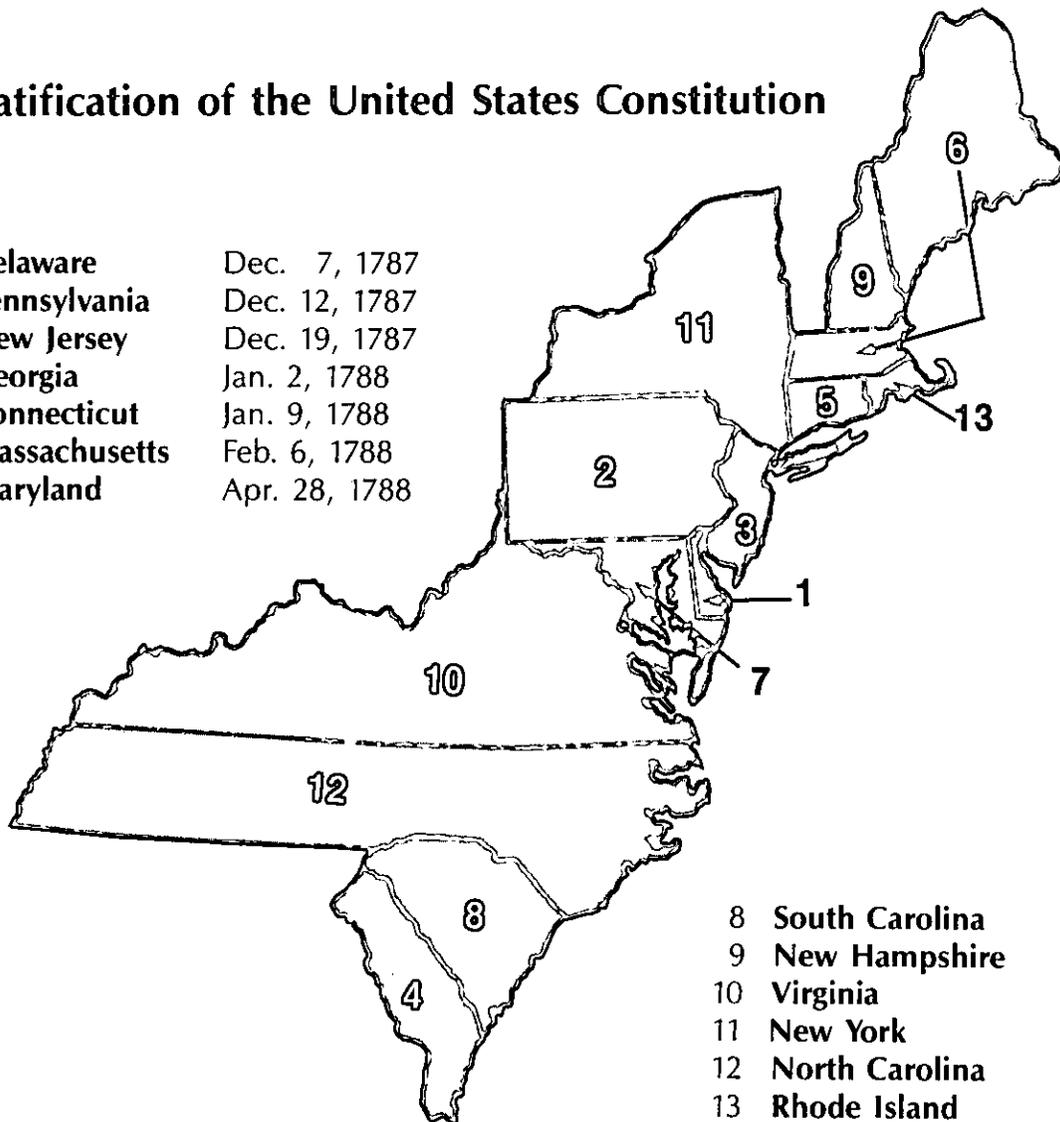
| | |
|---|-----|
| Administration Fund | F6 |
| Agricultural College Land Scrip Fund | F7 |
| Capital Debt Fund | F8 |
| Capital Facilities Fund | F9 |
| Capitol Restoration Trust Fund | F10 |
| Catastrophic Loss Fund | F11 |
| Coal and Clay Mine Subsidence Insurance Fund | F12 |
| Coal Lands Improvement Fund | F13 |
| Conrad Weiser Memorial Park Trust Fund | F14 |
| Disaster Relief Fund | F15 |
| Disaster Relief Redemption Fund | F16 |
| Emergency Medical Services Operating Fund | F17 |
| Employment Fund for the Blind | F18 |
| Energy Conservation and Assistance Fund | F19 |
| Energy Development Fund | F20 |
| Fire Insurance Tax Fund | F21 |
| Higher Education Assistance Fund | F22 |
| Highway Beautification Fund | F23 |
| Historical Preservation Fund | F24 |
| Industrial Development Fund | F25 |
| Kellogg Foundation Fund | F26 |
| Land and Water Development Fund | F27 |
| Land and Water Development Sinking Fund | F28 |
| Liquid Fuels Tax Fund | F29 |
| Liquor License Fund | F30 |
| Manufacturing Fund | F31 |
| Medical Professional Liability Catastrophe Loss Fund | F32 |
| Minority Business Development Fund | F33 |
| Municipal Pension Aid Fund | F34 |
| Non-Coal Surface Mining Conservation and Reclamation Fund | F35 |
| Nursing Home Loan Development Fund | F36 |
| Nursing Home Loan Fund | F37 |
| Nursing Home Loan Sinking Fund | F38 |
| Nutrition Education and Training Fund | F39 |
| Oil and Gas Lease Fund | F40 |
| Pennsylvania Capital Loan Fund | F41 |
| Pennsylvania Economic Revitalization Fund | F42 |
| Pennsylvania Economic Revitalization Sinking Fund | F43 |
| Pennsylvania Historical and Museum Commission Trust Fund | F44 |
| Pennsylvania Municipal Retirement Fund | F45 |
| Pharmaceutical Assistance Fund | F46 |
| Project 70 Land Acquisition Fund | F47 |
| Project 70 Land Acquisition Sinking Fund | F48 |
| Purchasing Fund | F49 |
| Real Estate Recovery Fund | F50 |
| Rehabilitation Center Fund | F51 |
| School Employees' Retirement Fund | F52 |
| Sinking Fund | F53 |
| Social Security Contribution Fund | F54 |
| Solid Waste-Resource Recovery Development Fund | F55 |
| Special Administration Fund | F56 |
| State College Experimental Farm Fund | F57 |
| State Employees' Retirement Fund | F58 |
| State Insurance Fund | F59 |
| State Restaurant Fund | F60 |
| State School Fund | F61 |
| State Stores Fund | F62 |

| | |
|--|-----|
| State Treasury Armory Fund | F63 |
| State Workmen's Insurance Fund | F64 |
| Sunny Day Fund | F65 |
| Supplemental State Assistance Fund | F66 |
| Surface Mining Conservation and Reclamation Fund | F67 |
| Tax Note Sinking Fund | F68 |
| Tax Stabilization Reserve Fund | F69 |
| Unemployment Compensation Benefit Payment Fund | F70 |
| Unemployment Compensation Contribution Fund | F71 |
| Unemployment Compensation Interest Fund | F72 |
| Vietnam Conflict Veterans' Compensation Fund | F73 |
| Vietnam Conflict Veterans' Compensation Sinking Fund | F74 |
| Vocational Rehabilitation Fund | F75 |
| Volunteer Companies Loan Fund | F76 |
| Volunteer Company Loan Sinking Fund | F77 |
| Water Facilities Loan Fund | F78 |
| Water Facilities Loan Redemption Fund | F79 |
| Wild Resources Conservation Fund | F80 |
| Workmen's Compensation Administration Fund | F81 |
| Workmen's Compensation Security Fund | F82 |
| Workmen's Compensation Supersedeas Fund | F83 |

STATEMENTS

Ratification of the United States Constitution

| | | |
|---|---------------|---------------|
| 1 | Delaware | Dec. 7, 1787 |
| 2 | Pennsylvania | Dec. 12, 1787 |
| 3 | New Jersey | Dec. 19, 1787 |
| 4 | Georgia | Jan. 2, 1788 |
| 5 | Connecticut | Jan. 9, 1788 |
| 6 | Massachusetts | Feb. 6, 1788 |
| 7 | Maryland | Apr. 28, 1788 |



| | | |
|----|----------------|---------------|
| 8 | South Carolina | May 23, 1788 |
| 9 | New Hampshire | June 21, 1788 |
| 10 | Virginia | June 25, 1788 |
| 11 | New York | July 26, 1788 |
| 12 | North Carolina | Nov. 21, 1789 |
| 13 | Rhode Island | May 29, 1790 |

GENERAL FUND

Five Year Financial Statement

The projections beyond the 1987-88 fiscal year show future implications of the present budgetary policies and recommendations only. Revenue estimates are based upon current tax rates.

| | (Dollar Amounts in Thousands) | | | | | | |
|-----------------------------------|-------------------------------|-------------------|-----------------|--------------|------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Beginning Balance | \$ 310,468 | \$ 212,772 | \$ 261,543 | \$ 1,852 | ..... | ..... | ..... |
| Revenues | \$ 9,316,221 | \$ 9,820,300 | \$10,241,787 | \$10,895,880 | \$11,407,803 | \$12,015,011 | \$12,636,375 |
| Adjustments ^a | -71,845 | -72,402 | -188,601 | -194,591 | -214,884 | -174,962 | -185,047 |
| Tax Stabilization Reserve | -25,000 | -25,000 | -35,000 | -25,000 | -25,000 | -25,000 | -25,000 |
| Sunny Day Reserve | -25,000 | -25,000 | -35,000 | -25,000 | -25,000 | -25,000 | -25,000 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Funds Available | \$ 9,504,844 | \$ 9,910,670 | \$10,244,729 | \$10,653,141 | \$11,142,919 | \$11,790,049 | \$12,401,328 |
| Expenditures | -9,292,072 | -9,649,127 | -10,242,877 | -10,653,083 | -11,109,503 | -11,670,541 | -12,235,002 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Ending Balance ^b | <u>\$ 212,772</u> | <u>\$ 261,543</u> | <u>\$ 1,852</u> | <u>\$ 58</u> | <u>\$ 33,416</u> | <u>\$ 119,508</u> | <u>\$ 166,326</u> |

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

^bEnding balances not carried forward after 1988-89.

FIVE YEAR FINANCIAL STATEMENTS

Motor License Fund^a

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Beginning Balance | \$ 88,108 | \$ 81,632 | \$ 55,489 | \$ 8,791 | \$ 1,850 | \$ 4,795 | \$ 11,503 |
| Receipts | 1,375,796 | 1,383,500 | 1,396,980 | 1,394,515 | 1,405,440 | 1,411,285 | 1,407,700 |
| Funds Available | <u>\$1,463,904</u> | <u>\$1,465,132</u> | <u>\$1,452,469</u> | <u>\$1,403,306</u> | <u>\$1,407,290</u> | <u>\$1,416,080</u> | <u>\$1,419,203</u> |
| Less Expenditures | -1,382,272 | -1,409,643 | -1,443,678 | -1,401,456 | -1,402,495 | -1,404,577 | -1,408,708 |
| Ending Balance | <u>\$ 81,632</u> | <u>\$ 55,489</u> | <u>\$ 8,791</u> | <u>\$ 1,850</u> | <u>\$ 4,795</u> | <u>\$ 11,503</u> | <u>\$ 10,495</u> |

Banking Department Fund

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------|-------------------------------|-----------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Beginning Balance | \$ 2,806 | \$ 2,559 | \$ 2,721 | \$ 2,817 | \$ 2,865 | \$ 2,844 | \$ 2,767 |
| Receipts | 6,897 | 7,304 | 7,435 | 7,661 | 7,885 | 8,138 | 8,410 |
| Funds Available | <u>\$ 9,703</u> | <u>\$ 9,863</u> | <u>\$ 10,156</u> | <u>\$ 10,478</u> | <u>\$ 10,750</u> | <u>\$ 10,982</u> | <u>\$ 11,177</u> |
| Less Expenditures | -7,144 | -7,142 | -7,339 | -7,613 | -7,906 | -8,215 | -8,533 |
| Ending Balance | <u>\$ 2,559</u> | <u>\$ 2,721</u> | <u>\$ 2,817</u> | <u>\$ 2,865</u> | <u>\$ 2,844</u> | <u>\$ 2,767</u> | <u>\$ 2,644</u> |

Boating Fund

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Beginning Balance | \$ 4,569 | \$ 4,266 | \$ 3,350 | \$ 2,435 | \$ 1,486 | \$ 495 | |
| Receipts | 3,999 | 3,391 | 3,508 | 3,593 | 3,665 | 3,665 | \$ 3,665 |
| Funds Available | <u>\$ 8,568</u> | <u>\$ 7,657</u> | <u>\$ 6,858</u> | <u>\$ 6,028</u> | <u>\$ 5,151</u> | <u>\$ 4,160</u> | <u>\$ 3,665</u> |
| Less Expenditures | -4,302 | -4,307 | -4,423 | -4,542 | -4,656 | -4,160 | -3,665 |
| Ending Balance | <u>\$ 4,266</u> | <u>\$ 3,350</u> | <u>\$ 2,435</u> | <u>\$ 1,486</u> | <u>\$ 495</u> | <u>. . . .</u> | <u>. . . .</u> |

^aExcludes restricted revenue.

**FIVE YEAR FINANCIAL STATEMENTS
(Continued)**

Fair Fund^a

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------|-------------------------------|---------------|--------------|--------------|--------------|--------------|--------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Beginning Balance | \$ 67 | \$ 143 | ..... | ..... | ..... | ..... | ..... |
| Receipts | 2,566 | ..... | ..... | ..... | ..... | ..... | ..... |
| Funds Available | <u>\$ 2,633</u> | <u>\$ 143</u> | ..... | ..... | ..... | ..... | ..... |
| Less Expenditures | -2,490 | -143 | ..... | ..... | ..... | ..... | ..... |
| Ending Balance | <u>\$ 143</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> |

Farm Products Show Fund

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Beginning Balance | \$ 622 | \$ 754 | \$ 762 | \$ 755 | \$ 734 | \$ 691 | \$ 623 |
| Receipts | 2,867 | 2,860 | 2,850 | 2,910 | 2,965 | 3,020 | 3,020 |
| Funds Available | <u>\$ 3,489</u> | <u>\$ 3,614</u> | <u>\$ 3,612</u> | <u>\$ 3,665</u> | <u>\$ 3,699</u> | <u>\$ 3,711</u> | <u>\$ 3,643</u> |
| Less Expenditures | -2,735 | -2,852 | -2,857 | -2,931 | -3,008 | -3,088 | -3,172 |
| Ending Balance | <u>\$ 754</u> | <u>\$ 762</u> | <u>\$ 755</u> | <u>\$ 734</u> | <u>\$ 691</u> | <u>\$ 623</u> | <u>\$ 471</u> |

Fish Fund

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Beginning Balance | \$ 8,605 | \$ 8,746 | \$ 8,557 | \$ 8,592 | \$ 8,177 | \$ 7,262 | \$ 5,681 |
| Receipts | 21,778 | 22,135 | 22,745 | 23,181 | 23,541 | 23,045 | 22,550 |
| Funds Available | <u>\$ 30,383</u> | <u>\$ 30,881</u> | <u>\$ 31,302</u> | <u>\$ 31,773</u> | <u>\$ 31,718</u> | <u>\$ 30,307</u> | <u>\$ 28,231</u> |
| Less Expenditures | -21,637 | -22,324 | -22,710 | -23,596 | -24,456 | -24,626 | -24,824 |
| Ending Balance | <u>\$ 8,746</u> | <u>\$ 8,557</u> | <u>\$ 8,592</u> | <u>\$ 8,177</u> | <u>\$ 7,262</u> | <u>\$ 5,681</u> | <u>\$ 3,407</u> |

^aAct 92 signed July 8, 1986, eliminated the Fair Fund as a Special Fund, effective July 1, 1986 and created a General Fund grant appropriation, Payments to Pennsylvania Fairs.

**FIVE YEAR FINANCIAL STATEMENTS
(continued)**

Game Fund

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Beginning Balance | \$ 13,646 | \$ 16,855 | \$ 17,583 | \$ 16,623 | \$ 14,101 | \$ 9,943 | \$ 4,104 |
| Receipts | 44,144 | 42,446 | 35,176 | 34,976 | 34,676 | 34,376 | 34,076 |
| Funds Available | <u>\$ 57,790</u> | <u>\$ 59,301</u> | <u>\$ 52,759</u> | <u>\$ 51,599</u> | <u>\$ 48,777</u> | <u>\$ 44,319</u> | <u>\$ 38,180</u> |
| Less Expenditures | -40,935 | -41,718 | -36,136 | -37,498 | -38,834 | -40,215 | -38,180 |
| Ending Balance | <u>\$ 16,855</u> | <u>\$ 17,583</u> | <u>\$ 16,623</u> | <u>\$ 14,101</u> | <u>\$ 9,943</u> | <u>\$ 4,104</u> | <u>.....</u> |

Lottery Fund

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------------|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Beginning Balance | \$ 265,969 | \$ 258,352 | \$ 190,589 | \$ 112,120 | \$ -23,792 | \$ -242,953 | \$ -501,288 |
| Add: Reserve From Previous Year | 119,410 | 110,493 | 109,374 | 108,209 | 106,636 | 104,196 | 102,793 |
| Receipts | 787,942 | 758,150 | 743,490 | 736,979 | 726,170 | 720,598 | 720,598 |
| Funds Available | <u>\$1,173,321</u> | <u>\$1,126,995</u> | <u>\$1,043,453</u> | <u>\$ 957,308</u> | <u>\$ 809,014</u> | <u>\$ 581,841</u> | <u>\$ 322,103</u> |
| Less Expenditures | -804,476 | -827,032 | -823,124 | -874,464 | -947,771 | -980,336 | -1,015,894 |
| Less Reserve for Current Years | -110,493 | -109,374 | -108,209 | -106,636 | -104,196 | -102,793 | -102,498 |
| Ending Balance | <u>\$ 258,352</u> | <u>\$ 190,589</u> | <u>\$ 112,120</u> | <u>\$ -23,792*</u> | <u>\$ -242,953</u> | <u>\$ -501,288</u> | <u>\$ -796,289</u> |

Milk Marketing Fund

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Beginning Balance | \$ 297 | \$ 399 | \$ 301 | \$ 256 | \$ 211 | \$ 166 | \$ 121 |
| Receipts | 1,683 | 1,646 | 1,630 | 1,630 | 1,630 | 1,630 | 1,630 |
| Funds Available | <u>\$ 1,980</u> | <u>\$ 2,045</u> | <u>\$ 1,931</u> | <u>\$ 1,886</u> | <u>\$ 1,841</u> | <u>\$ 1,796</u> | <u>\$ 1,751</u> |
| Less Expenditures | -1,581 | -1,744 | -1,675 | -1,675 | -1,675 | -1,675 | -1,675 |
| Ending Balance | <u>\$ 399</u> | <u>\$ 301</u> | <u>\$ 256</u> | <u>\$ 211</u> | <u>\$ 166</u> | <u>\$ 121</u> | <u>\$ 76</u> |

*See Pharmaceutical Assistance subcategory in the Department of Aging for a discussion of Lottery Fund ending balances.

FIVE YEAR FINANCIAL STATEMENTS
(continued)

Racing Fund

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Beginning Balance | \$ 3,379 | \$ 1,825 | \$ 1,211 | \$ 1,548 | \$ 1,325 | \$ 1,064 | \$ 825 |
| Receipts | 7,453 | 7,245 | 7,110 | 7,110 | 7,110 | 7,110 | 7,110 |
| Funds Available | <u>\$ 10,832</u> | <u>\$ 9,070</u> | <u>\$ 8,321</u> | <u>\$ 8,658</u> | <u>\$ 8,435</u> | <u>\$ 8,174</u> | <u>\$ 7,935</u> |
| Less Expenditures | -9,007 | -7,859 | -6,773 | -7,333 | -7,371 | -7,349 | -7,360 |
| Ending Balance | <u>\$ 1,825</u> | <u>\$ 1,211</u> | <u>\$ 1,548</u> | <u>\$ 1,325</u> | <u>\$ 1,064</u> | <u>\$ 825</u> | <u>\$ 575</u> |

Revenue Sharing Trust Fund

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------|-------------------------------|---------------|---------------|--------------|---------|---------|---------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Beginning Balance | \$ 530 | \$ 533 | \$ 353 | \$ 53 | ..... | ..... | ..... |
| Receipts | 39 | 60 | ..... | ..... | ..... | ..... | ..... |
| Funds Available | <u>\$ 569</u> | <u>\$ 593</u> | <u>\$ 353</u> | <u>\$ 53</u> | ..... | ..... | ..... |
| Less Expenditures | -36 | -240 | -300 | -53 | ..... | ..... | ..... |
| Ending Balance | <u>\$ 533</u> | <u>\$ 353</u> | <u>\$ 53</u> | ..... | ..... | ..... | ..... |

FIVE-YEAR DEPARTMENT SUMMARY BY FUND

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| GOVERNOR'S OFFICE | | | | | | | |
| GENERAL FUND | \$ 3,332 | \$ 3,476 | \$ 3,712 | \$ 3,860 | \$ 4,014 | \$ 4,175 | \$ 4,342 |
| TOTAL | \$ 3,332 | \$ 3,476 | \$ 3,712 | \$ 3,860 | \$ 4,014 | \$ 4,175 | \$ 4,342 |
| EXECUTIVE OFFICES | | | | | | | |
| GENERAL FUND | \$ 51,445 | \$ 51,107 | \$ 55,722 | \$ 59,778 | \$ 61,545 | \$ 63,387 | \$ 65,300 |
| MOTOR LICENSE FUND | 3,679 | 3,579 | 3,777 | 3,928 | 4,085 | 4,248 | 4,418 |
| TOTAL | \$ 55,124 | \$ 54,686 | \$ 59,499 | \$ 63,706 | \$ 65,630 | \$ 67,635 | \$ 69,718 |
| LIEUTENANT GOVERNOR'S OFFICE | | | | | | | |
| GENERAL FUND | \$ 676 | \$ 668 | \$ 711 | \$ 739 | \$ 769 | \$ 800 | \$ 832 |
| TOTAL | \$ 676 | \$ 668 | \$ 711 | \$ 739 | \$ 769 | \$ 800 | \$ 832 |
| ATTORNEY GENERAL | | | | | | | |
| GENERAL FUND | \$ 24,639 | \$ 25,043 | \$ 26,305 | \$ 27,358 | \$ 28,451 | \$ 29,589 | \$ 30,773 |
| TOTAL | \$ 24,639 | \$ 25,043 | \$ 26,305 | \$ 27,358 | \$ 28,451 | \$ 29,589 | \$ 30,773 |
| AUDITOR GENERAL | | | | | | | |
| GENERAL FUND | \$ 27,181 | \$ 27,477 | \$ 29,712 | \$ 30,900 | \$ 67,136 | \$ 68,422 | \$ 69,759 |
| TOTAL | \$ 27,181 | \$ 27,477 | \$ 29,712 | \$ 30,900 | \$ 67,136 | \$ 68,422 | \$ 69,759 |
| TREASURY | | | | | | | |
| GENERAL FUND | \$ 316,528 | \$ 361,096 | \$ 382,302 | \$ 414,496 | \$ 445,419 | \$ 463,833 | \$ 482,759 |
| LOTTERY FUND | 15 | 20 | 20 | 20 | 20 | 20 | 20 |
| RACING FUND | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| MOTOR LICENSE FUND | 172,143 | 176,668 | 181,957 | 190,513 | 192,312 | 182,770 | 175,279 |
| GAME FUND | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| FISH FUND | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| BANKING DEPARTMENT FUND | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| MILK MARKETING FUND | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| FARM PRODUCTS SHOW FUND | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| BOATING FUND | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| TOTAL | \$ 488,686 | \$ 537,830 | \$ 564,325 | \$ 605,075 | \$ 637,797 | \$ 646,669 | \$ 658,104 |
| AGING | | | | | | | |
| GENERAL FUND | | | \$ 2,000 | | | | |
| LOTTERY FUND | \$ 178,090 | \$ 186,779 | 197,367 | \$ 247,327 | \$ 319,339 | \$ 350,394 | \$ 384,500 |
| TOTAL | \$ 178,090 | \$ 186,779 | \$ 199,367 | \$ 247,327 | \$ 319,339 | \$ 350,394 | \$ 384,500 |
| AGRICULTURE | | | | | | | |
| GENERAL FUND | \$ 33,007 | \$ 31,398 | \$ 34,189 | \$ 31,864 | \$ 32,214 | \$ 35,917 | \$ 33,647 |
| RACING FUND | 8,868 | 7,730 | 6,639 | 7,194 | 7,228 | 7,202 | 7,209 |
| PENNSYLVANIA FAIR FUND | 10- | 143 | | | | | |
| FARM PRODUCTS SHOW FUND | 1,735 | 1,847 | 1,852 | 1,926 | 2,003 | 2,083 | 2,167 |
| TOTAL | \$ 43,600 | \$ 41,118 | \$ 42,680 | \$ 40,984 | \$ 41,445 | \$ 45,202 | \$ 43,023 |
| BANKING | | | | | | | |
| BANKING DEPARTMENT FUND | \$ 6,854 | \$ 6,836 | \$ 7,035 | \$ 7,316 | \$ 7,609 | \$ 7,913 | \$ 8,230 |
| TOTAL | \$ 6,854 | \$ 6,836 | \$ 7,035 | \$ 7,316 | \$ 7,609 | \$ 7,913 | \$ 8,230 |

FIVE-YEAR DEPARTMENT SUMMARY BY FUND

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| COMMERCE | | | | | | | |
| GENERAL FUND | \$ 179,420 | \$ 92,014 | ..... | ..... | ..... | ..... | ..... |
| TOTAL | \$ 179,420 | \$ 92,014 | ..... | ..... | ..... | ..... | ..... |
| COMMUNITY AFFAIRS | | | | | | | |
| GENERAL FUND | \$ 32,280 | \$ 45,798 | \$ 41,621 | \$ 26,910 | \$ 27,211 | \$ 27,524 | \$ 27,850 |
| TOTAL | \$ 32,280 | \$ 45,798 | \$ 41,621 | \$ 26,910 | \$ 27,211 | \$ 27,524 | \$ 27,850 |
| CORRECTIONS | | | | | | | |
| GENERAL FUND | \$ 185,268 | \$ 204,543 | \$ 241,071 | \$ 255,535 | \$ 268,374 | \$ 279,109 | \$ 290,273 |
| TOTAL | \$ 185,268 | \$ 204,543 | \$ 241,071 | \$ 255,535 | \$ 268,374 | \$ 279,109 | \$ 290,273 |
| CRIME COMMISSION | | | | | | | |
| GENERAL FUND | \$ 2,234 | \$ 2,240 | \$ 2,230 | \$ 2,319 | \$ 2,412 | \$ 2,508 | \$ 2,609 |
| TOTAL | \$ 2,234 | \$ 2,240 | \$ 2,230 | \$ 2,319 | \$ 2,412 | \$ 2,508 | \$ 2,609 |
| ECONOMIC DEVELOPMENT PARTNERSHIP | | | | | | | |
| GENERAL FUND ..... | ..... | ..... | \$ 100,056 | \$ 103,103 | \$ 101,921 | \$ 105,511 | \$ 103,125 |
| TOTAL ..... | ..... | ..... | \$ 100,056 | \$ 103,103 | \$ 101,921 | \$ 105,511 | \$ 103,125 |
| EDUCATION | | | | | | | |
| GENERAL FUND | \$ 4,352,069 | \$ 4,639,038 | \$ 4,872,801 | \$ 5,075,925 | \$ 5,288,612 | \$ 5,662,466 | \$ 6,047,036 |
| MOTOR LICENSE FUND | 2,069 | 2,598 | 2,300 | 2,300 | 2,300 | 2,300 | 2,300 |
| TOTAL | \$ 4,354,138 | \$ 4,641,636 | \$ 4,875,101 | \$ 5,078,225 | \$ 5,290,912 | \$ 5,664,766 | \$ 6,049,336 |
| PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY | | | | | | | |
| GENERAL FUND | \$ 19,773 | \$ 2,462 | \$ 2,467 | \$ 2,566 | \$ 2,668 | \$ 2,775 | \$ 2,886 |
| TOTAL | \$ 19,773 | \$ 2,462 | \$ 2,467 | \$ 2,566 | \$ 2,668 | \$ 2,775 | \$ 2,886 |
| DEPARTMENT OF ENVIRONMENTAL RESOURCES | | | | | | | |
| GENERAL FUND | \$ 147,622 | \$ 156,003 | \$ 197,096 | \$ 198,738 | \$ 203,636 | \$ 208,652 | \$ 190,711 |
| TOTAL | \$ 147,622 | \$ 156,003 | \$ 197,096 | \$ 198,738 | \$ 203,636 | \$ 208,652 | \$ 190,711 |
| FISH COMMISSION | | | | | | | |
| GENERAL FUND | \$ 5 | \$ 7 | \$ 7 | \$ 7 | \$ 7 | \$ 7 | \$ 7 |
| FISH FUND | 15,143 | 15,505 | 15,399 | 15,740 | 16,137 | 16,137 | 16,137 |
| BOATING FUND | 3,564 | 3,845 | 3,863 | 3,957 | 4,059 | 4,059 | 4,059 |
| TOTAL | \$ 18,712 | \$ 19,357 | \$ 19,269 | \$ 19,704 | \$ 20,203 | \$ 20,203 | \$ 20,203 |
| GAME COMMISSION | | | | | | | |
| GAME FUND | \$ 36,222 | \$ 37,151 | \$ 31,923 | \$ 33,200 | \$ 34,528 | \$ 35,909 | \$ 33,874 |
| TOTAL | \$ 36,222 | \$ 37,151 | \$ 31,923 | \$ 33,200 | \$ 34,528 | \$ 35,909 | \$ 33,874 |
| GENERAL SERVICES | | | | | | | |
| GENERAL FUND | \$ 113,016 | \$ 111,095 | \$ 109,849 | \$ 107,618 | \$ 105,616 | \$ 105,164 | \$ 104,878 |
| LOTTERY FUND | 198 | 189 | 188 | 183 | 183 | 187 | 185 |
| MOTOR LICENSE FUND | 26,171 | 27,676 | 27,685 | 30,177 | 31,648 | 35,578 | 38,549 |
| FISH FUND | 62 | 63 | 63 | 63 | 63 | 63 | 63 |
| BANKING DEPARTMENT FUND | 290 | 301 | 299 | 292 | 292 | 297 | 298 |
| BOATING FUND | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| FEDERAL REVENUE SHARING TRUST FUND | 36 | 300 | 300 | ..... | ..... | ..... | ..... |
| TOTAL | \$ 139,775 | \$ 139,626 | \$ 138,386 | \$ 138,335 | \$ 137,804 | \$ 141,291 | \$ 143,975 |

FIVE-YEAR DEPARTMENT SUMMARY BY FUND

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| HEALTH | | | | | | | |
| GENERAL FUND | \$ 133,242 | \$ 143,536 | \$ 148,946 | \$ 153,414 | \$ 157,548 | \$ 161,842 | \$ 166,292 |
| TOTAL | \$ 133,242 | \$ 143,536 | \$ 148,946 | \$ 153,414 | \$ 157,548 | \$ 161,842 | \$ 166,292 |
| HIGHER EDUCATION ASSISTANCE AGENCY | | | | | | | |
| GENERAL FUND | \$ 117,576 | \$ 125,566 | \$ 138,498 | \$ 144,036 | \$ 149,796 | \$ 155,786 | \$ 162,015 |
| TOTAL | \$ 117,576 | \$ 125,566 | \$ 138,498 | \$ 144,036 | \$ 149,796 | \$ 155,786 | \$ 162,015 |
| HISTORICAL AND MUSEUM COMMISSION | | | | | | | |
| GENERAL FUND | \$ 12,833 | \$ 13,441 | \$ 13,902 | \$ 14,367 | \$ 14,105 | \$ 14,611 | \$ 15,135 |
| TOTAL | \$ 12,833 | \$ 13,441 | \$ 13,902 | \$ 14,367 | \$ 14,105 | \$ 14,611 | \$ 15,135 |
| HOUSING FINANCE AGENCY | | | | | | | |
| GENERAL FUND | \$ 25,750 | \$ 25,750 | \$ 18,000 | \$ 18,000 | \$ 18,000 | \$ 855 | \$ 855 |
| TOTAL | \$ 25,750 | \$ 25,750 | \$ 18,000 | \$ 18,000 | \$ 18,000 | \$ 855 | \$ 855 |
| INSURANCE | | | | | | | |
| GENERAL FUND | \$ 7,530 | \$ 7,952 | \$ 8,600 | \$ 9,256 | \$ 9,626 | \$ 10,011 | \$ 10,411 |
| TOTAL | \$ 7,530 | \$ 7,952 | \$ 8,600 | \$ 9,256 | \$ 9,626 | \$ 10,011 | \$ 10,411 |
| LABOR AND INDUSTRY | | | | | | | |
| GENERAL FUND | \$ 39,899 | \$ 47,900 | \$ 45,270 | \$ 46,415 | \$ 49,554 | \$ 51,580 | \$ 52,687 |
| TOTAL | \$ 39,899 | \$ 47,900 | \$ 45,270 | \$ 46,415 | \$ 49,554 | \$ 51,580 | \$ 52,687 |
| MILITARY AFFAIRS | | | | | | | |
| GENERAL FUND | \$ 24,592 | \$ 27,816 | \$ 30,155 | \$ 31,421 | \$ 32,562 | \$ 33,746 | \$ 34,980 |
| TOTAL | \$ 24,592 | \$ 27,816 | \$ 30,155 | \$ 31,421 | \$ 32,562 | \$ 33,746 | \$ 34,980 |
| MILK MARKETING BOARD | | | | | | | |
| GENERAL FUND | \$ 975 | \$ 950 | \$ 950 | \$ 950 | \$ 950 | \$ 950 | \$ 950 |
| MILK MARKETING FUND | 606 | 784 | 715 | 715 | 715 | 715 | 715 |
| TOTAL | \$ 1,581 | \$ 1,734 | \$ 1,665 | \$ 1,665 | \$ 1,665 | \$ 1,665 | \$ 1,665 |
| PROBATION AND PAROLE | | | | | | | |
| GENERAL FUND | \$ 26,475 | \$ 30,034 | \$ 34,782 | \$ 36,016 | \$ 36,919 | \$ 37,858 | \$ 38,835 |
| TOTAL | \$ 26,475 | \$ 30,034 | \$ 34,782 | \$ 36,016 | \$ 36,919 | \$ 37,858 | \$ 38,835 |
| PUBLIC TELEVISION NETWORK | | | | | | | |
| GENERAL FUND | \$ 8,785 | \$ 9,242 | \$ 9,638 | \$ 9,955 | \$ 10,282 | \$ 10,621 | \$ 10,971 |
| TOTAL | \$ 8,785 | \$ 9,242 | \$ 9,638 | \$ 9,955 | \$ 10,282 | \$ 10,621 | \$ 10,971 |
| PUBLIC WELFARE | | | | | | | |
| GENERAL FUND | \$ 2,764,070 | \$ 2,848,932 | \$ 2,983,196 | \$ 3,117,719 | \$ 3,238,685 | \$ 3,358,481 | \$ 3,486,925 |
| LOTTERY FUND | 169,635 | 170,301 | 151,835 | 152,427 | 153,046 | 153,700 | 154,390 |
| TOTAL | \$ 2,933,705 | \$ 3,019,233 | \$ 3,135,031 | \$ 3,270,146 | \$ 3,391,731 | \$ 3,512,181 | \$ 3,641,315 |

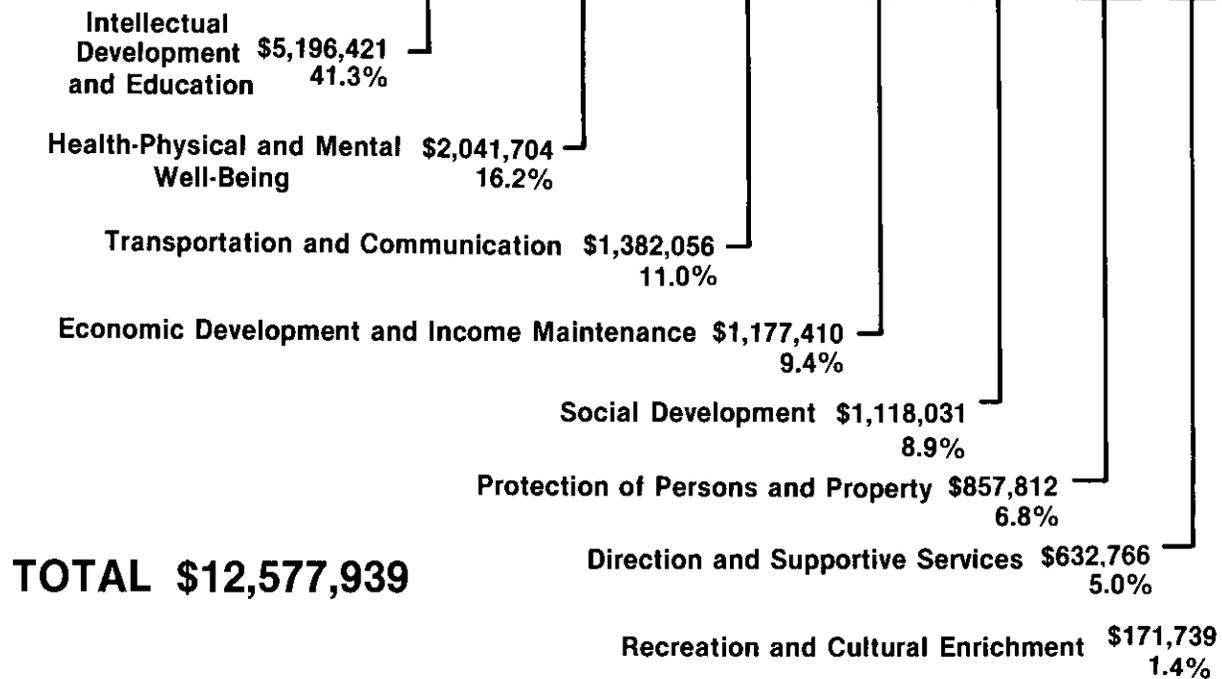
FIVE-YEAR DEPARTMENT SUMMARY BY FUND

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| REVENUE | | | | | | | |
| GENERAL FUND | \$ 152,242 | \$ 156,415 | \$ 161,039 | \$ 168,179 | \$ 174,770 | \$ 181,621 | \$ 188,742 |
| LOTTERY FUND | 349,012 | 398,190 | 355,030 | 354,515 | 353,862 | 353,277 | 352,759 |
| RACING FUND | 139 | 119 | 124 | 129 | 133 | 137 | 141 |
| MOTOR LICENSE FUND | 11,383 | 12,405 | 12,758 | 12,903 | 13,064 | 13,230 | 13,402 |
| TOTAL | \$ 512,776 | \$ 567,129 | \$ 528,951 | \$ 535,726 | \$ 541,829 | \$ 548,265 | \$ 555,044 |
| SECURITIES COMMISSION | | | | | | | |
| GENERAL FUND | \$ 2,154 | \$ 2,346 | \$ 2,529 | \$ 2,693 | \$ 2,745 | \$ 2,855 | \$ 2,969 |
| TOTAL | \$ 2,154 | \$ 2,346 | \$ 2,529 | \$ 2,693 | \$ 2,745 | \$ 2,855 | \$ 2,969 |
| STATE | | | | | | | |
| GENERAL FUND | \$ 3,434 | \$ 3,062 | \$ 3,188 | \$ 3,305 | \$ 3,414 | \$ 3,534 | \$ 3,658 |
| TOTAL | \$ 3,434 | \$ 3,062 | \$ 3,188 | \$ 3,305 | \$ 3,414 | \$ 3,534 | \$ 3,658 |
| EMPLOYES RETIREMENT SYSTEM | | | | | | | |
| GENERAL FUND | \$ 1,403 | \$ 1,193 | \$ 679 | \$ 679 | \$ 679 | \$ 679 | \$ 679 |
| TOTAL | \$ 1,403 | \$ 1,193 | \$ 679 | \$ 679 | \$ 679 | \$ 679 | \$ 679 |
| POLICE | | | | | | | |
| GENERAL FUND | \$ 64,896 | \$ 68,814 | \$ 81,076 | \$ 83,586 | \$ 86,504 | \$ 89,848 | \$ 93,325 |
| MOTOR LICENSE FUND | 148,112 | 152,018 | 162,224 | 164,575 | 167,632 | 174,120 | 180,868 |
| TOTAL | \$ 213,008 | \$ 220,832 | \$ 243,300 | \$ 248,161 | \$ 254,136 | \$ 263,968 | \$ 274,193 |
| TAX EQUALIZATION BOARD | | | | | | | |
| GENERAL FUND | \$ 945 | \$ 933 | \$ 1,015 | \$ 1,056 | \$ 1,098 | \$ 1,142 | \$ 1,188 |
| TOTAL | \$ 945 | \$ 933 | \$ 1,015 | \$ 1,056 | \$ 1,098 | \$ 1,142 | \$ 1,188 |
| TRANSPORTATION | | | | | | | |
| GENERAL FUND | \$ 185,886 | \$ 193,380 | \$ 208,739 | \$ 215,962 | \$ 224,228 | \$ 232,826 | \$ 241,767 |
| LOTTERY FUND | 107,526 | 116,569 | 118,684 | 119,992 | 121,321 | 122,758 | 124,040 |
| MOTOR LICENSE FUND | 1,018,715 | 1,038,699 | 1,052,977 | 997,060 | 991,454 | 992,331 | 993,892 |
| TOTAL | \$ 1,312,127 | \$ 1,348,648 | \$ 1,380,400 | \$ 1,333,014 | \$ 1,337,003 | \$ 1,347,915 | \$ 1,359,699 |
| LEGISLATURE | | | | | | | |
| GENERAL FUND | \$ 99,414 | \$ 113,281 | \$ 119,619 | \$ 119,619 | \$ 119,619 | \$ 119,619 | \$ 119,619 |
| TOTAL | \$ 99,414 | \$ 113,281 | \$ 119,619 | \$ 119,619 | \$ 119,619 | \$ 119,619 | \$ 119,619 |
| JUDICIARY | | | | | | | |
| GENERAL FUND | \$ 131,475 | \$ 125,118 | \$ 131,204 | \$ 134,738 | \$ 138,413 | \$ 142,236 | \$ 146,211 |
| TOTAL | \$ 131,475 | \$ 125,118 | \$ 131,204 | \$ 134,738 | \$ 138,413 | \$ 142,236 | \$ 146,211 |
| COMMONWEALTH TOTAL | | | | | | | |
| GENERAL FUND | \$ 9,292,072 | \$ 9,699,127 | \$10,242,877 | \$10,653,083 | \$11,109,503 | \$11,670,541 | \$12,235,002 |
| LOTTERY FUND | 804,476 | 872,048 | 823,124 | 874,464 | 947,771 | 980,336 | 1,015,894 |
| RACING FUND | 9,007 | 7,859 | 6,773 | 7,333 | 7,371 | 7,349 | 7,360 |
| PENNSYLVANIA FAIR FUND | 10- | 143 | ..... | ..... | ..... | ..... | ..... |
| MOTOR LICENSE FUND | 1,382,272 | 1,413,643 | 1,443,678 | 1,401,456 | 1,402,495 | 1,404,577 | 1,408,708 |
| GAME FUND | 36,222 | 37,157 | 31,929 | 33,206 | 34,534 | 35,915 | 33,880 |
| FISH FUND | 15,205 | 15,573 | 15,467 | 15,808 | 16,205 | 16,205 | 16,205 |
| BANKING DEPARTMENT FUND | 7,144 | 7,142 | 7,339 | 7,613 | 7,906 | 8,215 | 8,533 |
| MILK MARKETING FUND | 606 | 794 | 725 | 725 | 725 | 725 | 725 |
| FARM PRODUCTS SHOW FUND | 1,735 | 1,852 | 1,857 | 1,931 | 2,008 | 2,088 | 2,172 |
| BOATING FUND | 3,566 | 3,852 | 3,870 | 3,964 | 4,066 | 4,066 | 4,066 |
| FEDERAL REVENUE SHARING TRUST FUND | 36 | 300 | 300 | ..... | ..... | ..... | ..... |
| GRAND TOTAL | \$11,552,331 | \$12,059,490 | \$12,577,939 | \$12,999,583 | \$13,532,584 | \$14,130,017 | \$14,732,545 |

Distribution of the Commonwealth Dollar GENERAL FUND AND SPECIAL FUNDS

1987-88 Fiscal Year

(Dollar Amounts in Thousands)



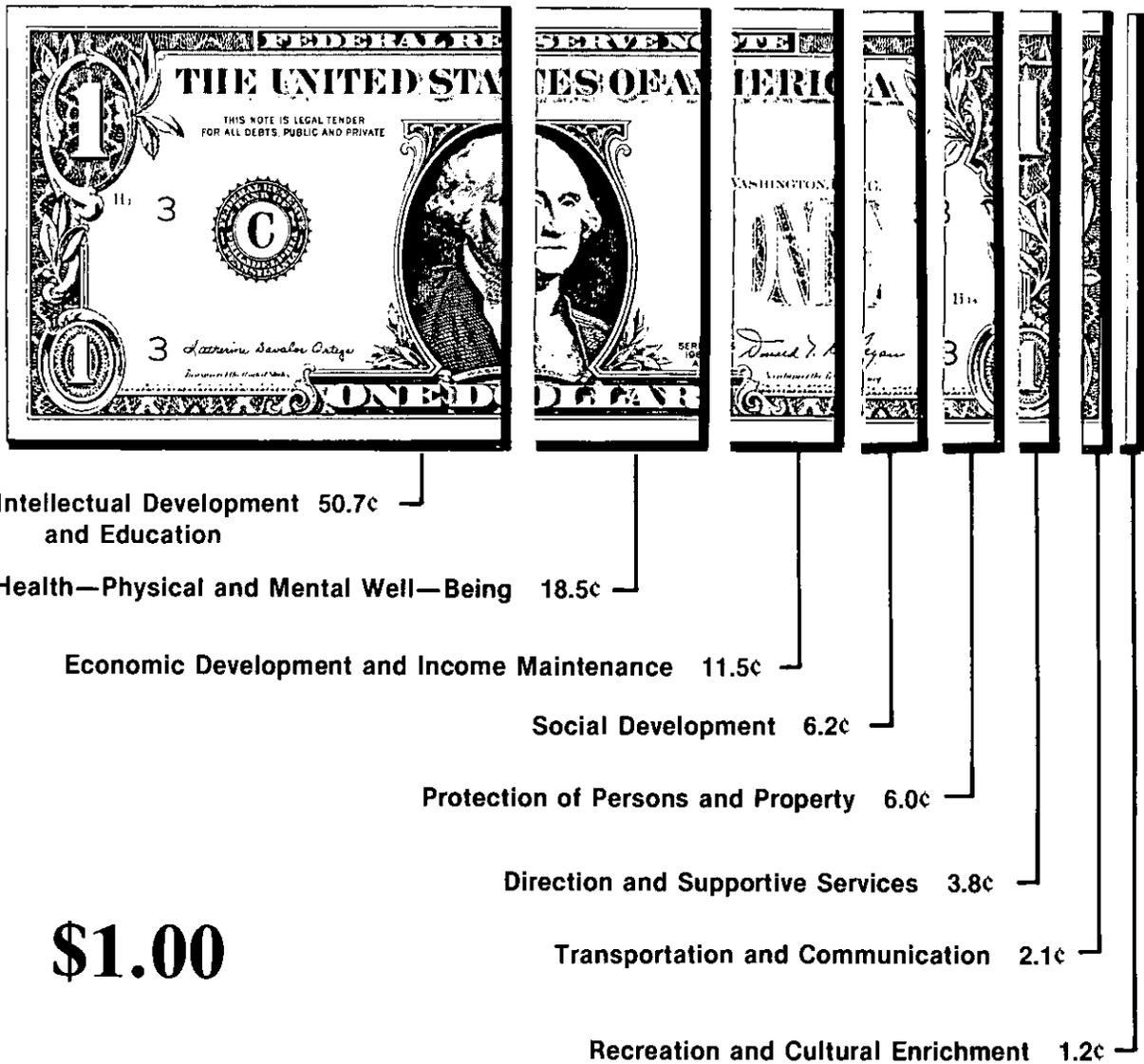
GENERAL FUND AND SPECIAL FUNDS

Five-Year Commonwealth Program Summary

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Recommended | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated |  | 1991-92 Estimated |
| Commonwealth Program | | | | | | | |
| Direction and Supportive Services | \$ 608,084 | \$ 658,579 | \$ 632,766 | \$ 645,907 | \$ 659,714 | \$ 674,444 | \$ 689,159 |
| Protection of Persons and Property | 778,169 | 786,433 | 857,812 | 889,514 | 918,125 | 949,188 | 981,921 |
| Health—Physical and Mental Well-Being | 1,858,876 | 1,940,604 | 2,041,704 | 2,111,195 | 2,204,030 | 2,298,421 | 2,372,582 |
| Intellectual Development and Education | 4,620,992 | 4,929,318 | 5,196,421 | 5,422,124 | 5,657,929 | 6,048,490 | 6,447,918 |
| Social Development | 965,713 | 1,048,671 | 1,118,031 | 1,203,744 | 1,303,148 | 1,362,947 | 1,426,823 |
| Economic Development and Income Maintenance | 1,244,156 | 1,186,510 | 1,177,410 | 1,205,885 | 1,260,514 | 1,263,134 | 1,276,867 |
| Transportation and Communication | 1,312,539 | 1,341,871 | 1,382,056 | 1,340,826 | 1,343,928 | 1,344,074 | 1,346,014 |
| Recreation and Cultural Enrichment | 163,802 | 167,504 | 171,739 | 180,388 | 185,196 | 189,319 | 191,261 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| GENERAL FUND AND SPECIAL FUNDS TOTAL | <u>\$11,552,331</u> | <u>\$12,059,490</u> | <u>\$12,577,939</u> | <u>\$12,999,583</u> | <u>\$13,532,584</u> | <u>\$14,130,017</u> | <u>\$14,732,545</u> |

Distribution of the Commonwealth Dollar GENERAL FUND

1987—88 Fiscal Year



GENERAL FUND

Five-Year Commonwealth Program Summary

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Recommended | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| Commonwealth Program | | | | | | | |
| Direction and Supportive Services | \$ 350,951 | \$ 372,900 | \$ 386,126 | \$ 395,694 | \$ 405,405 | \$ 415,817 | \$ 426,012 |
| Protection of Persons and Property | 547,647 | 551,427 | 618,030 | 644,730 | 669,037 | 692,015 | 716,320 |
| Health—Physical and Mental Well-Being | 1,709,041 | 1,790,103 | 1,889,869 | 1,958,768 | 2,050,984 | 2,144,721 | 2,218,192 |
| Intellectual Development and Education | 4,620,992 | 4,929,318 | 5,196,421 | 5,422,124 | 5,657,929 | 6,048,490 | 6,447,918 |
| Social Development | 538,664 | 578,056 | 640,678 | 676,712 | 704,525 | 733,549 | 763,719 |
| Economic Development and Income Maintenance | 1,224,603 | 1,166,763 | 1,175,342 | 1,203,734 | 1,258,277 | 1,260,808 | 1,274,447 |
| Transportation and Communication | 191,365 | 199,622 | 215,922 | 223,895 | 232,939 | 241,992 | 251,268 |
| Recreation and Cultural Enrichment | 108,809 | 110,938 | 120,489 | 127,426 | 130,407 | 133,149 | 137,126 |
| GENERAL FUND TOTAL | <u>\$ 9,292,072</u> | <u>\$ 9,699,127</u> | <u>\$ 10,242,877</u> | <u>\$ 10,653,083</u> | <u>\$ 11,109,503</u> | <u>\$ 11,670,541</u> | <u>\$ 12,235,002</u> |

FIVE YEAR SUMMARY OF COMMONWEALTH PROGRAMS

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| DIRECTION AND SUPPORTIVE SERVICES | | | | | | | |
| GENERAL FUND | \$ 350,951 | \$ 372,900 | \$ 386,126 | \$ 395,694 | \$ 405,405 | \$ 415,817 | \$ 426,012 |
| SPECIAL FUNDS | 257,133 | 285,679 | 246,640 | 250,213 | 254,309 | 258,627 | 263,147 |
| FEDERAL FUNDS | 1,559 | 1,902 | 25,575 | 4,879 | 1,577 | 1,640 | 1,706 |
| OTHER FUNDS | 138,493 | 132,560 | 142,735 | 150,107 | 157,535 | 165,031 | 172,640 |
| TOTAL-OPERATING | \$ 748,136 | \$ 793,041 | \$ 801,076 | \$ 800,893 | \$ 818,826 | \$ 841,115 | \$ 863,505 |
| CAPITAL BOND AUTHORIZATION ..... | ..... | \$ 36,216 | \$ 14,515 | \$ 3,550 | \$ 3,575 | \$ 3,875 | \$ 4,150 |
| PROGRAM TOTAL | <u>\$ 748,136</u> | <u>\$ 829,257</u> | <u>\$ 815,591</u> | <u>\$ 804,443</u> | <u>\$ 822,401</u> | <u>\$ 844,990</u> | <u>\$ 867,655</u> |
| PROTECTION OF PERSONS AND PROPERTY | | | | | | | |
| GENERAL FUND | \$ 547,647 | \$ 551,427 | \$ 618,030 | \$ 644,730 | \$ 669,037 | \$ 692,015 | \$ 716,320 |
| SPECIAL FUNDS | 230,522 | 235,006 | 239,782 | 244,784 | 249,088 | 257,173 | 265,601 |
| FEDERAL FUNDS | 27,874 | 34,083 | 30,951 | 26,427 | 26,523 | 26,816 | 27,047 |
| OTHER FUNDS | 438,754 | 503,022 | 527,036 | 553,155 | 580,037 | 619,945 | 662,618 |
| TOTAL-OPERATING | \$ 1,244,797 | \$ 1,323,538 | \$ 1,415,799 | \$ 1,469,096 | \$ 1,524,685 | \$ 1,595,949 | \$ 1,671,586 |
| CAPITAL BOND AUTHORIZATION ..... | ..... | \$ 123,111 | \$ 34,705 | \$ 29,825 | \$ 77,100 | \$ 34,950 | \$ 35,275 |
| PROGRAM TOTAL | <u>\$ 1,244,797</u> | <u>\$ 1,446,649</u> | <u>\$ 1,450,504</u> | <u>\$ 1,498,921</u> | <u>\$ 1,601,785</u> | <u>\$ 1,630,899</u> | <u>\$ 1,706,861</u> |
| HEALTH-PHYSICAL AND MENTAL WELL-BEING | | | | | | | |
| GENERAL FUND | \$ 1,709,041 | \$ 1,790,103 | \$ 1,889,869 | \$ 1,958,768 | \$ 2,050,984 | \$ 2,144,721 | \$ 2,218,192 |
| SPECIAL FUNDS | 149,835 | 150,501 | 151,835 | 152,427 | 153,046 | 153,700 | 154,390 |
| FEDERAL FUNDS | 1,315,033 | 1,398,381 | 1,401,868 | 1,447,664 | 1,495,241 | 1,548,817 | 1,602,239 |
| OTHER FUNDS | 98,601 | 111,811 | 97,048 | 87,461 | 83,179 | 82,803 | 76,729 |
| TOTAL-OPERATING | \$ 3,272,510 | \$ 3,450,796 | \$ 3,540,620 | \$ 3,646,320 | \$ 3,782,450 | \$ 3,930,041 | \$ 4,051,550 |
| CAPITAL BOND AUTHORIZATION | \$ 2,357 | \$ 27,401 | \$ 7,112 | \$ 5,400 | \$ 5,375 | \$ 5,825 | \$ 6,625 |
| PROGRAM TOTAL | <u>\$ 3,274,867</u> | <u>\$ 3,478,197</u> | <u>\$ 3,547,732</u> | <u>\$ 3,651,720</u> | <u>\$ 3,787,825</u> | <u>\$ 3,935,866</u> | <u>\$ 4,058,175</u> |
| INTELLECTUAL DEVELOPMENT AND EDUCATION | | | | | | | |
| GENERAL FUND | \$ 4,620,992 | \$ 4,929,318 | \$ 5,196,421 | \$ 5,422,124 | \$ 5,657,929 | \$ 6,048,490 | \$ 6,447,918 |
| SPECIAL FUNDS ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| FEDERAL FUNDS | 40,243 | 45,091 | 42,493 | 42,051 | 42,026 | 42,067 | 42,072 |
| OTHER FUNDS | 575,712 | 593,169 | 619,536 | 619,966 | 620,416 | 620,882 | 621,368 |
| TOTAL-OPERATING | \$ 5,236,947 | \$ 5,567,578 | \$ 5,858,450 | \$ 6,084,141 | \$ 6,320,371 | \$ 6,711,439 | \$ 7,111,358 |
| CAPITAL BOND AUTHORIZATION ..... | ..... | \$ 124,161 | \$ 21,150 | \$ 27,675 | \$ 27,450 | \$ 29,800 | \$ 33,900 |
| PROGRAM TOTAL | <u>\$ 5,236,947</u> | <u>\$ 5,691,739</u> | <u>\$ 5,879,600</u> | <u>\$ 6,111,816</u> | <u>\$ 6,347,821</u> | <u>\$ 6,741,239</u> | <u>\$ 7,145,258</u> |
| SOCIAL DEVELOPMENT | | | | | | | |
| GENERAL FUND | \$ 538,664 | \$ 578,056 | \$ 640,678 | \$ 676,712 | \$ 704,525 | \$ 733,549 | \$ 763,719 |
| SPECIAL FUNDS | 427,049 | 470,615 | 477,353 | 527,032 | 598,623 | 629,398 | 663,104 |
| FEDERAL FUNDS | 446,470 | 464,352 | 497,579 | 525,507 | 538,165 | 552,203 | 566,104 |
| OTHER FUNDS | 13,850 | 13,741 | 13,276 | 12,366 | 12,503 | 12,649 | 12,818 |
| TOTAL-OPERATING | \$ 1,426,033 | \$ 1,526,764 | \$ 1,628,886 | \$ 1,741,617 | \$ 1,853,816 | \$ 1,927,799 | \$ 2,005,745 |
| CAPITAL BOND AUTHORIZATION ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| PROGRAM TOTAL | <u>\$ 1,426,033</u> | <u>\$ 1,526,764</u> | <u>\$ 1,628,886</u> | <u>\$ 1,741,617</u> | <u>\$ 1,853,816</u> | <u>\$ 1,927,799</u> | <u>\$ 2,005,745</u> |

FIVE YEAR SUMMARY OF COMMONWEALTH PROGRAMS (continued)

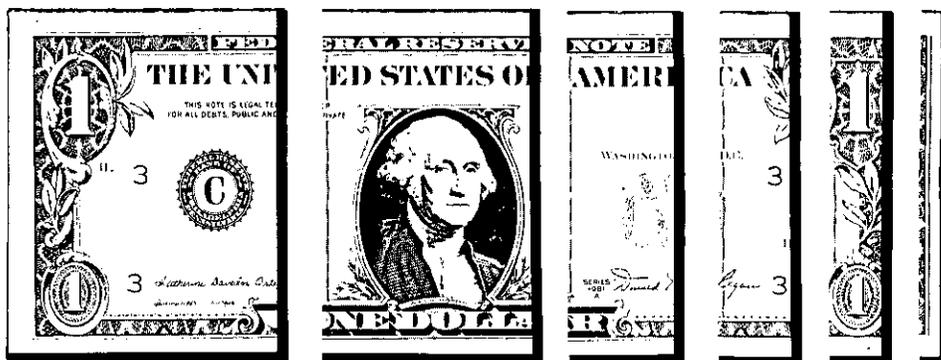
| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| | Actual | Available | Budget | Estimated | Estimated | Estimated | Estimated |
| ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE | | | | | | | |
| GENERAL FUND | \$ 1,224,603 | \$ 1,166,763 | \$ 1,175,342 | \$ 1,203,734 | \$ 1,258,277 | \$ 1,260,808 | \$ 1,274,447 |
| SPECIAL FUNDS | 19,553 | 19,747 | 2,068 | 2,151 | 2,237 | 2,326 | 2,420 |
| FEDERAL FUNDS | 1,099,237 | 1,200,139 | 1,150,661 | 1,167,203 | 1,177,398 | 1,196,900 | 1,214,927 |
| OTHER FUNDS | 353,387 | 479,819 | 422,618 | 410,655 | 426,419 | 421,365 | 422,439 |
| TOTAL-OPERATING | <u>\$ 2,696,780</u> | <u>\$ 2,866,468</u> | <u>\$ 2,750,689</u> | <u>\$ 2,783,743</u> | <u>\$ 2,864,331</u> | <u>\$ 2,881,399</u> | <u>\$ 2,914,233</u> |
| CAPITAL BOND AUTHORIZATION ..... | ..... | \$ 403,472 | \$ 556 | \$ 1,275 | \$ 700 | \$ 125 | ..... |
| PROGRAM TOTAL | <u>\$ 2,696,780</u> | <u>\$ 3,269,940</u> | <u>\$ 2,751,245</u> | <u>\$ 2,785,018</u> | <u>\$ 2,865,031</u> | <u>\$ 2,881,524</u> | <u>\$ 2,914,233</u> |
| TRANSPORTATION AND COMMUNICATION | | | | | | | |
| GENERAL FUND | \$ 191,365 | \$ 199,622 | \$ 215,922 | \$ 223,895 | \$ 232,939 | \$ 241,992 | \$ 251,268 |
| SPECIAL FUNDS | 1,121,174 | 1,142,249 | 1,166,134 | 1,116,931 | 1,110,989 | 1,102,082 | 1,094,746 |
| FEDERAL FUNDS | 797,273 | 876,986 | 772,859 | 603,674 | 716,102 | 652,341 | 590,192 |
| OTHER FUNDS | 180,853 | 394,483 | 359,783 | 340,536 | 207,467 | 213,769 | 217,332 |
| TOTAL-OPERATING | <u>\$ 2,290,665</u> | <u>\$ 2,613,340</u> | <u>\$ 2,514,698</u> | <u>\$ 2,285,036</u> | <u>\$ 2,267,497</u> | <u>\$ 2,210,184</u> | <u>\$ 2,153,538</u> |
| CAPITAL BOND AUTHORIZATION | \$ 29,500 | \$ 1,810,972 | \$ 61,866 | \$ 40,550 | \$ 43,125 | \$ 42,225 | \$ 40,000 |
| PROGRAM TOTAL | <u>\$ 2,320,165</u> | <u>\$ 4,424,312</u> | <u>\$ 2,576,564</u> | <u>\$ 2,325,586</u> | <u>\$ 2,310,622</u> | <u>\$ 2,252,409</u> | <u>\$ 2,193,538</u> |
| RECREATION AND CULTURAL ENRICHMENT | | | | | | | |
| GENERAL FUND | \$ 108,809 | \$ 110,938 | \$ 120,489 | \$ 127,426 | \$ 130,407 | \$ 133,149 | \$ 137,126 |
| SPECIAL FUNDS | 54,993 | 56,566 | 51,250 | 52,962 | 54,789 | 56,170 | 54,135 |
| FEDERAL FUNDS | 8,585 | 9,338 | 9,772 | 10,091 | 9,993 | 10,054 | 10,066 |
| OTHER FUNDS | 40,278 | 39,276 | 16,525 | 16,582 | 16,726 | 16,762 | 16,793 |
| TOTAL-OPERATING | <u>\$ 212,665</u> | <u>\$ 216,118</u> | <u>\$ 198,036</u> | <u>\$ 207,061</u> | <u>\$ 211,915</u> | <u>\$ 216,135</u> | <u>\$ 218,120</u> |
| CAPITAL BOND AUTHORIZATION ..... | ..... | \$ 17,761 | \$ 4,136 | \$ 5,725 | \$ 5,675 | \$ 6,200 | \$ 7,050 |
| PROGRAM TOTAL | <u>\$ 212,665</u> | <u>\$ 233,879</u> | <u>\$ 202,172</u> | <u>\$ 212,786</u> | <u>\$ 217,590</u> | <u>\$ 222,335</u> | <u>\$ 225,170</u> |
| COMMONWEALTH TOTALS | | | | | | | |
| GENERAL FUND | \$ 9,292,072 | \$ 9,699,127 | \$10,242,877 | \$10,653,083 | \$11,109,503 | \$11,670,541 | \$12,235,002 |
| SPECIAL FUNDS | 2,260,259 | 2,360,363 | 2,335,062 | 2,346,500 | 2,423,081 | 2,459,476 | 2,497,543 |
| FEDERAL FUNDS | 3,736,274 | 4,030,272 | 3,931,758 | 3,827,496 | 4,007,025 | 4,030,838 | 4,054,353 |
| OTHER FUNDS | 1,839,928 | 2,267,881 | 2,198,557 | 2,190,828 | 2,104,282 | 2,153,206 | 2,202,737 |
| TOTAL-OPERATING | <u>\$17,128,533</u> | <u>\$18,357,643</u> | <u>\$18,708,254</u> | <u>\$19,017,907</u> | <u>\$19,643,891</u> | <u>\$20,314,061</u> | <u>\$20,989,635</u> |
| CAPITAL BOND AUTHORIZATION | \$ 31,857 | \$ 2,543,094 | \$ 144,040 | \$ 114,000 | \$ 163,000 | \$ 123,000 | \$ 127,000 |
| PROGRAM TOTAL | <u>\$17,160,390</u> | <u>\$20,900,737</u> | <u>\$18,852,294</u> | <u>\$19,131,907</u> | <u>\$19,806,891</u> | <u>\$20,437,061</u> | <u>\$21,116,635</u> |

GENERAL FUND

1987-88 Fiscal Year

(Dollar Amounts in Thousands)

INCOME



| | | | | | | | |
|-------------------|----------------------|---------------------|-------|--|--|--|--|
| | SALES | \$3,791,591 | 36.9% | | | | |
| | PERSONAL INCOME | \$2,814,808 | 27.4% | | | | |
| | OTHER BUSINESS | \$1,509,000 | 14.7% | | | | |
| | CORPORATE NET INCOME | \$1,020,000 | 9.9% | | | | |
| | OTHER REVENUES | \$899,787 | 8.8% | | | | |
| | CIGARETTE | \$231,000 | 2.3% | | | | |
| TOTAL INCOME | | \$10,266,186 | | | | | |
| REFUNDS | | -177,000 | | | | | |
| TAX CREDIT | | -36,000 | | | | | |
| RESERVES | | -70,000 | | | | | |
| BEGINNING BALANCE | | 261,543 | | | | | |
| TOTAL | | \$10,244,729 | | | | | |

OUTGO



| | | | | | | | |
|---------------------|--|---------------------|-------|--|--|--|--|
| | INTELLECTUAL DEVELOPMENT AND EDUCATION | \$5,196,421 | 50.7% | | | | |
| | HEALTH | \$1,889,869 | 18.5% | | | | |
| | ECONOMIC DEVELOPMENT | \$1,175,342 | 11.5% | | | | |
| | SOCIAL DEVELOPMENT | \$640,678 | 6.2% | | | | |
| | PROTECTION | \$618,030 | 6.0% | | | | |
| | DIRECTION | \$386,126 | 3.8% | | | | |
| | OTHER PROGRAMS | \$336,411 | 3.3% | | | | |
| TOTAL OUTGO | | \$10,242,877 | | | | | |
| PLUS ENDING SURPLUS | | 1,852 | | | | | |
| TOTAL | | \$10,244,729 | | | | | |

GENERAL FUND

Program Summary

| | (Dollar Amounts in Thousands) | | | |
|---|-------------------------------|----------------------|----------------------------|----------------------|
| | 1986-87 | | 1987-88 | |
| Direction and Supportive Services..... | \$ 372,900 | 3.8% | \$ 386,126 | 3.8% |
| Protection of Persons and Property | 551,427 | 5.7% | 618,030 | 6.0% |
| Health—Physical and Mental Well-Being | 1,790,103 | 18.5% | 1,889,869 | 18.5% |
| Intellectual Development and Education | 4,929,318 | 50.8% | 5,196,421 | 50.7% |
| Social Development | 578,056 | 6.0% | 640,678 | 6.2% |
| Economic Development and Income Maintenance.... | 1,166,763 | 12.0% | 1,175,342 | 11.5% |
| Transportation and Communications | 199,622 | 2.1% | 215,922 | 2.1% |
| Recreation and Cultural Enrichment | 110,938 | 1.1% | 120,489 | 1.2% |
| GENERAL FUND TOTAL | <u>\$9,699,127</u> | <u>100.0%</u> | <u>\$10,242,877</u> | <u>100.0%</u> |

SUMMARY OF PROGRAM REVISIONS

The 1987-88 Commonwealth Budget reflects those new initiatives, program decreases, increases and expansions, which are recommended to address the most pressing economic, consumer and social problems confronting the citizens of Pennsylvania.

GENERAL FUND

| Department/Appropriation | Program Revision Title | 1987-88 State Funds (in thousands) |
|------------------------------------|---|---|
| Aging | | |
| Transitional Care | Community Care | \$ 1,000 |
| Family Caregiver Support | Community Care | 1,000 |
| | Department Total | <u>\$ 2,000</u> |
| Corrections | | |
| State Correctional Institutions | Expansion of State Correctional Institutions Housing Capacity | \$ 6,397 |
| | Department Total | <u>\$ 6,397</u> |
| Education | | |
| Corrections Education | Education in Correctional Institutions | \$ 2,073 |
| | Department Total | <u>\$ 2,073</u> |
| Environmental Resources | | |
| Hazardous Waste Control | Hazardous Waste Sites Cleanup | \$ 25,000 |
| | Department Total | <u>\$ 25,000</u> |
| Health | | |
| Maternal and Child Health | Maternity Services | \$ 1,293 |
| | Department Total | <u>\$ 1,293</u> |

SUMMARY OF PROGRAM REVISIONS (continued)

GENERAL FUND (continued)

| Department/Appropriation | Program Revision Title | 1987-88 State Funds (in thousands) |
|---|--|---|
| Higher Education Assistance Agency | | |
| Grants to Full Time Students | Financial Assistance to Students | \$ 9,600 |
| College Work Study | Financial Assistance to Students | 1,060 |
| | Program Revision Total | <u>\$ 10,660</u> |
| Institutional Assistance Grants | | |
| | Financial Assistance to Institutions | \$ 1,896 |
| | Department Total | <u>\$ 12,556</u> |
| Insurance | | |
| Rate Analysis Enhancement | Rate Analysis Enhancement | \$ 500 |
| | Department Total | <u>\$ 500</u> |
| Public Welfare | | |
| Cash Grants | Cash Grant Increase | \$ 15,452 |
| Medical Assistance— Outpatient | Cash Grant Increase | 375 |
| Medical Assistance— Inpatient | Cash Grant Increase | 725 |
| | Program Revision Total | <u>\$ 16,552</u> |
| Child Abuse Prevention | Child Abuse Prevention | \$ 2,500 |
| Homeless Assistance | Homeless Assistance | \$ 4,300 |
| | Department Total | <u>\$ 23,352</u> |
| State Police | | |
| General Government Operations | Automated Fingerprint Identification System (AFIS) . | \$ 3,358 |
| | Department Total | <u>\$ 3,358</u> |

SUMMARY OF PROGRAM REVISIONS (continued)

GENERAL FUND (continued)

| Department/Appropriation | Program Revision Title | 1987-88 State Funds <small>(in thousands)</small> |
|--|---------------------------|--|
| Transportation | | |
| Southeastern Pennsylvania Public Transit Authority (SEPTA) | Predictable Funding | \$ 10,009 |
| Port Authority Transit (PAT) | Predictable Funding | 4,136 |
| Small Urban Operators | Predictable Funding | 1,626 |
| <i>Bus Rehabilitation</i> | | -500* |
| | Department Total | <u>\$ 15,271</u> |
| | General Fund Total | <u>\$ 91,800</u> |

LOTTERY FUND

| Department/Appropriation | Program Revision Title | 1987-88 State Funds <small>(in thousands)</small> |
|--------------------------|--------------------------------|--|
| Aging | | |
| In-Home Services | Community Care | \$ 8,000 |
| | Department Total | <u>\$ 8,000</u> |
| | Lottery Fund Total | <u>\$ 8,000</u> |
| | TOTAL PROGRAM REVISIONS | <u>\$ 99,800</u> |

*Non-recurring in 1986-87.

USE OF THE GENERAL FUND DOLLAR

1987-88 Fiscal Year

GRANTS AND SUBSIDIES 77.7¢



GENERAL GOVERNMENT 11.1¢

INSTITUTIONAL 7.1¢

DEBT SERVICE REQUIREMENTS 4.0¢

CAPITAL 0.1¢

\$1.00

FEDERAL BLOCK GRANTS

The Federal Omnibus Budget Reconciliation Act of 1981 created nine block grants one of which was repealed. Eight of these were implemented during 1982-83. In addition, information is provided herein 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.

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 1986-87 estimated block amounts reflect the best current estimate of the amounts available and, therefore, may be different from the amounts appropriated.

The distribution by program is a preliminary proposal only. 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 distribution.

The estimates of total funding for each block are very preliminary. The State must begin planning for the use of these funds long before the Federal appropriation process is complete and final Federal allocations of funds are known.

In general the amount shown for administration costs represents the amount that Federal law permits under that particular block grant. It is shown for informational purposes although in many cases it is anticipated that less than the full amount will be spent. The major exception to this approach is the Education Block grant. The law permits up to 20 percent to be spent for administration, but a more realistic figure of about 10 percent is shown.

SUMMARY OF FEDERAL BLOCK GRANTS

(Dollar Amounts in Thousands)

| | 1985-86 Actual Block | 1986-87 Estimated Block | 1987-88 Recommended Block |
|--|----------------------------|-------------------------------|---------------------------------|
| Community Services..... | \$ 18,148 | \$ 20,424 | \$ 15,102 |
| Small Communities | 51,791 | 87,288 | 60,109 |
| Education..... | 23,687 | 25,049 | 23,117 |
| Maternal and Child Health..... | 22,352 | 20,210 | 20,210 |
| Preventive Health and Health Services..... | 4,522 | 5,172 | 4,360 |
| Alcohol, Drug Abuse, and Mental Health . | 29,813 | 27,089 | 25,561 |
| Low-Income Home Energy Assistance | 134,649 | 124,385 | 125,860 |
| Social Services..... | 141,314 | 135,662 | 135,847 |
| Job Training Partnership | 167,138 | 198,121 | 188,599 |
| | <hr/> | <hr/> | <hr/> |
| TOTAL | <u>\$ 593,414</u> | <u>\$ 643,400</u> | <u>\$ 598,765</u> |

COMMUNITY SERVICES

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

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

The requirement that 90 percent of the funding be distributed to existing Community Action Agencies (CAAs) has been continued for future years of the program; 5 percent is allowed for administration and the remaining 5 percent is utilized for competitive projects. The 90 percent program monies are being granted to existing CAAs for maintenance or operating costs, energy coordination; 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.

| Department / Appropriation | (Dollar Amounts in Thousands) | | |
|----------------------------|-------------------------------|-------------------|----------------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual Block | Estimate Block | Recommended Block |
| Community Affairs | | | |
| Administration | \$ 522 | \$ 350 | \$ 638 |
| Community Services | 17,626 | 20,074 | 14,464 |
| TOTAL | \$ 18,148 | \$ 20,424 | \$ 15,102 |

SMALL COMMUNITIES

Program funds provide assistance in expanding low and moderate income housing opportunities; enhancing economic development and job opportunities for low and moderate income; 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 households.

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

The 1986-87 increase shown reflects the current effort to place under contract most carryover funds available at the end of the previous year; current plans call for this program to be essentially current by the end of the 1987-88 fiscal year.

| Department / Appropriation | (Dollar Amounts in Thousands) | | |
|--------------------------------|-------------------------------|-------------------|----------------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual Block | Estimate Block | Recommended Block |
| Community Affairs | | | |
| Administration | \$ 865 | \$ 887 | \$ 909 |
| Small Communities | 48,426 | 85,000 | 59,200 |
| Small Communities — Jobs | 2,500 | 1,401 | |
| TOTAL | \$ 51,791 | \$ 87,288 | \$ 60,109 |

EDUCATION

The Federal law provides that the Commonwealth must distribute at least 80 percent of the block to school districts and may keep up to 20 percent for administration. The proposed distribution provides 90 percent distribution to districts. The Federal law provides that the Commonwealth cannot tell the districts how to spend their block grant as long as it is spent within the area of the antecedent programs. The school district block is distributed according to a formula based on students and poverty/disadvantaged factors and includes funds for computer knowledge enhancement.

| Department / Appropriation | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|------------------------------|---------------------------------|
| | 1985-86 Actual Block | 1986-87 Estimate Block | 1987-88 Recommended Block |
| Education: | | | |
| Education Block Grant — Administration | \$ 2,206 | \$ 2,500 | \$ 2,351 |
| Subtotal | \$ 2,206 | \$ 2,500 | \$ 2,351 |
| School Districts: | | | |
| Education Block Grant — School District Distribution | \$ 19,104 | \$ 19,593 | \$ 18,872 |
| Education Block Grant — Technology Initiative | 2,377 | 2,956 | 1,894 |
| Subtotal | \$ 21,481 | \$ 22,549 | \$ 20,766 |
| TOTAL | \$ 23,687 | \$ 25,049 | \$ 23,117 |

MATERNAL AND CHILD HEALTH

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

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

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

| (Dollar Amounts in Thousands) | | | |
|--|----------------------------|------------------------------|---------------------------------|
| Department / Appropriation | 1985-86 Actual Block | 1986-87 Estimate Block | 1987-88 Recommended Block |
| Health: | | | |
| Administration | \$ 1,746 | \$ 1,750 | \$ 1,750 |
| Maternal and Child Health Services | 12,997 | 11,750 | 11,750 |
| Crippled Children's Services | 5,759 | 5,760 | 5,760 |
| Supplemental Security Income Services | 1,050 | 950 | 950 |
| Maternal and Child Health — Pediatric Services—St. Christopher's Hospital | 750 | | |
| Maternal and Child Health — Spina Bifida | 50 | | |
| TOTAL | \$ 22,352 | \$ 20,210 | \$ 20,210 |

PREVENTIVE HEALTH AND HEALTH SERVICES

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

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

| Department / Appropriation | (Dollar Amounts in Thousands) | | |
|---------------------------------------|-------------------------------|------------------------------|---------------------------------|
| | 1985-86 Actual Block | 1986-87 Estimate Block | 1987-88 Recommended Block |
| Health: | | | |
| Administration | \$ 237 | \$ 300 | \$ 300 |
| Emergency Medical Services | 905 | 800 | |
| Health Education and Prevention | 332 | 475 | 475 |
| Tuberculosis Programs | 411 | 569 | 569 |
| Hypertension | 921 | 910 | 910 |
| Diabetes | 204 | 218 | 218 |
| Fluoridation | 14 | 80 | 80 |
| Subtotal | \$ 3,024 | \$ 3,352 | \$ 2,552 |
| Public Welfare: | | | |
| Rape Crisis Centers | \$ 192 | \$ 192 | \$ 180 |
| Environmental Resources: | | | |
| Administration | \$ 72 | \$ 128 | \$ 128 |
| Rodent Control | 1,234 | 1,500 | 1,500 |
| Subtotal | \$ 1,306 | \$ 1,628 | \$ 1,628 |
| TOTAL | \$ 4,522 | \$ 5,172 | \$ 4,360 |

ALCOHOL DRUG ABUSE AND MENTAL HEALTH

This block grant provides funds to establish and maintain programs to combat alcohol and drug abuse, to care for the mentally ill and to promote mental health. Consolidated programs include: community mental health centers, drug abuse, community services, drug abuse prevention formula grants, alcohol formula grants and alcoholism treatment and rehabilitation.

| Department / Appropriation | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|------------------------------|---------------------------------|
| | 1985-86 Actual Block | 1986-87 Estimate Block | 1987-88 Recommended Block |
| Health: | | | |
| Alcohol and Drug Abuse Administration | \$ 1,343 | \$ 1,379 | \$ 1,379 |
| Alcohol Grant Programs | 4,613 | 4,515 | 4,515 |
| Drug Grant Programs | 6,739 | 6,609 | 6,609 |
| Subtotal | <u>\$ 12,695</u> | <u>\$ 12,503</u> | <u>\$ 12,503</u> |
| Public Welfare: | | | |
| Alcohol Drug Abuse and Mental Health | | | |
| Administration | \$ 165 | \$ 250 | \$ 250 |
| Mental Health — Community Health | 16,953 | 14,226 | 12,808 |
| Subtotal | <u>\$ 17,118</u> | <u>\$ 14,476</u> | <u>\$ 13,058</u> |
| Corrections: | | | |
| Alcohol and Drug Addiction ..... | ..... | \$ 110 | ..... |
| TOTAL | <u>\$ 29,813</u> | <u>\$ 27,089</u> | <u>\$ 25,561</u> |

LOW-INCOME HOME ENERGY ASSISTANCE

This block grant provides funds to assist eligible low income people to meet the cost of home energy and to provide low cost residential weatherization or other energy related home repairs for low income households. In addition to the amounts shown below, the Department of Public Welfare's energy assistance program receives supplemental funding from the Energy Conservation and Assistance Fund. During 1986-87, the Fund provided \$10,000,000. The recommendation for 1987-88 is to transfer \$31,874,000 from the Fund to the department for energy assistance.

| Department / Appropriation | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|------------------------------|---------------------------------|
| | 1985-86 Actual Block | 1986-87 Estimate Block | 1987-88 Recommended Block |
| Community Affairs: | | | |
| Low-Income Home Energy Assistance — | | | |
| Administration | \$ 327 | | \$ 1,475 |
| Low-Income Home Energy Assistance — | | | |
| Weatherization | 7,166 | | 21,459 |
| Subtotal | \$ 7,493 | | \$ 22,934 |
| Public Welfare: | | | |
| Low-Income Home Energy Assistance Block | | | |
| Grant — Administration | \$ 12,345 | \$ 12,000 | \$ 12,000 |
| Low-Income Home Energy Assistance Block | | | |
| Grant | 114,811 | 112,385 | 90,926 |
| Subtotal | \$ 127,156 | \$ 124,385 | \$ 102,926 |
| TOTAL | \$ 134,649 | \$ 124,385 | \$ 125,860 |

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.

| Department / Appropriation | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|------------------------------|---------------------------------|
| | 1985-86 Actual Block | 1986-87 Estimate Block | 1987-88 Recommended Block |
| Public Welfare: | | | |
| General Government | \$ 5,674 | \$ 5,389 | \$ 5,384 |
| County Assistance Offices | 14,062 | 13,779 | 13,768 |
| SSI Advocacy | 1,500 | | |
| Youth Development | 992 | 950 | 950 |
| Community Mental Health | 9,400 | 8,918 | 9,179 |
| Community Mental Retardation | 14,397 | 13,659 | 14,059 |
| Mental Retardation Residential Services | 5,965 | 5,498 | 5,664 |
| County Child Welfare | 11,450 | 11,005 | 11,181 |
| Day Care | 40,900 | 39,937 | 39,904 |
| Domestic Violence | 1,656 | 1,574 | 1,573 |
| Rape Crisis | 870 | 827 | 826 |
| Family Planning | 5,020 | 5,020 | 5,020 |
| Legal Services | 6,688 | 6,688 | 6,688 |
| Shelter | 3,000 | 2,851 | 2,849 |
| Attendant Care | 4,465 | 4,467 | 4,463 |
| Human Services Development Fund | 15,275 | 15,100 | 14,339 |
| TOTAL | \$ 141,314 | \$ 135,662 | \$ 135,847 |

JOB TRAINING PARTNERSHIP

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

Under Title III (dislocated workers) training and related employment assistance is provided to workers in three categories: (1) terminated or laid-off or who have received a notice of termination or lay-off from employment, are eligible for or have exhausted their entitlement to unemployment compensation, and are unlikely to return to their previous industry or occupation; (2) terminated, or who have received a notice of termination of employment, as a result of any permanent closure of a plant or facility; or (3) long-term unemployed who have limited opportunities for employment or reemployment in the same or a similar occupation in the area in which they reside, including any older individuals who may have substantial barriers to employment by reason of age. Services may include such activities as job search assistance, retraining, prelayoff assistance and relocation.

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

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

Both the Dislocated Worker portion under Title III and the Educational Training portion of Title II-A require a non-Federal match based on the current level of State unemployment as compared to the national level. The matching requirement is decreased when unemployment rates are higher than national averages. It is estimated that a total of \$10,150,000 in State funding will be required to meet this matching requirement. These funds are reflected under the Departments of Education and Labor and Industry.

| Department / Appropriation | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|------------------------------|---------------------------------|
| | 1985-86 Actual Block | 1986-87 Estimate Block | 1987-88 Recommended Block |
| Labor and Industry: | | | |
| Administration | \$ 2,151 | \$ 3,459 | \$ 2,601 |
| Grants to Service Delivery Areas | 88,979 | 102,678 | 102,040 |
| Summer Youth Program | 42,929 | 42,883 | 37,100 |
| Incentive Grants | 1,225 | 10,597 | 11,411 |
| Technical Assistance | 1,984 | 2,490 | 2,000 |
| Older Workers | 2,600 | 4,512 | 5,371 |
| Dislocated Workers | 13,118 | 15,055 | 14,000 |
| Veterans' Employment | 1,183 | 1,187 | 1,187 |
| Job Training Welfare Recipients ..... | ..... | 1,737 | 1,000 |
| Teen Pregnancy and Parenthood | 996 | 1,000 | 1,000 |
| Subtotal | <u>\$ 155,165</u> | <u>\$ 185,598</u> | <u>\$ 177,710</u> |
| Executive Offices: | | | |
| Office of the Budget | \$ 854 | \$ 859 | \$ 884 |
| Office of Policy Development | 402 | 414 | 426 |
| Subtotal | <u>\$ 1,256</u> | <u>\$ 1,273</u> | <u>\$ 1,310</u> |
| Aging: | | | |
| Grants to Area Agencies on Aging | <u>\$ 926</u> | ..... | ..... |
| Education: | | | |
| Linkages | \$ 1,000 | \$ 1,000 | \$ 490 |
| Corrections Education | 641 | 750 | 524 |
| Educational Training | 8,150 | 9,500 | 8,565 |
| Subtotal | <u>\$ 9,791</u> | <u>\$ 11,250</u> | <u>\$ 9,579</u> |
| TOTAL | <u><u>\$ 167,138</u></u> | <u><u>\$ 198,121</u></u> | <u><u>\$ 188,599</u></u> |

PENNSYLVANIA ECONOMIC REVITALIZATION FUND

An important addition to Pennsylvania's economic development program was the creation in 1984 of the Pennsylvania Economic Revitalization Fund (PERF), a three-year \$190 million program encompassing ten different programs in five agencies. Originally financed through a bond issue authorized by the electorate on April 10, 1984, PERF was in 1985-86 converted to a current revenue-funded program via a General Fund transfer.

As we enter the final months of PERF's current three-year authorization, it has become apparent certain programs will not fully utilize all funds appropriated by June 30, 1987 and that most programs warrant continuation beyond that date. Therefore, this budget recommends numerous changes to PERF, including extending it until June 30, 1988 and making certain further appropriations from it during 1987-88. In addition, other existing PERF programs are recommended to be continued, either via General Fund appropriations or by making currently lapsable PERF appropriations continuing.

This table summarizes the overall expenditure levels anticipated and proposed for the various PERF programs.

Please refer to the "Spending Plan for an Economic Development Partnership" for specifics of the many changes being proposed.

| Department/Appropriation | (Dollar Amounts in Thousands) | | | |
|--|-------------------------------|-------------------|----------------------|------------------------|
| | 1984-85 Actual | 1985-86 Actual | 1986-87 Estimated | 1987-88 Recommended |
| Agriculture | | | | |
| Agricultural Loan Program | | \$ 781 | \$ 1,909 | ** |
| Community Affairs | | | | |
| RIRA | | 10,565 | 7,435 | |
| LERTA Tax Credits | | | 3,000 | * |
| Reduction of State Match | | | 3,000 | * |
| Economic Development Partnership | | | | |
| Engineering School Equipment | \$ 2,929 | 71 | | \$ 3,000 |
| Minority Assistance—Bonds | | 548 | 1,212 | * |
| Minority Assistance—Loans | | 515 | 985 | * |
| Minority Assistance—Technical Assistance | 339 | 677 | 985 | * |
| Business Infrastructure Development | 1,725 | 1,096 | 24,417 | ** |
| Incubator Loans/Grants | 425 | 604 | 2,985 | 2,000 |
| Seed Capital Challenge Grants | 750 | 2,250 | 1,500 | |
| Employee Ownership—Technical Assistance | | 51 | 250 | 500 |
| Employee Ownership—Loans | | | | *** |
| Capital Loan Fund | 5,000 | 5,000 | 14,955 | ** |
| Mon Valley Revitalization | | | 2,000 | 2,000 |
| Beaver Valley Revitalization | | | 1,000 | 1,000 |
| Shenango Valley Revitalization | | | 1,000 | 1,000 |
| Community Economic Recovery | | | 1,000 | 1,000 |
| Higher Education Industrial Resource Centers | | | 4,000 | 10,000 |
| Education | | | | |
| Vocational-Technical Equipment | 2,668 | 15,078 | 9,254 | |
| Environmental Resources | | | | |
| Conservation Corps | 6,398 | 8,304 | 6,018 | ** |
| Recreational Improvements | 6,378 | 5,612 | 7,790 | ** |
| PENNSYLVANIA ECONOMIC REVITALIZATION FUND TOTAL | | | | |
| | <u>\$ 26,612</u> | <u>\$ 51,152</u> | <u>\$ 94,695</u> | <u>\$ 20,500</u> |

*Existing 1986-87 appropriation to be made continuing so expenditures can be made during 1987-88.

**To be continued via General Fund appropriation, as follows: Agricultural Development — \$3 million; BID — \$10 million; Capital Loan Fund — \$5 million; Conservation Corps — \$4.05 million; and Recreational Improvements — \$4.95 million.

***Proposed to allow expenditure by Executive Authorization.

PUBLIC INFORMATION AND COMMUNICATIONS

The Commonwealth spends funds on activities to provide government information to the news media and the general public and for other essential communication efforts. Funds are budgeted in about 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."

(Dollar Amounts in Thousands)

| | 1986-87 Estimated | 1987-88 Budget |
|---|----------------------|-------------------|
| Governor's Office | \$ 726 | \$ 763 |
| Executive Offices | 186 | 206 |
| Department of Aging | 158 | 161 |
| Department of Agriculture | 190 | 199 |
| Banking Department | 58 | 57 |
| State Civil Service Commission | 38 | 45 |
| Department of Commerce | 174 | |
| Department of Community Affairs | 180 | 185 |
| Department of Corrections | 148 | 173 |
| Department of Education | 318 | 339 |
| Economic Development Partnership ..... | . . . . . | 192 |
| Emergency Management Agency | 107 | 114 |
| Department of Environmental Resources | 558 | 586 |
| Fish Commission | 73 | 85 |
| Game Commission | 19 | 19 |
| Department of General Services | 65 | 67 |
| Department of Health | 231 | 239 |
| Historical and Museum Commission | 33 | 36 |
| Insurance Department | 67 | 71 |
| Department of Labor and Industry | 108 | 122 |
| Liquor Control Board | 109 | 107 |
| Department of Military Affairs | 142 | 149 |
| Board of Probation and Parole | 12 | 15 |
| Public Television Network | 78 | 83 |
| Public Utility Commission | 179 | 183 |
| Department of Public Welfare | 268 | 276 |
| Department of Revenue | 143 | 152 |
| Securities Commission | 11 | 12 |
| Department of State | 87 | 89 |
| State Police | 113 | 118 |
| Tax Equalization Board | 65 | 67 |
| Department of Transportation | 553 | 577 |
| TOTAL | \$ 5,197 | \$ 5,487 |

The Commonwealth also spends funds in these areas:

- *Lottery sales promotion* — \$9.0 million is spent on advertising campaigns to promote lottery sales and to disseminate information on the various lottery programs including property tax and rent assistance for elderly citizens during 1986-87. These expenditures are expected to generate approximately \$748 million in lottery revenues during 1986-87.
- *Economic development* — A total of \$7.7 million is recommended from the General Fund to promote tourism and economic development. This has contributed to the approximately \$8.4 billion in 1985 travel revenues to Pennsylvania and supports the State's aggressive effort to preserve and create jobs.

PROGRAM EVALUATION REPORTS

Program evaluation is a central feature of the Commonwealth's program budget system. The Office of the Budget regularly publishes program evaluation reports which provide decision makers with objective assessments of program performance and factual information useful for improving program planning, monitoring, effectiveness and efficiency.

Summaries of major program evaluations recently completed are presented below.

Private Intermediate Care Facilities for the Mentally Retarded

This evaluation assessed the impact of new regulations governing the reimbursement of costs incurred in treating medical assistance clients in privately operated ICF/MR facilities. The report shows that the new reimbursement methodology and regulations have greatly reduced the time, manpower and paperwork involved in the budget approval and rate setting process; and that the regulations will aid fiscal planning by providers since interim rates can be anticipated and reimbursable costs are clearly identified. The evaluation also determined that program cost increases which occurred prior to the implementation of the new regulations resulted from a rapid expansion in the number of providers and clients rather than from substantial increases in costs per client. The evaluation recommends further study of large cost variations noted among ICF/MR facilities providing similar treatment.

Corrections Manpower

This report estimates the number of corrections officers needed to staff the new correctional institutions at Cresson, Retreat and Frackville. The report reviews the post assignment methodology used by the Department of Corrections to compute staffing needs, examines the use of overtime by corrections officers, and analyzes the relationship between inmate population and corrections officer staffing. A comparison of the number of inmates per corrections officer showed that more than twice as many corrections officers (per hundred inmates) were requested for the new prisons than are currently staffed at the existing prisons. The report provides a revised estimate of staffing needs at the new prisons, and identifies ways in which the department can more closely manage staffing requirements.

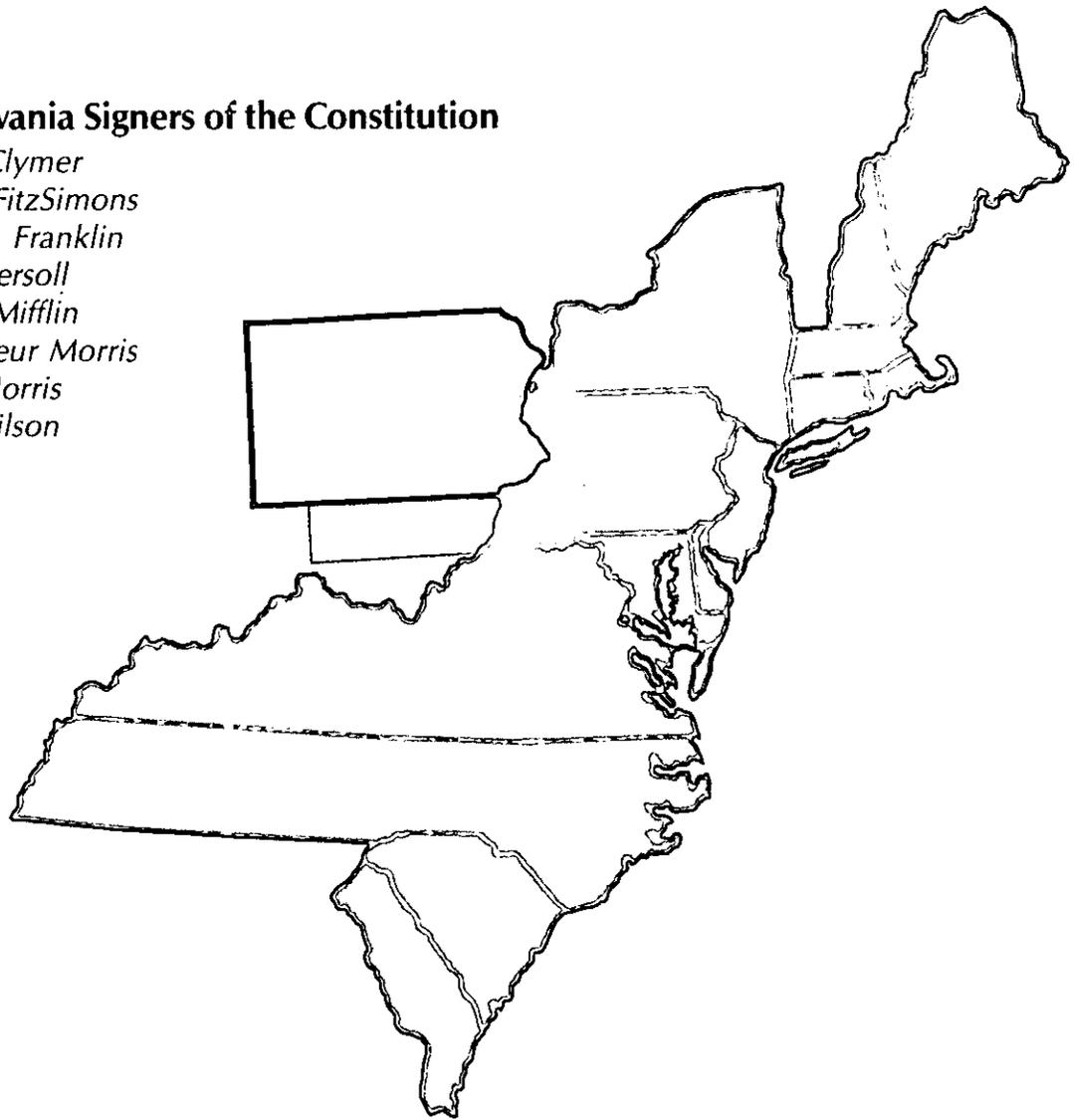
Status Report on the State General Hospitals

This report reviews the status of the State General Hospital system. It provides information on their operating revenues and expenses, bonded indebtedness, accounts receivable, capital requirements and the value of their fixed assets. The report also projects each hospital's financial condition to 1990-91, and compares the operations performance of the general hospitals to the other hospitals in their service areas using several indicators including bed capacity, occupancy rates and emergency room and outpatient services.

PROGRAM BUDGET SUMMARY

Pennsylvania Signers of the Constitution

George Clymer
Thomas FitzSimons
Benjamin Franklin
Jared Ingersoll
Thomas Mifflin
Gouverneur Morris
Robert Morris
James Wilson



Commonwealth Program Budget

This section summarizes the 1987-88 budget by the eight major program areas in which the Commonwealth provides services to its residents. It crosses departmental lines as well as individual special funds. As such it provides an overview of the major recommendations of this budget for program improvements or continuation.

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

FIVE YEAR SUMMARY OF COMMONWEALTH PROGRAMS

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| DIRECTION AND SUPPORTIVE SERVICES | | | | | | | |
| GENERAL FUND | \$ 350,951 | \$ 372,900 | \$ 386,126 | \$ 395,694 | \$ 405,405 | \$ 415,817 | \$ 426,012 |
| SPECIAL FUNDS | 257,133 | 285,679 | 246,640 | 250,213 | 254,309 | 258,627 | 263,147 |
| FEDERAL FUNDS | 1,559 | 1,902 | 25,575 | 4,879 | 1,577 | 1,640 | 1,706 |
| OTHER FUNDS | 138,493 | 132,560 | 142,735 | 150,107 | 157,535 | 165,031 | 172,640 |
| TOTAL-OPERATING | <u>\$ 748,136</u> | <u>\$ 793,041</u> | <u>\$ 801,076</u> | <u>\$ 800,893</u> | <u>\$ 818,826</u> | <u>\$ 841,115</u> | <u>\$ 863,505</u> |
| PROTECTION OF PERSONS AND PROPERTY | | | | | | | |
| GENERAL FUND | \$ 547,647 | \$ 551,427 | \$ 618,030 | \$ 644,730 | \$ 669,037 | \$ 692,015 | \$ 716,320 |
| SPECIAL FUNDS | 230,522 | 235,006 | 239,782 | 244,784 | 249,088 | 257,173 | 265,601 |
| FEDERAL FUNDS | 27,874 | 34,083 | 30,951 | 26,427 | 26,523 | 26,816 | 27,047 |
| OTHER FUNDS | 438,754 | 503,022 | 527,036 | 553,155 | 580,037 | 619,945 | 662,618 |
| TOTAL-OPERATING | <u>\$ 1,244,797</u> | <u>\$ 1,323,538</u> | <u>\$ 1,415,799</u> | <u>\$ 1,469,096</u> | <u>\$ 1,524,685</u> | <u>\$ 1,595,949</u> | <u>\$ 1,671,586</u> |
| HEALTH-PHYSICAL AND MENTAL WELL-BEING | | | | | | | |
| GENERAL FUND | \$ 1,709,041 | \$ 1,790,103 | \$ 1,889,869 | \$ 1,958,768 | \$ 2,050,984 | \$ 2,144,721 | \$ 2,218,192 |
| SPECIAL FUNDS | 149,835 | 150,501 | 151,835 | 152,427 | 153,046 | 153,700 | 154,390 |
| FEDERAL FUNDS | 1,315,033 | 1,398,381 | 1,401,868 | 1,447,664 | 1,495,241 | 1,548,817 | 1,602,239 |
| OTHER FUNDS | 98,601 | 111,811 | 97,048 | 87,461 | 83,179 | 82,803 | 76,729 |
| TOTAL-OPERATING | <u>\$ 3,272,510</u> | <u>\$ 3,450,796</u> | <u>\$ 3,540,620</u> | <u>\$ 3,646,320</u> | <u>\$ 3,782,450</u> | <u>\$ 3,930,041</u> | <u>\$ 4,051,550</u> |
| INTELLECTUAL DEVELOPMENT AND EDUCATION | | | | | | | |
| GENERAL FUND | \$ 4,620,992 | \$ 4,929,318 | \$ 5,196,421 | \$ 5,422,124 | \$ 5,657,929 | \$ 6,048,490 | \$ 6,447,918 |
| SPECIAL FUNDS ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| FEDERAL FUNDS | 40,243 | 45,091 | 42,493 | 42,051 | 42,026 | 42,067 | 42,072 |
| OTHER FUNDS | 575,712 | 593,169 | 619,536 | 619,966 | 620,416 | 620,882 | 621,368 |
| TOTAL-OPERATING | <u>\$ 5,236,947</u> | <u>\$ 5,567,578</u> | <u>\$ 5,858,450</u> | <u>\$ 6,084,141</u> | <u>\$ 6,320,371</u> | <u>\$ 6,711,439</u> | <u>\$ 7,111,358</u> |
| SOCIAL DEVELOPMENT | | | | | | | |
| GENERAL FUND | \$ 538,664 | \$ 578,056 | \$ 640,678 | \$ 676,712 | \$ 704,525 | \$ 733,549 | \$ 763,719 |
| SPECIAL FUNDS | 427,049 | 470,615 | 477,353 | 527,032 | 598,623 | 629,398 | 663,104 |
| FEDERAL FUNDS | 446,470 | 464,352 | 497,579 | 525,507 | 538,165 | 552,203 | 566,104 |
| OTHER FUNDS | 13,850 | 13,741 | 13,276 | 12,366 | 12,503 | 12,649 | 12,818 |
| TOTAL-OPERATING | <u>\$ 1,426,033</u> | <u>\$ 1,526,764</u> | <u>\$ 1,628,886</u> | <u>\$ 1,741,617</u> | <u>\$ 1,853,816</u> | <u>\$ 1,927,799</u> | <u>\$ 2,005,745</u> |

FIVE YEAR SUMMARY OF COMMONWEALTH PROGRAMS (continued)

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE | | | | | | | |
| GENERAL FUND | \$ 1,224,603 | \$ 1,166,763 | \$ 1,175,342 | \$ 1,203,734 | \$ 1,258,277 | \$ 1,260,808 | \$ 1,274,447 |
| SPECIAL FUNDS | 19,553 | 19,747 | 2,068 | 2,151 | 2,237 | 2,326 | 2,420 |
| FEDERAL FUNDS | 1,099,237 | 1,200,139 | 1,150,661 | 1,167,203 | 1,177,398 | 1,196,900 | 1,214,927 |
| OTHER FUNDS | 353,387 | 479,819 | 422,618 | 410,655 | 426,419 | 421,365 | 422,439 |
| TOTAL-OPERATING | <u>\$ 2,696,780</u> | <u>\$ 2,866,468</u> | <u>\$ 2,750,689</u> | <u>\$ 2,783,743</u> | <u>\$ 2,864,331</u> | <u>\$ 2,881,399</u> | <u>\$ 2,914,233</u> |
| TRANSPORTATION AND COMMUNICATION | | | | | | | |
| GENERAL FUND | \$ 191,365 | \$ 199,622 | \$ 215,922 | \$ 223,895 | \$ 232,939 | \$ 241,992 | \$ 251,268 |
| SPECIAL FUNDS | 1,121,174 | 1,142,249 | 1,166,134 | 1,116,931 | 1,110,989 | 1,102,082 | 1,094,746 |
| FEDERAL FUNDS | 797,273 | 876,986 | 772,859 | 603,674 | 716,102 | 652,341 | 590,192 |
| OTHER FUNDS | 180,853 | 394,483 | 359,783 | 340,536 | 207,467 | 213,769 | 217,332 |
| TOTAL-OPERATING | <u>\$ 2,290,665</u> | <u>\$ 2,613,340</u> | <u>\$ 2,514,698</u> | <u>\$ 2,285,036</u> | <u>\$ 2,267,497</u> | <u>\$ 2,210,184</u> | <u>\$ 2,153,538</u> |
| RECREATION AND CULTURAL ENRICHMENT | | | | | | | |
| GENERAL FUND | \$ 108,809 | \$ 110,938 | \$ 120,489 | \$ 127,426 | \$ 130,407 | \$ 133,149 | \$ 137,126 |
| SPECIAL FUNDS | 54,993 | 56,566 | 51,250 | 52,962 | 54,789 | 56,170 | 54,135 |
| FEDERAL FUNDS | 8,585 | 9,338 | 9,772 | 10,091 | 9,993 | 10,054 | 10,066 |
| OTHER FUNDS | 40,278 | 39,276 | 16,525 | 16,582 | 16,726 | 16,762 | 16,793 |
| TOTAL-OPERATING | <u>\$ 212,665</u> | <u>\$ 216,118</u> | <u>\$ 198,036</u> | <u>\$ 207,061</u> | <u>\$ 211,915</u> | <u>\$ 216,135</u> | <u>\$ 218,120</u> |
| COMMONWEALTH TOTALS | | | | | | | |
| GENERAL FUND | \$ 9,292,072 | \$ 9,699,127 | \$10,242,877 | \$10,653,083 | \$11,109,503 | \$11,670,541 | \$12,235,002 |
| SPECIAL FUNDS | 2,260,259 | 2,360,363 | 2,335,062 | 2,346,500 | 2,423,081 | 2,459,476 | 2,497,543 |
| FEDERAL FUNDS | 3,736,274 | 4,030,272 | 3,931,758 | 3,827,496 | 4,007,025 | 4,030,838 | 4,054,353 |
| OTHER FUNDS | 1,839,928 | 2,267,881 | 2,198,557 | 2,190,828 | 2,104,282 | 2,153,206 | 2,202,737 |
| TOTAL-OPERATING | <u>\$17,128,533</u> | <u>\$18,357,643</u> | <u>\$18,708,254</u> | <u>\$19,017,907</u> | <u>\$19,643,891</u> | <u>\$20,314,061</u> | <u>\$20,989,635</u> |

DIRECTION AND SUPPORTIVE SERVICES

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| General Fund | \$ 350,951 | \$ 372,900 | \$ 386,126 | \$ 395,694 | \$ 405,405 | \$ 415,817 | \$ 426,012 |
| Special Funds | 257,133 | 285,679 | 246,640 | 250,213 | 254,309 | 258,627 | 263,147 |
| Federal Funds | 1,559 | 1,902 | 25,575 | 4,879 | 1,577 | 1,640 | 1,706 |
| Other Funds | 138,493 | 132,560 | 142,735 | 150,107 | 157,535 | 165,031 | 172,640 |
| TOTAL | \$ 748,136 | \$ 793,041 | \$ 801,076 | \$ 800,893 | \$ 818,826 | \$ 841,115 | \$ 863,505 |

This program provides administrative support and policy direction necessary to implement, support and maintain the priority themes of the Commonwealth in an efficient and effective manner. These programs include the Commonwealth's budgeting system, policy research and analytical support, personnel management and inspector general activities, revenue forecasting and collection, uniform and computerized accounting and budgeting systems, an integrated central system (ICS) development and production project, a central purchasing system and a program that manages and operates Commonwealth facilities.

Major initiatives in this program include \$150,000 for assessing the impact of Federal tax changes on the Commonwealth's debt financing; \$157,000 for establishment of a fiscal policy unit in the Office of the Budget; \$75,000 for legal services; \$40,000 for a consultant to advise the Budget Secretary on issues relating to the Philadelphia Convention Center; \$100,000 for determining cost savings potential in the telecommunication system; \$199,000 for investigative staff for the Inspector General; \$240,000 for higher than anticipated steam utility costs in Commonwealth owned buildings incurred in 1985-86 and rolled over into 1986-87; and \$95,000 for increased security of the new Capitol Complex. Included with the Milrite Council in 1987-88 is \$530,000 provided by the State to support local labor management committees. This represents an increase of \$30,000 to provide for additional committees.

A new effort is recommended in 1987-88 to curtail drug abuse. The program includes \$646,000 required to match \$23.9 Federal funds for the Anti-Drug Abuse Assistance Program. The comprehensive program will assist State and local law enforcement efforts, provide funds for drug-free schools and community education activities and provide treatment for substance abuse. Ultimately, these funds will be allocated to other Commonwealth programs as specific initiatives are developed.

The direct and indirect effects of Federal actions have a major impact on State programs. To insure that the Commonwealth's interests are adequately represented, the Governor's Washington Office provides a liaison between the Commonwealth and members of Congress and Federal officials.

The Office of Administration provides administrative support and policy direction in the areas of classification and pay, placement, labor relations, training and affirmative action and monitors, coordinates and implements policies and programs which encourage productivity and effectiveness, eliminate waste and mismanagement and support the Governor's overall direction in managing the State work force. The Office of Administration will provide staff for the Inspector General through a purchase of services from the Department of Transportation.

The Integrated Central System (ICS) facilitates policymaking and will provide integrated accounting, budgeting, payroll, purchasing and personnel systems when fully completed. During the 1987-88 fiscal year, the ICS Project Team will proceed with the development of the ICS personnel/payroll system, support the management of the ICS accounting system, and support the Department of General Services in developing the purchasing system. An increase of \$300,000 will provide a "personnel users group" to maintain the personnel system. The Office of the Budget will be responsible for maintenance of the ICS accounting system.

The Office of the Budget assists the Governor in formulating fiscal policies and procedures, prepares the annual Governor's Budget, and provides accounting, auditing, and financial advisory and supportive services to Commonwealth agencies. The Office of the Budget will be instrumental in providing much of the staff support and direction essential to accomplish fiscal and management objectives with an emphasis on professionalism in accounting, systems, auditing, and budget analysis. The recommended amount includes \$190,000 for consultants' advice on debt financing under the revised Federal tax law and construction of the Philadelphia Convention Center. Additionally, a fiscal policy unit will be established at a cost of \$157,000.

The Office of Policy Development provides policy research and analytical support to the Governor and his Cabinet in areas relating to economic and community development, human services, public safety, the environment and other areas of concern to the Commonwealth. This office also coordinates the implementation of Commonwealth policy, and monitors and develops responses to Federal actions in order to insure the effectiveness of these policies and to improve the efficiency and effectiveness of services.

The Bureau of EDP/Telecommunication Technology, which is in the Office of Administration, approves all Commonwealth EDP and telecommunication resource acquisitions and develops, coordinates, and promulgates Commonwealth policy governing the acquisition, management, utilization and security of these resources. The bureau will use \$100,000 recommended in the budget for a consultant to evaluate present systems and determine possible efficiency and cost saving improvements.

In order to improve the effectiveness of corporation tax audits, \$200,000 is being recommended for the Department of Revenue to develop a computer program to select the accounts to be audited. Such a program should ensure that those accounts where there is a high probability of collecting additional taxes are the ones that are audited.

The budget includes \$85,000 for the Department of Revenue to replace the current manual system of processing personal income returns with a computerized system. An additional \$438,000 is recommended to expand the computerized tax collections program to include delinquent sales and use tax accounts as well as delinquent corporation tax and personal income tax accounts.

A significant component of the State's personnel management system is provided by the Civil Service Commission. In fiscal year 1987-88, emphasis will be placed on continued modernization of the existing EDP system and \$241,000 is recommended to microfilm and microfiche paper records for a more effective delivery of services. Also, \$29,000 is recommended to coordinate placement and assistance to handicapped employees.

The 1987-88 budget provides \$1.5 million for a number of energy conservation projects in Commonwealth-owned buildings. When completed, these projects will reduce energy costs to the Commonwealth with a payback period of two to three years. The energy conservation evaluations have been performed on all Commonwealth-owned buildings and projects are selected on a priority basis determined by predicted energy savings.

The State Employees Retirement System funds current benefits for annuitants of the system and future benefits for active members. Member Commonwealth and independent agencies have a payroll of about \$2.4 billion and for 1987-88 will be contributing to the fund at a base rate of 12 percent of payroll which is increased for agencies with age 50 retirement and other special retirement benefits. The agencies will contribute about \$366 million to the fund this year and the employees will contribute \$145 million for a total of over \$510 million.

The greater part of the income is interest earnings on portfolios. The assets of the State system will be about \$6.8 billion by the end of the budgeted year. The favorable economic conditions of recent years have increased the value of the portfolio and decreased the employer contribution rate.

DIRECTION AND SUPPORTIVE SERVICES

Contribution by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| General Administration and Support | \$ 71,663 | \$ 74,089 | \$ 79,491 | \$ 82,794 | \$ 86,588 | \$ 90,096 | \$ 93,124 |
| Fiscal Management | \$ 343,919 | \$ 376,703 | \$ 339,257 | \$ 345,575 | \$ 352,467 | \$ 357,243 | \$ 363,407 |
| Revenue Collection and Administration | 291,204 | 315,362 | 280,594 | 285,512 | 289,781 | 294,209 | 298,797 |
| Disbursement | 30,263 | 38,535 | 34,029 | 34,444 | 36,042 | 35,324 | 35,791 |
| Auditing | 22,452 | 22,806 | 24,634 | 25,619 | 26,644 | 27,710 | 28,819 |
| Commodity Management | \$ 4,578 | \$ 5,202 | \$ 3,384 | \$ 3,519 | \$ 3,660 | \$ 3,807 | \$ 3,960 |
| Procurement Storage and Distribution of Commodities | 4,578 | 5,202 | 3,384 | 3,519 | 3,660 | 3,807 | 3,960 |
| Physical Facilities Management | \$ 60,164 | \$ 61,891 | \$ 63,461 | \$ 64,304 | \$ 65,740 | \$ 67,993 | \$ 70,316 |
| Provision and Operation of Facilities.. | 60,164 | 61,891 | 63,461 | 64,304 | 65,740 | 67,993 | 70,316 |
| Management of Commonwealth Liability .. | \$ 28,346 | \$ 27,413 | \$ 27,554 | \$ 30,096 | \$ 31,640 | \$ 35,686 | \$ 38,733 |
| Risk Management and Tort Claims ... | 28,346 | 27,413 | 27,554 | 30,096 | 31,640 | 35,686 | 38,733 |
| Legislative Processes | \$ 99,414 | \$ 113,281 | \$ 119,619 | \$ 119,619 | \$ 119,619 | \$ 119,619 | \$ 119,619 |
| Legislature | 99,414 | 113,281 | 119,619 | 119,619 | 119,619 | 119,619 | 119,619 |
| PROGRAM TOTAL | <u>\$ 608,084</u> | <u>\$ 658,579</u> | <u>\$ 632,766</u> | <u>\$ 645,907</u> | <u>\$ 659,714</u> | <u>\$ 674,444</u> | <u>\$ 689,159</u> |

PROTECTION AND PERSONS AND PROPERTY

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| General Fund | \$ 547,647 | \$ 551,427 | \$ 618,030 | \$ 644,730 | \$ 669,037 | \$ 692,015 | \$ 716,320 |
| Special Funds | 230,522 | 235,006 | 239,782 | 244,784 | 249,088 | 257,173 | 265,601 |
| Federal Funds | 27,874 | 34,083 | 30,951 | 26,427 | 26,523 | 26,816 | 27,047 |
| Other Funds | 438,754 | 503,022 | 527,036 | 553,155 | 580,037 | 619,945 | 662,618 |
| TOTAL | <u>\$ 1,244,797</u> | <u>\$ 1,323,538</u> | <u>\$ 1,415,799</u> | <u>\$ 1,469,096</u> | <u>\$ 1,524,685</u> | <u>\$ 1,595,949</u> | <u>\$ 1,671,586</u> |

One of the major functions of government is the protection of its citizens from all sorts of hazards and criminal actions. As such, this program encompasses the majority of the Pennsylvania criminal justice system, licensing and regulatory functions, consumer protection and advocacy programs, emergency preparedness and highway safety.

As has been the case for several years, the most overriding problem faced by the criminal justice system is that of the prison population. Forced upward by higher populations entering the crime prone years and State government's heightened efforts to reduce crime rates through stiffer and more equitable sentences, the population in State correctional institutions has risen to a point where it is exceeding capacity by approximately 30 percent. This occurred even though major efforts were made to increase capacity through use of prefabricated or modular housing, greater utilization of dormitory housing, construction of cells in basement areas and increasing the number of community service centers. Authorization of more than 3,000 permanent cells through a major construction program has been made and several hundred of these have already come on line by adding new cell blocks at several existing institutions.

In 1986-87, several new institutions will be opened. This will be the first time since the inmate population began surging in 1981 that the capacity increase will exceed the projected increase in population. New cells will be available at Cresson (451) and Frackville (543). In addition, 482 additional cells will be available at Retreat in late 1986-87 or early 1987-88. The budget recommendation includes \$6.4 million to operate the new institution at Smithfield (502 cells) and the expansion of the Graterford institution (418 cells) which are scheduled to open in 1987-88. In addition, \$2.6 million is recommended to provide for four mental health units to be established at Cresson, Retreat, Frackville and Smithfield.

Increased funds are also included to make basic and vocational education programs available to the expanded prison population; about one-third of the inmates generally choose to pursue these activities.

An integral part of the incarceration process is the probation and parole effort. Increasing prison populations eventually result in increased caseloads for the Board of Probation and Parole. Sufficient funds are recommended to stabilize the average caseload per agent. This will insure that

the parole system continues to provide effective public protection while assisting offenders to find work and become productive citizens. In addition, \$235,000 has been recommended to provide additional staffing for the new correctional institutions opening in 1986-87 and 1987-88.

This budget also assists counties in dealing with their increasing inmate loads by providing a 33.5 percent increase in State support for adult probation programs. State funding of \$13.4 million is provided to reimburse participating counties at 80 percent of additional salary costs as defined in Act 134 of 1986.

In the Department of Public Welfare, funds are recommended for the staffing and operation of a new long-term secure facility for serious juvenile offenders in order to provide extended intensive rehabilitation and supervision of these youth.

The budget for the Pennsylvania State Police provides funding for the training of new cadets as well as patrol vehicle replacement. Additional funding is provided for a narcotic dog program for four troops (\$65,000) and \$3.4 million for the first year of a three year program to install an automated fingerprint identification system (AFIS). This system, when fully implemented, will increase efficiency in processing ten-print fingerprint cards, and file maintenance and, most importantly, will assist in the speedy identification of persons involved in criminal activity.

Funds are also recommended for consultant costs for programming the offender identification segment of the integrated criminal justice information system. This system, when completed, will reduce the costs of collecting and transmitting information and will close loopholes that allow an offender to operate in multiple jurisdictions by facilitating the statewide sharing of data between jurisdictions.

A total of \$7,858,000 is available for the drug law enforcement grant program to be divided between the State and local governments in proportion to their past expenditures for applicable programs. The entire law enforcement program requires a 25 percent cash match. Proposals will be solicited from State agencies and local governments and those programs most likely to achieve the objectives will be funded.

Other increases of note that will strengthen the Commonwealth's protection programs include:

- \$356,000 for staff to enable the Human Relations Commission to remain current with new case filings and \$100,000 for court and legislatively mandated cost increases for the Human Relations Commission.
- \$500,000 to meet the increased demands on the Insurance Commission, particularly in the areas of rate analysis, insurance fraud, health care cost containment and insurance company solvency.
- \$100,000 for computerization in the Securities Commission.
- \$44,000 for the Securities Commission to increase staff in order to focus on hostile takeover bid functions.
- \$16,000 for the Securities Commission for a legal assistant in the Division of Enforcement and Compliance.
- \$141,000 for the Attorney General's Office to expand the hazardous waste prosecutions program.

PROTECTION OF PERSONS AND PROPERTY

Contribution by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| General Administration and Support | \$ 42,895 | \$ 44,080 | \$ 48,645 | \$ 46,652 | \$ 46,356 | \$ 46,863 | \$ 47,917 |
| Traffic Safety and Supervision | \$ 198,395 | \$ 203,013 | \$ 204,293 | \$ 211,642 | \$ 216,720 | \$ 224,662 | \$ 232,891 |
| Operator Qualifications Control | 29,592 | 29,967 | 28,612 | 31,341 | 31,884 | 31,996 | 32,721 |
| Vehicle Standards Control | 26,606 | 26,995 | 25,176 | 25,808 | 26,234 | 26,905 | 27,596 |
| Traffic Supervision | 121,982 | 125,024 | 130,150 | 134,270 | 138,334 | 145,426 | 152,179 |
| Highway Safety Projects | 15,759 | 16,008 | 15,831 | 15,636 | 15,638 | 15,638 | 15,629 |
| Highway Safety Education | 4,456 | 5,019 | 4,524 | 4,587 | 4,630 | 4,697 | 4,766 |
| Control and Reduction of Crime | \$ 286,641 | \$ 313,875 | \$ 369,023 | \$ 387,469 | \$ 404,538 | \$ 419,926 | \$ 435,885 |
| Juvenile Crime Prevention | 3,979 | 4,199 | 4,271 | 4,323 | 4,376 | 4,431 | 4,489 |
| Criminal Law Enforcement | 67,249 | 71,179 | 84,655 | 87,139 | 90,183 | 93,722 | 97,398 |
| Reintegration of Offenders | 215,413 | 238,497 | 280,097 | 296,007 | 309,979 | 321,773 | 333,998 |
| Adjudication of Defendents | \$ 131,475 | \$ 125,118 | \$ 131,204 | \$ 134,738 | \$ 138,413 | \$ 142,236 | \$ 146,211 |
| State Judicial System | 131,475 | 125,118 | 131,204 | 134,738 | 138,413 | 142,236 | 146,211 |
| Maintenance of Public Order | \$ 19,816 | \$ 12,648 | \$ 12,998 | \$ 13,651 | \$ 14,208 | \$ 14,740 | \$ 15,278 |
| Prevention and Control of Civil Disorder | 1,741 | 1,884 | 2,146 | 2,365 | 2,471 | 2,534 | 2,582 |
| Emergency Disaster Assistance | 18,075 | 10,764 | 10,852 | 11,286 | 11,737 | 12,206 | 12,696 |
| Consumer Protection | \$ 48,168 | \$ 46,904 | \$ 46,305 | \$ 48,442 | \$ 49,690 | \$ 50,977 | \$ 52,346 |
| Regulation of Consumer Products | 21,409 | 20,463 | 20,453 | 20,543 | 21,051 | 21,574 | 22,115 |
| Regulation of Financial Institutions | 6,854 | 6,836 | 7,050 | 7,316 | 7,609 | 7,913 | 8,230 |
| Regulation of Securities Industry | 2,154 | 2,346 | 2,529 | 2,493 | 2,745 | 2,855 | 2,969 |
| Regulation of Insurance Industry | 7,530 | 7,952 | 8,600 | 9,256 | 9,626 | 10,011 | 10,411 |
| Regulation of Horse Racing | 8,640 | 7,573 | 6,423 | 6,969 | 6,994 | 6,959 | 6,956 |
| Regulation of Milk Industry | 1,581 | 1,734 | 1,665 | 1,665 | 1,665 | 1,665 | 1,665 |
| Protection From Natural Hazards and Disaster | \$ 23,161 | \$ 23,461 | \$ 26,745 | \$ 27,765 | \$ 28,482 | \$ 29,466 | \$ 30,453 |
| Flood Control | 2,899 | 3,112 | 3,385 | 3,573 | 3,773 | 3,882 | 3,960 |
| Management of Forest Resources | 13,559 | 14,338 | 17,304 | 17,934 | 18,592 | 19,276 | 19,986 |
| Animal Health | 6,703 | 6,011 | 6,056 | 6,258 | 6,117 | 6,308 | 6,507 |
| Community Housing Hygiene and Safety | \$ 21,362 | \$ 10,919 | \$ 11,282 | \$ 11,556 | \$ 11,839 | \$ 12,141 | \$ 12,453 |
| Accident Prevention | 7,038 | 6,817 | 7,297 | 7,589 | 7,892 | 8,209 | 8,536 |
| Fire Prevention | 14,324 | 4,102 | 3,985 | 3,967 | 3,947 | 3,932 | 3,917 |
| Electoral Process | \$ 1,018 | \$ 1,041 | \$ 1,223 | \$ 1,261 | \$ 1,288 | \$ 1,323 | \$ 1,359 |
| Maintenance of Electoral Process | 1,018 | 1,041 | 1,223 | 1,261 | 1,288 | 1,323 | 1,359 |
| Prevention and Elimination of Discriminatory Practices | \$ 5,238 | \$ 5,374 | \$ 6,094 | \$ 6,338 | \$ 6,591 | \$ 6,854 | \$ 7,128 |
| Reduction of Discriminatory Practices | 5,238 | 5,374 | 6,094 | 6,338 | 6,591 | 6,854 | 7,128 |
| PROGRAM TOTAL | \$ 778,169 | \$ 786,433 | \$ 857,812 | \$ 889,514 | \$ 918,125 | \$ 949,188 | \$ 981,921 |

HEALTH-PHYSICAL AND MENTAL WELL-BEING

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| General Fund | \$ 1,709,041 | \$ 1,790,103 | \$ 1,889,869 | \$ 1,958,768 | \$ 2,050,984 | \$ 2,144,721 | \$ 2,218,192 |
| Special Funds | 149,835 | 150,501 | 151,835 | 152,427 | 153,046 | 153,700 | 154,390 |
| Federal Funds | 1,315,033 | 1,398,381 | 1,401,868 | 1,447,664 | 1,495,241 | 1,548,817 | 1,602,239 |
| Other Funds | 98,601 | 111,811 | 97,048 | 87,461 | 83,179 | 82,803 | 76,729 |
| TOTAL | <u>\$ 3,272,510</u> | <u>\$ 3,450,796</u> | <u>\$ 3,540,620</u> | <u>\$ 3,646,320</u> | <u>\$ 3,782,450</u> | <u>\$ 3,930,041</u> | <u>\$ 4,051,550</u> |

The Commonwealth provides health services through purchase of service arrangements and the direct delivery of services. The Commonwealth is one of the largest purchasers of health care services in the State.

During fiscal year 1986-87 the department is expanding the Federal Maximum Cost (MAC) program by establishing State MAC prices for other selected multi-source drugs. The method to determine the upper limit of reimbursement of the State MAC will involve arraying the Estimated Acquisition Cost (EAC) of all products listed in the Department of Health's Generic Drug Formulary from the highest to the lowest price. The department believes that by establishing the MAC price at this level of the EAC, the price will be high enough to include most of the generically equivalent drugs, yet low enough to show savings from the higher cost brand name products. In all cases regarding payment for drugs, the department will pay the lowest of EAC, Federal MAC or State MAC, whichever applies.

In addition to the regular State MAC program, the department is establishing a special State MAC on all minor tranquilizers (Schedule C-IV Antianxiety Agents classified as Benzodiazepines and carbamate derivatives) which have generically equivalent products listed in the Department of Health's Generic Drug Formulary. This special State MAC will be set at 110 percent of the lowest priced generically equivalent product in the same strength and dosage form listed in the Generic Drug Formulary.

In the area of inpatient hospital care, the present concurrent review of inpatient hospital admissions will be replaced by a prior or pre-certification program for inpatient hospital services and for ambulatory surgery. In 1987-88 the group rates for prospectively paid hospitals (DRG hospitals) will be increased by 2.3 percent. This includes an adjustment that takes into account that short procedure unit services are now paid for on a fee for service basis. The 1987-1988 ceilings for hospitals and units exempt from the prospective payment system, will be established at 3.3 percent over the 1986-1987 ceilings. Payments for direct medical education will be limited to a 4.2 percent increase over the payments for 1986-1987. In addition, Medical Assistance payments for inpatient hospital drug detoxification for General Assistance recipients will be limited.

In the Long-Term Care Program, nursing homes are currently paid their actual allowable costs up to certain reimbursement ceilings which are computed annually based on the type of nursing home, the level of care, and the geographic location of the home. Hospital-based nursing homes are currently treated as a single statewide group when computing reimbursement ceilings. The annual Medical Assistance utilization review of each nursing home and the appropriateness of each patient's level of care was expanded in 1986-87. It is anticipated that more frequent reviews will result in more appropriate placements of individuals, resulting in savings of \$1.1 million.

During the 1987-88 fiscal year, Medical Assistance expenditures will total \$1.1 billion in State and Lottery Funds. This is a \$27.8 million increase over the amount available in the 1986-87 fiscal year. This is a 2.5 percent increase, reflecting substantial progress in cost containment when compared to the average annual increase of 8.5 percent over the last six years.

The recommended budget also includes \$2,505,000 in the Lottery Fund to continue the preadmission assessment component of the Long-Term Care Assessment and Management Program (LAMP) for applicants to Medical Assistance funded nursing home care. Lottery funds also will provide \$13.3 million, a \$1.0 million increase, for in-home services for persons participating in the LAMP program, as described in the Social Development Commonwealth Program Plan.

The Commonwealth provides for the care and rehabilitation of the mentally ill through the operation of institutions and grants to counties for community based services. The recommended budget for 1987-88 includes approximately \$458 million in State funds for mental health services. Emphasis continues to be placed on the efficient management of the State institutional system and the adequate provision of rehabilitative services in the community programs.

Community Mental Health Services includes initiatives for expansion of the Teen Suicide Prevention/Student Assistance Program in cooperation with the Departments of Health and Education, expansion of the provision of mental health services in forensic settings, and case management services for Supplemental Security Income (SSI) reci-

patients in Personal Care Boarding Homes (PCBH).

The Alcohol, Drug Abuse and Mental Health Services Block Grant provides additional funds for the provision of community mental health programs.

In 1986-87, the Department of Public Welfare continued implementation of the divestiture plan for the State General Hospitals. Future divestiture will be dependent upon acceptance of operating responsibilities by a community board.

The Department of Health will receive a Program Revision in the amount of \$1,293,000 to provide increased maternity and pre-natal services.

The Department will also receive \$350,000 to develop and implement a program to train health care and other professionals in the proper techniques for AIDS patients. An initiative has been provided in the amount of \$408,000 to assist the Bureau of Vital Statistics in automating a retrieval system for birth records.

The Department administers the Supplemental Food Program for Women, Infants and Children (WIC). The program will permit an additional 5,800 pregnant or nursing women to obtain food supplements each month.

The highest priority environmental concerns of this budget are the cleanup of sites contaminated by hazardous wastes, the control and regulation of the manufacture, transportation and disposal of hazardous wastes, and the improvement of the quality of drinking water in the Commonwealth. This budget contains \$25 million to implement a comprehensive

State program to address the problem of hazardous waste cleanup. The cornerstone of this initiative is a program to assess all of the State's 2,000 inactive waste sites to determine what action is needed to protect both the health of citizens living near the waste site and Pennsylvania's air and water resources. The recommended budget provides sufficient resources to complete the assessments of known hazardous waste sites by June 30, 1988. The second objective of the initiative is to accelerate the rate of site cleanup for the 80 hazardous waste sites which qualify for federal superfund dollars and to qualify additional sites for federal cleanup dollars. The initiative provides resources to increase the pace of remedial investigations and feasibility studies. The third major element of this initiative is the development and passage of State legislation to establish a State program to fund, authorize and undertake cleanup actions. Part of the \$25 million increase will also be used to operationalize a full time legal staff to pursue responsible party cleanups and to expand the capabilities of the department to monitor the generation and disposal of wastes.

The citizens of the Commonwealth need drinking water of the highest quality. This budget contains \$655,000 to increase staff which monitors compliance to standards and \$271,000 for staff to assist local and county governments to meet State and Federal drinking water standards. In addition, \$108,000 is included to increase permitting and inspections of sewage facilities, particularly on-lot systems.

HEALTH — PHYSICAL AND MENTAL WELL-BEING

Contribution by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| General Administration and Support | \$ 36,958 | \$ 36,960 | \$ 38,742 | \$ 40,276 | \$ 41,846 | \$ 43,483 | \$ 45,198 |
| Physical Health Treatment | \$ 1,252,522 | \$ 1,309,725 | \$ 1,353,126 | \$ 1,403,913 | \$ 1,461,931 | \$ 1,524,961 | \$ 1,591,491 |
| Medical Research and Health | | | | | | | |
| Information | 8,949 | 9,694 | 9,445 | 9,795 | 10,155 | 10,529 | 10,917 |
| Medical Facilities Review | 5,792 | 6,182 | 6,698 | 7,044 | 7,405 | 7,726 | 8,039 |
| Health Services Development | 18,702 | 77,375 | 93,143 | 100,009 | 104,527 | 109,249 | 114,185 |
| Disease Prevention | 65,864 | 73,626 | 79,699 | 81,563 | 83,315 | 85,138 | 87,030 |
| Detection and Diagnosis | 7,940 | 7,612 | 7,581 | 7,694 | 7,811 | 7,933 | 8,059 |
| Outpatient Treatment | 288,191 | 274,725 | 284,630 | 294,014 | 304,090 | 314,773 | 325,907 |
| Inpatient Treatment | 542,144 | 533,305 | 527,000 | 541,782 | 559,582 | 578,821 | 598,004 |
| Life Maintenance | 285,826 | 296,128 | 313,126 | 328,936 | 350,647 | 375,017 | 402,144 |
| Control and Treatment of Drug and Alcohol | 29,114 | 31,078 | 31,804 | 33,076 | 34,399 | 35,775 | 37,206 |
| Mental Health | \$ 475,655 | \$ 484,077 | \$ 516,305 | \$ 533,184 | \$ 562,756 | \$ 588,753 | \$ 612,587 |
| Community Services | 123,613 | 139,013 | 149,462 | 156,104 | 163,041 | 170,289 | 177,858 |
| Inpatient Services (State Mental Hospitals) | 352,042 | 345,064 | 366,843 | 377,080 | 399,715 | 418,464 | 434,729 |
| Protection From Health Hazards | \$ 93,741 | \$ 109,842 | \$ 133,531 | \$ 133,822 | \$ 137,497 | \$ 141,224 | \$ 123,306 |
| Air Pollution Control | 4,468 | 4,358 | 4,389 | 4,510 | 4,652 | 4,725 | 4,872 |
| Water Quality Management | 49,476 | 62,230 | 60,853 | 63,395 | 65,707 | 68,090 | 72,377 |
| Community Environmental Management | 7,916 | 9,853 | 9,419 | 10,273 | 10,663 | 11,070 | 11,504 |
| Solid Waste Management | 15,365 | 14,084 | 39,964 | 40,175 | 40,395 | 40,623 | 17,177 |
| Radiological Health | 7,152 | 8,066 | 7,976 | 3,045 | 3,159 | 3,278 | 3,401 |
| Environmental Support Services | 9,364 | 11,251 | 10,930 | 12,424 | 12,921 | 13,438 | 13,975 |
| PROGRAM TOTAL | <u>\$ 1,858,876</u> | <u>\$ 1,940,604</u> | <u>\$ 2,041,704</u> | <u>\$ 2,111,195</u> | <u>\$ 2,204,030</u> | <u>\$ 2,298,421</u> | <u>\$ 2,372,582</u> |

INTELLECTUAL DEVELOPMENT AND EDUCATION

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| General Fund | \$ 4,620,992 | \$ 4,929,318 | \$ 5,196,421 | \$ 5,422,124 | \$ 5,657,929 | \$ 6,048,490 | \$ 6,447,918 |
| Special Funds ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Federal Funds | 40,243 | 45,091 | 42,493 | 42,051 | 42,026 | 42,067 | 42,072 |
| Other Funds | 575,712 | 593,169 | 619,536 | 619,966 | 620,416 | 620,882 | 621,368 |
| TOTAL | <u>\$ 5,236,947</u> | <u>\$ 5,567,578</u> | <u>\$ 5,858,450</u> | <u>\$ 6,084,141</u> | <u>\$ 6,320,371</u> | <u>\$ 6,711,439</u> | <u>\$ 7,111,358</u> |

The high priority placed on the availability of a quality education for Commonwealth citizens is evidenced by the substantial financial investment recommended in this budget. Approximately \$3.8 billion in State funds is recommended for support of public schools. This represents 37 percent of the General Fund budget and includes funding for the Equalized Subsidy for Basic Education, special education, vocational education, pupil transportation, and one-half of the employers share of social security and retirement costs. In the area of higher education, over \$1.0 billion is recommended to support a 5 percent increase to the State System of Higher Education (SSHE), the State related universities and non-State related universities, colleges and institutions, a 10 percent increase in student grants and institutional assistance grants and a total of \$5.6 million for the college work study program.

The total recommended funding level for the Equalized Subsidy for Basic Education (ESBE) appropriation of approximately \$2.4 billion will support an increase in the Factor for Educational Expense from \$1,970 to \$2,125 and will assure each district 90 percent of full funding under the formula. Increases for school districts would range from a minimum of 2 percent to a maximum of 8 percent. In addition, the budget includes \$28.0 million to support remedial courses in reading and mathematics and \$7.0 million for programs in school districts which support the continuation of professional education. Almost \$289.0 million is provided to cover the excess cost of special education, \$215.0 million for pupil transportation, over \$635.0 million for social security and retirement costs, and \$215.0 million for authority rental and sinking fund costs.

This budget also includes funding for the unique educational needs of preschool age handicapped children, pregnant teenagers and teenage parents. In order to maximize growth and development during the critical preschool years, \$10.7 million is recommended to provide early intervention services to handicapped children. In addition, \$17.1 million will be provided through local mental health and mental retardation agencies for a total commitment of \$27.8 million. The budget also includes \$710,000 to create new educational programs and/or expand

existing ones to meet the comprehensive needs of pregnant and parenting teenagers. In addition, \$1.8 million is recommended to continue job training programs and to provide prenatal care.

Many students drop out of school prior to graduation due to a lack of interest or ability to compete academically. In response to this problem, the budget includes \$500,000 to develop and/or expand activities dealing with dropouts and chronic absenteeism.

There are a substantial number of adults in Pennsylvania who are considered functionally illiterate or who do not have a high school diploma. This is a severe handicap for an individual in today's complex society. To address this need, the budget includes \$5.0 million to provide competitive grants to non-profit providers to provide new or expanded programs.

In the area of vocational education, the budget includes \$500,000 to assist in matching Federal vocational education funds to assure assessment and counseling services to disadvantaged vocational education students.

The School Employees Retirement System includes employees of school districts, intermediate units, and other education entities. The employer contribution to that fund will be 19.5 percent of payroll in the 1987-88 year and the Commonwealth funds one half of that payment. Those funds are shown as one of the subsidies to basic education included in the Department of Education budget. The Commonwealth contribution for 1987-88 will be about \$465 million and the employing education agencies will fund a like amount.

The greater part of the income is interest earnings on large portfolios. The assets of the school system will be about \$11.9 billion by the end of the budgeted year. The favorable economic conditions of recent years have increased the value of the portfolio and decreased the employer contribution rate. A chart showing the funding increases by contributor for 1979-80 through 1986-87 is included in the subcategory "General Elementary and Secondary Education" in the Department of Education.

This budget proposes over \$1.0 billion for higher education programs funded through the Department of

Education and the Pennsylvania Higher Education Assistance Agency. This represents ten percent of the General Fund budget. The recommendation includes a 10 percent increase for a total of \$105.6 million for student grants provided by the Pennsylvania Higher Education Assistance Agency. The budget also provides a 10 percent

increase to \$20.9 million for Institutional Assistance Grants and an increase of 23 percent for a total of \$5.6 million for the college work study program.

Finally, a \$5.0 million increase or 41.0 percent is recommended for Pennsylvania State University—Agricultural Extension Services.

INTELLECTUAL DEVELOPMENT AND EDUCATION

Contribution by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| General Administration and Support | \$ 9,942 | \$ 9,750 | \$ 9,574 | \$ 9,957 | \$ 10,355 | \$ 10,769 | \$ 11,200 |
| General Instruction | \$ 1,950,523 | \$ 2,109,637 | \$ 2,230,890 | \$ 2,330,200 | \$ 2,430,157 | \$ 2,632,971 | \$ 2,850,613 |
| General Pre-School Education | 130,143 | 142,573 | 152,452 | 159,279 | 166,473 | 181,878 | 195,320 |
| General Elementary and Secondary Education | 1,820,380 | 1,967,064 | 2,078,438 | 2,170,921 | 2,263,684 | 2,451,093 | 2,655,293 |
| Special Education | \$ 812,842 | \$ 853,035 | \$ 905,490 | \$ 944,446 | \$ 981,441 | \$ 1,051,424 | \$ 1,115,512 |
| Mentally Handicapped Education | 259,480 | 270,877 | 287,923 | 300,306 | 313,116 | 331,207 | 349,926 |
| Physically Handicapped Education | 388,667 | 409,571 | 434,881 | 453,654 | 473,332 | 506,207 | 540,090 |
| Gifted and Talented Education | 164,695 | 172,587 | 182,686 | 190,486 | 194,993 | 214,010 | 225,496 |
| Compensatory Programs | \$ 398,054 | \$ 424,446 | \$ 455,277 | \$ 477,802 | \$ 505,375 | \$ 546,283 | \$ 588,284 |
| Compensatory Pre-School Education .. | 19,488 | 20,771 | 21,906 | 22,826 | 23,785 | 25,695 | 27,659 |
| Compensatory Elementary and Secondary Education | 378,566 | 403,675 | 433,371 | 454,976 | 481,590 | 520,588 | 560,625 |
| Vocational Education | \$ 355,730 | \$ 367,079 | \$ 380,699 | \$ 387,860 | \$ 399,114 | \$ 420,676 | \$ 441,637 |
| Vocational Secondary Education | 350,314 | 358,323 | 367,037 | 373,928 | 384,900 | 406,169 | 426,826 |
| Community Education | 5,416 | 8,756 | 13,662 | 13,932 | 14,214 | 14,507 | 14,811 |
| Higher Education | \$ 1,093,901 | \$ 1,165,371 | \$ 1,214,491 | \$ 1,271,859 | \$ 1,331,487 | \$ 1,386,367 | \$ 1,440,672 |
| Assistance to Higher Education | 981,525 | 1,045,330 | 1,081,794 | 1,133,856 | 1,187,965 | 1,237,106 | 1,285,443 |
| Financial Assistance to Students | 94,488 | 101,080 | 111,840 | 116,312 | 120,963 | 125,800 | 130,830 |
| Financial Assistance to Institutions | 17,888 | 18,961 | 20,857 | 21,691 | 22,559 | 23,461 | 24,399 |
| PROGRAM TOTAL | <u>\$ 4,620,992</u> | <u>\$ 4,929,318</u> | <u>\$ 5,196,421</u> | <u>\$ 5,422,124</u> | <u>\$ 5,657,929</u> | <u>\$ 6,048,490</u> | <u>\$ 6,447,918</u> |

SOCIAL DEVELOPMENT

| | (Dollar Amounts in Thousands) | | | | | | | |
|---------------------|-------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|--|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated | |
| General Fund | \$ 538,664 | \$ 578,056 | \$ 640,678 | \$ 676,712 | \$ 704,525 | \$ 733,549 | \$ 763,719 | |
| Special Funds | 427,049 | 470,615 | 477,353 | 527,032 | 598,623 | 629,398 | 663,104 | |
| Federal Funds | 446,470 | 464,352 | 497,579 | 525,507 | 538,165 | 552,203 | 566,104 | |
| Other Funds | 13,850 | 13,741 | 13,276 | 12,366 | 12,503 | 12,649 | 12,818 | |
| TOTAL | <u>\$ 1,426,033</u> | <u>\$ 1,526,764</u> | <u>\$ 1,628,886</u> | <u>\$ 1,741,617</u> | <u>\$ 1,853,816</u> | <u>\$ 1,927,799</u> | <u>\$ 2,005,745</u> | |

The Social Development program provides services to individuals who are in need of various levels of care, remedial treatment, rehabilitation or social services to deal with problems of mental retardation, visual and physical handicaps, aging and youth.

The budget includes \$13.9 million to continue two attendant care programs for adult and elderly individuals who are physically handicapped but mentally alert. Of these funds, \$5.4 million will be provided by the Lottery Fund for senior citizens through the Department of Aging and \$8.5 million of General and Federal Funds will be allocated to the Department of Public Welfare for services to adults aged 18 to 59 who are physically handicapped and mentally alert. The program will provide in-home services for physically handicapped persons who do not require extensive medical care so that they may remain in or return to their own homes. In addition to providing important services for handicapped individuals, this program has created jobs for several hundred attendants.

A major program, the Pharmaceutical Assistance Contract for Elderly (PACE), was implemented to help senior citizens defray the cost of prescription drugs. Since inception of the program in July 1984 through the end of January 1987, more than 450,000 persons had received benefits and over 20 million reduced price prescriptions were dispensed at a savings to senior citizens of over \$248 million.

Due to increasing costs in the PACE Program and declining Lottery Fund balances, two programs previously funded from the Lottery Fund will be funded from the General Fund beginning in 1987-88. The programs to be transferred to the General Fund are Supplemental Security Income Grants and Community Mental Retardation Services for the Elderly.

The State Lottery Fund is a major source of funds for grants to the Area Agencies on Aging. During 1987-88, over \$94 million in Lottery Fund monies will be made available to the Commonwealth's 51 Area Agencies on Aging for the provision of social services to senior citizens. Of these funds, a 50 percent increase to \$24 million is being recommended for the expansion of in-home services for the frail elderly with the objective of providing an alternative to long-term

care in an institutional setting.

The Long-Term Care Assessment and Management Program (LAMP) for applicants for Medical Assistance funded nursing home care is operational in seven counties to assure that community-based care is provided when appropriate. The budget recommendation for 1987-88 includes \$5 million in Lottery and Federal funds for pre-admission assessments and \$13.3 million for the provision of in-home services to enable individuals to receive care in the community rather than enter an institution.

Two new programs designed to assist the frail elderly and their families are recommended for 1987-88. The Transitional Care Program will provide intensive in-home services to older persons discharged from hospitals. Services will be directed toward preventing readmission to a hospital or nursing home while promoting recovery in the shortest possible time. The Family Caregiver Support Program would be directed toward those providing care to an elderly individual. Services provided would attempt to reduce the likelihood of caregiver "burnout" thereby reducing the potential placement of an elderly individual in an institution.

The Commonwealth provides transportation programs for the purpose of increasing the mobility of its senior citizens.

Since 1973, the Commonwealth's senior citizens have been 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 of 1980, the free service was extended to commuter rail lines.

A Shared Ride Program for senior citizens was implemented in 1980 in recognition that many senior citizens do not have fixed route service available. This program permits senior citizens 65 years of age or older to ride on shared-ride systems and pay only 25 cents or 10 percent of the shared-ride fare whichever is greater.

The Human Services Development Fund provides counties with a flexible source of funding to be used within six program areas: adult services, aging, children and youth, drug and alcohol, mental retardation, and mental health.

Services for persons who are mentally retarded continue to emphasize community programming and appropriate residential placement. Institutional programs have tradi-

tionally received substantial reimbursement through the Medicaid (Title XIX) program for services. Generally, services in the community have been funded by State, county and private resources. Waiver requests have been approved by the Federal government to permit the Medicaid (Title XIX) reimbursement of certain community-based services for persons who are either residents in institutions or are at risk of being institutionalized.

Other initiatives funded in the recommended budget under Community Mental Retardation Services include expansion of the waiver placements in the community, (625 placements funded at \$8,031,000), the addition of 66 new case managers (\$410,000) for the county programs, the funding of 50 county MH/MR positions (\$303,000) to assist in the responsibility of administering the Medicaid Waiver program by assuring program and financial compliance with Federal requirements, and contracts for the assessment of county provisions of services and assessment of 500 clients' develop-

ment and satisfaction with the county services. The Intermediate Care Facilities/Mentally Retarded (ICF/MRs) will develop 375 additional beds in small (16 fewer persons) facilities in the community (\$3,318,000). The State Mental Hospital at Norristown will establish a 58 bed ICF/MR unit (\$743,000) on its grounds.

Funding for children and youth has been increased in several areas. The county child welfare program will have over \$6 million additional in State funds available for the provision of foster care services and other children and youth services. The budget recommendation includes a Program Revision of \$2.5 million for additional child abuse prevention programs. Funding is being increased for the treatment of young offenders at State operated youth development centers. State funding for day care services has been increased by \$3.7 million and latchkey programs for school-age children before and after school and during school vacations are being continued.

SOCIAL DEVELOPMENT

Contribution by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| General Administration and Support | \$ 1,086 | \$ 993 | \$ 1,043 | \$ 1,080 | \$ 1,115 | \$ 1,155 | \$ 1,189 |
| Social Development of Individuals | \$ 185,643 | \$ 208,629 | \$ 230,637 | \$ 239,164 | \$ 248,013 | \$ 257,153 | \$ 266,505 |
| Youth Development Services | 28,628 | 28,425 | 32,301 | 33,222 | 34,435 | 35,707 | 37,032 |
| Family Support Services | 157,015 | 180,204 | 198,336 | 205,942 | 213,578 | 221,446 | 229,473 |
| Support of the Aged | \$ 424,969 | \$ 468,526 | \$ 479,468 | \$ 527,152 | \$ 598,748 | \$ 629,528 | \$ 663,239 |
| Support of the Aged | 424,969 | 468,526 | 479,468 | 527,152 | 598,748 | 629,528 | 663,239 |
| Mental Retardation | \$ 354,015 | \$ 370,523 | \$ 406,883 | \$ 436,348 | \$ 455,272 | \$ 475,111 | \$ 495,890 |
| Community Based Services | 206,254 | 222,004 | 248,943 | 267,519 | 279,727 | 292,486 | 305,812 |
| Private Intermediate Care Facilities ... | 35,015 | 44,815 | 54,509 | 62,567 | 65,380 | 68,323 | 71,397 |
| State Centers | 112,746 | 103,704 | 103,431 | 106,262 | 110,165 | 114,302 | 118,681 |
| PROGRAM TOTAL | <u>\$ 965,713</u> | <u>\$ 1,048,671</u> | <u>\$ 1,118,031</u> | <u>\$ 1,203,744</u> | <u>\$ 1,303,148</u> | <u>\$ 1,362,947</u> | <u>\$ 1,426,823</u> |

ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| General Fund | \$ 1,224,603 | \$ 1,166,763 | \$ 1,175,342 | \$ 1,203,734 | \$ 1,258,277 | \$ 1,260,808 | \$ 1,274,447 |
| Special Funds | 19,553 | 19,747 | 2,068 | 2,151 | 2,237 | 2,326 | 2,420 |
| Federal Funds | 1,099,237 | 1,200,139 | 1,150,661 | 1,167,203 | 1,177,398 | 1,196,900 | 1,214,927 |
| Other Funds | 353,387 | 479,819 | 422,618 | 410,655 | 426,419 | 421,365 | 422,439 |
| TOTAL | <u>\$ 2,696,780</u> | <u>\$ 2,866,468</u> | <u>\$ 2,750,689</u> | <u>\$ 2,783,743</u> | <u>\$ 2,864,331</u> | <u>\$ 2,881,399</u> | <u>\$ 2,914,233</u> |

The Governor has proposed a major reorganization and strengthening of the Commonwealth's economic development programs. The specifics of this comprehensive proposal are presented in the portion of the 1987-88 recommended budget dealing with the Spending Plan for an Economic Development Partnership.

Other major priorities of this budget center around a significant increase in General Fund support for housing and redevelopment, increased emphasis on job training activities, a restructured energy conservation program, various income maintenance initiatives including expansion of services to homeless individuals and families, continued emphasis on proper management of the Commonwealth's mineral resources, and support of agricultural development.

The Department of Community Affairs' Housing and Redevelopment Program is targeted for a 25 percent increase in General Fund support to \$25 million in order to encourage local development in the Commonwealth. At the same time, Federal block grants will continue to play an important but diminished role in community revitalization efforts, important because of the amount of funds involved but diminished due both to Federal budget cuts and efforts on the part of the Commonwealth during the current year to finally allocate previously appropriated Federal funds. The Community Services Block Grant will provide approximately \$15 million for community-based programs offering health, nutrition, housing and employment-related activities, while an anticipated \$60 million in Small Communities expenditures will be targeted to expanding low and moderate income housing, improving land use and correcting deficiencies in public facilities that affect health and safety.

Developing and maintaining a skilled, quality work force in Pennsylvania through job training is a critical component of the Commonwealth's economic development strategy. During 1987-88, major employment and training efforts will continue to be provided through the Department of Education's Customized Job Training (CJT) Program, the Department of Labor and Industry's Job Training Partnership Act (JTPA) and Vocational Rehabilitation (OVR) programs, as well as through special State funded initiatives to provide training for general assistance welfare recipients and pregnant and parenting teenagers.

The Commonwealth's CJT Program is designed to train unemployed persons for new jobs. The CJT Program also allows the Commonwealth to respond quickly to the training needs of business and industry and to encourage the expansion of existing firms and the establishment of new ones. This budget requests \$13,500,000 to support the CJT Program during 1987-88 and to continue to meet the training needs of individuals and business and industry.

JTPA is designed to aid the entry or re-entry and productive participation of economically disadvantaged youth and adults and dislocated workers into the work force through job training, education and job placement activities. It is estimated that approximately \$190 million in Federal funds will be available in 1987-88, and \$10,500,000 in State funds are recommended to fulfill the matching requirements. Pennsylvania will place particular emphasis on JTPA programs benefiting welfare recipients, displaced homeowners, youths and dislocated workers.

This budget also provides \$2 million in State funds to continue support for job training programs for General Assistance welfare recipients. The funds, distributed on a competitive grant basis to local Private Industry Councils (PICs), are used to provide education services, such as adult literacy training, and a range of prevocational services including job readiness training, paid work experience and job search assistance. Upon completion of this training, General Assistance recipients are able to find a job or to enter and complete Federally-funded JTPA occupational skills job training programs.

Also included is \$625,000 in State funds, augmented by \$1,000,000 in JTPA funds, to continue comprehensive training programs for pregnant teenagers and teenage parents, including vital support services such as day care and transportation, thereby helping to avoid long-term welfare dependency for these youths. A related initiative designed to help pregnant teenagers and teen parents complete high school is funded in the Department of Education and is discussed in the Intellectual Development and Education Program.

Within the Vocational Rehabilitation (OVR) Program, a \$425,000 or 42 percent increase is recommended to expand and improve services provided by centers for independent

living (CILs). The CILs provide a range of services aimed at allowing the severely handicapped to bridge the gap between institutionalization and independence by improving their ability to live more independently, creating the possibility of entering vocational rehabilitation training and eventually securing employment.

The low-income Energy Conservation Program envisioned by Act 122 of 1986 will be carried forward into 1987-88 through the Energy Conservation and Assistance Fund. A total of \$31,874,000 is recommended for the supplemental low income assistance and weatherization programs and is designed to maintain level funding for the programs despite Federal reductions. The Supplemental Assistance Program, in conjunction with the Low Income Home Energy Assistance Program (LIHEAP), pays a portion of the heating costs for Pennsylvanians who are at or below 150 percent of the Federal poverty guideline while the Weatherization Program installs conservation measures in homes to reduce future heating costs. Act 122 requires that the Weatherization Program conform to the program requirements of the LIHEAP Program which places emphasis on furnace retrofits.

In addition to the Supplemental Weatherization and Assistance Programs, the budget recommends \$8,837,000 for the energy conservation programs conducted by the Governor's Energy Council (GEC). Over 35 percent of the recommended amount is carryover from the 1986-87 Institutional Conservation Program (ICP). These projects typically require extensive construction that must be scheduled when the facility is unoccupied and, therefore, cannot be completed within the fiscal year. The recommendation also includes \$2 million to authorize new ICP projects.

Act 122 included authorization for the State Energy Conservation Program and the Energy Extension Service administered by the GEC. Specific projects recommended for 1987-88 include \$1 million for the Pennsylvania Energy Centers, \$1 million to install conservation measures in low income multi-family buildings, \$150,000 for conservation assistance to senior citizens and demonstrating conservation to meet critical needs, \$750,000 for installing energy conservation measures in nonprofit facilities and \$250,000 for demonstrating conservation techniques in commercial facilities.

Four income maintenance initiatives are included in this budget. A major program revision in the Department of Public Welfare (DPW) provides \$4.3 million in State funds plus \$5 million from the Pennsylvania Housing Finance Agency (PHFA) for services to homeless individuals and families. The DPW segment includes: a bridge housing program to provide transitional housing to serve those in need of temporary housing while preparing to live independently; housing assistance in the form of rent, utility payments or security deposits to avoid eviction or expedite movement from temporary to permanent housing; housing for the

chronically mentally ill to serve those individuals unable to care for themselves in other residential programs; an emergency shelter program for immediate shelter needs; and a single room occupancy (SRO) program to provide low cost single room residences for the homeless or other low income individuals. The PHFA portion will provide assistance in a program for homeless housing.

A second major income maintenance initiative in this budget is a cash grant increase to be effective on January 1, 1988. All family sizes' benefit levels will be increased by approximately five percent.

Funds are also included to improve the working environment in the Department of Public Welfare's county assistance offices. In addition to promoting improved levels of service, this will provide better facilities for the recipients.

In addition, funding has been included in this budget for the continued development and implementation of the Family Assistance Management Information System (FAMIS), a computer-based data file. FAMIS will assist the Department of Public Welfare in activities which are necessary to process applications for assistance and maintain recipient records.

Payments to crime victims are expected to total \$2.8 million in 1987-88. No State funds are required because the Federal Victims of Crime Act of 1984 makes Federal funds available to states for crime victim compensation and State Act 96 of 1984 allows court costs to be placed in a restricted account and used for such payments.

The Commission on Crime and Delinquency also has several responsibilities under these two acts. Act 96 of 1984 mandates the commission to provide technical assistance and financial grants to criminal justice agencies for developing services for victims of crime. The Federal Victims of Crime Act also provides funds for financial assistance to state and local government and private agencies for victim services.

During the last year, the commission published standards for the fair treatment of victims and witnesses of crime, and awarded 138 grants totalling approximately \$2.8 million to victims and witnesses of crimes.

Management of the Commonwealth's mineral resources continues to be a significant part of this program. In 1986-87 a 25 year program to reclaim over 21,000 acres of abandoned surface mine was begun. Funding is provided from a General Fund appropriation of \$2 million per year, along with additional support from the Surface Mining Conservation and Reclamation Fund; these latter funds were freed by the transfer of non-direct reclamation personnel to the General Fund.

Finally, a \$3 million three year continuing General Fund appropriation is provided for a new agricultural development program to replace the current Pennsylvania Economic Revitalization Fund (PERF) Agricultural Loan program, for which demand has been negligible.

ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE

Contribution by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| General Administration and Support | \$ 13,974 | \$ 14,631 | \$ 8,938 | \$ 9,274 | \$ 9,618 | \$ 9,984 | \$ 10,341 |
| Commonwealth Economic Development ... | \$ 195,420 | \$ 107,306 | \$ 20,317 | \$ 18,471 | \$ 18,201 | \$ 20,086 | \$ 17,065 |
| Tourism and Travel Development | 9,978 | 13,373 | ..... | ..... | ..... | ..... | ..... |
| Industrial Development | 140,858 | 41,678 | 4,458 | 5,121 | 4,752 | 3,771 | 3,573 |
| Scientific and Technological Development | 26,337 | 32,797 | 1,206 | 1,385 | 1,286 | 1,020 | 966 |
| International Trade | 6,710 | 7,630 | ..... | ..... | ..... | ..... | ..... |
| Agribusiness Development | 9,953 | 10,343 | 13,182 | 10,435 | 10,572 | 13,640 | 10,805 |
| Energy Management | 1,584 | 1,485 | 1,471 | 1,530 | 1,591 | 1,655 | 1,721 |
| Economic Development of Disadvantaged and Handicapped | \$ 898,121 | \$ 906,383 | \$ 895,824 | \$ 934,986 | \$ 952,800 | \$ 963,804 | \$ 979,425 |
| Income Maintenance | 852,898 | 850,484 | 843,170 | 880,668 | 894,915 | 903,581 | 917,865 |
| Achieve Economic Independence- Socially and Economically Disadvantaged | 28,908 | 37,444 | 31,752 | 32,133 | 32,514 | 32,860 | 33,199 |
| Achieve Economic Independence- Physically and Mentally Handicapped | 12,754 | 14,897 | 17,536 | 18,794 | 21,954 | 23,919 | 24,889 |
| Community Conservation and Youth Employment | 3,561 | 3,558 | 3,366 | 3,391 | 3,417 | 3,444 | 3,472 |
| Community Physical Development | \$ 61,151 | \$ 67,654 | \$ 64,435 | \$ 49,350 | \$ 49,269 | \$ 32,034 | \$ 31,955 |
| Housing and Redevelopment | 61,151 | 67,654 | 64,435 | 49,350 | 49,269 | 32,034 | 31,955 |
| Improvement of Local Government Operations | \$ 37,907 | \$ 44,954 | \$ 40,426 | \$ 42,011 | \$ 78,660 | \$ 80,375 | \$ 82,157 |
| Area-Wide Services | 275 | 175 | 175 | 175 | 175 | 175 | 175 |
| Municipal Administrative Support Capabilities | 36,740 | 43,855 | 39,318 | 40,875 | 77,495 | 79,179 | 80,929 |
| Community Development Planning ... | 892 | 924 | 933 | 961 | 990 | 1,021 | 1,053 |
| Natural Resource Development and Management | \$ 27,902 | \$ 35,048 | \$ 36,877 | \$ 38,036 | \$ 39,262 | \$ 40,429 | \$ 41,748 |
| Management of Land Resources | 10,741 | 13,063 | 14,026 | 14,506 | 15,026 | 15,459 | 16,014 |
| Regulation of Mineral Resources..... | 17,161 | 21,985 | 22,851 | 23,530 | 24,236 | 24,970 | 25,734 |
| Labor-Management Relations | \$ 2,407 | \$ 2,461 | \$ 2,471 | \$ 2,570 | \$ 2,673 | \$ 2,779 | \$ 2,891 |
| Industrial Relations Stability | 2,407 | 2,461 | 2,471 | 2,570 | 2,673 | 2,779 | 2,891 |
| Veterans' Compensation | \$ 7,274 | \$ 8,073 | \$ 8,066 | \$ 8,084 | \$ 8,110 | \$ 8,132 | \$ 8,160 |
| Vietnam Veterans' Compensation | 7,274 | 8,073 | 8,066 | 8,084 | 8,110 | 8,132 | 8,160 |
| Economic Development Partnership ..... | ..... | ..... | \$ 100,056 | \$ 103,103 | \$ 101,921 | \$ 105,511 | \$ 103,125 |
| Economic Development Partnership ... | ..... | ..... | 100,056 | 103,103 | 101,921 | 105,511 | 103,125 |
| PROGRAM TOTAL | \$ 1,244,156 | \$ 1,186,510 | \$ 1,177,410 | \$ 1,205,885 | \$ 1,260,514 | \$ 1,263,134 | \$ 1,276,867 |

TRANSPORTATION AND COMMUNICATION

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| General Fund | \$ 191,365 | \$ 199,622 | \$ 215,922 | \$ 223,895 | \$ 232,939 | \$ 241,992 | \$ 251,268 |
| Special Funds | 1,121,174 | 1,142,249 | 1,166,134 | 1,116,931 | 1,110,989 | 1,102,082 | 1,094,746 |
| Federal Funds | 797,273 | 876,986 | 772,859 | 603,674 | 716,102 | 652,341 | 590,192 |
| Other Funds | 180,853 | 394,483 | 359,783 | 340,536 | 207,467 | 213,769 | 217,332 |
| TOTAL | <u>\$ 2,290,665</u> | <u>\$ 2,613,340</u> | <u>\$ 2,514,698</u> | <u>\$ 2,285,036</u> | <u>\$ 2,267,497</u> | <u>\$ 2,210,184</u> | <u>\$ 2,153,538</u> |

Recognizing the importance that a well maintained and ever improving transportation system plays in the economic vitality of the Commonwealth, the Department of Transportation is moving in a number of program areas.

Replacement and rehabilitation of the Commonwealth's bridges continues at an accelerated rate due to funds being generated through a \$36 per axle tax on all heavy trucks travelling within the Commonwealth's borders. Since the passage of Acts 234 and 235 of 1982, the Department of Transportation has proceeded with 617 bridge restoration and replacement projects at a cost of \$876 million. Between now and the end of 1988, the remaining 326 projects worth \$403 million are scheduled to proceed. In an effort to maintain the momentum created by Acts 234 and 235 of 1982, the General Assembly passed Act 100 of 1986 which authorized the second Billion Dollar Bridge Program. This was done to ensure proper time for design and planning on an additional 3,580 State, local and railroad bridge projects as work on phase I approaches completion in 1988.

A major priority of this Administration's transportation program will be to continue the completion and reconstruction of Pennsylvania's Interstate Highway System.

There is a major reconstruction program presently underway to restore the Commonwealth's Interstate System. The Department of Transportation has committed the maximum amount of available Federal Interstate Restoration Funds to this effort. Included in this program has been the transfer of \$471 million of Interstate Completion apportionments to Interstate Restoration over four years as permitted by Federal law.

A related objective is to have all Interstate Construction gaps under construction during the budget year and to have all segments open to traffic by 1990. Interstate Completion funds have been authorized by Congress through 1990. Based on the imposition of projected Federal obligation limits, Pennsylvania will not have sufficient Federal funds to continue a high level of Interstate Restoration and have all interstate gaps completed by 1990. An alternative included in a provision of Federal law allows the Commonwealth to utilize 100 percent State funds in advance of future Federal reimbursements. Under Advance Construction Interstate (ACI) states can undertake construction projects with current revenues or with borrowing (Federal Revenue Anticipa-

tion Notes or FRANS) until Federal funds become available. FRANS indebtedness was authorized by the General Assembly initially in 1985-86 and again in 1986-87. This budget proposes the issuance of FRANS in the amount of \$130 million in 1987-88 to continue the Commonwealth's restoration at a high level and to have all Interstate Completion gaps open to traffic by 1990.

Related to the Administration's Interstate efforts is the work planned on the balance of the Commonwealth's highway system. The department has set a goal of over 6,000 miles of surface improvements for 1987-88. The recommended highway maintenance budget of \$620 million will provide for approximately 548 miles of resurfacing and approximately 5,448 miles of surface treatment. In addition to the \$620 million to be allocated utilizing revised maintenance formula factors, this budget recommends a highway maintenance supplemental appropriation of \$16.8 million to insure that counties do not receive less than their 1986-87 allocation.

The transfer of certain State roads to local jurisdictions will continue during 1987-88. Act 32 of 1983 established a local road turnback program by authorizing a separate restricted revenue account within the Motor License Fund. At the current level of funding about 5,800 miles of State roads will eventually be turned back to local governments.

This budget proposes a General Fund subsidy of \$195.3 million for the mass transportation operating assistance program. This represents a \$15.3 million (8.5 percent) increase over the available year. Also, in recognition of the growing concerns expressed by the Commonwealth's urban transit systems over the current allocation process this budget proposes sweeping changes to Act 101 of 1980. The proposed legislative changes will contain the following features:

- The linkage between the size of a transit system's operating deficit and the amount of its State grant will be eliminated.
- All urban system grants will be based on fixed percentages of the statewide transit appropriation. These percentages take into account historical funding, farebox revenue, and vehicle miles.

- Generally, there will be a local funding commitment equal to not less than 1/3 of the State grant for all systems with some minor exceptions for selected small systems.
- Transit systems will be required to balance their budgets.
- Transit systems will be audited as in the past except generally accepted accounting principles standards are to be used in conducting future audits.
- Transit systems will be required to adopt service standard and performance measure goals. The performance levels actually achieved will be transmitted to the department and released to the public.

These changes will enable the Department of Transportation to advise the systems of their final State operating assistance grants before the fiscal year begins which will enable the systems to develop balanced budgets.

The Commonwealth has been able to take a more active role in insuring that statewide airport facilities are not only preserved but expanded through the additional revenues and programs authorized by Act 164 of 1984. The programs created are as follows: a rebate program for real estate taxes paid by privately-owned public use airports; a revolving loan program for airport development; a runway marking program, a highway sign program to install directional signs to airports; and a visibility marker program to mark power lines near runways.

With the exception of Harrisburg International Airport which is owned by the Commonwealth all airline service airports in Pennsylvania are operated by local governments or authorities. At the present time a task force comprised of residents of York, Dauphin and Cumberland counties is determining whether divestiture of the Harrisburg International and Capital City Airports is in the best interests of the tri-county area. Given that no divestiture decision has been made at this time this budget includes operating funding for 1987-88 and future years for both airports.

TRANSPORTATION AND COMMUNICATION

Contribution by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| General Administration and Support | \$ 31,118 | \$ 31,733 | \$ 32,423 | \$ 33,038 | \$ 33,916 | \$ 34,799 | \$ 35,748 |
| Transportation Systems and Services | \$ 1,281,421 | \$ 1,310,138 | \$ 1,349,633 | \$ 1,307,788 | \$ 1,310,012 | \$ 1,309,275 | \$ 1,310,266 |
| State Highway Construction | 916,861 | 925,641 | 959,410 | 910,493 | 902,963 | 892,407 | 883,351 |
| Local Highway Assistance | 152,870 | 159,825 | 158,215 | 158,298 | 159,044 | 159,848 | 160,658 |
| Urban Mass Transportation | 181,386 | 187,831 | 204,136 | 212,848 | 221,898 | 230,949 | 240,215 |
| Intercity Rail and Rural Bus Transportation | 8,741 | 10,412 | 9,896 | 9,433 | 9,446 | 9,459 | 9,473 |
| Air Transportation | 314 | 338 | 213 | 211 | 210 | 209 | 208 |
| Water Transportation | 622 | 591 | 563 | 505 | 451 | 403 | 361 |
| State Bridge Projects | 20,627 | 25,500 | 17,200 | 16,000 | 16,000 | 16,000 | 16,000 |
| PROGRAM TOTAL | <u>\$ 1,312,539</u> | <u>\$ 1,341,871</u> | <u>\$ 1,382,056</u> | <u>\$ 1,340,826</u> | <u>\$ 1,343,928</u> | <u>\$ 1,344,074</u> | <u>\$ 1,346,014</u> |

RECREATION AND CULTURAL ENRICHMENT

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| General Fund | \$ 108,809 | \$ 110,938 | \$ 120,489 | \$ 127,426 | \$ 130,407 | \$ 133,149 | \$ 137,126 |
| Special Funds | 54,993 | 56,566 | 51,250 | 52,962 | 54,789 | 56,170 | 54,135 |
| Federal Funds | 8,585 | 9,338 | 9,772 | 10,091 | 9,993 | 10,054 | 10,066 |
| Other Funds | 40,278 | 39,276 | 16,525 | 16,582 | 16,726 | 16,762 | 16,793 |
| TOTAL | \$ 212,665 | \$ 216,118 | \$ 198,036 | \$ 207,061 | \$ 211,915 | \$ 216,135 | \$ 218,120 |

Pennsylvania has an abundant and varied historic and cultural heritage. Because of this, its citizens are offered a variety of cultural and recreational experiences. The funding contained in this budget will support and expand these experiences.

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 quality of the programs is maintained through an ongoing evaluation process.

The Administration has adopted a goal of providing \$1 per capita for support of the arts in Pennsylvania by 1988-89. The 1987-88 recommendation of \$9 million provides \$.76 per capita, a 29 percent increase over 1986-87. The increased funds will make a variety of arts programs accessible to more Pennsylvanians.

Funding of \$750,000 an increase of 50 percent is provided for continued maintenance and preservation of the Commonwealth's 27 historic sites and museums which it directly administers, as well as 30 historic sites and museums managed under alternative plans by community groups. Preservation maintenance for each historic site or museum is essential to protect and preserve the original fabric of the historic structure or landscape, which is an integral part of the properties' historic significance.

This program also provides \$260,000 to improve and maintain the security and fire protection of the Commonwealth's valuable and irreplaceable historic buildings, structures, museums, and collections.

The Historical and Museum Commission has 465 buildings and structures housing over 1.5 million museum objects representing the cultural and natural history of the Commonwealth.

The Museum Assistance Program which provides assistance to museums to encourage and expand public programs is continuing. There are five principal areas of assistance to these museums: collections management; education and public programs; institutional development; collaborative programs and initiatives; and promotion marketing. The recommended funding for this program is

\$927,000. Also recommended is \$100,000 for the Humanities Council. This non-profit private organization funds programs relating to the study and appreciation of the humanities to the current conditions of life.

The Commonwealth provides funds for support to public libraries and special support to those providing regional services and services to the blind and handicapped. The Library Access program which is being implemented over several years will establish support for a statewide library card, the interlibrary delivery of materials and the cost of an increased interlibrary loan program. The recommended budget includes \$1.0 million to implement this system.

The Commonwealth supports public television by funding the operation of the Pennsylvania Public Television Network and by funding grants through the Commission budget for support of the operating and programming costs of the seven public television stations in the Commonwealth. Included in the budget recommendation for the Network is \$120,000 for the replacement of two videotape recorders and \$70,000 to purchase equipment to enhance small group videoconferencing.

The budget provides General Funds to continue the Pennsylvania Conservation Corps (PCC) which was established as a Pennsylvania Economic Revitalization Fund program in Act 112 of 1984. This program provides employment to young men and women of the Commonwealth in work training projects that provide work experience and increases their likelihood of obtaining full-time employment in the future. Pennsylvania youth enrolled in the program work on labor-intensive work projects on public lands and facilities with the objective of increasing future public value and generating future revenue. PCC projects include the rehabilitation and development of State parks, forests, and recreation facilities as well as assistance in State emergencies and disasters. The Conservation Corps will receive \$4,050,000 for corps member and crewleader wages and \$4,950,000 for the purchase of construction materials and site development for a total of \$9 million to fund the Pennsylvania Conservation Corps for the 1988 construction season.

RECREATION AND CULTURAL ENRICHMENT

Contribution by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| General Administration and Support | \$ 4,911 | \$ 4,920 | \$ 5,187 | \$ 5,394 | \$ 5,610 | \$ 5,835 | \$ 6,068 |
| Recreation | \$ 108,964 | \$ 107,939 | \$ 107,996 | \$ 111,416 | \$ 114,630 | \$ 116,443 | \$ 115,978 |
| Management of Recreation Areas and Facilities | 40,683 | 38,696 | 45,353 | 46,763 | 48,121 | 49,179 | 50,692 |
| Recreational Hunting | 38,426 | 39,310 | 33,838 | 35,122 | 36,476 | 37,793 | 35,779 |
| Recreational Fishing and Boating | 20,702 | 21,299 | 21,009 | 21,464 | 21,998 | 21,955 | 21,980 |
| Local Recreation Areas and Facilities .. | 9,153 | 8,634 | 7,796 | 8,067 | 8,035 | 7,516 | 7,527 |
| Cultural Enrichment | \$ 49,927 | \$ 54,645 | \$ 58,556 | \$ 63,578 | \$ 64,956 | \$ 67,041 | \$ 69,215 |
| Development and Promotion of Pennsylvania State and Local History | 440 | 572 | 539 | 557 | 575 | 594 | 614 |
| Museum Development and Operation .. | 8,703 | 9,159 | 9,304 | 9,528 | 9,772 | 10,033 | 10,312 |
| Development and Preservation of Historic Sites and Properties | 5,286 | 5,644 | 6,159 | 6,499 | 6,109 | 6,336 | 6,562 |
| State Library Services | 22,628 | 24,940 | 25,884 | 27,086 | 28,347 | 29,671 | 31,059 |
| Development of Artists and Audiences | 6,720 | 7,780 | 9,800 | 12,832 | 12,865 | 12,900 | 12,936 |
| Public Television Services | 6,150 | 6,550 | 6,870 | 7,076 | 7,288 | 7,507 | 7,732 |
| PROGRAM TOTAL | <u>\$ 163,802</u> | <u>\$ 167,504</u> | <u>\$ 171,739</u> | <u>\$ 180,388</u> | <u>\$ 185,196</u> | <u>\$ 189,319</u> | <u>\$ 191,261</u> |

SUMMARY BY FUND

New York Signers of the Constitution:
Alexander Hamilton



**New Jersey
Signers of the Constitution:**
*David Brearly
Jonathan Dayton
William Livingston
William Patterson*

GENERAL FUND

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

Pennsylvania's major sources of General Fund revenues are corporation taxes, consumption taxes, (including the Sales and Use Tax), other taxes (including the Personal Income Tax) and nontax revenues.

GENERAL FUND

Financial Statement

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|--------------------------|------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Estimated |
| Beginning Balance | \$ 310,468 | \$ 212,772 | \$ 261,543 |
| Adjustment to Beginning Balance ..... | ..... | 7,100* | ..... |
| Adjusted Beginning Balance | <u>\$ 310,468</u> | <u>\$ 219,872</u> | <u>\$ 261,543</u> |
| Revenue: | | | |
| Official Estimate | \$9,087,005 | \$9,652,375 | \$10,241,787 |
| Adjustment to Official Estimate | 229,216 | 167,925 | ..... |
| Less Refunds Reserve | -129,400 | -154,000 | -177,000 |
| Accrued Revenue Unrealized | 367,927 | 409,425 | 433,824 |
| Less Revenues Accrued Previously | -327,428 | -367,927 | -409,425 |
| Less Investment Tax Credit | -25,000 | ..... | ..... |
| Less Jobs Creation Tax Credit ..... | ..... | -17,000 | -36,000 |
| Total Revenue | <u>\$9,202,320</u> | <u>\$9,690,798</u> | <u>\$10,053,186</u> |
| Prior Year Lapses | 42,056 | 50,000 | ..... |
| Funds Available | <u>\$9,554,844</u> | <u>\$9,960,670</u> | <u>\$10,314,729</u> |
| Expenditures: | | | |
| Appropriations | \$9,344,357 | \$9,670,524 | \$10,242,877 |
| Supplemental Appropriations ..... | ..... | 28,603 | ..... |
| Less Current Year Lapses | -52,285 | -50,000 | ..... |
| Estimated Expenditures | <u>-9,292,072</u> | <u>-9,649,127</u> | <u>-10,242,877</u> |
| Reserves: | | | |
| Tax Stabilization Reserve | \$ 25,000 | \$ 25,000 | \$ 35,000 |
| Sunny Day Fund | 25,000 | 25,000 | 35,000 |
| Total Reserves | <u>-50,000</u> | <u>-50,000</u> | <u>-70,000</u> |
| Ending Balance | <u><u>\$ 212,772</u></u> | <u><u>\$ 261,543</u></u> | <u><u>\$ 1,852</u></u> |

*Reflects the July 7, 1986 approval of Act 88 which deleted the \$7.1 million 1985-86 Disaster Assistance appropriation and replaced it with a \$15 million 1986-87 appropriation for the same purpose.

NOTES ON FINANCIAL STATEMENT
(Dollar Amounts in Thousands)

1986-87
Estimated

SUPPLEMENTAL APPROPRIATIONS

Education

| | |
|--|----------|
| Scranton State School for the Deaf | \$ 136 |
| School Employes' Social Security | 2,500 |
| Department Total | \$ 2,636 |

Environmental Resources

| | |
|---|----------|
| Black Fly Control | \$ 500 |
| Gypsy Moth and Other Insect Control | 475 |
| Huntingdon Correctional Institution Utilities | 381 |
| Department Total | \$ 1,356 |

General Services

| | |
|---------------------------------|----------|
| Commonwealth Data Network | \$ 1,696 |
|---------------------------------|----------|

Military Affairs

| | |
|----------------------------------|--------|
| Southeastern Veterans Home | \$ 543 |
|----------------------------------|--------|

Probation and Parole

| | |
|-------------------------------------|--------|
| General Government Operations | \$ 400 |
|-------------------------------------|--------|

Public Welfare

| | |
|----------------------------------|---------|
| Medical Assistance: | |
| Outpatient | \$ 646 |
| Transportation Block Grant | -646 |
| Subtotal ..... | . . . . |

| | |
|--|-----------|
| Supplemental Grants — Aged, Blind and Disabled | \$ 1,700 |
| State General Hospitals | 9,855 |
| State Mental Hospitals | 10,800 |
| State Centers for the Mentally Retarded | -1,200 |
| Department Total | \$ 21,155 |

Judiciary

| | |
|------------------------------------|--------|
| Courts of Common Pleas | \$ 160 |
| Common Pleas — Senior Judges | 657 |
| Department Total | \$ 817 |

| | |
|-------------|-----------|
| TOTAL | \$ 28,603 |
|-------------|-----------|

NOTES ON FINANCIAL STATEMENT

(Dollar Amounts in Thousands)

SUNNY DAY RESERVE

It is proposed that an additional \$35 million be appropriated to the Sunny Day Fund to alleviate unemployment by attracting large industrial, manufacturing or research and development plants into the Commonwealth. Specific spending plans will be proposed as opportunities are identified. With this additional amount the Sunny Day Reserve will exceed \$69 million in 1987-88.

TAX STABILIZATION RESERVE

It is proposed that an additional \$35 million be appropriated to the Tax Stabilization Reserve to provide a cushion to the State budget in times of economic downturns when revenues are depressed and social needs are the greatest. With this additional amount the Tax Stabilization Reserve will exceed \$89 million in 1987-88.

GENERAL FUND

STATE FUNDS BY DEPARTMENT

The following is a summary, by department of 1985-86 actual expenditures, of 1986-87 amounts available and of 1987-88 amounts budgeted from the General Fund as presented in the budget.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|---------------------------|----------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Governor's Office | \$ 3,332 | \$ 3,476 | \$ 3,712 |
| Executive Offices | 51,445 | 51,107 | 55,722 |
| Lieutenant Governor's Office | 676 | 668 | 711 |
| Attorney General | 24,639 | 25,043 | 26,305 |
| Department of the Auditor General | 27,181 | 27,477 | 29,712 |
| Treasury Department | 316,528 | 361,096 | 382,302 |
| Department of Aging ..... | ..... | ..... | 2,000 |
| Department of Agriculture | 33,007 | 31,398 | 34,189 |
| State Civil Service Commission | 1 | 1 | 1 |
| Department of Commerce | 179,420 | 92,014 | ..... |
| Department of Community Affairs | 32,280 | 45,798 | 41,621 |
| Department of Corrections | 185,268 | 204,543 | 241,071 |
| Crime Commission | 2,234 | 2,240 | 2,230 |
| Economic Development Partnership ..... | ..... | ..... | 100,056 |
| Department of Education | 4,352,069 | 4,639,038 | 4,872,801 |
| Emergency Management Agency | 19,773 | 2,462 | 2,467 |
| Department of Environmental Resources | 147,622 | 156,003 | 197,096 |
| Fish Commission | 5 | 7 | 7 |
| Department of General Services | 113,016 | 111,095 | 109,849 |
| Department of Health | 133,242 | 143,536 | 148,946 |
| Higher Education Assistance Agency | 117,576 | 125,566 | 138,498 |
| Historical and Museum Commission | 12,833 | 13,441 | 13,902 |
| Housing Finance Agency | 25,750 | 25,750 | 18,000 |
| Insurance Department | 7,530 | 7,952 | 8,600 |
| Department of Labor and Industry | 39,899 | 47,900 | 45,270 |
| Department of Military Affairs | 24,592 | 27,816 | 30,155 |
| Milk Marketing Board | 975 | 950 | 950 |
| Board of Probation and Parole | 26,475 | 30,034 | 34,782 |
| Public Television Network | 8,785 | 9,242 | 9,638 |
| Department of Public Welfare | 2,764,070 | 2,848,932 | 2,983,196 |
| Department of Revenue | 152,242 | 156,415 | 161,039 |
| Securities Commission | 2,154 | 2,346 | 2,529 |
| Department of State | 3,434 | 3,062 | 3,188 |
| State Employees' Retirement System | 1,403 | 1,193 | 679 |
| State Police | 64,896 | 68,814 | 81,076 |
| Tax Equalization Board | 945 | 933 | 1,015 |
| Department of Transportation | 185,886 | 193,380 | 208,739 |
| Legislature | 99,414 | 113,281 | 119,619 |
| Judiciary | 131,475 | 125,118 | 131,204 |
| TOTAL | <u>\$9,292,072</u> | <u>\$9,699,127</u> | <u>\$10,242,877</u> |

GENERAL FUND

FEDERAL FUNDS BY DEPARTMENT

The following is a summary of Federal Funds, by department, of 1985-86 expenditures, the 1986-87 amounts available and the 1987-88 amounts budgeted as presented in the General Fund budget. Excluded are revenue sharing monies which are shown in the special fund—Revenue Sharing Trust Fund. The General Assembly specifically appropriates Federal Funds by Federal source.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|---------------------------|---------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Executive Offices | \$ 7,162 | \$ 7,075 | \$ 29,218 |
| Attorney General | 1,701 | 1,864 | 1,968 |
| Department of Agriculture | 4,369 | 4,648 | 4,323 |
| Department of Commerce | 509 | 3,600 | ..... |
| Department of Community Affairs..... | 116,039 | 139,126 | 114,045 |
| Department of Corrections..... | 266 | 574 | 430 |
| Crime Commission..... | 1,301 | 1,800 | 1,800 |
| Economic Development Partnership ..... | ..... | ..... | 3,600 |
| Department of Education | 48,668 | 54,877 | 51,972 |
| Emergency Management Agency | 2,725 | 3,676 | 4,019 |
| Department of Environmental Resources..... | 60,437 | 104,586 | 101,266 |
| Department of General Services | 22 | ..... | ..... |
| Department of Health | 105,802 | 114,432 | 115,002 |
| Historical and Museum Commission | 452 | 729 | 657 |
| Department of Labor and Industry | 190,361 | 227,540 | 221,212 |
| Department of Military Affairs..... | 3,684 | 4,162 | 3,476 |
| Board of Probation and Parole..... | ..... | 38 | 19 |
| Public Utility Commission | 652 | 662 | 560 |
| Department of Public Welfare..... | 2,320,466 | 2,411,065 | 2,431,368 |
| State Police | 2,143 | 3,601 | 1,377 |
| Department of Transportation..... | 13,635 | 13,298 | 9,958 |
| TOTAL | <u>\$2,880,394</u> | <u>\$3,097,369</u> | <u>\$3,096,270</u> |

GENERAL FUND

AUGMENTATIONS BY DEPARTMENT

The following is a summary of Augmentations, by department, of 1985-86 expenditures, the 1986-87 amounts available and the 1987-88 amounts budgeted as presented in the General Fund budget.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|--------------------------|--------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Executive Offices | \$ 28,740 | \$ 30,298 | \$ 32,499 |
| Attorney General | 3,803 | 3,726 | 4,025 |
| Department of the Auditor General | 5,363 | 7,009 | 6,075 |
| Treasury Department | 665 | 993 | 865 |
| Department of Agriculture | 876 | 846 | 861 |
| State Civil Service Commission | 7,574 | 7,312 | 7,815 |
| Department of Commerce | 1,458 | 1,478 | |
| Department of Community Affairs | 5,674 | 5,700 | 5,669 |
| Department of Corrections | 695 | 710 | 716 |
| Economic Development Partnership ..... | . . . . | . . . . | 1,523 |
| Department of Education | 1,969 | 1,761 | 1,760 |
| Emergency Management Agency | 12 | 100 | 100 |
| Department of Environmental Resources | 16,457 | 16,977 | 17,396 |
| Department of General Services | 19,436 | 7,255 | 9,550 |
| Department of Health | 7,552 | 8,118 | 8,610 |
| Historical and Museum Commission | 711 | 510 | 475 |
| Insurance Department | 739 | 850 | 915 |
| Department of Military Affairs | 4,694 | 4,123 | 4,847 |
| Public Television Network ..... | . . . . | 168 | |
| Public Utility Commission | 24,290 | 24,800 | 25,989 |
| Department of Public Welfare | 162,066 | 155,414 | 152,775 |
| Department of Revenue | 7,461 | 7,309 | 7,086 |
| Securities Commission ..... | . . . . | 20 | 20 |
| Department of State | 10,719 | 10,858 | 11,162 |
| State Police | 12,177 | 12,204 | 13,145 |
| Department of Transportation | 1,711 | 752 | 731 |
| Legislature | 5 | 33 | 33 |
| Judiciary | 1,156 | 979 | 1,093 |
| TOTAL | <u>\$ 326,003</u> | <u>\$ 310,303</u> | <u>\$ 315,735</u> |

| |
|---------------------|
| GENERAL FUND |
|---------------------|

Summary by Department and Appropriation

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Governor's Office | | | |
| General Government | | | |
| Governor's Office | \$ 3,332 | \$ 3,476 | \$ 3,712 |
| DEPARTMENT TOTAL | \$ 3,332 | \$ 3,476 | \$ 3,712 |
| | | | |
| Executive Offices | | | |
| General Government | | | |
| Governor's Action Center | \$ 555 | \$ 559 | \$ 576 |
| Office of Administration | 4,152 | 4,000 | 4,358 |
| Office of the Budget | 18,978 | 18,678 | 19,719 |
| ICS Development | 3,126 | 3,231 | 3,531 |
| Office of Policy Development | 650 | 526 | 772 |
| Human Resources Committee | 295 | 290 | 299 |
| Milrite Council | 178 | 397 | 203 |
| Human Relations Commission | 5,041 | 5,199 | 5,898 |
| Council on the Arts | 723 | 780 | 800 |
| Commission for Women | 197 | 175 | 196 |
| Governor's Energy Council | 1,584 | 1,465 | 1,471 |
| Commission on Crime and Delinquency | 1,627 | 1,805 | 1,805 |
| Office of General Counsel | 1,301 | 1,318 | 1,358 |
| Juvenile Court Judges Commission | 475 | 475 | 489 |
| Crime Victims Compensation Board | 433 | 436 | 475 |
| Health Facilities Hearing Board | 148 | 168 | 173 |
| Health Care Conciliation Panels ..... | . . . . | 454 | |
| Public Employee Retirement Study Commission | 312 | 425 | 430 |
| Distinguished Daughters | 3 | 4 | 4 |
| Anti-Drug Abuse — Administration ..... | . . . . | . . . . | 84 |
| Anti-Drug Abuse — Law Enforcement State Match ..... | . . . . | . . . . | 562 |
| Subtotal | \$ 39,778 | \$ 40,385 | \$ 43,203 |
| | | | |
| Grants and Subsidies | | | |
| Grants to the Arts | \$ 5,997 | \$ 7,000 | \$ 9,000 |
| Improvement of Juvenile Probation Services | 2,638 | 2,902 | 2,989 |
| Compensation to Crime Victims | 2,300 | | |
| Labor Management Committees | 432 | 500 | 530 |
| Eagleville Hospital | 300 | 300 | |
| New Castle School District Energy Plan ..... | . . . . | 20 | |
| Subtotal | \$ 11,667 | \$ 10,722 | \$ 12,519 |
| | | | |
| TOTAL STATE FUNDS | \$ 51,445 | \$ 51,107 | \$ 55,722 |
| | | | |
| Federal Funds | \$ 7,162 | \$ 7,075 | \$ 29,218 |
| Augmentations | 28,740 | 30,298 | 32,499 |
| DEPARTMENT TOTAL | \$ 87,347 | \$ 88,480 | \$ 117,439 |

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

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Office of the Lieutenant Governor | | | |
| General Government | | | |
| Lieutenant Governor's Office | \$ 480 | \$ 476 | \$ 503 |
| Board of Pardons | 196 | 192 | 208 |
| DEPARTMENT TOTAL | <u>\$ 676</u> | <u>\$ 668</u> | <u>\$ 711</u> |
| | | | |
| Attorney General | | | |
| General Government | | | |
| Attorney General's Office | \$ 24,100 | \$ 24,426 | \$ 25,609 |
| County Trial Reimbursement | 100 | 175 | 100 |
| Hazardous Waste Prosecutions | 439 | 442 | 596 |
| TOTAL STATE FUNDS | <u>\$ 24,639</u> | <u>\$ 25,043</u> | <u>\$ 26,305</u> |
| | | | |
| Federal Funds | \$ 1,701 | \$ 1,864 | \$ 1,968 |
| Augmentations | 1,481 | 1,250 | 1,446 |
| Restricted Revenue | 2,322 | 2,476 | 2,579 |
| DEPARTMENT TOTAL | <u>\$ 30,143</u> | <u>\$ 30,633</u> | <u>\$ 32,298</u> |
| | | | |
| Auditor General | | | |
| General Government | | | |
| Auditor General's Office | \$ 26,365 | \$ 26,318 | \$ 28,608 |
| Transition — Governor ..... | ..... | 125 | ..... |
| Board of Claims | 816 | 950 | 1,104 |
| Security and Other Expenses — Outgoing Governor ..... | ..... | 84 | ..... |
| TOTAL STATE FUNDS | <u>\$ 27,181</u> | <u>\$ 27,477</u> | <u>\$ 29,712</u> |
| | | | |
| Augmentations | \$ 5,363 | \$ 7,009 | \$ 6,075 |
| DEPARTMENT TOTAL | <u>\$ 32,544</u> | <u>\$ 34,486</u> | <u>\$ 35,787</u> |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|-------------------|---|-------------------|
| Treasury Department | | | |
| General Government | | | |
| State Treasurer's Office | \$ 12,114 | \$ 12,568 | \$ 12,945 |
| Board of Finance and Revenue | 807 | 904 | 931 |
| Council of State Governments | 108 | 115 | 118 |
| Great Lakes Commission | 27 | 33 | 35 |
| Publishing Monthly Statements | 33 | 33 | 36 |
| Replacement Checks | 27 | 100 | 100 |
| National Conference of State Legislatures | 127 | 125 | 129 |
| Education Commission of the States | 57 | 61 | 65 |
| Advisory Commission on Intergovernmental Relations | 4 | 9 | 9 |
| National Governor's Association | 92 | 102 | 107 |
| Coalition of Northeast Governors | 50 | 59 | 63 |
| Northeast-Midwest Institute | 42 | 48 | 50 |
| Governmental Accounting Standards Board | 36 | 37 | 42 |
| State and Local Legal Center ..... | ..... | ..... | 8 |
| Subtotal | <u>\$ 13,524</u> | <u>\$ 14,194</u> | <u>\$ 14,638</u> |
| Debt Service Requirements | | | |
| Interest Obligations — Penn State University ..... | ..... | \$ 16 | \$ 16 |
| Loan and Transfers Agent | \$ 107 | 228 | 221 |
| Tax Note Expenses | 90 | 168 | 168 |
| Commercial Paper Costs | 345 | 600 | 400 |
| Interest on Tax Anticipation Notes | 13,624 | 18,400 | 14,000 |
| General Obligation Debt Service | 288,438 | 315,990 | 335,890 |
| Redevelopment Assistance Sinking Fund ..... | ..... | 11,000 | 16,469 |
| Subtotal | <u>\$ 302,604</u> | <u>\$ 346,402</u> | <u>\$ 367,164</u> |
| Grants and Subsidies | | | |
| Law Enforcement Officers' Death Benefit | \$ 400 | \$ 500 | \$ 500 |
| Subtotal | <u>\$ 400</u> | <u>\$ 500</u> | <u>\$ 500</u> |
| TOTAL STATE FUNDS | <u>\$ 316,528</u> | <u>\$ 361,096</u> | <u>\$ 382,302</u> |
| Augmentations | \$ 665 | \$ 993 | \$ 865 |
| DEPARTMENT TOTAL | <u>\$ 317,193</u> | <u>\$ 362,089</u> | <u>\$ 383,167</u> |
| Department of Aging | | | |
| Grants and Subsidies | | | |
| Transitional Care ..... | ..... | ..... | \$ 1,000 |
| Family Caregiver Support ..... | ..... | ..... | 1,000 |
| DEPARTMENT TOTAL | <u>.....</u> | <u>.....</u> | <u>\$ 2,000</u> |

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

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Department of Agriculture | | | |
| General Government | | | |
| General Government Operations | \$ 16,750 | \$ 16,123 | \$ 16,226 |
| Agricultural Research | 732 | 1,000 | 1,000 |
| Agricultural Promotion | 60 | 360 | 360 |
| Pennsylvania Pesticide Control Act ..... | ..... | 239 | ..... |
| Subtotal | <u>\$ 17,542</u> | <u>\$ 17,722</u> | <u>\$ 17,586</u> |
| Grants and Subsidies | | | |
| Brucellosis Vaccination Program | \$ 150 | \$ 150 | \$ 150 |
| Rabies Virus Research | 110 | ..... | ..... |
| Rabies Research ..... | ..... | 273 | 300 |
| Livestock Diagnostic Contract | 153 | 189 | 189 |
| Poultry Laboratory Diagnostic Contract | 169 | 189 | 189 |
| Field Investigation Program | 183 | 200 | 200 |
| Poultry Surveillance Program ..... | ..... | 150 | 150 |
| Johne's Disease | 115 | 115 | 115 |
| Animal Indemnities | 1,425 | 350 | 350 |
| Acid Rain Research | 200 | 100 | ..... |
| Transfer to Farm Products Show Fund | 1,000 | 1,000 | 1,000 |
| Livestock Show | 83 | 83 | 83 |
| Open Dairy Show | 66 | 66 | 66 |
| Junior Dairy Show | 28 | 28 | 28 |
| 4—H Club Shows | 33 | 33 | 33 |
| Payments to Pennsylvania Fairs | 2,500 | 2,750 | 2,750 |
| Emergency Food Assistance Program | 9,000 | 8,000 | 8,000 |
| Urban Farm Market Promotion | 250 | ..... | ..... |
| Agricultural Development ..... | ..... | ..... | 3,000 |
| Subtotal | <u>\$ 15,465</u> | <u>\$ 13,676</u> | <u>\$ 16,603</u> |
| TOTAL STATE FUNDS | <u>\$ 33,007</u> | <u>\$ 31,398</u> | <u>\$ 34,189</u> |
| Federal Funds | \$ 4,369 | \$ 4,648 | \$ 4,323 |
| Augmentations | 876 | 846 | 861 |
| DEPARTMENT TOTAL | <u>\$ 38,252</u> | <u>\$ 36,892</u> | <u>\$ 39,373</u> |
| Civil Service Commission | | | |
| General Government | | | |
| General Government Operations | \$ 1 | \$ 1 | \$ 1 |
| TOTAL STATE FUNDS | <u>\$ 1</u> | <u>\$ 1</u> | <u>\$ 1</u> |
| Augmentations | \$ 7,574 | \$ 7,312 | \$ 7,815 |
| DEPARTMENT TOTAL | <u>\$ 7,575</u> | <u>\$ 7,313</u> | <u>\$ 7,816</u> |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---|-------------------|---|-------------------|
| Department of Commerce | | | |
| General Government | | | |
| General Government Operations | \$ 7,107 | \$ 7,049 | ..... |
| Tourism and Economic Development Promotion | 5,097 | 7,100 | ..... |
| Subtotal | <u>\$ 12,204</u> | <u>\$ 14,149</u> | ..... |
| Grants and Subsidies | | | |
| Industrial Development Assistance | \$ 500 | \$ 500 | ..... |
| Pennsylvania Industrial Development Authority | 12,000 | 15,000 | ..... |
| Site Development | 1,456 | 1,000 | ..... |
| Site Development—Copperweld | 600 | ..... | ..... |
| Site Development—Fuels Plant | 81 | ..... | ..... |
| Local Development District Grants | 650 | 850 | ..... |
| Appalachian Regional Commission | 386 | 400 | ..... |
| Minority Business Development Authority | 2,000 | 2,000 | ..... |
| Community Facilities | 5,498 | 6,500 | ..... |
| Minority Business Technical Assistance | 250 | 250 | ..... |
| International City Project | 100 | 100 | ..... |
| American Wind Symphony | 85 | 65 | ..... |
| Transfer to Pennsylvania Economic Revitalization Fund | 105,000 | ..... | ..... |
| Ben Franklin Partnership | 22,298 | 28,000 | ..... |
| Pennsylvania Energy Development Authority | 1,300 | 1,300 | ..... |
| Tourist Promotion Assistance | 4,497 | 5,000 | ..... |
| Port of Philadelphia | 4,000 | 4,000 | ..... |
| Port of Erie | 1,125 | 1,500 | ..... |
| Port of Pittsburgh | 750 | 1,000 | ..... |
| American Music Theatre Festival | 100 | 100 | ..... |
| U.S. Constitution Bicentennial | 140 | 1,250 | ..... |
| Beaver Valley Plant Closing Study | 250 | ..... | ..... |
| Metals Reuse Study ..... | ..... | 375 | ..... |
| Super Computer Center ..... | ..... | 1,750 | ..... |
| Pittsburgh Technology Development Center | 1,000 | 2,000 | ..... |
| J & L Site Development | 2,000 | 2,000 | ..... |
| Disaster Redevelopment Assistance | 1,150 | ..... | ..... |
| Rural Economic Development ..... | ..... | 2,750 | ..... |
| Bridgewater Planning Grant ..... | ..... | 50 | ..... |
| Site Development — Johnson Bronze ..... | ..... | 25 | ..... |
| Beaver Valley Industrial Study ..... | ..... | 100 | ..... |
| Subtotal | <u>\$ 167,216</u> | <u>\$ 77,865</u> | ..... |
| TOTAL STATE FUNDS | <u>\$ 179,420</u> | <u>\$ 92,014</u> | ..... |
| | | | |
| Federal Funds | \$ 509 | \$ 3,600 | ..... |
| Augmentations | 1,458 | 1,478 | ..... |
| DEPARTMENT TOTAL | <u>\$ 181,387</u> | <u>\$ 97,092</u> | ..... |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|-------------------|---|-------------------|
| Department of Community Affairs | | | |
| General Government | | | |
| General Government Operations | \$ 8,795 | \$ 11,061 | \$ 7,235 |
| Grants and Subsidies | | | |
| Community Conservation and Youth Employment | \$ 2,825 | \$ 2,736 | \$ 2,736 |
| Housing and Redevelopment Assistance | 10,000 | 20,000 | 25,000 |
| Enterprise Development | 5,000 | 6,250 | 6,250 |
| Regional Councils | 175 | 175 | 175 |
| Planning Assistance | 100 | 150 | 150 |
| Flood Plain Management | 75 | 75 | 75 |
| COGNET | 100 | ..... | ..... |
| United Social Services | 110 | 201 | ..... |
| New Castle Blight Removal | 100 | ..... | ..... |
| Disaster Redevelopment Assistance — Tornadoes (1985) | 1,500 | ..... | ..... |
| Single-room Occupancy/Low-income Housing | 3,500 | ..... | ..... |
| Distressed Community Emergency Aid ..... | ..... | 5,000 | ..... |
| Einstein Community Development ..... | ..... | 150 | ..... |
| Subtotal | <u>\$ 23,485</u> | <u>\$ 34,737</u> | <u>\$ 34,386</u> |
| TOTAL STATE FUNDS | <u>\$ 32,280</u> | <u>\$ 45,798</u> | <u>\$ 41,621</u> |
| Federal Funds | \$ 116,039 | \$ 139,126 | \$ 114,045 |
| Augmentations | 5,674 | 5,700 | 5,669 |
| DEPARTMENT TOTAL | <u>\$ 153,993</u> | <u>\$ 190,624</u> | <u>\$ 161,335</u> |
| Department of Corrections | | | |
| Institutional | | | |
| State Correctional Institutions | \$ 185,268 | \$ 204,543 | \$ 241,071 |
| TOTAL STATE FUNDS | <u>\$ 185,268</u> | <u>\$ 204,543</u> | <u>\$ 241,071</u> |
| Federal Funds | \$ 266 | \$ 574 | \$ 430 |
| Augmentations | 695 | 710 | 716 |
| DEPARTMENT TOTAL | <u>\$ 186,229</u> | <u>\$ 205,827</u> | <u>\$ 242,217</u> |
| Crime Commission | | | |
| General Government | | | |
| Crime Commission | \$ 2,234 | \$ 2,165 | \$ 2,230 |
| Berks County Narcotics Information Center ..... | ..... | 75 | ..... |
| TOTAL STATE FUNDS | <u>\$ 2,234</u> | <u>\$ 2,240</u> | <u>\$ 2,230</u> |
| Federal Funds | \$ 1,301 | \$ 1,800 | \$ 1,800 |
| DEPARTMENT TOTAL | <u>\$ 3,535</u> | <u>\$ 4,040</u> | <u>\$ 4,030</u> |

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

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Economic Development Partnership | | | |
| General Government | | | |
| General Government Operations ..... | ..... | ..... | \$ 5,988 |
| Marketing ..... | ..... | ..... | 7,668 |
| Subtotal | <u>.....</u> | <u>.....</u> | <u>\$ 13,656</u> |
| Grants and Subsidies | | | |
| Industrial Development Assistance ..... | ..... | ..... | \$ 500 |
| Pennsylvania Industrial Development Authority ..... | ..... | ..... | 15,000 |
| Site Development ..... | ..... | ..... | 1,000 |
| Local Development District Grants ..... | ..... | ..... | 1,000 |
| Appalachian Regional Commission ..... | ..... | ..... | 400 |
| Minority Business Development Authority ..... | ..... | ..... | 2,000 |
| Community Facilities ..... | ..... | ..... | 6,500 |
| Minority Business Technical Assistance ..... | ..... | ..... | 250 |
| Ben Franklin Partnership ..... | ..... | ..... | 30,000 |
| Pennsylvania Energy Development Authority ..... | ..... | ..... | 1,500 |
| Tourist Promotion Assistance ..... | ..... | ..... | 5,000 |
| Port of Philadelphia ..... | ..... | ..... | 4,000 |
| Port of Erie ..... | ..... | ..... | 1,500 |
| Port of Pittsburgh ..... | ..... | ..... | 1,000 |
| Super Computer Center ..... | ..... | ..... | 1,750 |
| Business Infrastructure Development ..... | ..... | ..... | 10,000 |
| Capital Loan Fund ..... | ..... | ..... | 5,000 |
| Subtotal | <u>.....</u> | <u>.....</u> | <u>\$ 86,400</u> |
| TOTAL STATE FUNDS | <u>.....</u> | <u>.....</u> | <u>\$ 100,056</u> |
| Federal Funds ..... | ..... | ..... | \$ 3,600 |
| Augmentations ..... | ..... | ..... | 1,523 |
| DEPARTMENT TOTAL | <u>.....</u> | <u>.....</u> | <u>\$ 105,179</u> |
| Department of Education | | | |
| General Government | | | |
| General Government Operations | \$ 16,576 | \$ 16,243 | \$ 15,872 |
| State Library | 2,675 | 2,591 | 2,433 |
| Total—General Government | <u>\$ 19,251</u> | <u>\$ 18,834</u> | <u>\$ 18,305</u> |
| Debt Service Requirements | | | |
| General State Authority Rentals — State-Aided Institutions | <u>\$ 3,679</u> | <u>\$ 3,779</u> | <u>\$ 3,745</u> |
| Institutional | | | |
| Youth Development Centers Education | \$ 3,291 | \$ 3,400 | \$ 4,317 |
| Correctional Institutions Education | 3,328 | 4,595 | 6,604 |
| Scranton State School for the Deaf | 3,000 | 3,122 | 3,432 |
| Scotland School for Veterans' Children | 6,025 | 6,276 | 7,042 |
| Thaddeus Stevens State School | 3,036 | 3,049 | 3,388 |
| Total—Institutional | <u>\$ 18,680</u> | <u>\$ 20,442</u> | <u>\$ 24,783</u> |

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

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|--------------------|--------------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Department of Education (continued) | | | |
| Grants and Subsidies | | | |
| <i>Support of Public Schools</i> | | | |
| Equalized Subsidy for Basic Education | \$2,046,856 | \$2,210,883 | \$2,351,000 |
| Agenda for Excellence | 28,000 | 28,000 | 28,000 |
| School Based Professional Development | 4,000 | 7,000 | 7,000 |
| Adult Literacy ..... | ..... | 2,000 | 5,000 |
| Vocational Education | 33,172 | 34,716 | 36,531 |
| Authority Rentals and Sinking Fund Requirements | 141,967 | 136,000 | 131,000 |
| Pupil Transportation | 194,500 | 206,850 | 215,124 |
| Nonpublic Pupil Transportation | 12,665 | 13,200 | 12,500 |
| Special Education | 259,245 | 272,207 | 288,539 |
| Early Intervention—Handicapped Children | 7,100 | 7,672 | 10,706 |
| Homebound Instruction | 525 | 490 | 495 |
| Tuition for Orphans and Children Placed in Private Homes | 12,869 | 13,600 | 14,280 |
| Payments in Lieu of Taxes | 60 | 72 | 65 |
| Education of Migrant Laborers' Children | 165 | 172 | 183 |
| Education of the Disadvantaged | 1,000 | 1,000 | 1,000 |
| Special Education—Approved Private Schools | 42,500 | 44,500 | 47,170 |
| Higher Education of Blind or Deaf Students | 50 | 50 | 50 |
| Intermediate Units | 10,644 | 13,400 | 13,400 |
| School Food Services | 10,844 | 10,844 | 10,844 |
| School Employes' Social Security | 147,788 | 154,500 | 170,120 |
| School Employes' Retirement Fund: | | | |
| Contingent Reserve and Supplemental Accounts | 414,943 | 440,993 | 465,661 |
| State Schools and Hospitals—Education | 17,754 | 18,303 | 19,403 |
| School District Payments—Racing | 3,500 | 3,500 | 3,500 |
| Birdville — Mine Subsidence | 100 | ..... | ..... |
| Peter's Township — Mine Subsidence | 285 | ..... | ..... |
| Dropout Prevention ..... | ..... | ..... | 500 |
| Youth Employment and Education ..... | ..... | ..... | 500 |
| Education of Indigent Children | 114 | 114 | 100 |
| Subtotal—Support of Public Schools | <u>\$3,390,646</u> | <u>\$3,620,066</u> | <u>\$3,832,671</u> |
| <i>Other Grants and Subsidies:</i> | | | |
| Customized Job Training | \$ 12,000 | \$ 13,500 | \$ 13,500 |
| JTPA - Matching Funds | 6,991 | 8,000 | 7,000 |
| Services to Nonpublic Schools | 38,490 | 40,838 | 43,411 |
| Textbooks for Nonpublic Schools | 7,387 | 7,865 | 7,000 |
| Student Supplies for Nonpublic Schools | 4,348 | 4,637 | 3,500 |
| Teen Pregnancy and Parenthood | 473 | 710 | 710 |
| Improvement of Library Services | 18,349 | 19,500 | 20,475 |
| Library Services for Blind and Handicapped | 1,504 | 1,549 | 1,626 |
| Library Access ..... | ..... | 1,000 | 1,000 |
| School Library Catalog ..... | ..... | 200 | 350 |
| College of Physicians | 100 | 100 | ..... |
| Educational Radio and Television Grants | 300 | 175 | ..... |
| Conservatory Leadership School | 30 | 30 | 30 |
| Ethnic Heritage | 100 | 100 | 100 |
| Governor's School for the Sciences | 157 | 175 | 180 |
| Governor's School for the Arts | 279 | 295 | 310 |
| Governor's School for International Studies | 75 | 115 | 121 |
| Governor's School for Agriculture ..... | ..... | 130 | 137 |
| Governor's School for Business ..... | ..... | ..... | 137 |
| Subtotal—Other Grants and Subsidies | <u>\$ 90,583</u> | <u>\$ 98,919</u> | <u>\$ 99,587</u> |

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

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Department of Education (continued) | | | |
| Grants and Subsidies (continued) | | | |
| <i>Higher Education—Other Grants and Subsidies:</i> | | | |
| Community Colleges | \$ 102,392 | \$ 102,000 | \$ 103,160 |
| Higher Education of the Disadvantaged | 5,686 | 5,860 | 6,153 |
| Lincoln—Cheyney Urban Center ..... | ..... | 300 | ..... |
| Rural Initiatives | 700 | 900 | 150 |
| Psychiatric Education | 650 | 1,000 | ..... |
| Higher Education Equipment | 16,500 | ..... | ..... |
| Differential Technology Grants ..... | ..... | 20,300 | ..... |
| Subtotal—Higher Education - Other Grants and Subsidies . | <u>\$ 125,928</u> | <u>\$ 130,360</u> | <u>\$ 109,463</u> |
| <i>State System of Higher Education:</i> | | | |
| State System of Higher Education (SSHE) | \$ 263,803 | \$ 279,381 | \$ 293,350 |
| SSHE—Recruitment of the Disadvantaged | 200 | 200 | 200 |
| SSHE—Deferred Maintenance | 2,500 | 2,500 | ..... |
| SSHE—Desegregation Compliance | 1,653 | 1,656 | 1,630 |
| SSHE—McKeever Center ..... | ..... | 250 | ..... |
| Subtotal—State System of Higher Education | <u>\$ 268,156</u> | <u>\$ 283,987</u> | <u>\$ 295,180</u> |
| <i>State-Related Universities:</i> | | | |
| Pennsylvania State University—Educational and General | \$ 128,269 | \$ 135,965 | \$ 142,763 |
| Pennsylvania State University—Research | 11,211 | 11,884 | 12,478 |
| Pennsylvania State University—Medical Programs | 3,567 | 3,781 | 3,970 |
| Pennsylvania State University—Agricultural Research | 13,343 | 14,144 | 14,851 |
| Pennsylvania State University—Agricultural Extension Services . | 11,291 | 11,968 | 16,968 |
| Pennsylvania State University—Recruitment of Disadvantaged . | 200 | 200 | 200 |
| Pennsylvania State University—Elizabethtown Hospital | 3,757 | 3,982 | 4,181 |
| Subtotal Pennsylvania State University | <u>\$ 171,638</u> | <u>\$ 181,924</u> | <u>\$ 195,411</u> |
| University of Pittsburgh—Educational and General | \$ 87,902 | \$ 93,176 | \$ 97,835 |
| University of Pittsburgh—Medical Programs | 5,030 | 5,332 | 5,599 |
| University of Pittsburgh—Dental Clinics | 849 | 900 | 945 |
| University of Pittsburgh—Titusville Campus | 675 | 716 | 752 |
| University of Pittsburgh—Recruitment of Disadvantaged | 200 | 200 | 200 |
| Subtotal University of Pittsburgh | <u>\$ 94,656</u> | <u>\$ 100,324</u> | <u>\$ 105,331</u> |
| Temple University—Educational and General | \$ 93,948 | \$ 102,085 | \$ 107,189 |
| Temple University—Medical Programs | 6,696 | 7,098 | 7,453 |
| Temple University—Dental Clinics | 849 | 900 | 945 |
| Temple University—Hospital | 2,500 | ..... | ..... |
| Temple University—Recruitment of Disadvantaged | 200 | 200 | 200 |
| Subtotal Temple University | <u>\$ 104,193</u> | <u>\$ 110,283</u> | <u>\$ 115,787</u> |
| Lincoln University—Educational and General | \$ 5,822 | \$ 6,363 | \$ 6,681 |
| Lincoln University—Recruitment of Disadvantaged | 200 | 200 | 200 |
| Lincoln University—Desegregation | 1,000 | 1,000 | 1,000 |
| Subtotal Lincoln University | <u>\$ 7,022</u> | <u>\$ 7,563</u> | <u>\$ 7,881</u> |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|--------------------|---|--------------------|
| Department of Education (continued) | | | |
| Grants and Subsidies (continued) | | | |
| <i>Non-State-Related Universities and Colleges:</i> | | | |
| Delaware Valley College of Science and Agriculture | \$ 337 | \$ 357 | \$ 375 |
| Drexel University | 4,655 | 4,934 | 5,181 |
| Hahnemann Medical College—Medical Programs | 4,146 | 4,395 | 4,615 |
| Hahnemann Medical College—Allied Health Programs | 192 | 454 | 477 |
| Thomas Jefferson University—Medical Programs | 4,937 | 5,233 | 5,495 |
| Thomas Jefferson University—Allied Health Programs | 2,069 | 2,193 | 2,303 |
| The Medical College of Pennsylvania—Medical Programs | 2,454 | 2,601 | 2,731 |
| The Medical College of Pennsylvania—Allied Health Programs | 779 | 826 | 867 |
| University of Pennsylvania—Instruction | 13,239 | 14,033 | 14,735 |
| University of Pennsylvania—Dental Clinics | 849 | 900 | 945 |
| University of Pennsylvania—Medical Programs | 3,658 | 3,877 | 4,071 |
| University of Pennsylvania—School of Veterinary Medicine | 6,371 | 6,753 | 7,091 |
| University of Pennsylvania—New Bolton | 2,842 | 3,013 | 3,164 |
| University of Pennsylvania—New Bolton Computer Center ..... | ..... | 290 | ..... |
| University of Pennsylvania—Renovation ..... | ..... | 541 | ..... |
| University of Pennsylvania—Poultry Biohazard ..... | ..... | 142 | ..... |
| University of Pennsylvania—Food and Animal Clinics | 1,580 | 1,675 | 1,759 |
| Pennsylvania College of Podiatric Medicine | 837 | 987 | 1,036 |
| Pennsylvania College of Optometry | 1,223 | 1,402 | 1,472 |
| Eye Institute | 100 | ..... | ..... |
| Philadelphia College of Art | 505 | 635 | 667 |
| Philadelphia College of Textiles and Science | 444 | 471 | 495 |
| Philadelphia College of Performing Arts | 117 | 124 | 130 |
| Philadelphia College of Osteopathic Medicine | 4,462 | 4,730 | 4,967 |
| Subtotal Non-State-Related Universities and Colleges | \$ 55,796 | \$ 60,566 | \$ 62,576 |
| <i>Non-State-Related Institutions:</i> | | | |
| Berean Training and Industrial School—Maintenance | \$ 682 | \$ 723 | \$ 759 |
| Berean Training and Industrial School—Rental Payments | 102 | 102 | 102 |
| Downingtown Industrial and Agricultural School—Maintenance | 754 | 799 | 839 |
| Downingtown Industrial and Agricultural School—Rental | 81 | 81 | 81 |
| Downingtown Special Projects ..... | ..... | 50 | 52 |
| Johnson Technical Institute | 162 | 172 | 181 |
| Williamson Free School of Mechanical Trades | 60 | 64 | 67 |
| Subtotal Non-State-Related Institutions | \$ 1,841 | \$ 1,991 | \$ 2,081 |
| Subtotal Higher Education Subsidies | \$ 829,230 | \$ 876,998 | \$ 893,710 |
| Total—Grants and Subsidies | \$4,310,459 | \$4,595,983 | \$4,825,968 |
| TOTAL STATE FUNDS | \$4,352,069 | \$4,639,038 | \$4,872,801 |
| Federal Funds | \$ 48,668 | \$ 54,877 | \$ 51,972 |
| Augmentations | 1,969 | 1,761 | 1,760 |
| DEPARTMENT TOTAL | \$4,402,706 | \$4,695,676 | \$4,926,533 |

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

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Emergency Management Agency | | | |
| General Government | | | |
| General Government Operations | \$ 1,505 | \$ 1,518 | \$ 1,598 |
| Office of Fire Safety | 861 | 844 | 869 |
| Subtotal | <u>\$ 2,366</u> | <u>\$ 2,362</u> | <u>\$ 2,467</u> |
| Grants and Subsidies | | | |
| Emergency Grid Pilot | \$ 24 | ..... | ..... |
| Emergency Grid Pilot — Schuylkill County ..... | ..... | \$ 100 | ..... |
| Forrest County—Disaster Relief | 33 | ..... | ..... |
| Emergency and Disaster Relief (1985)—Tornadoes and November Flood | 2,600 | ..... | ..... |
| Hurricane Gloria—September 1985 | 2,000 | ..... | ..... |
| Disaster Relief — Flood (November, 1985) | 2,400 | ..... | ..... |
| Disaster Relief — Flood (May, 1986) | 350 | ..... | ..... |
| Transfer to Volunteer Companies Loan Fund | 10,000 | ..... | ..... |
| Subtotal | <u>\$ 17,407</u> | <u>\$ 100</u> | <u>.....</u> |
| TOTAL STATE FUNDS | <u>\$ 19,773</u> | <u>\$ 2,462</u> | <u>\$ 2,467</u> |
| Federal Funds | \$ 2,725 | \$ 3,676 | \$ 4,019 |
| Augmentations | 12 | 100 | 100 |
| DEPARTMENT TOTAL | <u>\$ 22,510</u> | <u>\$ 6,238</u> | <u>\$ 6,586</u> |
| Department of Environmental Resources | | | |
| General Government | | | |
| General Government Operations | \$ 7,289 | \$ 7,078 | \$ 8,117 |
| Electronic Data Processing Support | 899 | 900 | 900 |
| Economic Revitalization Administration | 145 | ..... | ..... |
| Office of Resources Management | 13,679 | 14,957 | 15,331 |
| Chesapeake Bay Agricultural Source Abatement | 1,161 | 1,193 | 1,640 |
| Deep Mine Safety | 2,945 | 3,022 | 3,117 |
| Office of Protection | 32,533 | 35,604 | 40,196 |
| Seasonal Farm Worker Camp Inspection ..... | ..... | 210 | 268 |
| Laboratory and Regional Office Equipment ..... | ..... | 1,500 | ..... |
| Radon Testing | 868 | 1,366 | 1,407 |
| Radon Gas Demonstration Project ..... | ..... | 1,000 | ..... |
| Low Level Radioactive Waste ..... | ..... | ..... | 1,329 |
| Hazardous Waste Control | 7,834 | 8,684 | 33,684 |
| Canonsburg Remedial Action | 996 | 500 | 40 |
| Black Fly Control | 1,500 | 2,498 | 2,100 |
| Water Quality Testing Laboratory | 305 | 307 | 317 |
| State Forestry Operations | 10,007 | 10,224 | 10,930 |
| Gypsy Moth and Other Insect Control | 2,191 | 2,718 | 3,177 |
| State Parks | 28,064 | 28,007 | 28,902 |
| Fabridam | 794 | ..... | ..... |
| Conservation Corps ..... | ..... | ..... | 4,050 |
| Recreation Improvement and Rehabilitation ..... | ..... | ..... | 4,950 |
| Subtotal | <u>\$ 111,210</u> | <u>\$ 119,768</u> | <u>\$ 160,455</u> |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|-------------------|---|-------------------|
| Department of Environmental Resources | | | |
| (continued) | | | |
| Grants and Subsidies | | | |
| Flood Control Projects | \$ 150 | \$ 1,065 | \$ 1,000 |
| Storm Water Management Grants | 169 | 500 | 550 |
| Sewage Facilities Planning Grants | 500 | 500 | 500 |
| Sewage Facilities Enforcement Grants | 1,470 | 1,650 | 1,900 |
| Sewage Treatment Plant Operations Grants | 18,183 | 19,000 | 20,300 |
| Solid Waste Disposal Planning Grants | 981 | 386 | 1,000 |
| Resource Recovery Grants | 2,500 | ..... | ..... |
| Delaware River Master | 47 | 61 | 47 |
| Ohio River Basin Commission | 16 | 5 | 5 |
| Susquehanna River Basin Commission | 235 | 240 | 249 |
| Interstate Commission on the Potomac River Basin | 22 | 22 | 22 |
| Delaware River Basin Commission | 707 | 742 | 807 |
| Ohio River Valley Water Sanitation Commission | 90 | 97 | 97 |
| Chesapeake Bay Commission | 75 | 100 | 100 |
| Small Watershed Projects | 100 | 100 | 100 |
| Local Soil and Water District Assistants | 800 | 1,000 | 1,000 |
| Interstate Mining Commission | 10 | 10 | 10 |
| Emergency Mine Subsidence Relief | 94 | ..... | ..... |
| Abandoned Surface Mine Reclamation ..... | ..... | 2,000 | 2,000 |
| Anthracite Bond Fund ..... | ..... | 50 | ..... |
| Annual Fixed Charges — Flood Lands | 12 | 17 | 17 |
| Annual Fixed Charges — Project 70 | 11 | 12 | 12 |
| Annual Fixed Charges — Forest Lands | 1,190 | 1,225 | 1,225 |
| Huntingdon Correctional Institution Utilities | 2,000 | 381 | ..... |
| Vector Control | 500 | 500 | 500 |
| Clearfield County — Water Project | 400 | ..... | ..... |
| Hempfield Township — Water Project | 300 | ..... | ..... |
| Castle Shannon — Water Project | 50 | ..... | ..... |
| Ferguson Township — Water Project | 50 | ..... | ..... |
| Hatboro Borough — Water Project | 350 | ..... | ..... |
| Catasauqua Borough — Water Project | 400 | ..... | ..... |
| Appalachian States Low-Level Waste Compact ..... | ..... | 200 | 200 |
| Lansdown Super Fund Cleanup ..... | ..... | 150 | ..... |
| Water, Sewer and Stream Improvement ..... | ..... | 1,222 | ..... |
| Three Mile Island Clean-Up | 5,000 | 5,000 | 5,000 |
| Subtotal | <u>\$ 36,412</u> | <u>\$ 36,235</u> | <u>\$ 36,641</u> |
| TOTAL STATE FUNDS | <u>\$ 147,622</u> | <u>\$ 156,003</u> | <u>\$ 197,096</u> |
| Federal Funds | \$ 60,437 | \$ 104,586 | \$ 101,266 |
| Augmentations | 16,457 | 16,977 | 17,396 |
| GENERAL FUND TOTAL | <u>\$ 224,516</u> | <u>\$ 277,566</u> | <u>\$ 315,758</u> |
| Other Funds | \$ 26,470 | \$ 41,687 | \$ 13,317 |
| DEPARTMENT TOTAL | <u>\$ 250,986</u> | <u>\$ 319,253</u> | <u>\$ 329,075</u> |

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

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Fish Commission | | | |
| Grants and Subsidies | | | |
| Atlantic States Marine Fisheries Commission | \$ 5 | \$ 7 | \$ 7 |
| DEPARTMENT TOTAL | \$ 5 | \$ 7 | \$ 7 |
| Department of General Services | | | |
| General Government | | | |
| General Government Operations | \$ 40,507 | \$ 41,031 | \$ 41,916 |
| Capitol Police Operations | 3,116 | 3,261 | 3,621 |
| Harristown Rental Charges | 7,950 | 7,948 | 7,798 |
| Disadvantaged Business Enterprise | 69 | 100 | 100 |
| Utility Costs | 8,530 | 8,900 | 10,129 |
| Harristown Utility and Municipal Charges | 5,700 | 5,831 | 5,918 |
| Printing and Distribution of the Pennsylvania Manual ..... | ..... | 165 | ..... |
| Commonwealth Data Network ..... | ..... | 1,696 | ..... |
| Subtotal | \$ 65,872 | \$ 68,932 | \$ 69,482 |
| Debt Service Requirements | | | |
| General State Authority Rentals | \$ 42,319 | \$ 40,263 | \$ 38,317 |
| Grants and Subsidies | | | |
| Capitol Fire Protection | \$ 325 | \$ 400 | \$ 550 |
| Tort Claims Payments | 2,500 | ..... | ..... |
| Subtotal | \$ 2,825 | \$ 400 | \$ 550 |
| Capital Improvements | | | |
| Energy Conservation Projects | \$ 2,000 | \$ 1,500 | \$ 1,500 |
| TOTAL STATE FUNDS | \$ 113,016 | \$ 111,095 | \$ 109,849 |
| Federal Funds | | | |
| Augmentations | \$ 22 | ..... | ..... |
| DEPARTMENT TOTAL | \$ 132,474 | \$ 118,350 | \$ 119,399 |
| Department of Health | | | |
| General Government | | | |
| General Government Operations | \$ 11,018 | \$ 11,387 | \$ 10,857 |
| TMI — Health Studies | 509 | 319 | 314 |
| Quality Assurance | 2,839 | 3,094 | 3,435 |
| Vital Statistics | 3,876 | 3,802 | 4,300 |
| State Laboratory | 2,771 | 2,595 | 2,803 |
| State Health Care Centers | 13,405 | 12,590 | 12,968 |
| Vietnam Herbicides Information Commission | 152 | 219 | 219 |
| Diabetes Task Force | 273 | 310 | 310 |
| Cancer Registry | 561 | 595 | 613 |
| Arthritis Task Force | 125 | 150 | 150 |
| Subtotal | \$ 35,529 | \$ 35,061 | \$ 35,969 |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---|--------------------------|---|--------------------------|
| Department of Health (continued) | | | |
| Grants and Subsidies | | | |
| School Health Examinations | \$ 18,700 | \$ 18,000 | \$ 17,900 |
| Local Health Departments | 18,380 | 18,999 | 19,369 |
| Local Health Departments — Environmental | 6,510 | 6,627 | 6,680 |
| WIC — Supplement ..... | ..... | 7,000 | 10,000 |
| Maternal and Child Health | 819 | 844 | 2,162 |
| Emergency Health Services | 1,879 | 200 | ..... |
| Hemophilia Services | 1,271 | 1,454 | 1,454 |
| Sickle Cell Anemia | 738 | 765 | 788 |
| Sickle Cell Anemia — Summer Camps | 25 | 25 | 25 |
| Cooley's Anemia | 200 | 222 | 222 |
| Renal Disease | 8,852 | 8,987 | 8,987 |
| HIB Vaccine ..... | ..... | 280 | 280 |
| Home Ventilators | 499 | 540 | 540 |
| Coalworker's Pneumoconiosis Services | 607 | 645 | 645 |
| Spina Bifida | 849 | 950 | 979 |
| Keystone State Games | 100 | 150 | 150 |
| Benedum Geriatric Screening | 125 | ..... | ..... |
| Adult Cystic Fibrosis | 198 | 204 | 210 |
| Screening and Treatment — Venereal Disease | 342 | 402 | 402 |
| Screening and Treatment — Tuberculosis | 611 | 525 | 541 |
| Assistance to Drug and Alcohol Abuse Programs | 28,914 | 30,878 | 31,804 |
| Pennsylvanian's Aware | 200 | 200 | ..... |
| Cancer Control, Prevention and Research | 2,968 | 4,000 | 4,000 |
| The Institute for Cancer Research, Fox Chase, Philadelphia ... | 535 | 635 | 654 |
| Pittsburgh Cancer Institute | 250 | 350 | 350 |
| University of Pennsylvania Cancer Center ..... | ..... | 500 | ..... |
| The Wistar Institute — Research, Philadelphia | 208 | 225 | 232 |
| The Wistar Institute — Rabies ..... | ..... | 110 | ..... |
| Lupus Disease — Research | 80 | 80 | 80 |
| Cardiovascular Studies — University of Pennsylvania | 125 | 125 | 129 |
| Cardiovascular Studies — St. Francis Hospital, Pittsburgh | 125 | 125 | 129 |
| Central Pennsylvania Oncology Group | 104 | 104 | 107 |
| Burn Foundation of Greater Delaware Valley | 250 | 250 | 258 |
| Poison Control Center ..... | ..... | 300 | ..... |
| United Neighborhood Facilities Health Care — Erie | 150 | 150 | 150 |
| AIDS Education ..... | ..... | 150 | 350 |
| Cerebral Palsy — St. Christopher's Hospital, Philadelphia | 750 | 750 | 773 |
| Home for Crippled Children — Pittsburgh | 530 | 730 | 752 |
| Children's Heart Hospital — Philadelphia | 1,563 | 1,563 | 1,610 |
| Cleft Palate Clinic — Lancaster | 52 | 52 | 54 |
| Cleft Palate Clinic — Pittsburgh | 52 | 52 | 54 |
| Tay Sachs Disease — Jefferson Medical College | 52 | 52 | 54 |
| Worksite Wellness ..... | ..... | 125 | ..... |
| Tourette Syndrome ..... | ..... | 50 | ..... |
| Handicapped Childrens Clinic | 100 | 100 | 103 |
| Subtotal | <u>\$ 97,713</u> | <u>\$ 108,475</u> | <u>\$ 112,977</u> |
| TOTAL STATE FUNDS | <u><u>\$ 133,242</u></u> | <u><u>\$ 143,536</u></u> | <u><u>\$ 148,946</u></u> |
| Federal Funds | \$ 105,802 | \$ 114,432 | \$ 115,002 |
| Augmentations | 7,552 | 8,118 | 8,610 |
| DEPARTMENT TOTAL | <u><u>\$ 246,596</u></u> | <u><u>\$ 266,086</u></u> | <u><u>\$ 272,558</u></u> |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|-------------------|---|-------------------|
| Higher Education Assistance Agency | | | |
| Grants and Subsidies | | | |
| Grants to Full Time Students | \$ 91,000 | \$ 96,000 | \$ 105,600 |
| College Work Study | 3,090 | 4,540 | 5,600 |
| Administration | 50 | 50 | 50 |
| Equal Opportunity Professional Education | 348 | 490 | 590 |
| Institutional Assistance Grants | 17,888 | 18,961 | 20,857 |
| Computer Training | 1,872 | 2,197 | 2,307 |
| Computer Purchases | 3,328 | 3,328 | 3,494 |
| DEPARTMENT TOTAL | <u>\$ 117,576</u> | <u>\$ 125,566</u> | <u>\$ 138,498</u> |
| | | | |
| Historical and Museum Commission | | | |
| General Government | | | |
| General Government Operations | \$ 10,019 | \$ 10,258 | \$ 10,340 |
| Maintenance Program | 498 | 550 | 750 |
| Subtotal | <u>\$ 10,517</u> | <u>\$ 10,808</u> | <u>\$ 11,090</u> |
| | | | |
| Grants and Subsidies | | | |
| Museum Assistance | \$ 548 | \$ 900 | \$ 927 |
| University of Pennsylvania Museum | 165 | 175 | 180 |
| Carnegie Museum | 165 | 175 | 180 |
| Franklin Institute | 496 | 526 | 542 |
| Academy of Natural Sciences | 303 | 321 | 331 |
| Buhl Science Center | 165 | 175 | 180 |
| Museum of Philadelphia Civic Center | 165 | 175 | 180 |
| Afro American Museum | 104 | 154 | 159 |
| Everhart Museum | 30 | 32 | 33 |
| Mercer Museum | 50 | ..... | ..... |
| Commodore Perry Monument | 50 | ..... | ..... |
| Canal-Lock Plymouth | 75 | ..... | ..... |
| Humanities Council ..... | ..... | ..... | 100 |
| Subtotal | <u>\$ 2,316</u> | <u>\$ 2,633</u> | <u>\$ 2,812</u> |
| TOTAL STATE FUNDS | <u>\$ 12,833</u> | <u>\$ 13,441</u> | <u>\$ 13,902</u> |
| | | | |
| Federal Funds | \$ 452 | \$ 729 | \$ 657 |
| Augmentations | 711 | 510 | 475 |
| DEPARTMENT TOTAL | <u>\$ 13,996</u> | <u>\$ 14,680</u> | <u>\$ 15,034</u> |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|-------------------|---|-------------------|
| Housing Finance Agency | | | |
| Grants and Subsidies | | | |
| Transfer to PHFA—Homeowners Emergency Assistance | \$ 25,750 | \$ 25,750 | \$ 18,000 |
| DEPARTMENT TOTAL | <u>\$ 25,750</u> | <u>\$ 25,750</u> | <u>\$ 18,000</u> |
| | | | |
| Insurance Department | | | |
| General Government | | | |
| General Government Operations | \$ 7,505 | \$ 7,827 | \$ 8,100 |
| Rate Analysis Enhancement ..... | ..... | ..... | 500 |
| Automobile Insurance Rates Study ..... | ..... | 125 | ..... |
| Malpractice Study | 25 | ..... | ..... |
| TOTAL STATE FUNDS | <u>\$ 7,530</u> | <u>\$ 7,952</u> | <u>\$ 8,600</u> |
| | | | |
| Augmentations | \$ 739 | \$ 850 | \$ 915 |
| DEPARTMENT TOTAL | <u>\$ 8,269</u> | <u>\$ 8,802</u> | <u>\$ 9,515</u> |
| | | | |
| Department of Labor and Industry | | | |
| General Government | | | |
| General Government Operations | \$ 13,358 | \$ 12,445 | \$ 12,600 |
| Right to Know Act | 794 | 1,150 | 1,607 |
| Job Creation Tax Credit Administration ..... | ..... | 500 | 500 |
| Subtotal | <u>\$ 14,152</u> | <u>\$ 14,095</u> | <u>\$ 14,707</u> |
| | | | |
| Grants and Subsidies | | | |
| Job Training ..... | ..... | \$ 5,000 | ..... |
| Occupational Disease Payments | \$ 7,866 | 7,806 | \$ 6,788 |
| Transfer to Vocational Rehabilitation Fund | 12,000 | 13,965 | 16,500 |
| Workmen's Compensation Payments | 1,032 | 921 | 875 |
| Teenage Pregnancy and Parenthood | 625 | 625 | 625 |
| Job Training for Welfare Recipients | 2,000 | 3,000 | 2,000 |
| Job Training Partnership | 1,552 | 1,988 | 3,150 |
| Greater Philadelphia Assistance Program | 200 | ..... | ..... |
| Harmarville Rehabilitation Center | 100 | 200 | 200 |
| Retraining Dislocated Workers | 372 | ..... | ..... |
| Centers for Independent Living ..... | ..... | 300 | 425 |
| Subtotal | <u>\$ 25,747</u> | <u>\$ 33,805</u> | <u>\$ 30,563</u> |
| TOTAL STATE FUNDS | <u>\$ 39,899</u> | <u>\$ 47,900</u> | <u>\$ 45,270</u> |
| | | | |
| Federal Funds | \$ 190,361 | \$ 227,540 | \$ 221,212 |
| DEPARTMENT TOTAL | <u>\$ 230,260</u> | <u>\$ 275,440</u> | <u>\$ 266,482</u> |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|-------------------|---|-------------------|
| Department of Military Affairs | | | |
| General Government | | | |
| General Government Operations | \$ 10,754 | \$ 10,861 | \$ 11,183 |
| American Battle Monuments | 3 | 3 | 3 |
| Armory Maintenance and Repair | 500 | 500 | 500 |
| Gettysburg Memorial | 75 | ..... | ..... |
| Subtotal | <u>\$ 11,332</u> | <u>\$ 11,364</u> | <u>\$ 11,686</u> |
| Institutional | | | |
| Erie Soldiers and Sailors Home | \$ 2,918 | \$ 3,002 | \$ 3,228 |
| Hollidaysburg Veterans Home | 8,445 | 8,091 | 8,552 |
| Southeastern Veterans Home ..... | ..... | 2,440 | 3,770 |
| Subtotal | <u>\$ 11,363</u> | <u>\$ 13,533</u> | <u>\$ 15,550</u> |
| Grants and Subsidies | | | |
| Education of Veterans Children | \$ 32 | \$ 75 | \$ 75 |
| Education — National Guard | 305 | 305 | 305 |
| Veterans Assistance | 1,327 | 1,328 | 1,328 |
| Blind Veterans Pension | 163 | 169 | 169 |
| Paralyzed Veterans Pension ..... | ..... | 1,022 | 1,022 |
| National Guard Pension | 20 | 20 | 20 |
| National Guard — Unemployment Compensation | 50 | ..... | ..... |
| Subtotal | <u>\$ 1,897</u> | <u>\$ 2,919</u> | <u>\$ 2,919</u> |
| TOTAL STATE FUNDS | <u>\$ 24,592</u> | <u>\$ 27,816</u> | <u>\$ 30,155</u> |
| Federal Funds | \$ 3,684 | \$ 4,162 | \$ 3,476 |
| Augmentations | 4,694 | 4,123 | 4,847 |
| DEPARTMENT TOTAL | <u>\$ 32,970</u> | <u>\$ 36,101</u> | <u>\$ 38,478</u> |
| Milk Marketing Board | | | |
| General Government | | | |
| Transfer to Milk Marketing Board | \$ 975 | \$ 950 | \$ 950 |
| DEPARTMENT TOTAL | <u>\$ 975</u> | <u>\$ 950</u> | <u>\$ 950</u> |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---|-------------------|---|-------------------|
| Board of Probation and Parole | | | |
| General Government | | | |
| General Government Operations | \$ 19,475 | \$ 19,975 | \$ 21,352 |
| Grants and Subsidies | | | |
| Improvement of Adult Probation Services | \$ 7,000 | \$ 10,059 | \$ 13,430 |
| TOTAL STATE FUNDS | <u>\$ 26,475</u> | <u>\$ 30,034</u> | <u>\$ 34,782</u> |
| Federal Funds ..... | ..... | \$ 38 | \$ 19 |
| DEPARTMENT TOTAL | <u>\$ 26,475</u> | <u>\$ 30,072</u> | <u>\$ 34,801</u> |
| | | | |
| Public Television Network | | | |
| General Government | | | |
| General Government Operations | \$ 2,635 | \$ 2,692 | \$ 2,768 |
| Public Television Station Grants | 6,150 | 6,550 | 6,870 |
| Subtotal | <u>\$ 8,785</u> | <u>\$ 9,242</u> | <u>\$ 9,638</u> |
| TOTAL STATE FUNDS | <u>\$ 8,785</u> | <u>\$ 9,242</u> | <u>\$ 9,638</u> |
| Augmentations ..... | ..... | \$ 168 | ..... |
| DEPARTMENT TOTAL | <u>\$ 8,785</u> | <u>\$ 9,410</u> | <u>\$ 9,638</u> |
| | | | |
| Public Utility Commission | | | |
| General Government | | | |
| Federal Funds | \$ 652 | \$ 662 | \$ 560 |
| Restricted Revenue | 24,290 | 24,800 | 25,989 |
| DEPARTMENT TOTAL | <u>\$ 24,942</u> | <u>\$ 25,462</u> | <u>\$ 26,549</u> |

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

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Department of Public Welfare | | | |
| General Government | | | |
| General Government Operations | \$ 18,604 | \$ 17,012 | \$ 17,899 |
| Monitoring Community Residential Contracts | 69 | 100 | 105 |
| Information Systems | 23,975 | 24,455 | 25,803 |
| County Assistance Offices | 153,346 | 154,495 | 162,672 |
| County Administration — Statewide | 25,878 | 25,012 | 26,340 |
| Program Accountability | 7,114 | 6,824 | 6,942 |
| Pennsylvania Employment Program | 6,400 | 6,040 | 6,040 |
| Services for the Visually Handicapped | 5,402 | 5,368 | 5,526 |
| Subtotal | \$ 240,788 | \$ 239,306 | \$ 251,327 |
| Institutional | | | |
| Youth Development Centers and Forestry Camps | \$ 27,217 | \$ 27,029 | \$ 30,909 |
| State General Hospitals | 8,000 | 14,355 | 12,795 |
| State General Hospital — Philipsburg | 2,000 | | |
| State Mental Hospitals | 304,578 | 292,691 | 308,356 |
| State Centers for the Mentally Retarded | 106,650 | 97,904 | 97,911 |
| Subtotal | \$ 448,445 | \$ 431,979 | \$ 449,971 |
| Grants and Subsidies | | | |
| Cash Grants | \$ 584,270 | \$ 581,346 | \$ 583,742 |
| Disaster Assistance | 7,100 | 15,000 | |
| Medical Assistance — Transportation | 10,205 | 9,889 | 10,334 |
| Medical Assistance — Outpatient | 279,156 | 264,151 | 276,202 |
| Medical Assistance — Inpatient | 491,116 | 468,869 | 452,428 |
| Medical Assistance — Capitation Program | 15,391 | 75,395 | 91,773 |
| Long-Term Care Facilities | 127,570 | 134,143 | 149,106 |
| Supplemental Security Income | 50,151 | 54,645 | 77,070 |
| Community Mental Health Services | 110,315 | 124,800 | 134,690 |
| Teen Suicide Center ..... | . . . . | 250 | 250 |
| Eastern Pennsylvania Psychiatric Institute | 6,776 | 7,115 | 7,400 |
| Community Based Services — Mentally Retarded | 60,233 | 68,891 | 78,796 |
| Elwyn Institute | 200 | 200 | |
| Community Residential Services — Mentally Retarded | 126,501 | 133,032 | 151,880 |
| Philadelphia Association for Retarded Citizens | 208 | 208 | |
| Intermediate Care Facilities — Mentally Retarded | 35,015 | 44,815 | 54,509 |
| Early Intervention | 15,700 | 16,328 | 17,063 |
| Beacon Lodge Camp — Blind Services | 40 | 40 | 42 |
| Rudolph Residence for the Blind | 160 | | |
| Overbrook School for the Blind | 150 | 150 | |
| County Child Welfare Programs | 109,259 | 112,161 | 115,530 |
| Child Abuse Prevention | 6,991 | 7,827 | 10,570 |
| Day Care Services | 22,991 | 24,500 | 28,235 |
| Arsenal Family and Children's Center — Pittsburgh | 106 | 106 | 109 |
| Mercy Hospital | 200 | | |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|--------------------|---|--------------------|
| Department of Public Welfare (continued) | | | |
| Grants and Subsidies (continued) | | | |
| Western Psychiatric Institute and Clinic | \$ 6,522 | \$ 6,848 | \$ 7,122 |
| Domestic Violence | 1,772 | 2,729 | 3,311 |
| Rape Crisis | 665 | 895 | 1,084 |
| Breast Cancer Screening | 100 | 225 | 232 |
| Legal Services | 1,500 | 2,000 | 2,000 |
| Human Services Development Fund | 2,000 | 13,069 | 13,069 |
| Attendant Care | 474 | 1,020 | 4,051 |
| Homeless Assistance | 2,000 | 7,000 | 11,300 |
| Subtotal | <u>\$2,074,837</u> | <u>\$2,177,647</u> | <u>\$2,281,898</u> |
| TOTAL STATE FUNDS | <u>\$2,764,070</u> | <u>\$2,848,932</u> | <u>\$2,983,196</u> |
| Federal Funds | \$2,320,466 | \$2,411,065 | \$2,431,368 |
| Augmentations | 162,066 | 155,414 | 152,775 |
| DEPARTMENT TOTAL | <u>\$5,246,602</u> | <u>\$5,415,411</u> | <u>\$5,567,339</u> |
| Department of Revenue | | | |
| General Government | | | |
| General Government Operations | \$ 67,300 | \$ 67,000 | \$ 70,001 |
| Job Creation Tax Credit Administration ..... | ..... | 100 | ..... |
| Commissions — Inheritance and Realty Transfer Tax Collections | 1,700 | 2,000 | 2,900 |
| Subtotal | <u>\$ 69,000</u> | <u>\$ 69,100</u> | <u>\$ 72,901</u> |
| Grants and Subsidies | | | |
| Distribution of Public Utility Realty Tax | \$ 83,242 | \$ 87,315 | \$ 88,138 |
| TOTAL STATE FUNDS | <u>\$ 152,242</u> | <u>\$ 156,415</u> | <u>\$ 161,039</u> |
| Augmentations | \$ 7,461 | \$ 7,309 | \$ 7,086 |
| DEPARTMENT TOTAL | <u>\$ 159,703</u> | <u>\$ 163,724</u> | <u>\$ 168,125</u> |
| Securities Commission | | | |
| General Government | | | |
| General Government Operations | \$ 2,154 | \$ 2,346 | \$ 2,529 |
| TOTAL STATE FUNDS | <u>\$ 2,154</u> | <u>\$ 2,346</u> | <u>\$ 2,529</u> |
| Augmentations ..... | ..... | \$ 20 | \$ 20 |
| DEPARTMENT TOTAL | <u>\$ 2,154</u> | <u>\$ 2,366</u> | <u>\$ 2,549</u> |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | | 1987-88 Budget |
|--|-------------------|---|--|-------------------|
| Department of State | | | | |
| General Government | | | | |
| General Government Operations | \$ 3,078 | \$ 2,644 | | \$ 2,770 |
| Publishing Constitutional Amendments | 45 | 60 | | 60 |
| Subtotal | <u>\$ 3,123</u> | <u>\$ 2,704</u> | | <u>\$ 2,830</u> |
| Grants and Subsidies | | | | |
| Voting of Citizens in Military Service | \$ 8 | \$ 8 | | \$ 8 |
| Voter Registration by Mail | 273 | 350 | | 350 |
| County Election Expenses | 30 | ..... |  | ..... |
| Subtotal | <u>\$ 311</u> | <u>\$ 358</u> | | <u>\$ 358</u> |
| TOTAL STATE FUNDS | <u>\$ 3,434</u> | <u>\$ 3,062</u> | | <u>\$ 3,188</u> |
| | | | | |
| Augmentations | \$ 642 | \$ 548 | | \$ 627 |
| Restricted Revenue | 10,077 | 10,310 | | 10,535 |
| DEPARTMENT TOTAL | <u>\$ 14,153</u> | <u>\$ 13,920</u> | | <u>\$ 14,350</u> |
| | | | | |
| State Employees' Retirement System | | | | |
| Grants and Subsidies | | | | |
| National Guard — Employer Contribution | \$ 1,403 | \$ 1,193 | | \$ 679 |
| DEPARTMENT TOTAL | <u>\$ 1,403</u> | <u>\$ 1,193</u> | | <u>\$ 679</u> |
| | | | | |
| State Police | | | | |
| General Government | | | | |
| General Government Operations | \$ 63,099 | \$ 66,500 | | \$ 74,967 |
| Municipal Police Training | 1,747 | 2,314 | | 2,314 |
| Soft Body Armor | 50 | ..... |  | ..... |
| Patrol Vehicles ..... | ..... | ..... |  | 2,970 |
| Officer Uniforms ..... | ..... | ..... |  | 825 |
| TOTAL STATE FUNDS | <u>\$ 64,896</u> | <u>\$ 68,814</u> | | <u>\$ 81,076</u> |
| | | | | |
| Federal Funds | \$ 2,143 | \$ 3,601 | | \$ 1,377 |
| Augmentations | 12,177 | 12,204 | | 13,145 |
| DEPARTMENT TOTAL | <u>\$ 79,216</u> | <u>\$ 84,619</u> | | <u>\$ 95,598</u> |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | | 1987-88 Budget |
|--|-------------------|---|--|-------------------|
| Tax Equalization Board | | | | |
| General Government | | | | |
| General Government Operations | \$ 945 | \$ 933 | | \$ 1,015 |
| DEPARTMENT TOTAL | <u>\$ 945</u> | <u>\$ 933</u> | | <u>\$ 1,015</u> |
| | | | | |
| Department of Transportation | | | | |
| General Government | | | | |
| Mass Transportation Operations | \$ 1,200 | \$ 1,142 | | \$ 1,173 |
| Comprehensive Rail Study | 250 | 250 | | |
| Railroad Bridge Inspections ..... | . . . . | 175 | | 175 |
| Transfer to Motor License Fund — Vehicle Sales Tax Collection | 1,461 | 1,505 | | 1,550 |
| Pennsylvania Coordinate System | 145 | 100 | | |
| High Speed Intercity Rail Passenger Commission | 882 | 500 | | 300 |
| Welcome Centers ..... | . . . . | . . . . |  | 711 |
| Subtotal | <u>\$ 3,938</u> | <u>\$ 3,672</u> | | <u>\$ 3,909</u> |
| Grants and Subsidies | | | | |
| Mass Transportation Assistance | \$ 174,355 | \$ 180,000 | | |
| SEPTA ..... | . . . . | . . . . |  | \$ 137,275 |
| PAT ..... | . . . . | . . . . |  | 49,599 |
| Small Urban Operators ..... | . . . . | . . . . |  | 8,397 |
| Rural and Intercity Rail and Bus Transportation | 4,049 | 5,435 | | 5,249 |
| Freight Rail Assistance | 3,244 | 3,748 | | 3,860 |
| Civil Air Patrol | 300 | 325 | | 200 |
| Coast Guard Auxiliary Board ..... | . . . . | 200 | | |
| Benjamin Franklin Bridge Lighting ..... | . . . . | . . . . |  | 250 |
| Subtotal | <u>\$ 181,948</u> | <u>\$ 189,708</u> | | <u>\$ 204,830</u> |
| TOTAL STATE FUNDS | <u>\$ 185,886</u> | <u>\$ 193,380</u> | | <u>\$ 208,739</u> |
| Federal Funds | \$ 13,635 | \$ 13,298 | | \$ 9,958 |
| Augmentations | 1,711 | 752 | | 731 |
| DEPARTMENT TOTAL | <u>\$ 201,232</u> | <u>\$ 207,430</u> | | <u>\$ 219,428</u> |
| | | | | |
| Legislature | | | | |
| General Government | | | | |
| Senate | \$ 27,374 | \$ 29,521 | | \$ 30,999 |
| House of Representatives | 59,224 | 65,724 | | 71,305 |
| Legislative Reference Bureau | 3,183 | 3,342 | | 3,654 |
| Legislative Budget and Finance Committee | 1,282 | 1,320 | | 1,360 |
| Legislative Data Processing | 1,900 | 2,040 | | 2,100 |
| Legislative Miscellaneous and Commissions | 6,451 | 11,334 | | 10,201 |
| TOTAL STATE FUNDS | <u>\$ 99,414</u> | <u>\$ 113,281</u> | | <u>\$ 119,619</u> |
| Federal Funds ..... | . . . . | \$ 16 | | |
| Augmentations | \$ 5 | 33 | | \$ 33 |
| DEPARTMENT TOTAL | <u>\$ 99,419</u> | <u>\$ 113,330</u> | | <u>\$ 119,652</u> |

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

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|---------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Judiciary | | | |
| General Government | | | |
| Supreme Court | \$ 5,557 | \$ 4,422 | \$ 4,687 |
| Supreme Court — Home Office Expenses | | 1,300 | 1,333 |
| Supreme Court Justice Expenses | 130 | 130 | 130 |
| Comprehensive Computer Plan | 300 | 250 | |
| Civil Rules Procedural Committee | 192 | 202 | 216 |
| Criminal Rules Procedural Committee | 184 | 202 | 213 |
| State Board of Law Examiners | 212 | 207 | 148 |
| Judicial Inquiry and Review Board | 436 | 451 | 479 |
| Video Proceedings Cost | 84 | 80 | |
| Court Administrator | 2,700 | 2,807 | 3,009 |
| District Justice Education | 307 | 316 | 329 |
| Superior Court | 10,960 | 8,337 | 8,837 |
| Superior Court — Home Office Expenses | | 2,858 | 2,972 |
| Superior Court Justice Expenses | 184 | 184 | 184 |
| Superior Court — Educational Expenses | 10 | | |
| Commonwealth Court | 5,442 | 4,437 | 4,703 |
| Commonwealth Court — Home Office Expenses | | 1,376 | 1,428 |
| Commonwealth Court Justice Expenses | 112 | 112 | 112 |
| Commonwealth Court — Educational Expenses | 10 | | |
| Courts of Common Pleas | 26,725 | 27,062 | 30,428 |
| Common Pleas — Senior Judges | 1,508 | 2,233 | 1,601 |
| Common Pleas — Judicial Education | 325 | 400 | 360 |
| Community Courts — District Justices of the Peace | 23,975 | 23,354 | 24,472 |
| Philadelphia Traffic Court | 324 | 307 | 307 |
| Philadelphia Municipal Court | 2,116 | 2,053 | 2,220 |
| Law Clerks | 182 | 182 | 182 |
| Subtotal | <u>\$ 81,975</u> | <u>\$ 83,262</u> | <u>\$ 88,350</u> |
| Grants and Subsidies | | | |
| Reimbursement of County Court Costs | \$ 25,987 | \$ 25,987 | \$ 27,110 |
| Appellate Court — County Reimbursement | 7,988 | | |
| District Justice Reimbursement | 14,475 | 14,400 | 14,275 |
| Juror Cost Reimbursement | 1,050 | 1,469 | 1,469 |
| Subtotal | <u>\$ 49,500</u> | <u>\$ 41,856</u> | <u>\$ 42,854</u> |
| TOTAL STATE FUNDS | <u>\$ 131,475</u> | <u>\$ 125,118</u> | <u>\$ 131,204</u> |
| Augmentations | \$ 1,156 | \$ 979 | \$ 1,093 |
| DEPARTMENT TOTAL | <u>\$ 132,631</u> | <u>\$ 126,097</u> | <u>\$ 132,297</u> |
| General Fund Total — All Funds | | | |
| State Funds | \$ 9,292,072 | \$ 9,699,127 | \$10,242,877 |
| Federal Funds | 2,880,394 | 3,097,369 | 3,096,270 |
| Augmentations | 326,003 | 310,303 | 315,735 |
| TOTAL | <u>\$12,498,469</u> | <u>\$13,106,799</u> | <u>\$13,654,882</u> |

GENERAL FUND REVENUE SUMMARY

Five Year Revenue Projections

| | (Dollar Amounts in Thousands) | | | | | | |
|------------------------------------|-------------------------------|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| | Actual | Estimated | Budget | Estimated | Estimated | Estimated | Estimated |
| TAX REVENUE | | | | | | | |
| Corporation Taxes | | | | | | | |
| Corporate Net Income | \$ 953,241 | \$ 1,010,000 | \$ 1,020,000 | \$ 1,091,000 | \$ 1,146,000 | \$ 1,200,900 | \$ 1,257,000 |
| Capital Stock and Franchise | 465,276 | 475,000 | 507,900 | 556,200 | 580,400 | 604,900 | 651,100 |
| Selective Business: | | | | | | | |
| Utilities Gross Receipts | 518,300 | 558,000 | 560,200 | 593,800 | 620,800 | 658,050 | 707,200 |
| Public Utility Realty | 132,781 | 138,100 | 146,100 | 153,400 | 161,070 | 169,120 | 177,580 |
| Insurance Premiums | 152,525 | 165,200 | 174,600 | 188,600 | 203,600 | 220,000 | 237,540 |
| Financial Institutions | 102,041 | 117,700 | 110,200 | 116,900 | 123,910 | 131,340 | 139,220 |
| Other | 10,247 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Total—Corporation Taxes | <u>\$ 2,334,411</u> | <u>\$ 2,474,000</u> | <u>\$ 2,529,000</u> | <u>\$ 2,709,900</u> | <u>\$ 2,845,780</u> | <u>\$ 2,994,310</u> | <u>\$ 3,179,640</u> |
| Consumption Taxes | | | | | | | |
| Sales and Use | \$ 3,241,419 | \$ 3,530,100 | \$ 3,770,000 | \$ 4,033,900 | \$ 4,235,000 | \$ 4,475,000 | \$ 4,707,600 |
| Cigarette | 233,526 | 232,000 | 231,000 | 229,850 | 228,400 | 227,250 | 226,420 |
| Malt Beverage | 27,083 | 27,000 | 27,613 | 27,613 | 27,613 | 27,613 | 27,613 |
| Liquor | 107,964 | 110,200 | 110,524 | 113,517 | 115,210 | 116,938 | 118,692 |
| Total—Consumption Taxes | <u>\$ 3,609,992</u> | <u>\$ 3,899,300</u> | <u>\$ 4,139,137</u> | <u>\$ 4,404,880</u> | <u>\$ 4,606,223</u> | <u>\$ 4,846,801</u> | <u>\$ 5,080,325</u> |
| Other Taxes | | | | | | | |
| Personal Income Tax | \$ 2,710,603 | \$ 2,708,000 | \$ 2,812,000 | \$ 2,980,800 | \$ 3,129,600 | \$ 3,316,200 | \$ 3,528,000 |
| Realty Transfer | 146,968 | 195,000 | 195,000 | 208,400 | 215,000 | 228,000 | 227,200 |
| Inheritance | 322,740 | 364,000 | 380,000 | 405,200 | 429,000 | 450,000 | 444,510 |
| Minor and Repealed | 832 | 850 | 800 | 800 | 800 | 800 | 800 |
| Total—Other Taxes | <u>\$ 3,181,143</u> | <u>\$ 3,267,850</u> | <u>\$ 3,387,800</u> | <u>\$ 3,595,200</u> | <u>\$ 3,774,400</u> | <u>\$ 3,995,000</u> | <u>\$ 4,200,510</u> |
| TOTAL TAX REVENUE | <u>\$ 9,125,546</u> | <u>\$ 9,641,150</u> | <u>\$ 10,055,937</u> | <u>\$ 10,709,980</u> | <u>\$ 11,226,403</u> | <u>\$ 11,836,111</u> | <u>\$ 12,460,475</u> |
| NONTAX REVENUE | | | | | | | |
| Liquor Store Profits | \$ 33,000 | \$ 32,000 | \$ 31,000 | \$ 31,000 | \$ 26,500 | \$ 24,000 | \$ 21,000 |
| Licenses, Fees and Miscellaneous: | | | | | | | |
| Licenses and Fees | 36,590 | 34,750 | 38,950 | 39,000 | 39,000 | 39,000 | 39,000 |
| Miscellaneous | 102,333 | 94,500 | 98,000 | 98,000 | 98,000 | 98,000 | 98,000 |
| Fines, Penalties and Interest: | | | | | | | |
| On Taxes | 18,116 | 17,200 | 17,200 | 17,200 | 17,200 | 17,200 | 17,200 |
| Other | 636 | 700 | 700 | 700 | 700 | 700 | 700 |
| TOTAL NONTAX REVENUES | <u>\$ 190,675</u> | <u>\$ 179,150</u> | <u>\$ 185,850</u> | <u>\$ 185,900</u> | <u>\$ 181,400</u> | <u>\$ 178,900</u> | <u>\$ 175,900</u> |
| GENERAL FUND TOTAL | <u>\$ 9,316,221</u> | <u>\$ 9,820,300</u> | <u>\$ 10,241,787</u> | <u>\$ 10,895,880</u> | <u>\$ 11,407,803</u> | <u>\$ 12,015,011</u> | <u>\$ 12,636,375</u> |

ADJUSTMENTS TO REVENUE ESTIMATE

On June 30, 1986, the official estimate for the 1986-87 fiscal year of \$9,652,375 was certified.

Revisions to that estimate detailed below reflect 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) | | |
|------------------------------------|---------------------------------|-------------------|--------------------------------|
| | 1986-87 Official Estimate | Adjustments | 1986-87 Revised Estimate |
| TAX REVENUE | | | |
| Corporation Taxes | | | |
| Corporate Net Income | \$ 970,000 | \$ 40,000 | \$1,010,000 |
| Capital Stock and Franchise | 490,200 | -15,200 | 475,000 |
| Selective Business: | | | |
| Utilities Gross Receipts | 552,500 | 5,500 | 558,000 |
| Public Utility Realty | 138,100 | ..... | 138,100 |
| Insurance Premiums | 162,200 | 3,000 | 165,200 |
| Financial Institutions | 120,300 | -2,600 | 117,700 |
| Other | 9,200 | 800 | 10,000 |
| Total—Corporation Taxes | <u>\$2,442,500</u> | <u>\$ 31,500</u> | <u>\$2,474,000</u> |
| Consumption Taxes | | | |
| Sales and Use | \$3,453,000 | \$ 77,100 | \$3,530,100 |
| Cigarette | 232,100 | -100 | 232,000 |
| Malt Beverage | 27,340 | -340 | 27,000 |
| Liquor | 112,150 | -1,950 | 110,200 |
| Total—Consumption Taxes | <u>\$3,824,590</u> | <u>\$ 74,710</u> | <u>\$3,899,300</u> |
| Other Taxes | | | |
| Personal Income Tax | \$2,678,100 | \$ 29,900 | \$2,708,000 |
| Realty Transfer | 179,600 | 15,400 | 195,000 |
| Inheritance | 342,000 | 22,000 | 364,000 |
| Minor and Repealed | 700 | 150 | 850 |
| Total—Other Taxes | <u>\$3,200,400</u> | <u>\$ 67,450</u> | <u>\$3,267,850</u> |
| TOTAL TAX REVENUE | <u>\$9,467,490</u> | <u>\$ 173,660</u> | <u>\$9,641,150</u> |
| NONTAX REVENUE | | | |
| Liquor Store Profits | \$ 29,000 | \$ 3,000 | \$ 32,000 |
| Licenses, Fees and Miscellaneous: | | | |
| Licenses and Fees | 37,420 | -2,670 | 34,750 |
| Miscellaneous | 99,865 | -5,365 | 94,500 |
| Fines, Penalties and Interest: | | | |
| On Taxes | 18,000 | -800 | 17,200 |
| Other | 600 | 100 | 700 |
| TOTAL NONTAX REVENUES | <u>\$ 184,885</u> | <u>\$ -5,735</u> | <u>\$ 179,150</u> |
| GENERAL FUND TOTAL | <u>\$9,652,375</u> | <u>\$ 167,925</u> | <u>\$9,820,300</u> |

GENERAL FUND REVENUE SOURCES

Corporate Net Income Tax

(Dollar Amounts in Thousands)

| | Actual | | Estimated |
|---------------|------------|---------------|-------------|
| 1980-81 | \$ 814,679 | 1986-87 | \$1,010,000 |
| 1981-82 | 856,571 | 1987-88 | 1,020,000 |
| 1982-83 | 818,578 | 1988-89 | 1,091,000 |
| 1983-84 | 854,982 | 1989-90 | 1,146,000 |
| 1984-85 | 933,390 | 1990-91 | 1,200,900 |
| 1985-86 | 953,241 | 1991-92 | 1,257,000 |

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

Exclusions and Deductions: The following organizations are exempt from this tax: Building and loan associations, banks, savings institutions, trust companies, insurance and surety companies, and Pennsylvania S corporations. Deductions allowed from Federal taxable income for computing Pennsylvania taxable income include corporate dividends received, interest on U.S. government securities and Pennsylvania net losses carried forward from prior years. The increased depreciation deductions allowed by the accelerated cost recovery system ("ACRS") permitted for Federal taxes were not allowed to be deducted from taxable income for tax years 1981 or 1982. In tax year 1983, corporations could deduct one-half of the increased depreciation allowance resulting from ACRS for that year from their state tax base. In tax year 1984 all of the increased allowance for ACRS deductions could be taken from the tax base. Beginning with the 1984 tax year and each tax year thereafter, corporations may recover one-fourth of the increased depreciation allowances for tax years 1981, 1982 and 1983 not previously recovered, until all ACRS depreciation has been recovered.

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

Recent Tax Rates: January 1, 1987 to current: 8.5 percent.
 January 1, 1984 to December 31, 1986: 9.5 percent.
 January 1, 1977 to December 31, 1983: 10.5 percent.

Payment: Under the estimated tax system, which commenced in taxable year 1986, a corporation estimates what it will owe for the taxable year and makes payments on the 15th day of the 4th, 6th, 9th, and 12th months of the taxable year. The final balance of tax due, if any, must be paid with the annual return due 105 days after the end of the tax year.

Recent Changes: Beginning in taxable year 1986, the tax rate was reduced to 8.5 percent, effective January 1, 1987. Act No. 1986-79 established a tax credit to employers who provide new employment. The tax credit is \$140 for each new employee in 1986, \$161 for 1987, \$168 for 1988 and thereafter.

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

GENERAL FUND REVENUE SOURCES

Capital Stock and Franchise Taxes

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|------------|---------------|------------|
| 1980-81 | \$ 330,427 | 1986-87 | \$ 475,000 |
| 1981-82 | 341,639 | 1987-88 | 507,900 |
| 1982-83 | 363,520 | 1988-89 | 556,200 |
| 1983-84 | 388,838 | 1989-90 | 580,400 |
| 1984-85 | 425,858 | 1990-91 | 604,900 |
| 1985-86 | 465,276 | 1991-92 | 651,100 |

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

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

Recent Tax Rates: 10 mills on each dollar of taxable stock with a minimum tax payment of \$75 for both taxes.

Payment: A tentative return for both taxes for the current tax year must be filed within the first 105 days of the tax year. A payment of 80 percent of the estimated tax liability, based on the second preceeding year, is to be paid with the tentative return. The final balance of tax due, if any, must be paid with the annual return due 105 days after the end of the tax year.

Recent Changes: The tentative tax payment rate has been reduced from 85 to 80 percent. The first \$50,000 of a taxpayer's capital stock value for tax purposes is exempt. The definition of foreign entity has been amended to include those entities carrying on activities in the Commonwealth, including solicitation, and owning capital or property in Pennsylvania. The definition of net worth has been changed in cases where net worth as determined is greater than twice or less than one-half of the net worth which would have been calculated as of the first day of the current tax year, then the net worth for the year is the average of these two amounts. These changes were provided in Act No. 1986-77 and are effective January 1, 1987.

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

GENERAL FUND REVENUE SOURCES

Utilities Gross Receipts Tax

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|------------|---------------|------------|
| 1980-81 | \$ 432,324 | 1986-87 | \$ 558,000 |
| 1981-82 | 501,536 | 1987-88 | 560,200 |
| 1982-83 | 503,648 | 1988-89 | 593,800 |
| 1983-84 | 511,126 | 1989-90 | 620,800 |
| 1984-85 | 550,470 | 1990-91 | 658,050 |
| 1985-86 | 518,300 | 1991-92 | 707,200 |

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

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

Credits: Act No. 1980-24, provides a tax credit for expenditures by railroads for maintenance and improvement of rights-of-way. The credit is to be applied to the succeeding tax year and is effective only for tax years 1981 through 1986. Act No. 1986-123 extended the tax credit for tax years 1987 through 1992.

Recent Tax Rates: The tax rate is 45 mills for all utilities except motor transportation companies which are taxed at the rate of eight mills.

Payments: A tentative return for a current tax year must be filed within 105 days of the beginning of the tax year. A payment of 90 percent of the estimated tax liability is to be paid with the tentative return. The final balance of tax due, if any, must be paid with the annual return, which is due and payable by April 15 following the close of the tax year.

References: Purdon's Title 72 P.S. §8101—§8102; 71 P.S. §2183—§2194.

GENERAL FUND REVENUE SOURCES

Public Utility Realty Tax

(Dollar Amounts in Thousands)

| Actual | | Estimated |
|---------------|-----------|---------------|
| 1980-81 | \$ 93,321 | 1986-87 |
| 1981-82 | 104,156 | 1987-88 |
| 1982-83 | 111,564 | 1988-89 |
| 1983-84 | 173,725 | 1989-90 |
| 1984-85 | 130,285 | 1990-91 |
| 1985-86 | 132,781 | 1991-92 |
| | | \$ 138,100 |
| | | 146,100 |
| | | 153,400 |
| | | 161,070 |
| | | 169,120 |
| | | 177,580 |

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

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

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

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

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

GENERAL FUND REVENUE SOURCES

Insurance Premiums Tax

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|-----------|---------------|------------|
| 1980-81 | \$ 98,112 | 1986-87 | \$ 165,200 |
| 1981-82 | 104,057 | 1987-88 | 174,600 |
| 1982-83 | 103,168 | 1988-89 | 188,600 |
| 1983-84 | 110,550 | 1989-90 | 203,600 |
| 1984-85 | 118,666 | 1990-91 | 220,000 |
| 1985-86 | 152,525 | 1991-92 | 237,540 |

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

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

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

Payment: Companies are required to transmit tentative reports annually together with a tentative payment of the current year's tax computed by applying the current rate of tax to 90 percent of the tax base for the immediate prior year. Alternatively, the taxpayer may elect to estimate the tentative tax payment at an amount not less than 90 percent of the tax as finally reported. The reports and payments must be submitted by April 15 of each year while the remaining amount due must be paid by April 15 of the following year.

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

GENERAL FUND REVENUE SOURCES

Financial Institutions Taxes

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|-----------|---------------|------------|
| 1980-81 | \$ 42,555 | 1986-87 | \$ 117,700 |
| 1981-82 | 34,995 | 1987-88 | 110,200 |
| 1982-83 | 50,706 | 1988-89 | 116,900 |
| 1983-84 | 72,848 | 1989-90 | 123,910 |
| 1984-85 | 76,121 | 1990-91 | 131,340 |
| 1985-86 | 102,041 | 1991-92 | 139,220 |

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

Exclusions and Deductions: The value of the capital stock is adjusted to exclude the value of United States obligations in the same proportion that the book value of those obligations bears to total assets. Act No. 1982-184 enacted provisions allowing mutual thrift institutions to carry forward net operating losses up to a maximum of three years and deduct them from future year's tax liabilities. This provision was phased-in over a three-year period beginning in 1981.

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

Recent Tax Rates: The tax rate for the Bank Shares Tax and Title Insurance and Trust Companies Shares Tax is 1.075 percent on the dollar value of each share of capital stock. Before January 1, 1984, the rate for both taxes was 15 mills on the actual value of capital stock shares. A rate of 11.5 percent is levied on net earnings or income of mutual thrift institutions under the Mutual Thrift Institutions Tax.

Payment: An 80 percent payment of the bank shares and title insurance and trust companies shares taxes is due by April 15 of the current year. The balance is due by April 15 of the following year. Payment of the Mutual Thrift Institution Tax requires a 90 percent tentative payment of the tax with the remainder due when the tax return is filed in the following year.

Recent Changes: The Bank Shares and Title Insurance and Trust Companies Shares Taxes were amended in December 1983 in response to the Pennsylvania Supreme Court's decision in *Dale National Bank v. Commonwealth* that held United-States obligations were improperly taken into account in the computation of the Banks Shares Tax.

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

GENERAL FUND REVENUE SOURCES

Other Selective Business Taxes

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|----------|---------------|-----------|
| 1980-81 | \$ 7,204 | 1986-87 | \$ 10,000 |
| 1981-82 | 8,075 | 1987-88 | 10,000 |
| 1982-83 | 8,830 | 1988-89 | 10,000 |
| 1983-84 | 8,548 | 1989-90 | 10,000 |
| 1984-85 | 8,752 | 1990-91 | 10,000 |
| 1985-86 | 10,247 | 1991-92 | 10,000 |

Tax Base: Other selective business taxes include: Domestic Excise Tax, Act of July 25, 1953, P.L. 564 (repealed by Act No. 182 of July 12, 1972, effective September 10, 1972); Corporation Excise Tax -Foreign, Act of July 25, 1953, P.L. 560 (declared unconstitutional by the Supreme Court of Pennsylvania on July 6, 1976); Loans Tax Domestic and Foreign, Act of June 22, 1935, P.L. 414 as amended; Electric Cooperative Corporation Tax, Act of June 21, 1937, P.L. 1969; Agricultural Cooperative Associations Corporate Net Income Tax, Act of May 23, 1945, P.L. 893; Gross Receipts—Private Banks, Act of May 16, 1961, P.L. 708 as amended; and Corporation Income Tax, Act of August 24, 1951, P.L. 1417 as amended (repealed for years ending on or after January 1, 1981 by the Act of December 21, 1981, P.L. 482, No. 141).

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

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

GENERAL FUND REVENUE SOURCES

Sales and Use Tax

(Dollar Amounts in Thousands)

| Actual | Estimated |
|---------------|---------------|
| 1980-81 | 1986-87 |
| \$2,086,166 | \$3,530,100 |
| 1981-82 | 1987-88 |
| 2,229,436 | 3,770,000 |
| 1982-83 | 1988-89 |
| 2,365,061 | 4,033,900 |
| 1983-84 | 1989-90 |
| 2,720,628 | 4,235,000 |
| 1984-85 | 1990-91 |
| 3,019,349 | 4,475,000 |
| 1985-86 | 1991-92 |
| 3,241,419 | 4,707,600 |

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

Exclusions and Deductions: A number of specific items are excluded from the sales and use tax. Among the most important items excluded are: Most wearing apparel, except such items as accessories, formal wear, clothing worn strictly for sports activities, etc., take-out food, prescription or non-prescription medicines and drugs, prescription eyeglasses, medical supplies, residential use of steam, gas, fuel oil and electricity, water and motor fuels. Also excluded from the tax are items sold to the United States, to the Commonwealth or its political subdivisions. Sales to charitable organizations, non-profit educational institutions, volunteer firemen's organizations and religious organizations are excluded to the extent the items are used in furtherance of the purpose of the organization. Items directly used in manufacturing, processing, farming, dairying or utility service are exempt. Materials used in the construction of foundations for tax exempt machinery and equipment are also exempt from tax.

Credit: A credit against the tax on an item or service taxable in the Commonwealth for use inside the Commonwealth shall be granted equal to the tax paid to another state by reason of the imposition by such other state of a tax similar to this tax. However, no credit will be granted if such other state does not grant similar tax relief.

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

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

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

GENERAL FUND REVENUE SOURCES

Cigarette Tax

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|------------|---------------|------------|
| 1980-81 | \$ 254,661 | 1986-87 | \$ 232,000 |
| 1981-82 | 254,922 | 1987-88 | 231,000 |
| 1982-83 | 250,733 | 1988-89 | 229,850 |
| 1983-84 | 242,717 | 1989-90 | 228,400 |
| 1984-85 | 239,201 | 1990-91 | 227,250 |
| 1985-86 | 233,526 | 1991-92 | 226,420 |

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

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

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

Payment: The tax is levied on the ultimate consumer, but usually is collected by sale of stamps to dealers who affix these to each package.

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

GENERAL FUND REVENUE SOURCES

Malt Beverage Tax

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|-----------|---------------|-----------|
| 1980-81 | \$ 27,628 | 1986-87 | \$ 27,000 |
| 1981-82 | 28,397 | 1987-88 | 27,613 |
| 1982-83 | 27,904 | 1988-89 | 27,613 |
| 1983-84 | 27,023 | 1989-90 | 27,613 |
| 1984-85 | 27,061 | 1990-91 | 27,613 |
| 1985-86 | 27,083 | 1991-92 | 27,613 |

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

Credits: Act No. 26, enacted March 28, 1986, amended the Malt Beverage Law to provide a tax credit for domestic manufacturers of malt or brewed beverages. The credit is for "qualifying capital expenditures" and may not exceed the amount of the expenditures or \$150,000 a year. The act is effective for the period January 1, 1986 to December 31, 1989.

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

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

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

| |
|-------------------------------------|
| GENERAL FUND REVENUE SOURCES |
|-------------------------------------|

Liquor Tax

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|-----------|---------------|------------|
| 1980-81 | \$ 97,178 | 1986-87 | \$ 110,200 |
| 1981-82 | 113,736 | 1987-88 | 110,524 |
| 1982-83 | 107,467 | 1988-89 | 113,517 |
| 1983-84 | 105,311 | 1989-90 | 115,210 |
| 1984-85 | 103,079 | 1990-91 | 116,938 |
| 1985-86 | 107,964 | 1991-92 | 118,692 |

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

Recent Tax Rates: As of January 1, 1968, the rate is 18 percent of the net retail purchase price.

Payment: Tax is collected by the Liquor Control Board and is periodically transferred to the General Fund.

Reference: Purdon's Title 47 P.S. §794 *et seq.*

GENERAL FUND REVENUE SOURCES

Personal Income Tax

(Dollar Amounts in Thousands)

| Actual | Estimated |
|---------------|-------------|
| 1980-81 | \$1,911,581 |
| 1981-82 | 2,011,990 |
| 1982-83 | 2,078,995 |
| 1983-84 | 2,581,584 |
| 1984-85 | 2,637,557 |
| 1985-86 | 2,710,603 |
| 1986-87 | \$2,708,000 |
| 1987-88 | 2,812,000 |
| 1988-89 | 2,980,800 |
| 1989-90 | 3,129,600 |
| 1990-91 | 3,316,200 |
| 1991-92 | 3,528,000 |

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 each of the classes of income from sources within the Commonwealth. A loss in one class of income may not be offset against income in another class, nor may gains or losses be carried back or forward from year to year.

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

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

Recent Tax Rates:

- September 1, 1986 to present — 2.1 percent
- January 1, 1986 to August 31, 1986 — 2.2 percent.
- July 1, 1984 to December 31, 1985 — 2.35 percent.
- January 1, 1983 to June 30, 1984 — 2.45 percent.
- January 1, 1978 to December 31, 1982 — 2.2 percent.

Payment: Withholding of the tax is required by employers from all persons liable for the tax with the size of collections determining the frequency for remittance to the Commonwealth by employers. For those individuals with taxable incomes over \$2,500, other than wages subject to withholding, a declaration and payment of the estimated tax is required similar to those mandated by Federal law. Payments may be made annually on April 15 for calendar year taxpayers, twice yearly, three times yearly, or four times yearly. There are special declaration and estimated tax provisions provided for farm income. Final returns and remittance of any tax due for a tax year are to be filed on or before the date when the taxpayer's Federal income tax return is due. Application for refund must be filed within three years from the time the return is required to be filed.

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

| |
|-------------------------------------|
| GENERAL FUND REVENUE SOURCES |
|-------------------------------------|

Realty Transfer Tax

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|-----------|---------------|------------|
| 1980-81 | \$ 76,518 | 1986-87 | \$ 195,000 |
| 1981-82 | 67,848 | 1987-88 | 195,000 |
| 1982-83 | 82,815 | 1988-89 | 208,400 |
| 1983-84 | 106,993 | 1989-90 | 215,000 |
| 1984-85 | 121,220 | 1990-91 | 228,000 |
| 1985-86 | 146,968 | 1991-92 | 227,200 |

Tax Base: The tax is levied on the value of property transferred through the medium of a deed, instrument or other writing.

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

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

Recent Changes: Act No. 1986-77 clarified exemptions to the Realty Transfer Tax. Several transactions which were not previously taxable were brought under the authority of the tax. Long-term leases greater than thirty years, transfers from industrial development authorities which will not be used primarily for industrial purposes, and transfers through the acquisition of companies in which the acquired company is in the business of holding or selling real estate are now subject to tax.

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

GENERAL FUND REVENUE SOURCES

Inheritance Tax

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|------------|---------------|------------|
| 1980-81 | \$ 196,268 | 1986-87 | \$ 364,000 |
| 1981-82 | 218,399 | 1987-88 | 380,000 |
| 1982-83 | 250,599 | 1988-89 | 405,200 |
| 1983-84 | 282,217 | 1989-90 | 429,000 |
| 1984-85 | 277,568 | 1990-91 | 450,000 |
| 1985-86 | 322,740 | 1991-92 | 444,510 |

Tax Base: The Inheritance Tax is levied on the clear value of property transferred to beneficiaries of a deceased person. The value of the transfer is established on the date of the decedent's death. The Estate Tax is levied on the amount equal to the federal estate tax credit on estates situated in Pennsylvania and applies to residents and non-residents.

Exclusions and Deductions: Transfers to the U.S. Government, the Commonwealth, charities or eleemosynary societies are exempt from this tax. Property passing to lineal beneficiaries may qualify for a \$2,000 family exemption.

Recent Tax Rate: 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.

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

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

GENERAL FUND REVENUE SOURCES

Minor and Repealed Taxes

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|--------|---------------|--------|
| 1980-81 | \$ 606 | 1986-87 | \$ 850 |
| 1981-82 | 586 | 1987-88 | 800 |
| 1982-83 | 613 | 1988-89 | 800 |
| 1983-84 | 724 | 1989-90 | 800 |
| 1984-85 | 743 | 1990-91 | 800 |
| 1985-86 | 832 | 1991-92 | 800 |

Minor Taxes Include: Tax on Legal Documents, Act of April 6, 1830, P.L. 272 (Purdon's Title 72 P.S. §3172) and the Spiritous and Vinous Liquors Tax, Acts of December 5, 1933, P.L. 38 (special session) and December 22, 1933, P.L. 91 (special session) (Purdon's Title 47 P.S. 745).

Repealed and Expired Taxes Include: Consumers Sales Tax, Act of July 13, 1953, P.L. 389—Expired August 31, 1955, Anthracite Coal Tax, Act of May 11, 1921, P.L. 479—Expired 1931, Stock Transfer Tax, Repealed by Act of July 10, 1957, P.L. 671, Documentary Stamp Tax, Act of May 16, 1935, P.L. 203—Expired 1937, Soft Drink Tax, Act of May 14, 1947, P.L. 249—Expired May 31, 1951, Personal Property Tax, Act of June 22, 1935, P.L. 414—Expired 1943, Building and Loan Association Stock Tax, Act of June 22, 1897, P.L. 178, Repealed by Act of March 15, 1937, P.L. 62, Mercantile License Tax System, Act of May 2, 1899, P.L. 184, Repealed by Act of May 7, 1943, P.L. 237 (effective January 1, 1944).

| |
|-------------------------------------|
| GENERAL FUND REVENUE SOURCES |
|-------------------------------------|

Liquor Store Profits

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|-----------|---------------|-----------|
| 1980-81 | \$ 66,688 | 1986-87 | \$ 32,000 |
| 1981-82 | 40,000 | 1987-88 | 31,000 |
| 1982-83 | 50,000 | 1988-89 | 31,000 |
| 1983-84 | 35,000 | 1989-90 | 26,500 |
| 1984-85 | 35,000 | 1990-91 | 24,000 |
| 1985-86 | 33,000 | 1991-92 | 21,000 |

Liquor Store Profits represent the amount of profit from the operation of state liquor stores less deductions for reserve and inventory. This amount is transferred to the General Fund from the State Stores Fund to be used for general appropriation purposes as provided by Act No. 412-1/2 of July 18, 1935, P.L. 1316.

The 1980-81 amount includes revenues resulting from revisions to discounts granted to certain purchasers, increased handling charges imposed and a drawdown of accumulated surplus in the State Stores Fund.

| |
|-------------------------------------|
| GENERAL FUND REVENUE SOURCES |
|-------------------------------------|

Licenses, Fees, and Miscellaneous Revenue

(Dollar Amounts in Thousands)

| Actual | Estimated |
|-------------------------|-------------------------|
| 1980-81\$ 177,216 | 1986-87\$ 129,250 |
| 1981-82 165,648 | 1987-88 136,950 |
| 1982-83 171,408 | 1988-89 137,000 |
| 1983-84 130,695 | 1989-90 137,000 |
| 1984-85 144,673 | 1990-91 137,000 |
| 1985-86 138,923 | 1991-92 137,000 |

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

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

GENERAL FUND REVENUE SOURCES

Fines, Penalties and Interest

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|-----------|---------------|-----------|
| 1980-81 | \$ 13,365 | 1986-87 | \$ 17,900 |
| 1981-82 | 20,619 | 1987-88 | 17,900 |
| 1982-83 | 17,199 | 1988-89 | 17,900 |
| 1983-84 | 17,964 | 1989-90 | 17,900 |
| 1984-85 | 17,513 | 1990-91 | 17,900 |
| 1985-86 | 18,752 | 1991-92 | 17,900 |

This revenue source includes all penalties and interest collected in the enforcement of tax regulations. The largest portion is from corporation taxes, penalties and interest.

Also included are fines and penalties other than those used to enforce tax regulations and those not required by law to be placed into a special fund for a specific purpose. Most of these fines and penalties collected by the various departments are an integral part of enforcement of the laws providing for licenses and fees.

GENERAL FUND REVENUE DETAIL

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

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
| TAX REVENUE | | | |
| Corporate Net Income Tax | \$ 953,241 | \$ 1,010,000 | \$ 1,020,000 |
| Capital Stock and Franchise Taxes | | | |
| Capital Stock Taxes—Domestic | \$ 272,737 | \$ 278,400 | \$ 297,700 |
| Franchise Taxes—Foreign | 192,539 | 196,600 | 210,200 |
| Subtotal | \$ 465,276 | \$ 475,000 | \$ 507,900 |
| Utilities Gross Receipts | | | |
| Telephone and Telegraph | \$ 96,454 | \$ 103,840 | \$ 104,250 |
| Electric, Hydroelectric and Water Power | 333,487 | 359,030 | 360,450 |
| Motor Transportation | 1,699 | 1,830 | 1,840 |
| Transportation | 1,494 | 1,610 | 1,610 |
| Gas | 85,166 | 91,690 | 92,050 |
| Subtotal | \$ 518,300 | \$ 558,000 | \$ 560,200 |
| Public Utility Realty Tax | \$ 132,781 | \$ 138,100 | \$ 146,100 |
| Insurance Premiums Tax | | | |
| Domestic Casualty | \$ 26,291 | \$ 28,480 | \$ 30,100 |
| Domestic Marine | 14 | 20 | 20 |
| Domestic Fire | 22,202 | 24,050 | 25,410 |
| Domestic Life and Previously Exempted Lines | 8,754 | 9,480 | 10,020 |
| Unauthorized Insurance | 1,171 | 1,270 | 1,340 |
| Foreign Life | 78,362 | 84,870 | 89,700 |
| Foreign Excess Casualty | 6,104 | 6,610 | 6,990 |
| Foreign Marine | 35 | 40 | 40 |
| Foreign Excess Fire | 3,463 | 3,750 | 3,960 |
| Excess Insurance Brokers | 5,110 | 5,530 | 5,850 |
| Title Insurance | 1,019 | 1,100 | 1,170 |
| Subtotal | \$ 152,525 | \$ 165,200 | \$ 174,600 |
| Financial Institutions Taxes | | | |
| Trust Companies | \$ 13,086 | \$ 15,090 | \$ 14,130 |
| State Banks | 18,517 | 21,360 | 20,000 |
| National Banks | 42,505 | 49,030 | 45,900 |
| State Mutual Thrift Institutions | 25,092 | 28,940 | 27,100 |
| Federal Mutual Thrift Institutions | 2,841 | 3,280 | 3,070 |
| Subtotal | \$ 102,041 | \$ 117,700 | \$ 110,200 |

GENERAL FUND REVENUE DETAIL

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
| Other Selective Business Taxes | | | |
| Excise—Foreign | * | * | * |
| Corporate Loans—Domestic | \$ 8,473 | \$ 8,270 | \$ 8,270 |
| Corporate Loans—Foreign | 857 | 835 | 835 |
| Tax on Electric Cooperative Corporations | 15 | 15 | 15 |
| Corporate Net Income Tax on Agricultural Cooperative Associations | 102 | 100 | 100 |
| Corporation Income | 28 | 30 | 30 |
| Gross Receipts—Private Bankers | 202 | 200 | 200 |
| Department of Justice Collections | 570 | 550 | 550 |
| Subtotal | <u>\$ 10,247</u> | <u>\$ 10,000</u> | <u>\$ 10,000</u> |
| Sales and Use Tax | <u>\$ 3,241,419</u> | <u>\$ 3,530,100</u> | <u>\$ 3,770,000</u> |
| Cigarette Tax | <u>\$ 233,526</u> | <u>\$ 232,000</u> | <u>\$ 231,000</u> |
| Malt Beverage Tax | <u>\$ 27,083</u> | <u>\$ 27,000</u> | <u>\$ 27,613</u> |
| Liquor Tax | <u>\$ 107,964</u> | <u>\$ 110,200</u> | <u>\$ 110,524</u> |
| Personal Income Tax | <u>\$ 2,710,603</u> | <u>\$ 2,708,000</u> | <u>\$ 2,812,000</u> |
| Realty Transfer Tax | <u>\$ 146,968</u> | <u>\$ 195,000</u> | <u>\$ 195,000</u> |
| Inheritance Tax | | | |
| Resident Transfer Inheritance and Estate Tax | \$ 320,841 | \$ 361,860 | \$ 377,760 |
| Nonresident Transfer Inheritance and Estate Tax | 1,899 | 2,140 | 2,240 |
| Subtotal | <u>\$ 322,740</u> | <u>\$ 364,000</u> | <u>\$ 380,000</u> |
| Minor and Repealed Taxes | | | |
| Tax on Writs, Wills and Deeds | \$ 796 | \$ 813 | \$ 765 |
| Distilled Spirits | * | 1 | 1 |
| Rectified Spirits | 1 | 1 | 1 |
| Wines | 35 | 35 | 33 |
| Subtotal | <u>\$ 832</u> | <u>\$ 850</u> | <u>\$ 800</u> |
| TOTAL TAX REVENUE | <u>\$ 9,125,546</u> | <u>\$ 9,641,150</u> | <u>\$ 10,055,937</u> |
| NONTAX REVENUES | | | |
| Liquor Store Profits | <u>\$ 33,000</u> | <u>\$ 32,000</u> | <u>\$ 31,000</u> |

*Less than \$500.

GENERAL FUND REVENUE DETAIL

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
| Licenses, Fees and Miscellaneous | | | |
| Governor's Office | | | |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous | \$ 4 | ..... | ..... |
| Executive Office | | | |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous ..... | * | ..... | ..... |
| Crime Victim's Award Restitution | \$ 10 | \$ 10 | \$ 10 |
| Refunds of Expenditures Not Credited to Appropriation..... | 5 | 5 | 5 |
| Subtotal | \$ 15 | \$ 15 | \$ 15 |
| Lieutenant Governor's Office | | | |
| LICENSES AND FEES | | | |
| Board of Pardon Fees | \$ 1 | \$ 1 | \$ 1 |
| Board of Pardon Filing Fees | 2 | 4 | 6 |
| Board of Pardon Copying Fees ..... | * | * | ..... |
| Subtotal | \$ 3 | \$ 5 | \$ 7 |
| Auditor General | | | |
| LICENSES AND FEES | | | |
| Filing Fees | \$ 7 | \$ 7 | \$ 7 |
| Attorney General | | | |
| MISCELLANEOUS REVENUE | | | |
| Antitrust Case Payments | \$ 1 | \$ 1,152 | \$ 1,200 |
| Assessed Civil Penalties Payments | 100 | 100 | 110 |
| Miscellaneous | 1 | 1 | 1 |
| Refund of Expenditures Not Credited to Appropriations..... | 10 | 10 | 10 |
| Subtotal | \$ 112 | \$ 1,263 | \$ 1,321 |
| Treasury Department | | | |
| MISCELLANEOUS REVENUE | | | |
| Interest on Securities | \$ 51,325 | \$ 46,205 | 50,000 |
| Interest on Deposits | 3,978 | 4,350 | 4,500 |
| Allocation of Treasury Cost | 1,570 | 1,700 | 1,700 |
| Premium and Discount on Tax Notes Sold | -199 | -155 | ..... |
| Interest on Securities—Liquor License Fund..... | 135 | 200 | 150 |
| Redeposit of Checks | 1,192 | 1,360 | 1,200 |
| Refund of Expenditures Not Credited to Appropriations..... | 195 | 10 | 10 |
| Miscellaneous | 57 | 15 | 10 |
| Depository Adjustments | -55 | -10 | ..... |
| Subtotal | \$ 58,198 | \$ 53,675 | \$ 57,570 |

*Less than \$500.

GENERAL FUND REVENUE DETAIL

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
| Department of Agriculture | | | |
| LICENSES AND FEES | | | |
| Carbonated Beverage License | \$ 19 | \$ 20 | \$ 20 |
| Egg Certification Fees | 26 | 25 | 25 |
| Cold Storage Warehouse Licenses | 3 | 3 | 3 |
| Egg Opening Licenses | * | * | * |
| Seed Testing and Certification Fees | 78 | 70 | 70 |
| Bakery Licenses | 50 | 49 | 49 |
| Ice Cream Licenses | 47 | 45 | 45 |
| Domestic Animal Dealers Licenses | 7 | 7 | 7 |
| Abattoir Licenses | * | 8 | 8 |
| Rendering Plant Licenses | 1 | 1 | 1 |
| Horse Slaughtering Licenses | * | * | * |
| Approved Inspector's Certificate and Registration Fees | 7 | 7 | 7 |
| Garbage Feeders Licenses | 1 | 1 | 1 |
| Poultry Technician Licenses | 1 | 1 | 1 |
| Miscellaneous Licenses and Fees | 22 | 20 | 20 |
| Farm Product Inspection Fees | 13 | 11 | 11 |
| Veterinarian Diagnostic Lab Fees | 142 | 148 | 148 |
| Public Weighmaster's Liquid Fuels Licenses | 51 | 48 | 48 |
| Public Weighmaster's Solid Fuels Licenses | 32 | 31 | 31 |
| Livestock Branding Fees | * | * | * |
| Pesticide Dealers License and Fees | 9 | 10 | 10 |
| Pesticide Application License and Fees | 107 | 110 | 110 |
| Pesticide Registration Fees | 93 | 90 | 90 |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous | 28 | 1 | 1 |
| Refund of Expenditures Not Credited to Appropriations | 26 | 14 | 14 |
| Sale of Dressed Meats — MAEC | 9 | . | . |
| Subtotal | <u>\$ 772</u> | <u>\$ 720</u> | <u>\$ 720</u> |
| Department of Commerce | | | |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous | \$ 41 | \$ 50 | \$ 50 |
| Refund of Expenditures Not Credited to Appropriations | * | * | * |
| Nursing Home Loans — Repayments | 4,093 | 4,950 | 4,950 |
| Subtotal | <u>\$ 4,134</u> | <u>\$ 5,000</u> | <u>\$ 5,000</u> |
| Department of Community Affairs | | | |
| LICENSES AND FEES | | | |
| Municipal Indebtedness Fees | \$ 113 | \$ 113 | \$ 100 |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous | 31 | 31 | 30 |
| Refunds of Expenditures Not Credited to Appropriations | 211 | 211 | 200 |
| Subtotal | <u>\$ 355</u> | <u>\$ 355</u> | <u>\$ 330</u> |

*Less than \$500.

GENERAL FUND REVENUE DETAIL

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
| Department of Corrections | | | |
| MISCELLANEOUS REVENUE | | | |
| Antitrust Case Payments ..... | * | ..... | ..... |
| Miscellaneous | \$ 2 | \$ 3 | \$ 3 |
| Refunds of Expenditures Not Credited to Appropriations | 40 | 42 | 42 |
| Subtotal | \$ 42 | \$ 45 | \$ 45 |
| | | | |
| Crime Commission | | | |
| MISCELLANEOUS REVENUE | | | |
| Refunds of Expenditures Not Credited to Appropriations | \$ 1 | ..... | ..... |
| | | | |
| Department of Education | | | |
| LICENSES AND FEES | | | |
| Secondary Education Evaluation Fees | \$ 87 | \$ 90 | \$ 100 |
| Private Trade School License Fees | 41 | 43 | 44 |
| Business School License Fees | 57 | 60 | 62 |
| Correspondence School License Fees | 11 | 10 | 11 |
| Private Academic School License Fees | 63 | 64 | 63 |
| Private Driver Training School Fees | 3 | 20 | 24 |
| Teachers Certification Fees | 313 | 315 | 322 |
| Teachers Certification Fees — Private Academy | 12 | 13 | 14 |
| PDE — Fees Transcripts/Closed Private Schools | * | * | * |
| | | | |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous | * | * | * |
| Refunds of Expenditures Not Credited to Appropriations | 75 | 50 | 50 |
| Subtotal | \$ 662 | \$ 665 | \$ 690 |
| | | | |
| Emergency Management Agency | | | |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous ..... | * | ..... | ..... |
| Refunds of Expenditures Not Credited to Appropriations | 5 | 5 | 5 |
| Subtotal | \$ 5 | \$ 5 | \$ 5 |
| | | | |
| Department of Environmental Resources | | | |
| LICENSES AND FEES | | | |
| Bathing Place Licenses | \$ 2 | ..... | ..... |
| Sewage and Industrial Waste Permit Fees | 385 | \$ 280 | \$ 280 |
| Restaurant Licenses | 516 | 525 | 525 |
| Miscellaneous Licenses and Fees | 39 | 26 | 25 |
| Registration Fees for Organized Camps | 5 | 4 | 4 |
| Explosive Storage Permit Fees | 115 | 127 | 127 |
| Blasters' Examination and Licensing Fees | 38 | 60 | 60 |
| Examination and Certificate Fees | 12 | 15 | 15 |
| Bituminous Miners' Examination and Certificate Fees | * | 1 | 1 |
| Bituminous Shot Firers and Machine Runners Examination and Certificates | 1 | 1 | 1 |
| Anthracite Miners' Examination and Certificate Fees | * | * | * |
| Water Power and Supply Permit Fees | 72 | 75 | 80 |

*Less Than \$500.

GENERAL FUND REVENUE DETAIL

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
| Department of Environmental Resources (continued) | | | |
| LICENSES AND FEES (continued) | | | |
| Dams and Encroachment Fees | \$ 116 | \$ 120 | \$ 130 |
| Water Bacteriological Examinations | 54 | 60 | 60 |
| Sewage Enforcement Examination Fees | 2 | 2 | 2 |
| Sewage Enforcement-Certificate Copy Fees | 1 | 3 | 3 |
| Hazardous Waste Treatment Storage or Disposal | 12 | 100 | 100 |
| Hazardous Waste Transporter Licenses Application Fees | 36 | 10 | 4 |
| MISCELLANEOUS REVENUE | | | |
| Stumpage | 1 | * | . |
| Minerals Sales | 261 | 250 | 250 |
| Camp Leases | 204 | 220 | 220 |
| Water Leases | 2 | 5 | 5 |
| Rights-of-Way | 155 | 160 | 165 |
| Recovered Damages | 3 | 3 | . |
| Housing Rents | 13 | 15 | 15 |
| Ground Rents | 35 | 35 | 40 |
| Royalties for Recovery of Materials-Schuylkill River | 74 | 75 | 75 |
| Miscellaneous | 67 | 70 | 70 |
| Surface Subsidence Assistance Loans—Principal Amounts | 15 | 15 | 15 |
| Refunds of Expenditures Not Credited to Appropriations | 257 | 200 | 200 |
| Payment to Occupy Submerged Lands | 23 | 25 | 25 |
| Payments of Loans — Water Facilities Loans | 826 | 892 | 825 |
| Interest Income | 833 | 1,065 | 830 |
| Penalty Charges — Delinquent | 1 | 2 | 2 |
| Sewage Treatment and Waterworks Application Fee | * | 2 | 2 |
| Subtotal | <u>\$ 4,176</u> | <u>\$ 4,443</u> | <u>\$ 4,156</u> |
| Department of General Services | | | |
| MISCELLANEOUS REVENUE | | | |
| Sale of State Property | \$ 786 | \$ 1,000 | \$ 1,000 |
| Sale of Publications | -572 | 80 | . |
| Sale of Unserviceable Property | 208 | 275 | 275 |
| Rental of State Property | 201 | 175 | 200 |
| Recovery on Insurance and Surety Bonds | 1 | * | * |
| Mileage of State Automobiles | 449 | 500 | 500 |
| Contract Forfeitures and Damages | 10 | 8 | 1 |
| Allocation of Property Costs | 4,841 | 5,000 | 5,250 |
| Real Estate Services | 108 | 100 | 100 |
| Miscellaneous | 1,452 | 750 | 750 |
| Refunds of Expenditures Not Credited to Appropriations | 43 | 40 | 45 |
| Subtotal | <u>\$ 7,527</u> | <u>\$ 7,928</u> | <u>\$ 8,121</u> |
| Department of Health | | | |
| LICENSES AND FEES | | | |
| Vital Statistics Fees | \$ 1,983 | \$ 1,983 | \$ 1,983 |
| Registration Fees-Drugs Devices and Cosmetics Act | 347 | 347 | 347 |
| Profit Making Hospital Licenses | 18 | 18 | 18 |
| Nursing Home Licenses | 314 | 314 | 314 |
| Life Safety Code Disposition Fees | 115 | 115 | 115 |
| Birth Center Licensure Fees | * | * | * |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous | 103 | 103 | 103 |
| Subtotal | <u>\$ 2,880</u> | <u>\$ 2,880</u> | <u>\$ 2,880</u> |

* Less than \$500

GENERAL FUND REVENUE DETAIL

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
| Historical and Museum Commission | | | |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous ..... | * | ..... | ..... |
| Refunds of Expenditures Not Credited to Appropriations | \$ 4 | \$ 5 | \$ 5 |
| Subtotal | <u>\$ 4</u> | <u>\$ 5</u> | <u>\$ 5</u> |
| Insurance Department | | | |
| LICENSES AND FEES | | | |
| Agents' Licenses | \$ 10,089 | \$ 6,481 | \$ 9,481 |
| Brokers' Licenses | 162 | 815 | 815 |
| Examination Fees and Expenses | 406 | 606 | 606 |
| Valuation of Policies Fees | 1,430 | 1,430 | 1,430 |
| Miscellaneous Fees | 6 | 4 | 4 |
| Miscellaneous Licenses | 25 | 61 | 61 |
| Physical Damage Appraiser Licenses | 50 | 50 | 50 |
| Division of Companies Certification — Certificates' and Filing Fees | - 403 | 206 | 206 |
| Agents and Brokers' Certification Fees | 206 | 182 | 182 |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous | 24 | 15 | 15 |
| Subtotal | <u>\$ 12,801</u> | <u>\$ 9,850</u> | <u>\$ 12,850</u> |
| Labor and Industry | | | |
| LICENSES AND FEES | | | |
| Bedding and Upholstery Fees | \$ 277 | \$ 280 | \$ 282 |
| Boiler Inspection Fees | 758 | 760 | 780 |
| Elevator Inspection Fees | 659 | 800 | 800 |
| Employment Agents' Licenses | 45 | 46 | 46 |
| Projectionists' Examination and License Fees | 8 | 8 | 8 |
| Approval of Elevator Plan Fees | 89 | 89 | 90 |
| Industrial Homework Permit Fees | * | * | * |
| Employment Agents' Registration Fees | 8 | 9 | 9 |
| Liquified Petroleum Gas Registration Fees | 129 | 130 | 132 |
| Stuffed Toys Manufacturers Registration Fees | 27 | 27 | 28 |
| Approval of Building Plan Fees | 2,371 | 2,400 | 2,450 |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous | 14 | 50 | 50 |
| Refunds of Expenditures Not Credited to Appropriations | 55 | 55 | 55 |
| Indirect Costs Reimbursements — DDD | 199 | ..... | ..... |
| Indirect Costs Reimbursements — Workers Compensation | 810 | ..... | ..... |
| Indirect Costs Reimbursements — JTPA | 300 | 74 | ..... |
| Indirect Costs Reimbursements — CETA — Special Grants ..... | ..... | 284 | ..... |
| Subtotal | <u>\$ 5,749</u> | <u>\$ 5,012</u> | <u>\$ 4,730</u> |
| Department of Military Affairs | | | |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous ..... | ..... | \$ 1 | \$ 1 |
| Refunds of Expenditures Not Credited to Appropriations | \$ 18 | 14 | 14 |
| Subtotal | <u>\$ 18</u> | <u>\$ 15</u> | <u>\$ 15</u> |

*Less than \$500.

GENERAL FUND REVENUE DETAIL

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
| Board of Probation and Parole | | | |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous | \$ 1 | \$ 1 | \$ 1 |
| Refunds of Expenditures Not Credited to Appropriations | 5 | 4 | 4 |
| Subtotal | \$ 6 | \$ 5 | \$ 5 |
| Pennsylvania Public Television Network | | | |
| MISCELLANEOUS REVENUE | | | |
| Refunds of Expenditures Not Credited to Appropriations ..... | * | ..... | ..... |
| Public Utility Commission | | | |
| LICENSES AND FEES | | | |
| General Assessment Fees ..... | * | ..... | ..... |
| MISCELLANEOUS REVENUE | | | |
| Refunds of Expenditures Not Credited to Appropriations | * | 1 | ..... |
| Subtotal | * | \$ 1 | ..... |
| Department of Public Welfare | | | |
| LICENSES AND FEES | | | |
| Private Mental Hospital Licenses | \$ 12 | \$ 15 | \$ 15 |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous | 69 | 70 | 75 |
| Refunds of Expenditures Not Credited to Appropriations | 42 | 45 | 45 |
| Subtotal | \$ 123 | \$ 130 | \$ 135 |
| Department of Revenue | | | |
| LICENSES AND FEES | | | |
| Cigarette Permit Fees | \$ 645 | \$ 650 | \$ 650 |
| Certificate and Copy Fees | 32 | 34 | 29 |
| Domestic Violence and Rape Crisis Program Fees | 1,893 | 1,900 | 1,860 |
| MISCELLANEOUS REVENUE | | | |
| Abandoned Property — Financial Institutions Deposits | 7,539 | 6,165 | 5,640 |
| Abandoned Property — Other Holder Deposits | 9,788 | 8,005 | 7,320 |
| Abandoned Property — Claim Payments | -2,738 | -2,240 | -2,050 |
| Abandoned Property — Administration Cost | | | |
| Reimbursements | -283 | -230 | -210 |
| Miscellaneous | 39 | 40 | 35 |
| Refunds of Expenditures Not Credited to Appropriations | 173 | 178 | 165 |
| District Justice Cost | 8,737 | 7,500 | 7,500 |
| Distribution Due Absentee | 323 | 330 | 311 |
| Transfer From State Lottery Fund ..... | * | ..... | ..... |
| Subtotal | \$ 26,148 | \$ 22,332 | \$ 21,250 |

*Less than \$500.

GENERAL FUND REVENUE DETAIL

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
| Pennsylvania Securities Commission | | | |
| LICENSES AND FEES | | | |
| Section 205 — Security Registration and Amendment | \$ 481 | \$ 350 | \$ 350 |
| Section 206 — Security Registration and Amendment Fees | 68 | 75 | 75 |
| Mutual Funds and Investment Company Section | | | |
| 2031-205-205-206 | 2,660 | 3,000 | 3,100 |
| Brokers/Dealers Registration Fees — Initial | 53 | 68 | 81 |
| Brokers/Dealers Registration Fees — Renewal | 159 | 185 | 227 |
| Brokers/Dealers Registration Fees — Pa. Office — Initial | 9 | 12 | 11 |
| Brokers/Dealers Registration Fees — Pa. Office — Renewal | 31 | 36 | 46 |
| SCT 205 — Amendment Fees | 12 | 10 | 12 |
| Securities Agents Filing Fees — Initial | 483 | 627 | 845 |
| Securities Agents Filing Fees — Renewal | 985 | 1,285 | 1,612 |
| Securities Agents Filing Fees — Transfer | 35 | 41 | 50 |
| SCT 206 — Amendment Fees | 1 | 1 | 1 |
| Security Agents Filing Fees — Mass Transfer | 26 | 25 | 25 |
| Investment Advisors Filing Fees — Initial | \$ 7 | \$ 8 | \$ 33 |
| Investment Advisors Filing Fees — Renewal | 22 | 27 | 36 |
| Section 202G Security Exemption Fees | 2 | 1 | 1 |
| Section 2031 and 203(0)II Section Exemption Fees | 14 | 15 | 17 |
| Section 203(D) Security Exemption Fees | 557 | 575 | 600 |
| Section 203(N) Security Exemption Fees | 3 | 3 | 3 |
| Section 203(P) Security Exemption Fees | 2 | 2 | 2 |
| Takeover Disclosure Filing Fees Section IV Registration | 13 | 11 | 11 |
| Costs — Examination, Auditing, Investigation, Prosecution — Except Takeover Costs | 22 | 25 | 25 |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous | * | 15 | 15 |
| Refunds of Expenditures Not Credited to Appropriations | * | * | * |
| Subtotal | \$ 5,645 | \$ 6,397 | \$ 7,178 |
| Department of State | | | |
| LICENSES AND FEES | | | |
| Commission and Filing — Corporation Bureau | \$ 4,984 | \$ 5,200 | \$ 5,500 |
| Recorder of Deeds Fees | 37 | 29 | 35 |
| Notary Public Commission Fees | 438 | 425 | 435 |
| Commissions and Filing Fees — Bureau of Elections | 154 | 100 | 150 |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous | 1 | 1 | 1 |
| Refunds of Expenditures Not Credited to Appropriation | 1 | 1 | 1 |
| Subtotal | \$ 5,615 | \$ 5,756 | \$ 6,122 |
| State Police | | | |
| MISCELLANEOUS REVENUE | | | |
| Miscellaneous | \$ 193 | \$ 193 | \$ 193 |
| Reimbursement for Lost Property | -1 | 1 | 1 |
| Refunds of Expenditures Not Credited to Appropriations | 122 | 122 | 122 |
| Subtotal | \$ 314 | \$ 316 | \$ 316 |

*Less than \$500.

GENERAL FUND REVENUE DETAIL

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
| Department of Transportation | | | |
| MISCELLANEOUS REVENUE | | | |
| VW Rail Spur Lease Recovery | \$ 167 | \$ 120 | \$ 92 |
| Refunds of Expenditures Not Credited to Appropriations | 57 | 257 | 183 |
| Subtotal | \$ 224 | \$ 377 | \$ 275 |
| Commonwealth Court | | | |
| MISCELLANEOUS REVENUE | | | |
| Refunds of Expenditures Not Credited to Appropriations | \$ 2 | ..... | ..... |
| Other | | | |
| MISCELLANEOUS REVENUE | | | |
| Conscience Money | \$ 2 | \$ 2 | \$ 2 |
| Transfer from State Racing Fund | 3,379 | 1,825 | 2,000 |
| Transfer from State Insurance Fund ..... | ..... | 221 | 1,200 |
| Subtotal | \$ 3,381 | \$ 2,048 | \$ 3,202 |
| TOTAL LICENSES, FEES AND MISCELLANEOUS | \$ 138,923 | \$ 129,250 | \$ 136,950 |
| Fines, Penalties and Interest on Taxes | | | |
| Penalties on Excise Taxes — Corporations | \$ 501 | \$ 475 | \$ 475 |
| Interest on Excise Taxes — Corporation (Department of Revenue) | 8,184 | 7,770 | 7,770 |
| Corporation Net Income Tax | 9,285 | 8,815 | 8,815 |
| Realty Transfer Tax | 146 | 140 | 140 |
| Other Fines and Penalties | | | |
| Department of Agriculture | | | |
| General Food Fines | \$ 10 | \$ 3 | \$ 3 |
| Pesticide Fines and Penalties | 7 | 10 | 10 |
| Egg Fines | * | * | * |
| Marketing Law Fines | 1 | 5 | 5 |
| Miscellaneous | 3 | 1 | * |
| Horse Racing Fines and Penalties | 43 | 48 | 48 |
| Harness Racing Fines and Penalties | 26 | 20 | 25 |
| Department of Environmental Resources | | | |
| Miscellaneous Fines | 36 | 35 | 35 |
| Department of Health | | | |
| Non-Compliance Fines and Penalties | 4 | 30 | 30 |
| Department of General Services | | | |
| Traffic Violations | 30 | 30 | 30 |
| Department of Insurance | | | |
| Miscellaneous Fines | 167 | 193 | 193 |
| Department of Labor and Industry | | | |
| Miscellaneous Fines | 1 | 10 | 10 |
| Minor Labor Law Fines | 1 | 2 | 2 |
| Public Utility Commission | | | |
| Violation of Order Fines | 300 | 300 | 300 |
| Department of Revenue | | | |
| Malt Liquor Fines and Penalties | 2 | 5 | 3 |
| Miscellaneous Fines | * | * | * |
| Spiritous and Vinous Liquor Fines and Penalties | * | * | * |
| Motor Law Fines Prior to July 1, 1976 | 2 | 5 | 3 |
| Ethics Commission Violators Act 170.1978 | 3 | 3 | 3 |
| TOTAL FINES, PENALTIES AND INTEREST | \$ 18,752 | \$ 17,900 | \$ 17,900 |
| TOTAL NONTAX REVENUE | \$ 190,675 | \$ 179,150 | \$ 185,850 |
| TOTAL GENERAL FUND REVENUES | \$ 9,316,221 | \$ 9,820,300 | \$10,241,787 |

*Less Than \$500

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*

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--|--------------------|---|----------------------|
| Beginning Balance | \$ 88,108 | \$ 81,632 | \$ 55,489 |
| Revenue: | | | |
| Official Estimate | \$1,368,253 | \$1,340,000 | \$1,396,380 |
| Adjustment to Official Estimate ..... | ..... | 35,100 | ..... |
| Accrued Revenues Unrealized | 140,700 | 142,100 | 142,700 |
| Less Revenues Accrued Previously | -140,700 | -140,700 | -142,100 |
| | | | |
| Total Revenue | 1,368,253 | 1,376,500 | 1,396,980 |
| Prior Year Lapses | 7,543 | 7,000 | ..... |
| Funds Available | <u>\$1,463,904</u> | <u>\$1,465,132</u> | <u>\$1,452,469</u> |
| Expenditures: | | | |
| Appropriated | \$1,382,272 | \$1,413,643 | \$1,443,678 |
| Supplemental Appropriations ..... | ..... | ..... | ..... |
| Less Current Year Lapses ..... | ..... | 4,000 | ..... |
| | | | |
| Estimated Expenditures | <u>-1,382,272</u> | <u>-1,409,643</u> | <u>-1,443,678</u> |
| | | | |
| Ending Balance | <u>\$ 81,632</u> | <u>\$ 55,489</u> | <u>\$ 8,791</u> |

*Excludes restricted revenue

NOTES ON FINANCIAL STATEMENT

(Dollar Amounts in Thousands)

SUPPLEMENTAL APPROPRIATION

| | 1986-87 Estimated |
|---------------------------|----------------------|
| Transportation | |
| Aviation Operations | \$1,773* |
| TOTAL | <u>\$1,773</u> |

*From restricted revenue account and therefore excluded from the financial statement.

MOTOR LICENSE FUND

Summary by Department

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Executive Offices | | | |
| General Government | | | |
| Office of the Budget | \$ 3,679 | \$ 3,579 | \$ 3,777 |
| TOTAL STATE FUNDS | <u>\$ 3,679</u> | <u>\$ 3,579</u> | <u>\$ 3,777</u> |
| | | | |
| Augmentations | \$ 742 | \$ 754 | \$ 805 |
| DEPARTMENT TOTAL | <u>\$ 4,421</u> | <u>\$ 4,333</u> | <u>\$ 4,582</u> |
| | | | |
| Treasury Department | | | |
| General Government | | | |
| Replacement Checks | \$ 9 | \$ 60 | \$ 60 |
| Refunding Liquid Fuel Tax — Agriculture | 3,321 | 4,200 | 4,200 |
| Administration of Refunding Liquid Fuel Tax | 186 | 241 | 248 |
| Refunding Liquid Fuel Tax — State Share | 176 | 350 | 350 |
| Refunding Emergency Liquid Fuel Tax ..... | ..... | 1 | 1 |
| Refunding Liquid Fuel Tax — Political Subdivision Use | 1,574 | 2,200 | 2,250 |
| Refunding Liquid Fuel Tax — Volunteer Fire Companies, Am- bulance Services and Rescue Squads | 104 | 160 | 160 |
| Refunding Marine Liquid Fuel Tax — Boating Fund | 1,161 | 1,750 | 1,500 |
| Subtotal | <u>\$ 6,531</u> | <u>\$ 8,962</u> | <u>\$ 8,769</u> |
| | | | |
| Debt Service Requirements | | | |
| Capital Debt — Transportation Projects | \$ 165,031 | \$ 164,912 | \$ 164,998 |
| Capital Debt — Public Improvement Projects | 498 | 529 | 524 |
| Advance Construction Interstate—Interest Payments ..... | ..... | 2,130 | 7,535 |
| Loan and Transfer Agent | 83 | 135 | 131 |
| Subtotal | <u>\$ 165,612</u> | <u>\$ 176,706</u> | <u>\$ 173,188</u> |
| TOTAL STATE FUNDS | <u>\$ 172,143</u> | <u>\$ 176,668</u> | <u>\$ 181,957</u> |
| | | | |
| Restricted Revenue | \$ 28 | \$ 193 | \$ 1,991 |
| DEPARTMENT TOTAL | <u>\$ 172,171</u> | <u>\$ 176,861</u> | <u>\$ 183,948</u> |
| | | | |
| Department of Education | | | |
| Grants and Subsidies | | | |
| Safe Driving Course | \$ 2,069 | \$ 2,598 | \$ 2,300 |
| DEPARTMENT TOTAL | <u>\$ 2,069</u> | <u>\$ 2,598</u> | <u>\$ 2,300</u> |

MOTOR LICENSE FUND

Summary by Department (Continued)

| | | (Dollar Amounts in Thousands) | |
|--|-------------------|-------------------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Department of General Services | | | |
| Debt Service Requirements | | | |
| General State Authority Rentals | \$ 1,171 | \$ 1,176 | \$ 1,185 |
| Grants and Subsidies | | | |
| Tort Claims — Payments | \$ 25,000 | \$ 26,500 | \$ 26,500 |
| DEPARTMENT TOTAL | \$ 26,171 | \$ 27,676 | \$ 27,685 |
| Department of Revenue | | | |
| General Government | | | |
| Collection — Liquid Fuels Tax | \$ 4,483 | \$ 5,105 | \$ 5,258 |
| Refunding Liquid Fuels Taxes | 6,900 | 7,300 | 7,500 |
| DEPARTMENT TOTAL | \$ 11,383 | \$ 12,405 | \$ 12,758 |
| Pennsylvania State Police | | | |
| General Government | | | |
| Transfer to General Fund — General Government Operations .. | \$ 145,866 | \$ 149,704 | \$ 152,205 |
| Transfer to General Fund — Municipal Police Training | 2,246 | 2,314 | 2,314 |
| Transfer to General Fund — Patrol Vehicles ..... | ..... | ..... | 6,030 |
| Transfer to General Fund — Officer Uniforms ..... | ..... | ..... | 1,675 |
| DEPARTMENT TOTAL | \$ 148,112 | \$ 152,018 | \$ 162,224 |
| Department of Transportation | | | |
| General Government | | | |
| General Government Operations | \$ 20,540 | \$ 20,901 | \$ 21,528 |
| Refunding Monies Collected Through the Department of Transportation | 1,663 | 1,725 | 1,725 |
| Highway and Safety Improvement | 129,000 | 147,485 | 162,560 |
| Advance Construction Interstate | 15,800 | ..... | ..... |
| Highway Maintenance | 548,181 | 548,638 | 567,609 |
| Highway Maintenance—Supplemental | 5,401 | 10,947 | 16,766 |
| Salt Storage Buildings | 1,500 | 1,500 | 1,500 |
| Heavy Equipment Acquisition | 15,500 | ..... | ..... |
| One-time Maintenance Payment ..... | ..... | 20,000 | ..... |
| Highway Restorations-Highway Transfer ..... | ..... | 5,000 | ..... |
| Local Bridge Inspection ..... | ..... | 1,740 | 800 |
| Secondary Roads — Maintenance and Resurfacing | 51,843 | 51,362 | 52,391 |
| Safety Administration and Licensing | 47,740 | 48,416 | 44,483 |
| Subtotal | \$ 837,168 | \$ 857,714 | \$ 869,362 |
| Debt Service Requirements | | | |
| State Highway and Bridge Authority Rentals | \$ 28,677 | \$ 27,900 | \$ 26,200 |

| |
|---------------------------|
| MOTOR LICENSE FUND |
|---------------------------|

**Summary by Department
(Continued)**

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|--------------------|---|--------------------|
| Department of Transportation (continued) | | | |
| Grants and Subsidies | | | |
| Local Road Maintenance and Construction Payments | \$ 146,769 | \$ 147,158 | \$ 151,533 |
| Supplemental Local Road Maintenance and Construction Payments | 5,000 | 5,000 | 5,000 |
| Philadelphia Payment — Franchise Tax | 1,101 | 927 | 882 |
| Subtotal | \$ 152,870 | \$ 153,085 | \$ 157,415 |
| TOTAL STATE FUNDS | \$1,018,715 | \$1,038,699 | \$1,052,977 |
| | | | |
| Federal Funds | \$ 793,300 | \$ 874,723 | \$ 773,281 |
| Augmentations | 15,087 | 27,809 | 28,070 |
| Restricted Revenue | 97,167 | 206,224 | 114,490 |
| DEPARTMENT TOTAL | \$1,924,269 | \$2,147,455 | \$1,968,818 |
| | | | |
| Fund Summary | | | |
| State Funds — Transportation | \$1,018,715 | \$1,038,699 | \$1,052,977 |
| State Funds — Other Departments | 363,557 | 374,944 | 390,701 |
| | | | |
| TOTAL STATE FUNDS | \$1,382,272 | \$1,413,643 | \$1,443,678 |
| | | | |
| Motor License Fund Total — All Funds | | | |
| State Funds | \$1,382,272 | \$1,413,643 | \$1,443,678 |
| Federal Funds | 793,300 | 874,723 | 773,281 |
| Augmentations | 15,829 | 28,563 | 28,875 |
| Restricted Revenue | 97,195 | 206,417 | 116,481 |
| FUND TOTAL | \$2,288,596 | \$2,523,346 | \$2,362,315 |

MOTOR LICENSE FUND REVENUE SUMMARY

Five Year Revenue Projections

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| Liquid Fuels Taxes | \$ 873,782 | \$ 890,100 | \$ 896,900 | \$ 901,900 | \$ 906,800 | \$ 912,000 | \$ 917,500 |
| Motor Licenses and Fees | 421,347 | 423,000 | 424,300 | 428,800 | 430,600 | 432,400 | 434,100 |
| Other Motor License Fund Revenues | 73,124 | 62,000 | 75,180 | 63,215 | 67,440 | 66,085 | 55,400 |
| TOTAL MOTOR LICENSE FUND REVENUES | <u>\$1,368,253</u> | <u>\$1,375,100</u> | <u>\$1,396,380</u> | <u>\$1,393,915</u> | <u>\$1,404,840</u> | <u>\$1,410,485</u> | <u>\$1,407,000</u> |
| Aviation Restricted Revenues | \$ 11,155 | \$ 13,152 | \$ 7,624 | \$ 8,200 | \$ 8,550 | \$ 8,917 | \$ 9,302 |
| Highway Bridge Improvement Restricted Revenues | \$ 76,074 | \$ 74,800 | \$ 74,800 | \$ 74,800 | \$ 74,800 | \$ 74,800 | \$ 74,800 |
| State Highway Transfer Restricted Revenues | \$ 14,551 | \$ 14,400 | \$ 14,500 | \$ 14,600 | \$ 14,800 | \$ 14,900 | \$ 15,100 |

ADJUSTMENTS TO REVENUE ESTIMATE

On June 30, 1986, an official estimate for the 1986-87 fiscal year of \$1,340,000,000 was certified.

The revised estimate detailed below reflects actual revenue collections through the first seven months of the fiscal year and expected collections for the balance of the fiscal year.

| | (Dollar Amounts in Thousands) | | |
|-------------------------------|---------------------------------|------------------|--------------------------------|
| | 1986-87 Official Estimate | Adjustments | 1986-87 Revised Estimate |
| Liquid Fuels Taxes | \$ 880,300 | \$ 9,800 | \$ 890,100 |
| Motor Licenses and Fees | 401,500 | 21,500 | 423,000 |
| Other Motor Receipts | 58,200 | 3,800 | 62,000 |
| TOTAL | <u>\$ 1,340,000</u> | <u>\$ 35,100</u> | <u>\$ 1,375,100</u> |

MOTOR LICENSE FUND REVENUE SOURCES

Liquid Fuels Taxes

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|------------|---------------|------------|
| 1980-81 | \$ 553,529 | 1986-87 | \$ 890,100 |
| 1981-82 | 705,463 | 1987-88 | 896,900 |
| 1982-83 | 698,028 | 1988-89 | 901,900 |
| 1983-84 | 801,732 | 1989-90 | 906,800 |
| 1984-85 | 860,536 | 1990-91 | 912,000 |
| 1985-86 | 873,782 | 1991-92 | 917,500 |

Tax Base and Rates:

Liquid Fuels. The liquid fuels tax is based on the number of gallons of liquid fuel 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 or delivered for use. Any dealer-user bringing over 50 gallons of fuel, other than fuels taxed under the Liquid Fuels Tax Act, into the Commonwealth is taxed. All monies collected, less allowed discounts, are paid into the Motor License Fund and the Liquid Fuels Tax Fund in the same proportion as the Liquid Fuels Tax monies. The current tax rate of twelve cents per gallon became effective on August 8, 1983, increasing one cent from the previous rate.

Motor Carriers Road Tax. The Motor Carriers Road Tax Act levies a tax on motor carriers operating motor carrier vehicles having a gross weight or registered gross weight in excess of 17,000 pounds. The total tax is determined by adding to the base rate of twelve cents per gallon an additional factor to represent the payment due for the Oil Company Franchise Tax. Credit is given for taxes paid on fuel purchased within the state.

In addition, the Act requires identification markers for each vehicle to be issued annually upon a payment of \$5 per vehicle. Act No. 1982-234 reduced this fee from \$25.00 effective March 31, 1983.

Interstate Bus Compact Fuels Tax. The Compact on Taxation of Motor Fuels Consumed by Interstate Buses imposes a tax on fuel consumed by interstate buses under compacts entered into with other states to avoid multiple taxation of fuels. Taxes in each state are computed on the basis of the number of gallons of fuel used within the state. The present Pennsylvania tax rate is twelve cents per gallon. Prior to August 8, 1983, the tax rate was eleven cents per gallon.

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

Exclusions and Deductions and Reimbursements:

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

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

MOTOR LICENSE FUND REVENUE SOURCES

Motor Licenses and Fees

(Dollar Amounts in Thousands)

| Actual | Estimated |
|--------------------------|--------------------------|
| 1980-81 \$ 374,523 | 1986-87 \$ 423,000 |
| 1981-82 401,040 | 1987-88 424,300 |
| 1982-83 380,834 | 1988-89 428,800 |
| 1983-84 386,989 | 1989-90 430,600 |
| 1984-85 402,545 | 1990-91 432,400 |
| 1985-86 421,347 | 1991-92 434,100 |

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

Other Motor License Fund Revenues

(Dollar Amounts in Thousands)

| Actual | Estimated |
|-------------------------|-------------------------|
| 1980-81 \$ 52,689 | 1986-87 \$ 62,000 |
| 1981-82 60,644 | 1987-88 75,180 |
| 1982-83 57,973 | 1988-89 63,215 |
| 1983-84 54,155 | 1989-90 67,440 |
| 1984-85 75,643 | 1990-91 66,085 |
| 1985-86 73,124 | 1991-92 55,400 |

Other Motor License Fund revenues are derived from the following sources:

Fines — This category consists of aeronautics fines collected under the Fuel Use Tax Act and certain vehicle code fines.

Miscellaneous Revenue — The Commonwealth receives revenue from interest on Motor License Fund deposits, investments and securities; from the sale of unserviceable properties, maps, plans and inspection stickers; and from the rental of State properties.

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

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

MOTOR LICENSE FUND REVENUE DETAIL

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

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
| LIQUID FUELS TAXES | | | |
| Liquid Fuels Tax | | | |
| Liquid Fuels Tax | \$ 492,026 | \$ 497,630 | \$ 499,030 |
| Liquid Fuels Tax Penalties | 136 | 140 | 140 |
| Liquid Fuels Tax Interest | 127 | 130 | 130 |
| Total | \$ 492,289 | \$ 497,900 | \$ 499,300 |
| Fuel Use Tax | | | |
| Fuel Use Tax | \$ 93,479 | \$ 99,000 | \$ 101,970 |
| Fuel Use Tax Penalties | 262 | 280 | 295 |
| Fuel Use Tax Interest | 209 | 220 | 235 |
| Total | \$ 93,950 | \$ 99,500 | \$ 102,500 |
| Motor Carriers Road Tax | | | |
| Motor Carriers Road—Fuels Tax | \$ 18,430 | \$ 18,500 | \$ 18,900 |
| Motor Carriers Road Tax Registration Fees and Special Permit Fees | 2,261 | 2,300 | 2,300 |
| Total | \$ 20,691 | \$ 20,800 | \$ 21,200 |
| Interstate Bus Compact Fuels Tax | | | |
| Interstate Bus Compact Fuels Tax | \$ 694 | \$ 696 | \$ 696 |
| Interstate Bus Compact Tax Penalties | 2 | 2 | 2 |
| Interstate Bus Compact Fuels Tax Interest | 2 | 2 | 2 |
| Total | \$ 698 | \$ 700 | \$ 700 |
| Oil Company Franchise Tax | | | |
| Oil Company Franchise Tax | \$ 266,154 | \$ 271,200 | \$ 273,200 |
| Total | \$ 266,154 | \$ 271,200 | \$ 273,200 |
| TOTAL LIQUID FUELS TAXES | \$ 873,782 | \$ 890,100 | \$ 896,900 |
| MOTOR LICENSES AND FEES | | | |
| Operators' Licenses | \$ 43,032 | \$ 42,700 | \$ 42,200 |
| Special Hauling Permit Fees | 6,433 | 6,200 | 6,200 |
| Vehicle Registration and Titling | 348,398 | 350,000 | 351,800 |
| Other Fees Collected by Bureau of Motor Vehicles | 12,789 | 13,000 | 13,000 |
| Registration Fees Received From Other States/IRP | 10,695 | 11,100 | 11,100 |
| TOTAL MOTOR LICENSES AND FEES | \$ 421,347 | \$ 423,000 | \$ 424,300 |

*Less than \$500.

MOTOR LICENSE FUND REVENUE DETAIL

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|---------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
| OTHER MOTOR LICENSE FUND REVENUES | | | |
| Gross Receipts Tax | | | |
| Gross Receipts Tax | \$ 334 | \$ 400 | \$ 400 |
| Total | \$ 334 | \$ 400 | \$ 400 |
| Fines and Penalties | | | |
| Department of Transportation | | | |
| Vehicle Code Fines | \$ 2,174 | \$ 2,000 | \$ 2,000 |
| Department of Revenue | | | |
| Vehicle Codes Fines | 25,367 | 25,000 | 25,000 |
| Total | \$ 27,541 | \$ 27,000 | \$ 27,000 |
| Miscellaneous Revenues | | | |
| Treasury Department | | | |
| Interest on Securities | \$ 21,710 | \$ 12,490 | \$ 8,650 |
| Interest on Securities Liquid Fuels Tax Fund | 601 | 380 | 260 |
| Redeposit of Checks | 47 | 50 | 40 |
| Interest on Deposit — Cash Advancement Accounts | 136 | 80 | 50 |
| Advance Construction Interstate Interest Earnings ..... | ..... | ..... | 980 |
| Department of General Services | | | |
| Sale of Unserviceable Property | \$ 525 | \$ 600 | \$ 500 |
| Sale of Real Estate | 12 | ..... | ..... |
| Department of Revenue | | | |
| Refunds of Expenditures Not Credited to Appropriations .. | * | * | * |
| Department of Transportation | | | |
| Highway Encroachment Permits | \$ 969 | \$ 897 | \$ 920 |
| Highway Bridges Income | 75 | 71 | 71 |
| Sale of Maps and Plans | 163 | 176 | 180 |
| Sale of Gas, Oil and Anti-Freeze | 1,529 | 1,270 | 1,300 |
| Recovered Damages | 2 | 1 | 1 |
| Contract Deposit Forfeitures | 1 | 1 | 1 |
| Sale of Inspection Stickers | 17,514 | 16,730 | 17,130 |
| Miscellaneous Revenues | 505 | 548 | 560 |
| Refunds of Expenditures Not Credited to Appropriations or Allocations | 742 | 667 | 683 |
| Fees for Reclaiming Abandoned Vehicles | 19 | 20 | 20 |
| Sale of Abandoned Vehicles | 1 | 1 | 1 |
| Sale of Bid Proposals and Contract Specifications | 699 | 618 | 633 |
| Federal Reimbursement for Advance Construction | | | |
| Interstate Payments ..... | ..... | ..... | 15,800 |
| Total | \$ 45,250 | \$ 34,600 | \$ 47,780 |
| TOTAL OTHER MOTOR LICENSE FUND REVENUES .. | \$ 73,124 | \$ 62,000 | \$ 75,180 |
| TOTAL MOTOR LICENSE FUND REVENUES | \$1,368,253 | \$ 1,376,100 | \$ 1,396,380 |

* Less than \$500

MOTOR LICENSE FUND REVENUE SOURCES

Restricted Revenues Not Included in Department Total

Aviation Revenues

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|----------|---------------|-----------|
| 1980-81 | \$ 7,202 | 1986-87 | \$ 13,152 |
| 1981-82 | 6,280 | 1987-88 | 7,624 |
| 1982-83 | 6,068 | 1988-89 | 8,200 |
| 1983-84 | 7,609 | 1989-90 | 8,550 |
| 1984-85 | 8,334 | 1990-91 | 8,917 |
| 1985-86 | 11,155 | 1991-92 | 9,302 |

Aviation revenue is derived from taxes levied on aviation gasoline and jet fuel, and from income earned at State-owned airports. The current rate on aviation gasoline is three cents per gallon, having been increased by Act 1984-164 from one and one-half cents per gallon. Jet fuel is taxed at a base rate of one and one-half cents per gallon plus an annually adjusted per gallon factor based on the jet fuel price index. The jet fuel tax, along with the annual adjustment, which began January 1, 1986, shall never exceed two cents per gallon, nor shall it be less than one and one-half cents per gallon. Airport income consists primarily of rents, concessions, utility refunds and landing fees. Aviation restricted revenues are not included in Motor License Fund Revenue totals.

| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
|---|-------------------------|-------------------------|------------------------|
| AVIATION REVENUES | | | |
| Aviation Liquid Fuels Tax | \$ 6,375 | \$ 6,321 | \$ 6,638 |
| Harrisburg International Airport Operations | 4,558 | 6,515 | ..... |
| State Airport Operations | 222 | 306 | ..... |
| Debt Service Reimbursement ..... | ..... | ..... | 974 |
| Fines and Forfeitures ..... | ..... | 10 | 12 |
| TOTAL AVIATION REVENUES | <u>\$ 11,155</u> | <u>\$ 13,152</u> | <u>\$ 7,624</u> |

Highway Bridge Improvement Revenues

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|-----------|---------------|-----------|
| 1980-81 ..... | ..... | 1986-87 | \$ 74,800 |
| 1981-82 ..... | ..... | 1987-88 | 74,800 |
| 1982-83 | \$ 55,124 | 1988-89 | 74,800 |
| 1983-84 | 80,400 | 1989-90 | 74,800 |
| 1984-85 | 72,683 | 1990-91 | 74,800 |
| 1985-86 | 76,074 | 1991-92 | 74,800 |

Highway bridge improvement revenues are derived from the \$36 per axle tax on heavy trucks levied by Act 234 of 1982.

| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
|--|-------------------|----------------------|-------------------|
| HIGHWAY BRIDGE IMPROVEMENT REVENUES | | | |
| Axle Tax | \$ 76,074 | \$ 74,800 | \$ 74,800 |

MOTOR LICENSE FUND REVENUE SOURCES

Restricted Revenues Not Included in Department Total

State Highway Transfer Revenues

(Dollar Amounts in Thousands)

| Actual | Estimated |
|------------------------|-------------------------|
| 1980-81 | 1986-87 \$ 14,400 |
| 1981-82 | 1987-88 14,500 |
| 1982-83 | 1988-89 14,600 |
| 1983-84 \$ 8,926 | 1989-90 14,800 |
| 1984-85 13,712 | 1990-91 14,900 |
| 1985-86 14,551 | 1991-92 15,100 |

State highway transfer restricted revenues are derived from two mills of the Oil Company Franchise Tax in 1983-84 and three mills in 1984-85 and thereafter. Act 1983-32 established a local highway turnback program funded by a restricted revenue account within the Motor License Fund.

| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
|--|-------------------|----------------------|-------------------|
| STATE HIGHWAY TRANSFER REVENUES | | | |
| Oil Company Franchise Tax (3 mills)..... | \$ 14,551 | \$ 14,400 | \$ 14,500 |

Banking Department Fund

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

BANKING DEPARTMENT FUND

Financial Statement

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------|---|---|---|
| Beginning Balance | \$ 2,806 | \$ 2,559 | \$ 2,721 |
| Receipts: | | | |
| Revenue Estimate | \$ 6,864 | \$ 7,255 | \$ 7,435 |
| Prior Year Lapses | 33 | 49 | |
| | <hr style="width: 50%; margin: 0 auto;"/> | <hr style="width: 50%; margin: 0 auto;"/> | <hr style="width: 50%; margin: 0 auto;"/> |
| Total Receipts | 6,897 | 7,304 | 7,435 |
| Funds Available | \$ 9,703 | \$ 9,863 | \$ 10,156 |
| Expenditures: | | | |
| Appropriated | \$ 7,144 | \$ 7,142 | \$ 7,339 |
| | <hr style="width: 50%; margin: 0 auto;"/> | <hr style="width: 50%; margin: 0 auto;"/> | <hr style="width: 50%; margin: 0 auto;"/> |
| Estimated Expenditures | -7,144 | -7,142 | -7,339 |
| | <hr style="width: 50%; margin: 0 auto;"/> | <hr style="width: 50%; margin: 0 auto;"/> | <hr style="width: 50%; margin: 0 auto;"/> |
| Ending Balance | <u>\$ 2,559</u> | <u>\$ 2,721</u> | <u>\$ 2,817</u> |

| |
|--------------------------------|
| BANKING DEPARTMENT FUND |
|--------------------------------|

Summary by Department

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|-------------------|---|-------------------|
| Treasury Department | | | |
| General Government | | | |
| Replacement Checks ..... | ..... | \$ 5 | \$ 5 |
| Banking Department | | | |
| General Government | | | |
| General Operations | \$ 6,854 | \$ 6,836 | \$ 7,035 |
| Department of General Services | | | |
| General Government | | | |
| Harristown Rental Charges | \$ 170 | \$ 175 | \$ 171 |
| Harristown Utility and Municipal Charges | 120 | 126 | 128 |
| DEPARTMENT TOTAL | \$ 290 | \$ 301 | \$ 299 |
| FUND TOTAL | \$ 7,144 | \$ 7,142 | \$ 7,339 |

BANKING DEPARTMENT FUND REVENUE SUMMARY

Five Year Revenue Projections

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| Licenses and Fees | \$ 6,588 | \$ 6,980 | \$ 7,160 | \$ 7,386 | \$ 7,610 | \$ 7,863 | \$ 8,135 |
| Miscellaneous Revenues | 276 | 275 | 275 | 275 | 275 | 275 | 275 |
| TOTAL BANKING DEPARTMENT FUNDS REVENUES | <u><u>\$ 6,864</u></u> | <u><u>\$ 7,255</u></u> | <u><u>\$ 7,435</u></u> | <u><u>\$ 7,661</u></u> | <u><u>\$ 7,885</u></u> | <u><u>\$ 8,138</u></u> | <u><u>\$ 8,410</u></u> |

BANKING DEPARTMENT FUND REVENUE SOURCES

Licenses and Fees

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|----------|---------------|----------|
| 1980-81 | \$ 6,167 | 1986-87 | \$ 6,980 |
| 1981-82 | 6,596 | 1987-88 | 7,160 |
| 1982-83 | 6,638 | 1988-89 | 7,386 |
| 1983-84 | 6,528 | 1989-90 | 7,610 |
| 1984-85 | 6,251 | 1990-91 | 7,863 |
| 1985-86 | 6,588 | 1991-92 | 8,135 |

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 assessment fees, based upon total assets, also are charged against banks and trust companies, savings and private banks, credit unions, and building and loan associations. Annual license fees are charged for the following categories of concerns and individuals: pawnbrokers, consumer discount companies, small loan companies, installment sellers, sales finance companies, collector-repossessors, money transmitters, and miscellaneous fees including those for branch banks and mergers.

Fines and Penalties

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|-------|---------------|-------|
| 1980-81 | \$ 1 | 1986-87 ..... | ..... |
| 1981-82 ..... | ..... | 1987-88 ..... | ..... |
| 1982-83 | 1 | 1988-89 ..... | ..... |
| 1983-84 ..... | ..... | 1989-90 ..... | ..... |
| 1984-85 ..... | ..... | 1990-91 ..... | ..... |
| 1985-86 ..... | ..... | 1991-92 ..... | ..... |

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

Miscellaneous Revenues

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|--------|---------------|--------|
| 1980-81 | \$ 213 | 1986-87 | \$ 275 |
| 1981-82 | 400 | 1987-88 | 275 |
| 1982-83 | 333 | 1988-89 | 275 |
| 1983-84 | 351 | 1989-90 | 275 |
| 1984-85 | 406 | 1990-91 | 275 |
| 1985-86 | 276 | 1991-92 | 275 |

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

BANKING DEPARTMENT FUND REVENUE DETAIL

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

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
| Licenses and Fees | | | |
| Banking Examinations | \$ 2,654 | \$ 2,902 | \$ 3,043 |
| Banking — Overhead Assessments | 1,397 | 1,514 | 1,574 |
| Banking — Application Fees | 106 | 76 | 62 |
| Banking — Publications | 1 | 1 | 1 |
| Banking — Miscellaneous Fees | 1 | 1 | 1 |
| Banking — Interstate Application Fees | . | . | 40 |
| Foreign Bank Application Fees | 4 | 2 | 2 |
| Savings Association — Examinations | 506 | 540 | 562 |
| Savings Association — Overhead Assessments | 361 | 381 | 396 |
| Savings Association — Application Fees | 17 | 16 | 15 |
| Consumer Credit — Examinations | 357 | 365 | 277 |
| Consumer Credit — Overhead Assessments | 85 | 89 | 92 |
| Miscellaneous | 2 | 2 | 3 |
| Consumer Credit — Pawnbroker Licenses | 3 | 6 | 3 |
| Consumer Credit — Installment Seller Licenses | 194 | 188 | 189 |
| Consumer Credit — Consumer Discount Company Licenses | 187 | 187 | 175 |
| Consumer Credit — Money Transmitter Licenses | 6 | 4 | 4 |
| Consumer Credit — Sales Finance Licenses | 181 | 177 | 178 |
| Consumer Credit — Collector-Repoessor Licenses | 20 | 18 | 19 |
| Consumer Credit — Second Mortgage Licenses | 41 | 35 | 34 |
| Examinations — Credit Unions | 185 | 190 | 196 |
| Examinations — Money Transmitters | 57 | 60 | 60 |
| Examinations — Pawnbrokers | 4 | 4 | 4 |
| Examinations — Second Mortgage | 219 | 222 | 230 |
| TOTAL | <u>\$ 6,588</u> | <u>\$ 6,980</u> | <u>\$ 7,160</u> |
| Miscellaneous Revenues | | | |
| Interest on Securities | \$ 272 | \$ 270 | \$ 270 |
| Interest on Deposits | 3 | 3 | 3 |
| Redeposit of Checks | 1 | 2 | 2 |
| TOTAL | <u>\$ 276</u> | <u>\$ 275</u> | <u>\$ 275</u> |
| TOTAL REVENUES | <u>\$ 6,864</u> | <u>\$ 7,255</u> | <u>\$ 7,435</u> |

Boating Fund

The Boating 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.

Financial Statement

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------|-------------------|---|----------------------|
| Beginning Balance | \$ 4,569 | \$ 4,266 | \$ 3,350 |
| Receipts: | | | |
| Revenue Estimate | \$ 3,999 | \$ 3,391 | \$ 3,508 |
| Prior Year Lapses ..... | ..... | ..... | ..... |
| | <u>3,999</u> | <u>3,391</u> | <u>3,508</u> |
| Funds Available | \$ 8,568 | \$ 7,657 | \$ 6,858 |
| Expenditures: | | | |
| Appropriated | \$ 4,302 | \$ 4,307 | \$ 4,423 |
| Estimated Expenditures | <u>-4,302</u> | <u>-4,307</u> | <u>-4,423</u> |
| Ending Balance | <u>\$ 4,266</u> | <u>\$ 3,350</u> | <u>\$ 2,435</u> |

| |
|---------------------|
| BOATING FUND |
|---------------------|

Summary by Department

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Treasury Department | | | |
| General Government | | | |
| Replacement Checks ..... | ..... | \$ 5 | \$ 5 |
| Fish Commission | | | |
| General Government | | | |
| General Operations | \$ 3,564 | \$ 3,845 | \$ 3,863 |
| Department of General Services | | | |
| Debt Service Requirements | | | |
| General State Authority Rentals | \$ 2 | \$ 2 | \$ 2 |
| TOTAL STATE FUNDS | <u>\$ 3,566</u> | <u>\$ 3,852</u> | <u>\$ 3,870</u> |
| Federal Funds | \$ 729 | \$ 445 | \$ 543 |
| Other Funds | 7 | 10 | 10 |
| FUND TOTAL | <u>\$ 4,302</u> | <u>\$ 4,307</u> | <u>\$ 4,423</u> |

BOATING FUND REVENUE SUMMARY

Five Year Revenue Projections

| | (Dollar Amounts in Thousands) | | | | | | |
|-----------------------------------|-------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| Licenses and Fees | \$ 1,179 | \$ 1,260 | \$ 1,249 | \$ 1,254 | \$ 1,259 | \$ 1,259 | \$ 1,259 |
| Fines and Penalties | 95 | 85 | 90 | 95 | 100 | 100 | 100 |
| Miscellaneous | 1,989 | 1,591 | 1,616 | 1,666 | 1,716 | 1,716 | 1,716 |
| Total Boating Fund Revenues | <u>\$ 3,263</u> | <u>\$ 2,936</u> | <u>\$ 2,955</u> | <u>\$ 3,015</u> | <u>\$ 3,075</u> | <u>\$ 3,075</u> | <u>\$ 3,075</u> |
| Augmentations | <u>\$ 736</u> | <u>\$ 455</u> | <u>\$ 553</u> | <u>\$ 578</u> | <u>\$ 590</u> | <u>\$ 590</u> | <u>\$ 590</u> |
| TOTAL BOATING FUND RECEIPTS | <u><u>\$ 3,999</u></u> | <u><u>\$ 3,391</u></u> | <u><u>\$ 3,508</u></u> | <u><u>\$ 3,593</u></u> | <u><u>\$ 3,665</u></u> | <u><u>\$ 3,665</u></u> | <u><u>\$ 3,665</u></u> |

BOATING FUND REVENUE SOURCES

Licenses and Fees

(Dollar Amounts in Thousands)

| Actual | Estimated |
|----------------------|-----------------------|
| 1980-81 \$ 939 | 1986-87 \$1,260 |
| 1981-82 976 | 1987-88 1,249 |
| 1982-83 1,031 | 1988-89 1,254 |
| 1983-84 1,071 | 1989-90 1,259 |
| 1984-85 1,141 | 1990-91 1,259 |
| 1985-86 1,179 | 1991-92 1,259 |

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

Fines and Penalties

(Dollar Amounts in Thousands)

| Actual | Estimated |
|---------------------|---------------------|
| 1980-81 \$ 65 | 1986-87 \$ 85 |
| 1981-82 68 | 1987-88 90 |
| 1982-83 83 | 1988-89 95 |
| 1983-84 82 | 1988-89 100 |
| 1984-85 108 | 1990-91 100 |
| 1985-86 95 | 1991-92 100 |

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

Miscellaneous Revenue

(Dollar Amounts in Thousands)

| Actual | Estimated |
|-----------------------|-----------------------|
| 1980-81 \$2,059 | 1986-87 \$1,591 |
| 1981-82 2,266 | 1987-88 1,616 |
| 1982-83 2,285 | 1988-89 1,666 |
| 1983-84 2,159 | 1989-90 1,716 |
| 1984-85 2,442 | 1990-91 1,716 |
| 1985-86 1,989 | 1991-92 1,716 |

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

BOATING FUND REVENUE DETAIL

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

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
| Licenses and Fees | | | |
| Motor Boat Registration Fees | \$ 1,154 | \$ 1,236 | \$ 1,225 |
| Boat Mooring Permits—Walnut Creek Access | 22 | 20 | 20 |
| Boat Capacity Plate Fees | 3 | 4 | 4 |
| TOTAL | \$ 1,179 | \$ 1,260 | \$ 1,249 |
| Fines and Penalties | | | |
| Motor Boat Fines | \$ 95 | \$ 85 | \$ 90 |
| TOTAL | \$ 95 | \$ 85 | \$ 90 |
| Miscellaneous | | | |
| Transfer From Motor License and Liquid Fuels Tax Funds | \$ 1,212 | \$ 1,250 | \$ 1,300 |
| Miscellaneous | 447 | 11 | 11 |
| Interest on Securities | 316 | 300 | 275 |
| Sale of Unserviceable Property | 14 | 30 | 30 |
| TOTAL | \$ 1,989 | \$ 1,591 | \$ 1,616 |
| TOTAL REVENUES | \$ 3,263 | \$ 2,936 | \$ 2,955 |
| Augmentations | | | |
| Sale of Automobiles | \$ 7 | \$ 10 | \$ 10 |
| Federal Reimbursement—Coastal Zone Management Act | 727 | 364 | 344 |
| Federal Reimbursement—Land and Water Conservation Fund | 2 | ..... | ..... |
| Sport Fish Restoration ..... | ..... | 81 | 199 |
| TOTAL | \$ 736 | \$ 455 | \$ 553 |
| TOTAL RECEIPTS | \$ 3,999 | \$ 3,391 | \$ 3,508 |

Fair Fund

The Fair Fund was a special revenue fund composed of a transfer from the General Fund. Act 92 signed July 8, 1986 eliminated the Fair Fund as a Special Fund, effective July 1, 1986 and created a General Fund grant appropriation, Payments to Pennsylvania Fairs, in order to provide continued assistance to agricultural fairs.

Financial Statement*

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|-------------------------------------|-------------------|---|----------------------|
| Beginning Balance | \$ 67 | \$ 143 | ..... |
| Receipts: | | | |
| Revenue Estimate | \$ 61 | ..... | ..... |
| Transfer from General Fund | 2,500 | ..... | ..... |
| Prior Year Lapses | 5 | ..... | ..... |
| | <u>2,566</u> | <u>.....</u> | <u>.....</u> |
| Total Receipts | 2,566 | ..... | ..... |
| Funds Available | \$ 2,633 | \$ 143 | ..... |
| Expenditures: | | | |
| Appropriated | \$ 2,513 | \$ 143 | ..... |
| Current Year Lapse | -23 | ..... | ..... |
| | <u>-2,490</u> | <u>-143</u> | <u>.....</u> |
| Estimated Expenditures | -2,490 | -143 | ..... |
| Ending Balance | <u>\$ 143</u> | <u>.....</u> | <u>.....</u> |

* Act 92 signed July 8, 1986, eliminated the Fair Fund as a special fund, effective July 1, 1986 and created a General Fund grant appropriation, Payments to Pennsylvania Fairs, in order to provide continued assistance to agricultural fairs.

Summary by Department

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Treasury Department | | | |
| General Government | | | |
| Replacement Checks ..... | ..... | ..... | ..... |
| Department of Agriculture | | | |
| General Government | | | |
| General Operations | \$ -10 ^a | \$ 143 | ..... |
| TOTAL STATE FUNDS | <u>\$ -10</u> | <u>\$ 143</u> | <u>.....</u> |
| Augmentations | \$ 2,500 | ..... | ..... |
| FUND TOTAL | <u>\$ 2,490</u> | <u>\$ 143</u> | <u>.....</u> |

^aLapses from the fund exceeded the amount of the state funds executive authorization.

FAIR FUND REVENUE SUMMARY

Five Year Revenue Projections

| | (Dollar Amounts in Thousands) | | | | | | |
|-----------------------------------|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| Miscellaneous | \$ 61 | ..... | ..... | ..... | ..... | ..... | ..... |
| Total Fair Fund Revenues | \$ 61 | ..... | ..... | ..... | ..... | ..... | ..... |
| Augmentations | \$ 2,500 | ..... | ..... | ..... | ..... | ..... | ..... |
| TOTAL FAIR FUND RECEIPTS | \$ 2,561 | ..... | ..... | ..... | ..... | ..... | ..... |

| |
|----------------------------------|
| FAIR FUND REVENUE SOURCES |
|----------------------------------|

Miscellaneous Revenue
(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|----------|---------------|--|
| 1980-81 | \$ 2,690 | 1986-87 | |
| 1981-82 | 2,630 | 1987-88 | |
| 1982-83 | 2,076 | 1988-89 | |
| 1983-84 | 1,594 | 1989-90 | |
| 1984-85 | 61 | 1990-91 | |
| 1985-86 | 61 | 1991-92 | |

As a result of Act 93, signed December 30, 1983, the Fair Fund no longer receives monies from horse or harness racing. However, beginning in 1983-84, General Fund money was provided for transfer to the Fair Fund. Act 92 signed July 8, 1986, eliminated the Fair Fund as a special fund, effective July 1, 1986 and created a General Fund grant appropriation, Payments to Pennsylvania Fairs, in order to provide continued assistance to agricultural fairs.

| |
|---------------------------------|
| FAIR FUND REVENUE DETAIL |
|---------------------------------|

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

| | | (Dollar Amounts in Thousands) | |
|---|-------------------|-------------------------------|-------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
| Miscellaneous Revenues | | | |
| Interest on Securities and Deposits | \$ 61 | | |
| TOTAL REVENUES | \$ 61 | | |
| Augmentations | | | |
| Transfer from General Fund | \$ 2,500 | | |
| TOTAL | \$ 2,500 | | |
| TOTAL RECEIPTS | \$ 2,561 | | |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|----------------------------------|-------------------|---|----------------------|
| Beginning Balance | \$ 622 | \$ 754 | \$ 762 |
| Receipts: | | | |
| Revenue Estimate | \$ 1,771 | \$ 1,790 | \$ 1,850 |
| Transfer from General Fund | 1,000 | 1,000 | 1,000 |
| Prior Year Lapses | 96 | 70 | ..... |
| | 2,867 | 2,860 | 2,850 |
| Funds Available | \$ 3,489 | \$ 3,614 | \$ 3,612 |
| Expenditures: | | | |
| Appropriated | \$ 2,735 | \$ 2,852 | \$ 2,857 |
| | -2,735 | -2,852 | -2,857 |
| Ending Balance | \$ 754 | \$ 762 | \$ 755 |

| |
|--------------------------------|
| FARM PRODUCTS SHOW FUND |
|--------------------------------|

Summary by Department

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Treasury Department | | | |
| General Government | | | |
| Replacement Checks ..... | ..... | \$ 5 | \$ 5 |
| Department of Agriculture | | | |
| General Government | | | |
| General Operations | \$ 1,735 | \$ 1,847 | \$ 1,852 |
| TOTAL STATE FUNDS | <u>\$ 1,735</u> | <u>\$ 1,852</u> | <u>\$ 1,857</u> |
| Augmentations | \$ 1,000 | \$ 1,000 | \$ 1,000 |
| FUND TOTAL | <u>\$ 2,735</u> | <u>\$ 2,852</u> | <u>\$ 2,857</u> |

FARM PRODUCTS SHOW FUND REVENUE SUMMARY

Five Year Revenue Projections

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| Fees | \$ 221 | \$ 232 | \$ 243 | \$ 255 | \$ 266 | \$ 279 | \$ 279 |
| Miscellaneous | 1,550 | 1,558 | 1,607 | 1,655 | 1,699 | 1,741 | 1,741 |
| Total Farm Products Show Fund Revenues..... | <u>\$ 1,771</u> | <u>\$ 1,790</u> | <u>\$ 1,850</u> | <u>\$ 1,910</u> | <u>\$ 1,965</u> | <u>\$ 2,020</u> | <u>\$ 2,020</u> |
| Augmentations | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 1,000 |
| TOTAL FARM PRODUCTS SHOW FUND RECEIPTS..... | <u><u>\$ 2,771</u></u> | <u><u>\$ 2,790</u></u> | <u><u>\$ 2,850</u></u> | <u><u>\$ 2,910</u></u> | <u><u>\$ 2,965</u></u> | <u><u>\$ 3,020</u></u> | <u><u>\$ 3,020</u></u> |

FARM PRODUCTS SHOW FUND REVENUE SOURCES

Fees

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|--------|---------------|--------|
| 1980-81 | \$ 250 | 1986-87 | \$ 232 |
| 1981-82 | 199 | 1987-88 | 243 |
| 1982-83 | 198 | 1988-89 | 255 |
| 1983-84 | 213 | 1989-90 | 266 |
| 1984-85 | 208 | 1990-91 | 279 |
| 1985-86 | 221 | 1991-92 | 279 |

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

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|----------|---------------|----------|
| 1980-81 | \$ 1,040 | 1986-87 | \$ 1,558 |
| 1981-82 | 1,337 | 1987-88 | 1,607 |
| 1982-83 | 1,350 | 1988-89 | 1,655 |
| 1983-84 | 1,298 | 1989-90 | 1,699 |
| 1984-85 | 1,504 | 1990-91 | 1,741 |
| 1985-86 | 1,550 | 1991-92 | 1,741 |

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

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) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
| Fees | | | |
| Exhibit Fees — Competitive — Farm Show | \$ 12 | \$ 12 | \$ 12 |
| Exhibit Fees — Commercial | 209 | 220 | 231 |
| TOTAL | \$ 221 | \$ 232 | \$ 243 |
| Miscellaneous Revenue | | | |
| Concession Revenue | \$ 419 | \$ 404 | \$ 370 |
| Service Charges | 216 | 221 | 270 |
| Rentals | 529 | 550 | 575 |
| Sale of Exhibits — Net Proceeds | 21 | 15 | 15 |
| Miscellaneous Revenue | 13 | 10 | 10 |
| Interest on Securities, Deposits, Returned Checks | 75 | 80 | 80 |
| Parking Fees | 249 | 250 | 257 |
| Salary Reimbursement — Dairy and Livestock Association .. | 28 | 28 | 28 |
| Sign Shop Sales ..... | ..... | ..... | 2 |
| TOTAL | \$ 1,550 | \$ 1,558 | \$ 1,607 |
| TOTAL REVENUES | \$ 1,771 | \$ 1,790 | \$ 1,850 |
| Augmentations | | | |
| Transfer from General Fund | \$ 1,000 | \$ 1,000 | \$ 1,000 |
| TOTAL | \$ 1,000 | \$ 1,000 | \$ 1,000 |
| TOTAL RECEIPTS | \$ 2,771 | \$ 2,790 | \$ 2,850 |

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.

Financial Statement

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------|-------------------|---|----------------------|
| Beginning Balance | \$ 8,605 | \$ 8,746 | \$ 8,557 |
| Receipts: | | | |
| Revenue Estimate | \$ 21,581 | \$ 22,135 | \$ 22,745 |
| Prior Year Lapses | 197 | ..... | ..... |
| | <u>21,778</u> | <u>22,135</u> | <u>22,725</u> |
| Funds Available | \$ 30,383 | \$ 30,881 | \$ 31,302 |
| Expenditures: | | | |
| Appropriated | \$ 21,637 | \$ 22,324 | \$ 22,710 |
| Estimated Expenditures | -21,637 | -22,324 | -22,710 |
| Ending Balance | <u>\$ 8,746</u> | <u>\$ 8,557</u> | <u>\$ 8,592</u> |

Summary by Department

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Treasury Department | | | |
| General Government | | | |
| Replacement Checks ..... | . . . . . | \$ 5 | \$ 5 |
| Fish Commission | | | |
| General Government | | | |
| General Operations | \$ 15,143 | \$ 15,505 | \$ 15,399 |
| Department of General Services | | | |
| Debt Service Requirements | | | |
| General State Authority Rentals | \$ 62 | \$ 63 | \$ 63 |
| Total State Funds | \$ 15,205 | \$ 15,573 | \$ 15,467 |
| Federal Funds | \$ 1,780 | \$ 2,401 | \$ 2,777 |
| Other Funds | 4,652 | 4,350 | 4,466 |
| FUND TOTAL | \$ 21,637 | \$ 22,324 | \$ 22,710 |

FISH FUND REVENUE SUMMARY

Five Year Revenue Projections

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------------|-------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| Licenses and Fees | \$ 13,019 | \$ 13,317 | \$ 13,436 | \$ 13,544 | \$ 13,651 | \$ 13,651 | \$ 13,651 |
| Fines and Penalties | 350 | 270 | 270 | 275 | 280 | 280 | 280 |
| Miscellaneous | 1,780 | 1,797 | 1,796 | 1,849 | 1,878 | 1,878 | 1,878 |
| Total Fish Fund Revenues | <u>\$ 15,149</u> | <u>\$ 15,384</u> | <u>\$ 15,502</u> | <u>\$ 15,668</u> | <u>\$ 15,809</u> | <u>\$ 15,809</u> | <u>\$ 15,809</u> |
| Augmentations | \$ 6,432 | \$ 6,751 | \$ 7,243 | \$ 7,513 | \$ 7,748 | \$ 7,748 | \$ 7,748 |
| TOTAL FISH FUND RECEIPTS | <u><u>\$ 21,581</u></u> | <u><u>\$ 22,135</u></u> | <u><u>\$ 22,745</u></u> | <u><u>\$ 23,181</u></u> | <u><u>\$ 23,557</u></u> | <u><u>\$ 23,557</u></u> | <u><u>\$ 23,557</u></u> |

FISH FUND REVENUE SOURCES

Licenses and Fees

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|----------|---------------|-----------|
| 1980-81 | \$ 9,584 | 1986-87 | \$ 13,317 |
| 1981-82 | 9,996 | 1987-88 | 13,436 |
| 1982-83 | 12,019 | 1988-89 | 13,544 |
| 1983-84 | 12,408 | 1989-90 | 13,651 |
| 1984-85 | 12,802 | 1990-91 | 13,651 |
| 1985-86 | 13,019 | 1991-92 | 13,651 |

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

Fines and Penalties

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|--------|---------------|--------|
| 1980-81 | \$ 219 | 1986-87 | \$ 270 |
| 1981-82 | 210 | 1987-88 | 270 |
| 1982-83 | 244 | 1988-89 | 275 |
| 1983-84 | 253 | 1989-90 | 280 |
| 1984-85 | 312 | 1990-91 | 280 |
| 1985-86 | 350 | 1991-92 | 280 |

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

Miscellaneous Revenue

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|----------|---------------|----------|
| 1980-81 | \$ 1,573 | 1986-87 | \$ 1,797 |
| 1981-82 | 2,203 | 1987-88 | 1,796 |
| 1982-83 | 2,018 | 1988-89 | 1,849 |
| 1983-84 | 1,903 | 1989-90 | 1,878 |
| 1984-85 | 2,053 | 1990-91 | 1,878 |
| 1985-86 | 1,780 | 1991-92 | 1,878 |

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

FISH FUND REVENUE DETAIL

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

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
| Licenses and Fees | | | |
| Resident Fishing Licenses | \$ 11,440 | \$ 11,664 | \$ 11,700 |
| Resident Senior Fishing Licenses | 92 | 110 | 100 |
| Nonresident Fishing Licenses | 1,081 | 1,100 | 1,200 |
| Tourist Fishing Licenses | 224 | 240 | 240 |
| Lake Erie Licenses | 2 | 3 | 2 |
| Commercial Hatchery Licenses | 7 | 7 | 7 |
| Fee—Fishing Lake Licenses | 13 | 15 | 14 |
| Miscellaneous Permits and Fees | 19 | 15 | 19 |
| Technical Service Fees—Non-Government Organizations | . | 1 | . |
| Scientific Collector's Permits | 4 | 5 | 5 |
| Lifetime Fishing Licenses — Senior Resident | 123 | 140 | 130 |
| Membership Fees — Pennsylvania League of Angling Youth | 9 | 11 | 13 |
| H.R. Stackhouse Facilities User Fees | 5 | 6 | 6 |
| TOTAL | \$ 13,019 | \$ 13,317 | \$ 13,436 |
| Fines and Penalties | | | |
| Fish Law Fines | \$ 350 | \$ 270 | \$ 270 |
| TOTAL | \$ 350 | \$ 270 | \$ 270 |
| Miscellaneous Revenue | | | |
| Sale of Publications | \$ 32 | \$ 40 | \$ 42 |
| Sale of Unserviceable Property | 1 | 2 | 2 |
| Miscellaneous Revenue | 17 | 75 | 75 |
| Refund of Expenditures not Credited to Appropriations | 22 | . | . |
| Interest on Securities and Deposits | 731 | 650 | 650 |
| Rental of Fish Commission Property | 17 | 20 | 20 |
| Income from Sand and Gravel Dredging | 229 | 250 | 250 |
| In Lieu Payments for Fishways | 75 | 75 | 75 |
| Redeposit of Checks | . | . | . |
| Sale of Pennsylvania Angler | 260 | 260 | 270 |
| Sale of Patches | 1 | . | . |
| Deputy Waterways Patrolmen—Reimbursements | 7 | . | . |
| Van Dyke Shad Station—Reimbursements | 203 | 200 | 175 |
| Restitution For Fish Killed | 172 | 140 | 150 |
| Sale of Recreational Fishing Promotional Items | 10 | 10 | 12 |
| Royalty Payments | 3 | 75 | 75 |
| TOTAL | \$ 1,780 | \$ 1,797 | \$ 1,796 |
| TOTAL REVENUES | \$ 15,149 | \$ 15,384 | \$ 15,502 |
| Augmentations | | | |
| Sale of Automobiles and Other Vehicles | \$ 31 | \$ 50 | \$ 50 |
| Reimbursement for Services—Boating Fund | 4,300 | 4,300 | 4,416 |
| Federal Reimbursement—Restoration | 1,780 | 2,401 | 2,777 |
| Pennsylvania Conservation Corps | 321 | . | . |
| TOTAL | \$ 6,432 | \$ 6,751 | \$ 7,243 |
| TOTAL RECEIPTS | \$ 21,581 | \$ 22,135 | \$ 22,745 |

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 unseizable property. It provides monies for the administration of the game laws and for the protection and propagation of game.

Financial Statement

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------|---|---|---|
| Beginning Balance | \$ 13,646 | \$ 16,855 | \$ 17,583 |
| Receipts: | | | |
| Revenue Estimate | \$ 37,850 | \$ 36,000 | \$ 35,176 |
| Prior Year Lapses | 6,294 | 6,446 | |
| | <hr style="width: 50%; margin-left: auto; margin-right: 0;"/> | <hr style="width: 50%; margin-left: auto; margin-right: 0;"/> | <hr style="width: 50%; margin-left: auto; margin-right: 0;"/> |
| Total Receipts | 44,144 | 42,446 | 35,176 |
| Funds Available | \$ 57,790 | \$ 59,301 | \$ 52,759 |
| Expenditures: | | | |
| Appropriated | \$ 40,935 | \$ 41,718 | \$ 36,136 |
| | <hr style="width: 50%; margin-left: auto; margin-right: 0;"/> | <hr style="width: 50%; margin-left: auto; margin-right: 0;"/> | <hr style="width: 50%; margin-left: auto; margin-right: 0;"/> |
| Estimated Expenditures | -40,935 | -41,718 | -36,136 |
| | <hr style="width: 50%; margin-left: auto; margin-right: 0;"/> | <hr style="width: 50%; margin-left: auto; margin-right: 0;"/> | <hr style="width: 50%; margin-left: auto; margin-right: 0;"/> |
| Ending Balance | <u>\$ 16,855</u> | <u>\$ 17,583</u> | <u>\$ 16,623</u> |

Summary by Department

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|------------------------------------|-------------------|---|-------------------|
| Treasury Department | | | |
| General Government | | | |
| Replacement Checks ..... | ..... | \$ 6 | \$ 6 |
| Game Commission | | | |
| General Government | | | |
| General Operations | \$ 36,222 | \$ 37,151 | \$ 31,923 |
| TOTAL STATE FUNDS | <u>\$ 36,222</u> | <u>\$ 37,157</u> | <u>\$ 31,929</u> |
| Federal Funds | \$ 3,909 | \$ 3,946 | \$ 3,912 |
| Other Funds | 804 | 615 | 295 |
| FUND TOTAL | <u>\$ 40,935</u> | <u>\$ 41,718</u> | <u>\$ 36,136</u> |

GAME FUND REVENUE SUMMARY

Five Year Revenue Projections

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| License and Fees | \$ 23,004 | \$ 22,851 | \$ 22,876 | \$ 22,876 | \$ 22,876 | \$ 22,876 | \$ 22,876 |
| Fines and Penalties | 507 | 500 | 800 | 800 | 800 | 800 | 800 |
| Miscellaneous Revenues | 9,626 | 8,088 | 7,293 | 6,700 | 6,700 | 6,400 | 6,100 |
| Total Game Fund Revenues | <u>\$ 33,137</u> | <u>\$ 31,439</u> | <u>\$ 30,969</u> | <u>\$ 30,376</u> | <u>\$ 30,376</u> | <u>\$ 30,076</u> | <u>\$ 29,776</u> |
| Augmentations | <u>\$ 4,713</u> | <u>\$ 4,561</u> | <u>\$ 4,207</u> | <u>\$ 4,300</u> | <u>\$ 4,300</u> | <u>\$ 4,300</u> | <u>\$ 4,300</u> |
| TOTAL GAME FUND RECEIPTS | <u><u>\$ 37,850</u></u> | <u><u>\$ 36,000</u></u> | <u><u>\$ 35,176</u></u> | <u><u>\$ 34,676</u></u> | <u><u>\$ 34,676</u></u> | <u><u>\$ 34,376</u></u> | <u><u>\$ 34,076</u></u> |

GAME FUND REVENUE SOURCES

Licenses and Fees

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|-----------|---------------|-----------|
| 1980-81 | \$ 16,259 | 1986-87 | \$ 22,851 |
| 1981-82 | 16,915 | 1987-88 | 22,876 |
| 1982-83 | 16,599 | 1988-89 | 22,876 |
| 1983-84 | 16,693 | 1989-90 | 22,876 |
| 1984-85 | 15,973 | 1990-91 | 22,876 |
| 1985-86 | 23,004 | 1991-92 | 22,876 |

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

Fines and Penalties

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|--------|---------------|--------|
| 1980-81 | \$ 578 | 1986-87 | \$ 500 |
| 1981-82 | 684 | 1987-88 | 800 |
| 1982-83 | 636 | 1988-89 | 800 |
| 1983-84 | 551 | 1989-90 | 800 |
| 1984-85 | 621 | 1990-91 | 800 |
| 1985-86 | 507 | 1991-92 | 800 |

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

Miscellaneous Revenues

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|----------|---------------|----------|
| 1980-81 | \$ 6,830 | 1986-87 | \$ 8,088 |
| 1981-82 | 9,159 | 1987-88 | 7,293 |
| 1982-83 | 7,641 | 1988-89 | 7,000 |
| 1983-84 | 9,603 | 1989-90 | 6,700 |
| 1984-85 | 9,627 | 1990-91 | 6,400 |
| 1985-86 | 9,626 | 1991-92 | 6,100 |

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.

GAME FUND REVENUE DETAIL

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

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
| Licenses and Fees | | | |
| Resident Hunting Licenses | \$ 10,948 | \$ 10,950 | \$ 10,950 |
| Resident Junior Hunting Licenses | 666 | 666 | 666 |
| Nonresident Hunting Licenses | 4,497 | 4,500 | 4,500 |
| Special Game Permits | 81 | 81 | 81 |
| Special Antlerless Deer Licenses | 2,609 | 2,500 | 2,500 |
| Special Archery Licenses | 1,209 | 1,210 | 1,210 |
| Nonresident Trapping Licenses | | 3 | 3 |
| Special Three-day Nonresidential Regulated Shooting | | | |
| Ground Licenses | 6 | 6 | 6 |
| Resident Senior Hunting Licenses | 639 | 639 | 639 |
| Muzzle-loading Hunting Licenses | 390 | 390 | 390 |
| Right of Way Licenses | 272 | 250 | 275 |
| Resident Bear Licenses | 860 | 860 | 860 |
| Non-resident Bear Licenses | 31 | 31 | 31 |
| Hunting License Issuing Agents' Application Fees | 45 | 45 | 45 |
| Non-Resident Junior Hunting License | 82 | 82 | 82 |
| Non-Resident 5-Day Hunting License | 30 | 30 | 30 |
| Senior Resident — Lifetime Hunting License | 128 | 100 | 100 |
| Adult Resident Furtaker License | 443 | 443 | 443 |
| Junior Resident Furtaker License | 38 | 38 | 38 |
| Senior Resident Furtaker License | 26 | 26 | 26 |
| Non-Resident Furtaker License | 3 | | |
| Non-Resident Junior Furtaker License | 1 | 1 | 1 |
| TOTAL | \$ 23,004 | \$ 22,851 | \$ 22,876 |
| Fines and Penalties | | | |
| Game Law Fines | \$ 507 | \$ 500 | \$ 800 |
| TOTAL | \$ 507 | \$ 500 | \$ 800 |
| Miscellaneous Revenue | | | |
| Sports Promotional Publications and Materials | \$ 8 | \$ 7 | \$ 7 |
| Sale of Coal | 1,015 | 800 | 800 |
| Sale of Wood Products | 4,097 | 3,300 | 2,800 |
| Interest on Deposits | 38 | 38 | 38 |
| Sale of Publications | | 100 | 100 |
| Sale of Unserviceable Property | 4 | 4 | 4 |
| Sale of Skins and Guns | 56 | 56 | 56 |
| Rental of State Property | 2 | 2 | 2 |
| Miscellaneous Revenue | 47 | 50 | 50 |
| Interest on Securities | 2,460 | 2,100 | 1,800 |
| Gas and Oil Ground Rentals and Royalties | 516 | 500 | 500 |
| Refund of Expenditures Not Credited to Appropriations | 20 | 20 | 20 |
| Sale of Nonusable Property | 2 | 1 | 1 |
| Miscellaneous Revenue License Division | 15 | 11 | 10 |
| Redeposit of Checks | 1 | 1 | 1 |
| Sale of Game News | 610 | 600 | 600 |
| Sale of Miscellaneous Mineral Permits | | 1 | 2 |
| Sale of Stone, Sand, Gravel and Limestone | 13 | 5 | 10 |
| Sale of Grain and Hay | 50 | 50 | 50 |
| Sale of Maps | 42 | 42 | 42 |
| Wildlife Management Promotional Revenue | 91 | 95 | 95 |
| Sale of Wood Products — PR Tracts | 287 | 200 | 200 |
| Sale of Deputy Uniforms | | | |
| Working Together For Wildlife — NonGame Fund | 117 | | |
| Waterfowl Management Stamp Sales and Royalties | 135 | 105 | 105 |
| TOTAL | \$ 9,626 | \$ 8,088 | \$ 7,293 |
| TOTAL REVENUES | \$ 33,137 | \$ 31,439 | \$ 30,969 |

GAME FUND REVENUE DETAIL

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
| Augmentations | | | |
| NPS Reimbursements—Land Acquisition ..... | ..... | \$ 74 | \$ 40 |
| Sale of Automobiles and Other Vehicles | 56 | 135 | 100 |
| Federal Reimbursement—Pittman Robinson Act | 3,842 | 3,800 | 3,800 |
| Sharecrop and Agriculture Licenses U.S. | 55 | 20 | 20 |
| Endangered Species Program | 27 | 32 | 32 |
| Pennsylvania Conservation Corps | 556 | 310 | 25 |
| Federal Reimbursement — Surface Mine Regulatory Program | 41 | 40 | 40 |
| Private Donations | 136 | 150 | 150 |
| | | | |
| TOTAL—AUGMENTATIONS | \$ 4,713 | \$ 4,561 | \$ 4,207 |
| | | | |
| TOTAL RECEIPTS | \$ 37,850 | \$ 36,000 | \$ 35,176 |

Lottery Fund

The Lottery Fund is a special revenue fund composed of monies received from the sale of lottery tickets and license fees. It provides funds for payment of prizes to winners in the lottery, for property tax and rent assistance for the elderly, for mass transit fare subsidies and an inflation dividend program for the elderly and for a partial rebate of drug and medical costs incurred by the elderly.

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

Financial Statement

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|---|-------------------------|---|----------------------|
| Beginning Balance | \$ 265,969 | \$ 258,352 | \$ 190,589 |
| Reserve from Previous Year ^a | 119,410 | 110,493 | 109,374 |
| Adjusted Beginning Balance | <u>\$ 385,379</u> | <u>\$ 368,845</u> | <u>\$ 299,963</u> |
| Receipts: | | | |
| Revenue Estimate | \$ 770,769 ^b | \$ 748,074 | \$ 743,490 |
| Prior Year Lapses | 17,173 | 10,076 | ..... |
| Funds Available | <u>\$1,173,321</u> | <u>\$1,126,995</u> | <u>\$1,043,453</u> |
| Expenditures: | | | |
| Appropriated | \$ 804,476 | \$ 872,048 | \$ 823,124 |
| Less Current Year Lapses ..... | ..... | -45,016 | ..... |
| Estimated Expenditures | -804,476 | -827,032 | -823,124 |
| Reserve for Current Year ^a | -110,493 | -109,374 | -108,209 |
| Ending Balance | <u>\$ 258,352</u> | <u>\$ 190,589</u> | <u>\$ 112,120</u> |

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

^bIncludes \$12,895,000 cash in transit for 53rd deposit week to be compatible with 53 sales weeks in 1985-86.

LOTTERY FUND

Summary by Department

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|--------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Treasury Department | | | |
| General Government | | | |
| Replacement Checks | \$ 15 | \$ 20 | \$ 20 |
| | | | |
| Department of Aging | | | |
| General Government | | | |
| General Government Operations | \$ 2,367 | \$ 2,369 | \$ 2,440 |
| | | | |
| Grants and Subsidies | | | |
| Aging Programs | \$ 46,637 | \$ 50,560 | \$ 52,077 |
| Pharmaceutical Assistance Fund | 100,000 | 100,000 | 100,000 |
| In-Home Services | 14,000 | 16,000 | 24,000 |
| Pre-Admission In-Home Services | 9,441 | 12,300 | 13,300 |
| Attendant Care for Senior Citizens | 5,100 | 5,400 | 5,400 |
| Drug Education for Senior Citizens | 50 | 50 | 50 |
| Alzheimer's Disease | 495 | 100 | 100 |
| Subtotal | <u>\$ 175,723</u> | <u>\$ 184,410</u> | <u>\$ 194,927</u> |
| TOTAL STATE FUNDS | <u>\$ 178,090</u> | <u>\$ 186,779</u> | <u>\$ 197,367</u> |
| | | | |
| Federal Funds | \$ 54,510 | \$ 49,415 | \$ 52,470 |
| Augmentations | 778 | 1,973 | 2,505 |
| DEPARTMENT TOTAL | <u>\$ 233,378</u> | <u>\$ 238,167</u> | <u>\$ 252,342</u> |
| | | | |
| Department of General Services | | | |
| General Government | | | |
| Harristown Rental Charges | \$ 109 | \$ 103 | \$ 101 |
| Harristown Utility and Municipal Charges | 89 | 86 | 87 |
| DEPARTMENT TOTAL | <u>\$ 198</u> | <u>\$ 189</u> | <u>\$ 188</u> |
| | | | |
| Department of Public Welfare | | | |
| Grants and Subsidies | | | |
| Medical Assistance—Long-Term Care Facilities | \$ 140,000 | \$ 140,000 | \$ 140,000 |
| Pre-Admission Assessment | 1,653 | 1,973 | 2,505 |
| Medicare Part B Payments | 8,182 | 8,528 | 9,330 |
| Supplemental Grants to the Aged | 17,600 | 17,600 | ^a |
| Community Mental Retardation Services — Elderly | 2,200 | 2,200 | ^a |
| TOTAL STATE FUNDS | <u>\$ 169,635</u> | <u>\$ 170,301</u> | <u>\$ 151,835</u> |
| | | | |
| Federal Funds | \$ 1,652 | \$ 1,973 | \$ 2,505 |
| DEPARTMENT TOTAL | <u>\$ 171,287</u> | <u>\$ 172,274</u> | <u>\$ 154,340</u> |

^aThe Supplemental Grants to the Aged and Community Mental Retardation Services — Elderly programs are shown as a General Fund appropriation for 1987-88.

LOTTERY FUND

**Summary by Department
(Continued)**

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Department of Revenue | | | |
| General Government | | | |
| General Operations | \$ 38,744 | \$ 38,612 | \$ 39,784 |
| Personal Income Tax for Lottery Prizes | 15,192 | 14,291 | 13,603 |
| Payment of Prize Money | 161,596 | 185,232 | 146,299 |
| Payment of Commissions | 109 | ..... | ..... |
| Refunding Lottery Monies | 7 | 10 | 10 |
| Subtotal | <u>\$ 215,648</u> | <u>\$ 238,145</u> | <u>\$ 199,696</u> |
| Grants and Subsidies | | | |
| Property Tax and Rent Assistance for the Elderly | \$ 98,861 | \$ 124,150 | \$ 120,681 |
| Senior Citizens Inflation Dividend | 34,503 | 35,895 | 34,653 |
| Subtotal | <u>\$ 133,364</u> | <u>\$ 160,045</u> | <u>\$ 155,334</u> |
| TOTAL STATE FUNDS | <u>\$ 349,012</u> | <u>\$ 398,190</u> | <u>\$ 355,030</u> |
| Augmentations | <u>\$ 2,145</u> | <u>\$ 2,581</u> | <u>\$ 3,025</u> |
| DEPARTMENT TOTAL | <u>\$ 351,157</u> | <u>\$ 400,771</u> | <u>\$ 358,055</u> |
| Department of Transportation | | | |
| General Government | | | |
| Ridership Verification | \$ 75 | \$ 100 | \$ 100 |
| Grants and Subsidies | | | |
| Transit for the Elderly | \$ 65,292 | \$ 71,469 | \$ 75,784 |
| Elderly Shared Rides | 37,702 | 38,000 | 38,000 |
| Transfer to Motor License Fund—Vehicle Registration for the Elderly | 2,500 | 4,700 | 2,500 |
| Demand Response Equipment Grants | 1,957 | 2,300 | 2,300 |
| Subtotal | <u>\$ 107,451</u> | <u>\$ 116,469</u> | <u>\$ 118,584</u> |
| DEPARTMENT TOTAL | <u>\$ 107,526</u> | <u>\$ 116,569</u> | <u>\$ 118,684</u> |
| TOTAL STATE FUNDS | <u>\$ 804,476</u> | <u>\$ 872,048</u> | <u>\$ 823,124</u> |
| Federal Funds | \$ 56,162 | \$ 51,388 | \$ 54,975 |
| Augmentations | 2,923 | 4,554 | 5,530 |
| FUND TOTAL | <u>\$ 863,561</u> | <u>\$ 927,990</u> | <u>\$ 883,629</u> |

STATE LOTTERY FUND REVENUE SUMMARY

Five Year Revenue Projections

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| Collections | \$ 732,852 | \$ 720,598 | \$ 720,598 | \$ 720,598 | \$ 720,598 | \$ 720,598 | \$ 720,598 |
| Miscellaneous Revenue | 37,917 | 27,476 | 22,892 | 16,381 | 5,572 | | |
| TOTAL LOTTERY FUND REVENUES | <u>\$ 770,769</u> | <u>\$ 748,074</u> | <u>\$ 743,490</u> | <u>\$ 736,979</u> | <u>\$ 726,170</u> | <u>\$ 720,548</u> | <u>\$ 720,598</u> |

LOTTERY FUND REVENUE SOURCES

Collections

(Dollar Amounts in Thousands)

| Actual | Estimated |
|-------------------------|-------------------------|
| 1980-81\$ 207,579 | 1986-87\$ 720,598 |
| 1981-82 270,327 | 1987-88 720,598 |
| 1982-83 495,762 | 1988-89 720,598 |
| 1983-84 763,814 | 1989-90 720,598 |
| 1984-85 768,734 | 1990-91 720,598 |
| 1985-86 732,852 | 1991-92 720,598 |

Collections consist of the net proceeds from lottery ticket sales less commissions and some prizes. Currently prizes of \$2,500 or less for the three computer games and prizes of \$50 or less for instant games can be paid by the ticket agents. The State Lottery is currently operating 4 games; the "Daily Number" game introduced in March 1977, the "Big 4" game introduced in November, 1980, and the "Lotto" game introduced in April 1982; all utilize computer sales terminals located across the Commonwealth. The fourth game is the instant game which during the course of a year may consist of 4 or 5 variations of instant game tickets. Ticket prices are \$1 for "Instant Game" tickets and "Lotto" tickets which consist of 2 plays to pick 6 of 40 numbers also "Super 7" which consists of 1 play to pick 7 of 80 numbers. "Daily Number" and "Big 4" game ticket prices range from \$.50 to \$5.00.

Lottery Fund collections as reported above is a net figure and corresponds to the Lottery Fund revenue remitted to the Commonwealth and reported in the Commonwealth's accounting system. 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 collections amount.

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Ticket Sales | \$1,320,170 | \$1,295,480 | \$1,295,480 | \$1,295,480 | \$1,295,480 | \$1,295,480 | \$1,295,480 |
| Commissions | -88,451 | -86,797 | -86,797 | -86,797 | -86,797 | -86,797 | -86,797 |
| Field Paid Prizes | -498,867 | -488,085 | -488,085 | -488,085 | -488,085 | -488,085 | -488,085 |
| COLLECTIONS | \$ 732,852 | \$ 720,598 | $ 720,598 | $ 720,598 | $ 720,598 | $ 720,598 | $ 720,598 |

Miscellaneous Revenue

(Dollar Amounts in Thousands)

| Actual | Estimated |
|-----------------------|------------------------|
| 1980-81\$ 8,458 | 1986-87\$ 27,476 |
| 1981-82 10,147 | 1987-88 22,892 |
| 1982-83 8,740 | 1988-89 16,381 |
| 1983-84 28,704 | 1989-90 5,572 |
| 1984-85 45,834 | 1990-91 |
| 1985-86 37,917 | 1991-92 |

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

LOTTERY FUND REVENUE DETAIL

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Estimated | 1987-88 Budget |
|--|-------------------|---|-------------------|
| Collections | \$ 732,852 | \$ 720,598 | \$ 720,598 |
| Miscellaneous | 37,917 | 27,476 | 22,892 |
| TOTAL LOTTERY FUND REVENUES | <u>\$ 770,769</u> | <u>\$ 748,074</u> | <u>\$ 743,490</u> |

Milk Marketing Fund

The Milk Marketing Fund is a special revenue fund composed of monies received from license fees, fines, penalties and permits relating to the milk industry. Also included is a transfer from the General Fund.

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

| |
|----------------------------|
| MILK MARKETING FUND |
|----------------------------|

Financial Statement

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|----------------------------------|-------------------|---|----------------------|
| Beginning Balance | \$ 297 | \$ 399 | \$ 301 |
| Receipts: | | | |
| Revenue Estimate | \$ 680 | \$ 680 | \$ 680 |
| Transfer from General Fund | 975 | 950 | 950 |
| Prior Year Lapses | 28 | 16 | ..... |
| | 1,683 | 1,646 | 1,630 |
| Funds Available | \$ 1,980 | \$ 2,045 | \$ 1,931 |
| Expenditures: | | | |
| Appropriated | \$ 1,581 | \$ 1,744 | \$ 1,675 |
| | -1,581 | -1,744 | -1,675 |
| Ending Balance | \$ 399 | \$ 301 | \$ 256 |

| |
|----------------------------|
| MILK MARKETING FUND |
|----------------------------|

Summary by Department

| | | (Dollar Amounts in Thousands) | |
|---|-------------------|-------------------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Treasury Department | | | |
| Replacement Checks ..... | ..... | \$ 5 | \$ 5 |
| Refund Milk Marketing Licenses and Fees ..... | ..... | 5 | 5 |
| DEPARTMENT TOTAL ..... | ..... | \$ 10 | \$ 10 |
| Milk Marketing Board | | | |
| General Government | \$ 606 | \$ 784 | \$ 715 |
| TOTAL STATE FUNDS | \$ 606 | \$ 794 | \$ 725 |
| Augmentations | \$ 975 | \$ 950 | \$ 950 |
| FUND TOTAL | \$ 1,581 | \$ 1,744 | \$ 1,675 |

MILK MARKETING FUND REVENUE SUMMARY

Five Year Revenue Projections

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| Licenses and Fees | \$ 600 | \$ 600 | \$ 600 | \$ 600 | \$ 600 | \$ 600 | \$ 600 |
| Fines and Penalties | 20 | 20 | 20 | 20 | 20 | 20 | 20 |
| Miscellaneous Revenue | 60 | 60 | 60 | 60 | 60 | 60 | 60 |
| Total Milk Marketing Fund Revenues . | <u>\$ 680</u> | <u>\$ 680</u> | <u>\$ 680</u> | <u>\$ 680</u> | <u>\$ 680</u> | <u>\$ 680</u> | <u>\$ 680</u> |
| Augmentations | \$ 975 | \$ 950 | \$ 950 | \$ 950 | \$ 950 | \$ 950 | \$ 950 |
| TOTAL MILK MARKETING FUND RECEIPTS | <u>\$ 1,655</u> | <u>\$ 1,630</u> | <u>\$ 1,630</u> | <u>\$ 1,630</u> | <u>\$ 1,630</u> | <u>\$ 1,630</u> | <u>\$ 1,630</u> |

MILK MARKETING FUND REVENUE SOURCES

Licenses and Fees

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|--------|---------------|--------|
| 1980-81 | \$ 609 | 1986-87 | \$ 600 |
| 1981-82 | 606 | 1987-88 | 600 |
| 1982-83 | 608 | 1988-89 | 600 |
| 1983-84 | 573 | 1989-90 | 600 |
| 1984-85 | 647 | 1990-91 | 600 |
| 1985-86 | 600 | 1991-92 | 600 |

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

Fines and Penalties

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|-------|---------------|-------|
| 1980-81 | \$ 14 | 1986-87 | \$ 20 |
| 1981-82 | 29 | 1987-88 | 20 |
| 1982-83 | 24 | 1988-89 | 20 |
| 1983-84 | 9 | 1989-90 | 20 |
| 1984-85 | 20 | 1990-91 | 20 |
| 1985-86 | 20 | 1991-92 | 20 |

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

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|-------|---------------|-------|
| 1980-81 | \$ 95 | 1986-87 | \$ 60 |
| 1981-82 | 119 | 1987-88 | 60 |
| 1982-83 | 102 | 1988-89 | 60 |
| 1983-84 | 74 | 1989-90 | 60 |
| 1984-85 | 94 | 1990-91 | 60 |
| 1985-86 | 60 | 1991-92 | 60 |

Miscellaneous Revenues consists 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) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
| Licenses and Fees | | | |
| Milk Dealers Licenses | \$ 548 | \$ 548 | \$ 548 |
| Milk Testers Certificate Fees | 6 | 6 | 6 |
| Milk Weighers Certificate Fees | 31 | 31 | 31 |
| Milk Testers and Weighers Examination Fees | 5 | 5 | 5 |
| Milk Haulers Licenses Fees | 10 | 10 | 10 |
| TOTAL | \$ 600 | \$ 600 | \$ 600 |
| Fines and Penalties | | | |
| Milk Marketing Act Fines | \$ 20 | \$ 20 | \$ 20 |
| TOTAL | \$ 20 | \$ 20 | \$ 20 |
| Miscellaneous Revenue | | | |
| Interest on Securities | \$ 59 | \$ 59 | \$ 59 |
| Interest on Deposits | 1 | 1 | 1 |
| TOTAL | \$ 60 | \$ 60 | \$ 60 |
| TOTAL REVENUES | \$ 680 | \$ 680 | \$ 680 |
| Augmentations | | | |
| Transfer from General Fund | \$ 975 | \$ 950 | \$ 950 |
| TOTAL | \$ 975 | \$ 950 | \$ 950 |
| TOTAL RECEIPTS | \$ 1,655 | \$ 1,630 | \$ 1,630 |

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.

Financial Statement

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------|-------------------|---|----------------------|
| Beginning Balance | \$ 3,379 | \$ 1,825 | \$ 1,211 |
| Receipts: | | | |
| Revenue Estimate | \$ 7,364 | \$ 7,110 | \$ 7,110 |
| Prior Year Lapses | 89 | 135 | ..... |
| | <u>7,453</u> | <u>7,245</u> | <u>7,110</u> |
| Funds Available | \$ 10,832 | \$ 9,070 | \$ 8,321 |
| Expenditures: | | | |
| Appropriated | \$ 9,007 | \$ 7,859 | \$ 6,773 |
| | <u>—9,007</u> | <u>—7,859</u> | <u>—6,773</u> |
| Ending Balance | <u>\$ 1,825</u> | <u>\$ 1,211</u> | <u>\$ 1,548</u> |

| |
|--------------------|
| RACING FUND |
|--------------------|

Summary by Department

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | | 1987-88 Budget |
|---|-------------------|---|--|-------------------|
| Treasury Department | | | | |
| General Government | | | | |
| Replacement Checks — Racing ..... | . . . . | \$ 10 | | \$ 10 |
| Department of Agriculture | | | | |
| General Government | | | | |
| Harness Racing Commission | \$ 1,775 | \$ 2,199 | | \$ 1,579 |
| Horse Racing Commission | 2,676 | 2,785 | | 2,869 |
| Race Horse Testing Laboratory | 810 | 764 | | 764 |
| Payments to Pennsylvania Fairs — Administration | 228 | 157 | | 216 |
| Subtotal | \$ 5,489 | \$ 5,905 | | \$ 5,428 |
| Grants and Subsidies | | | | |
| Transfer to the General Fund | \$ 3,379 | \$ 1,825 | | \$ 1,211 |
| DEPARTMENT TOTAL | \$ 8,868 | \$ 7,730 | | \$ 6,639 |
| Department of Revenue | | | | |
| General Government | | | | |
| Collections — Racing | \$ 139 | \$ 119 | | \$ 124 |
| FUND TOTAL | \$ 9,007 | \$ 7,859 | | \$ 6,773 |

RACING FUND REVENUE SUMMARY

Five Year Revenue Projections

| | (Dollar Amounts in Thousands) | | | | | | |
|-----------------------------------|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| Tax Revenues | \$ 5,859 | \$ 5,810 | \$ 5,810 | \$ 5,810 | \$ 5,810 | \$ 5,810 | \$ 5,810 |
| License and Fees | 370 | 303 | 303 | 303 | 303 | 303 | 303 |
| Miscellaneous | 1,135 | 997 | 997 | 997 | 997 | 997 | 997 |
| TOTAL RACING FUND REVENUES | <u>\$ 7,364</u> | <u>\$ 7,110</u> | <u>\$ 7,110</u> | <u>\$ 7,110</u> | <u>\$ 7,110</u> | <u>\$ 7,110</u> | <u>\$ 7,110</u> |

RACING FUND REVENUE SOURCES

Tax Revenues

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|-----------|---------------|----------|
| 1980-81 | \$ 20,736 | 1986-87 | \$ 5,810 |
| 1981-82 | 20,807 | 1987-88 | 5,810 |
| 1982-83 | 17,416 | 1988-89 | 5,810 |
| 1983-84 | 16,409 | 1989-90 | 5,810 |
| 1984-85 | 7,280 | 1990-91 | 5,810 |
| 1985-86 | 5,859 | 1991-92 | 5,810 |

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

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

The Harness Racing Fund and the Horse Racing Fund were combined into the Racing Fund by Act 93 of 1983. Act 93 amended portions of the Race Horse Industry Reform Act. 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. In addition a 0.7 percent wagering tax was imposed on exotic wagering.

Licenses and Fees

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|--------|---------------|--------|
| 1980-81 | \$ 424 | 1986-87 | \$ 303 |
| 1981-82 | 352 | 1987-88 | 303 |
| 1982-83 | 311 | 1988-89 | 303 |
| 1983-84 | 308 | 1989-90 | 303 |
| 1984-85 | 404 | 1990-91 | 303 |
| 1985-86 | 370 | 1991-92 | 303 |

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

Fines and Penalties

(Dollar Amounts in Thousands)

| Actual | | Estimated |
|---------------|-------|---------------|
| 1980-81 | \$ 59 | 1986-87 |
| 1981-82 | 43 | 1987-88 |
| 1982-83 | 1 | 1988-89 |
| 1983-84 | | 1989-90 |
| 1984-85 | | 1990-91 |
| 1985-86 | | 1991-92 |

The Commonwealth receives fines and penalties from violations of the Race Horse Industry Reform Act. In accordance with that act, fines and penalties are no longer collected in this fund but are deposited directly in the General Fund.

Miscellaneous Revenue

(Dollar Amounts in Thousands)

| Actual | | Estimated | |
|---------------|----------|---------------|--------|
| 1980-81 | \$ 2,061 | 1986-87 | \$ 997 |
| 1981-82 | 2,902 | 1987-88 | 997 |
| 1982-83 | 1,842 | 1988-89 | 997 |
| 1983-84 | 1,744 | 1989-90 | 997 |
| 1984-85 | 1,473 | 1990-91 | 997 |
| 1985-86 | 1,135 | 1991-92 | 997 |

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

RACING FUND REVENUE DETAIL

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

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Estimated | 1987-88 Budget |
| Tax Revenue | | | |
| State Admission Tax | \$ 189 | \$ 210 | \$ 210 |
| Wagering Tax | 5,314 | 5,150 | 5,150 |
| Breakage Tax | 356 | 450 | 450 |
| TOTAL | \$ 5,859 | \$ 5,810 | \$ 5,810 |
| Licenses and Fees | | | |
| License Fees | \$ 370 | \$ 303 | \$ 303 |
| TOTAL | \$ 370 | \$ 303 | \$ 303 |
| Miscellaneous | | | |
| Uncashed Tickets | \$ 742 | \$ 615 | \$ 615 |
| Interest on Securities | 352 | 349 | 349 |
| Miscellaneous | 2 | 1 | 1 |
| Redeposit of Checks | 6 | 6 | 6 |
| Interest On Deposits | 6 | 6 | 6 |
| Owner-by-Agent Security Deposit Forefits | 18 | 20 | 20 |
| Refunds of Expenditures Not Credited to Appropriation | 9 | | |
| TOTAL | \$ 1,135 | \$ 997 | \$ 997 |
| TOTAL REVENUES | \$ 7,364 | \$ 7,110 | \$ 7,110 |

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.

REVENUE SHARING TRUST FUND

Financial Statement

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------|----------------------|---|----------------------|
| Beginning Balance | \$ 530 | \$ 533 | \$ 353 |
| Receipts: | | | |
| Revenue Estimate | \$ 39 | \$ 60 | ..... |
| Total Receipts | 39 | 60 | ..... |
| Funds Available | <u>\$ 569</u> | <u>\$ 593</u> | <u>\$ 353</u> |
| Expenditures: | | | |
| Appropriated | \$ 36 | \$ 240 | \$ 300 |
| Estimated Expenditures | <u>-36</u> | <u>-240</u> | <u>-300</u> |
| Ending Balance | <u><u>\$ 523</u></u> | <u><u>\$ 353</u></u> | <u><u>\$ 53</u></u> |

| |
|-----------------------------------|
| REVENUE SHARING TRUST FUND |
|-----------------------------------|

Summary by Department

| | | (Dollar Amounts in Thousands) | |
|---------------------------------------|-------------------|-------------------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Department of General Services | | | |
| General Government | | | |
| Moving and Relocation Expenses | \$ 36 | \$ 300 | \$ 300 |
| FUND TOTAL | \$ 36 | \$ 300 | \$ 300 |

REVENUE SHARING TRUST FUND REVENUE SUMMARY

Five Year Revenue Projections

| | (Dollar Amounts in Thousands) | | | | | | |
|------------------------------------|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| Miscellaneous Revenues | | | | | | | |
| Interest on Securities | \$ 39 | \$ 60 | ..... | ..... | ..... | ..... | ..... |
| Total Revenue Sharing Trust | <u>39</u> | <u>60</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> |
| Fund Revenues | <u>\$ 39</u> | <u>\$ 60</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> |

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

Federal legislation eliminated Revenue Sharing Funds for State governments in the 1981-82 fiscal year. However, in 1982-83, the Federal Government released a reserve that they had held for contingencies.

CAPITAL BUDGET

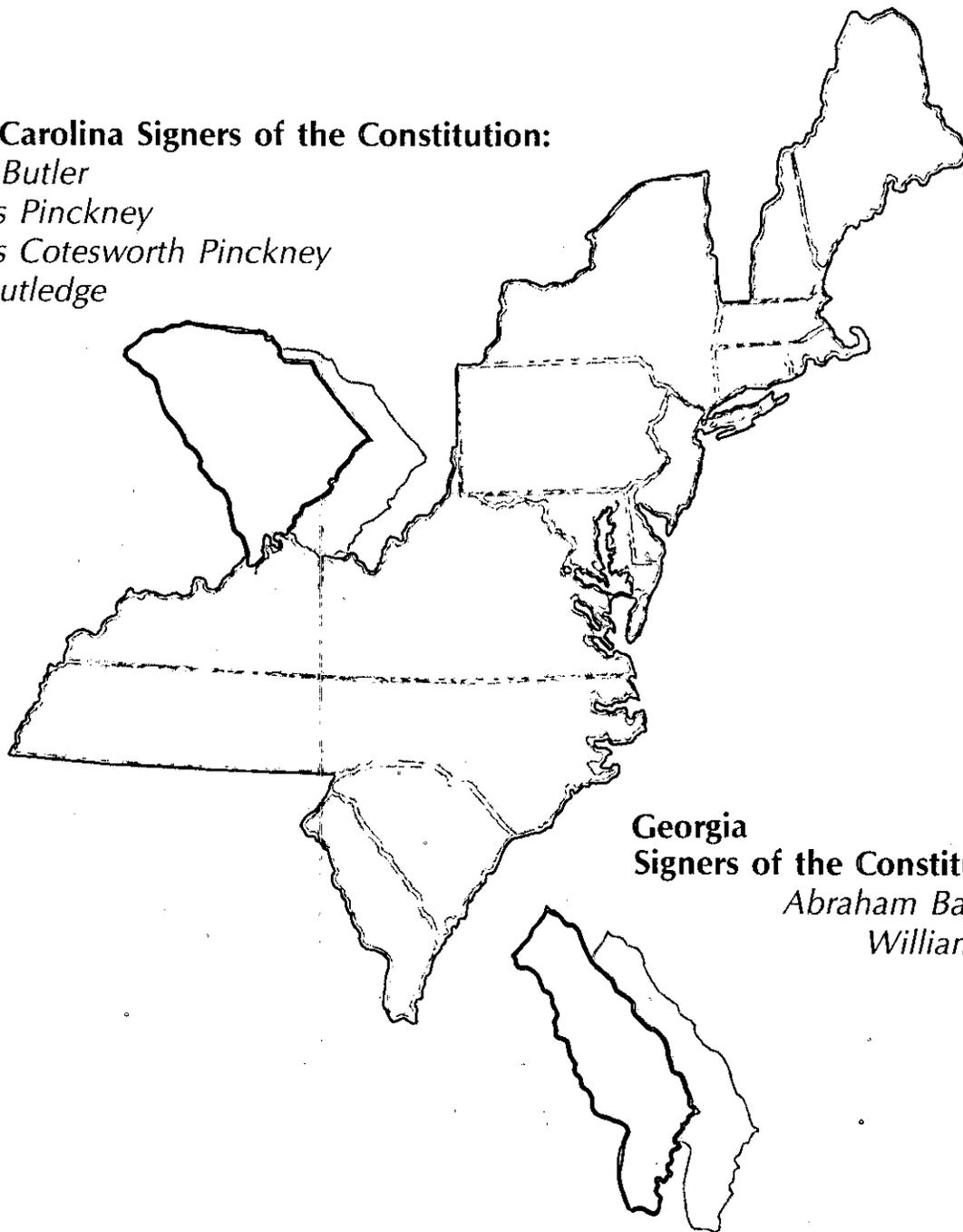
South Carolina Signers of the Constitution:

Pierce Butler

Charles Pinckney

Charles Cotesworth Pinckney

John Rutledge



Georgia

Signers of the Constitution:

Abraham Baldwin

William Few

CAPITAL BUDGET

This section contains the 1987-88 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, and Transportation Assistance projects shown will be financed by general obligation bonds, with the exception of the Game Commission projects which are funded from current revenues. The Department of Transportation highway projects will also be financed from current revenues. These projects are grouped into the following categories:

Public Improvement Projects — This category includes all types of new buildings and renovation projects. Also included are nonstructural improvements and the acquisition of land. These projects are designed and constructed through the Department of General Services.

Public Improvements—Furnishings and Equipment — This category provides for the equipping of newly completed public improvement projects, by purchasing original 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 implemented through the Department of Transportation.

Redevelopment Assistance Projects — This category provides grants for the acquisition of land and its clearance, and the construction of buildings and other property appurtenances for municipal agencies and authorities for the prevention and elimination of blight.

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.

1987-88 New Project Authorizations — This section itemizes and describes the new capital projects recommended for authorization in 1987-88, and their proposed source of funding. The projects are listed by department and capital project category.

Forecast of Future Projects — This section contains a forecast of new capital projects to be initiated during each of the fiscal years 1988-89 through 1991-92. The projections are grouped by department and capital project category.

Estimate of Capital Expenditures — This section provides an estimate of expenditures for capital projects during each of the next five fiscal years. Since design, acquisition and construction of a project is not generally completed during the fiscal year in which the project is initiated, payment of costs incurred usually occurs over several fiscal years. The estimated expenditures determine the amount of bonds which must be issued, 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 1987-88, and future projects (1988-92).

**FORECAST OF DEBT LIMIT AND OUTSTANDING DEBT
1986-87 Through 1991-92**

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

| | (Dollar Amounts in Thousands) | | | | | |
|--|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Average Tax Revenues Previous Five Years | \$10,569,446 | \$11,357,992 | \$12,182,190 | \$12,825,504 | \$13,452,337 | \$14,132,895 |
| Debt Limit ^a | 18,496,530 | 19,876,486 | 21,318,833 | 22,444,633 | 23,541,590 | 24,732,567 |
| Outstanding Debt—Beginning of Fiscal Year | 3,601,216 | 3,717,208 | 3,980,018 | 4,185,628 | 4,041,170 | 3,738,800 |
| Bonds to be Issued | 369,000 | 540,000 | 546,000 | 280,000 | 227,000 | 200,000 |
| Bonds to be Retired | -253,008 | -277,190 | -340,390 | -424,458 | -529,370 | -338,610 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Outstanding Debt—End of Fiscal Year | <u>\$ 3,717,208</u> | <u>\$ 3,980,018</u> | <u>\$ 4,185,628</u> | <u>\$ 4,041,170</u> | <u>\$ 3,738,800</u> | <u>\$ 3,600,190</u> |
| % of Debt to Debt Limit | 20.1% | 20.0% | 19.6% | 18.0% | 15.9% | 14.6% |

^a1.75 times the average tax revenues of previous five years.

CAPITAL BUDGET

PROJECTED CAPITAL BUDGET BOND ISSUES AND DEBT OUTSTANDING 1986-87 Through 1991-92

This table shows the projected amount of general obligation bonds to be issued and the level of bonded debt outstanding at the end of each fiscal year for projects included in a capital budget. Outstanding debt includes debt issued by the General State Authority and the State Highway and Bridge Authority. Also included is one issue of the State Public School Building Authority. A projection of all Commonwealth general obligation bonds to be issued and debt outstanding is contained in the Public Debt section of this budget document (Section E of Volume 1).

| | (Dollar Amounts in Thousands) | | | | | |
|---|-------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Projected Bond Issues | | | | | | |
| Public Improvements | \$ 150,000 | \$ 185,000 | \$ 160,000 | \$ 140,000 | \$ 140,000 | \$ 135,000 |
| Highways ..... | ..... | 115,000 | 100,000 | 5,000 | 10,000 | 5,000 |
| Transportation Assistance | 30,000 | 55,000 | 70,000 | 70,000 | 35,000 | 40,000 |
| Original Furniture and Equipment | 10,000 | 15,000 | 20,000 | 10,000 | 4,000 | 5,000 |
| Redevelopment Assistance | 98,000 | 30,000 | 56,000 | 45,000 | 23,000 | 5,000 |
| Advanced Construction | | | | | | |
| Interstate | 78,000 | 130,000 | 135,000 | ..... | ..... | ..... |
| Flood Control | 3,000 | 10,000 | 5,000 | 10,000 | 15,000 | 10,000 |
| Total | <u>\$ 369,000</u> | <u>\$ 540,000</u> | <u>\$ 546,000</u> | <u>\$ 280,000</u> | <u>\$ 227,000</u> | <u>\$ 200,000</u> |
| Debt Outstanding Projections^a | | | | | | |
| Public Improvements | \$ 1,658,188 | \$ 1,715,923 | \$ 1,739,258 | \$ 1,736,610 | \$ 1,731,815 | \$ 1,717,030 |
| Highways | 1,514,400 | 1,519,790 | 1,500,090 | 1,382,680 | 1,267,105 | 1,144,610 |
| Transportation Assistance | 274,765 | 302,780 | 344,165 | 381,820 | 382,545 | 387,135 |
| Original Furniture and Equipment | 31,115 | 41,300 | 55,500 | 57,200 | 52,500 | 49,100 |
| Redevelopment Assistance | 137,790 | 160,820 | 208,350 | 240,955 | 250,240 | 240,895 |
| Advanced Construction | | | | | | |
| Interstate | 78,000 | 208,000 | 304,000 | 200,000 | ..... | ..... |
| Flood Control | 3,000 | 12,860 | 17,220 | 26,330 | 40,175 | 48,225 |
| Community Colleges | 19,950 | 18,545 | 17,045 | 15,575 | 14,420 | 13,195 |
| Total | <u>\$ 3,717,208</u> | <u>\$ 3,980,018</u> | <u>\$ 4,185,628</u> | <u>\$ 4,041,170</u> | <u>\$ 3,738,800</u> | <u>\$ 3,600,190</u> |

^aBonds refunded in advance of maturity are excluded. Outstanding refunding bonds are shown on page E-4.

CAPITAL BUDGET

FORECAST OF DEBT SERVICE REQUIREMENTS 1987-88 Through 1991-92

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

| | (Dollar Amounts in Thousands) | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|
| | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | |
| Department of General Services | | | | | |
| General State Authority Rentals | \$ 38,566 | \$ 34,415 | \$ 30,509 | \$ 24,230 | \$ 18,150 |
| Department of Education | | | | | |
| General State Authority Rentals | 4,201 | 4,201 | 4,201 | 4,201 | 4,201 |
| Treasury Department | | | | | |
| —Public Improvement Projects | 180,791 | 198,648 | 209,959 | 217,447 | 227,197 |
| —Transportation Assistance Projects | 48,956 | 52,250 | 59,110 | 61,594 | 61,628 |
| —Community College Projects ^a | 2,018 | 2,017 | 2,022 | 2,027 | 2,027 |
| —Original Furniture and Equipment Projects | 7,329 | 9,012 | 12,101 | 12,416 | 11,481 |
| —Redevelopment Assistance Projects | 16,469 | 19,787 | 26,775 | 29,521 | 29,971 |
| —Flood Control Projects | 461 | 1,546 | 2,052 | 3,015 | 4,484 |
| Less: Interest Earnings and Miscellaneous Revenues | -6,801 | -5,941 | -5,720 | -5,361 | -5,290 |
| TOTAL—GENERAL FUND^b | \$ 291,990 | \$ 315,935 | \$ 341,009 | \$ 349,090 | \$ 353,849 |
| MOTOR LICENSE FUND | | | | | |
| Department of General Services | | | | | |
| General State Authority Rentals | \$ 1,105 | \$ 1,102 | \$ 1,100 | \$ 1,100 | \$ 1,100 |
| Department of Transportation | | | | | |
| Highway and Bridge Authority Rentals | 26,895 | 25,056 | 18,869 | 12,824 | 7,183 |
| Advance Construction Interstate—Interest Payments | 7,990 | 15,743 | 15,798 | 7,403 | |
| Treasury Department | | | | | |
| Capital Debt Fund | | | | | |
| —Highway Projects | 164,998 | 165,051 | 165,066 | 165,075 | 164,976 |
| —Public Improvement Projects | 524 | 1,281 | 1,361 | 1,361 | 1,361 |
| Less: Miscellaneous Revenue | -455 | -472 | | | |
| TOTAL—MOTOR LICENSE FUND | \$ 201,057 | \$ 207,761 | \$ 202,194 | \$ 187,763 | \$ 174,620 |
| BOATING FUND | | | | | |
| Department of General Services | | | | | |
| General State Authority Rentals | \$ 2 | \$ 2 | \$ 2 | \$ 2 | \$ 2 |
| TOTAL—BOATING FUND | \$ 2 | \$ 2 | \$ 2 | \$ 2 | \$ 2 |
| FISH FUND | | | | | |
| Department of General Services | | | | | |
| General State Authority Rentals | \$ 63 | \$ 63 | \$ 63 | \$ 63 | \$ 63 |
| TOTAL—FISH FUND | \$ 63 | \$ 63 | \$ 63 | \$ 63 | \$ 63 |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

**FORECAST OF DEBT SERVICE REQUIREMENTS
1987-88 Through 1991-92
(continued)**

| | (Dollar Amounts in Thousands) | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|
| | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| OTHER FUNDS | | | | | |
| Public School Building Authority— | | | | | |
| Community College Projects ^c | \$ 530 | \$ 533 | \$ 402 | | |
| Motor License Fund Restricted Receipts | | | | | |
| Aviation—Airport Public Improvement | | | | | |
| Projects | 144 | 1,252 | 1,252 | \$ 1,422 | \$ 1,422 |
| Aviation—General State Authority Rentals .. | 39 | 39 | 39 | 39 | 39 |
| Highway Bridge Improvement—Highway | | | | | |
| Projects | 2,250 | 14,038 | 20,618 | 23,429 | 24,218 |
| Less: Miscellaneous Earnings | -403 | -350 | -18 | -35 | -18 |
| TOTAL—OTHER FUNDS | <u>\$ 2,560</u> | <u>\$ 15,512</u> | <u>\$ 22,293</u> | <u>\$ 24,855</u> | <u>\$ 25,661</u> |
| TOTAL DEBT SERVICE—ALL FUNDS | <u>\$ 495,672</u> | <u>\$ 539,273</u> | <u>\$ 565,561</u> | <u>\$ 561,773</u> | <u>\$ 554,195</u> |

^aFifty percent of this amount is reimbursed by the appropriate colleges.

^bExcludes debt service on Refunding Series bonds.

^cTo be paid by the appropriate college in the form of rentals. Fifty percent of this is reimbursed from the General Fund through grants and subsidies paid by the Department of Education.

CAPITAL FACILITIES FUND FINANCIAL STATEMENT^a
1987-88 Through 1991-92

(Dollar Amounts in Thousands)

| | Public Improvement Projects | Transportation Assistance Projects | Highway Projects | Advanced Construction Interstate Projects | Original Furniture & Equipment | Redevelopment Assistance Projects | Flood Control Projects | Total |
|--|-----------------------------------|--|---------------------|--|--------------------------------------|---|------------------------------|-----------|
| Balance, July 1, 1987 | \$ 15,120 | \$ 4,523 | \$ 829 | \$ 5,107 | \$ 1,191 | \$ 35,782 | \$ 2,809 | \$ 65,361 |
| Revenue: Bond Issues | 185,000 | 55,000 | 115,000 | 130,000 | 15,000 | 30,000 | 10,000 | 540,000 |
| Estimated Expenditures | -176,298 | -55,000 | -111,000 | -127,865 ^b | -14,194 | -58,000 | -8,725 | -551,082 |
| Balance, July 1, 1988 | \$ 23,822 | \$ 4,523 | \$ 4,829 | \$ 7,242 | \$ 1,997 | \$ 7,782 | \$ 4,084 | \$ 54,279 |
| Revenue: Bond Issues | 160,000 | 70,000 | 100,000 | 135,000 | 20,000 | 56,000 | 5,000 | 546,000 |
| Estimated Expenditures | -158,531 | -65,900 | -96,000 | -142,242 ^b | -19,212 | -63,000 | -5,680 | -550,565 |
| Balance, July 1, 1989 | \$ 25,291 | \$ 8,623 | \$ 8,829 | | \$ 2,785 | \$ 782 | \$ 3,404 | \$ 49,714 |
| Revenue: Bond Issues | 140,000 | 70,000 | 5,000 | | 10,000 | 45,000 | 10,000 | 280,000 |
| Estimated Expenditures | -138,974 | -76,500 | -7,000 | | -10,656 | -44,000 | -12,285 | -289,415 |
| Balance, July 1, 1990 | \$ 26,317 | \$ 2,123 | \$ 6,829 | | \$ 2,129 | \$ 1,782 | \$ 1,119 | \$ 40,299 |
| Revenue: Bond Issues | 140,000 | 35,000 | 10,000 | | 4,000 | 23,000 | 15,000 | 227,000 |
| Estimated Expenditures | -138,000 | -34,500 | -9,000 | | -4,725 | -23,000 | -12,355 | -221,580 |
| Balance, July 1, 1991 | \$ 28,317 | \$ 2,623 | \$ 7,829 | | \$ 1,404 | \$ 1,782 | \$ 3,764 | \$ 45,719 |
| Revenue: Bond Issues | 135,000 | 40,000 | 5,000 | | 5,000 | 5,000 | 10,000 | 200,000 |
| Estimated Expenditures | -138,000 | -40,000 | -11,000 | | -5,000 | -6,782 | -9,750 | -210,532 |
| Balance, July 1, 1992 | \$ 25,317 | \$ 2,623 | \$ 1,829 | | \$ 1,404 | | \$ 4,014 | \$ 35,187 |

^aBonds are issued to meet the cash requirements of each category of projects and to maintain minimum cash balances.

^bExpenditures are net of partial Federal reimbursements and ACI interest earnings.

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

ESTIMATED CAPITAL PROJECT EXPENDITURES
State Funds
1987-88 Through 1991-92

| | (Dollar Amounts in Thousands) | | | | |
|--|-------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| FROM GENERAL OBLIGATION BONDS | | | | | |
| Public Improvement Projects—Buildings and Structures | \$ 176,298 | \$ 158,531 | \$ 138,974 | \$ 138,000 | \$ 138,000 |
| Public Improvement Projects—Original Furniture and Equipment | 14,194 | 19,212 | 10,656 | 4,725 | 5,000 |
| Redevelopment Assistance Projects | 58,000 | 63,000 | 44,000 | 23,000 | 6,782 |
| Flood Control Projects | 8,725 | 5,680 | 12,285 | 12,355 | 9,750 |
| Transportation Assistance Projects | 55,000 | 65,900 | 76,500 | 34,500 | 40,000 |
| Highway Projects | 238,865 | 238,242 | 7,000 | 9,000 | 11,000 |
| Total—Bond Funds | <u>\$ 551,082</u> | <u>\$ 550,565</u> | <u>\$ 289,415</u> | <u>\$ 221,580</u> | <u>\$ 210,532</u> |
| FROM CURRENT REVENUES | | | | | |
| Public Improvement Projects—Game Fund ... | \$ 2,750 | \$ 2,500 | \$ 2,500 | \$ 2,500 | \$ 2,500 |
| Highway Projects—Motor License Fund | 107,100 | 77,800 | 67,500 | 63,300 | 59,200 |
| Highway Projects—Motor License Fund Restricted Revenue | 31,300 | 8,200 | 20,300 | 21,400 | 20,900 |
| Total—Current Revenues | <u>\$ 141,150</u> | <u>\$ 88,500</u> | <u>\$ 90,300</u> | <u>\$ 87,200</u> | <u>\$ 82,600</u> |
| TOTAL—ALL STATE FUNDS | <u><u>\$ 692,232</u></u> | <u><u>\$ 639,065</u></u> | <u><u>\$ 379,715</u></u> | <u><u>\$ 308,780</u></u> | <u><u>\$ 293,132</u></u> |

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

| | (Dollar Amounts in Thousands) | | | | | Total |
|--|-------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 | |
| Department of Agriculture | \$ 556 | \$ 1,275 | \$ 700 | \$ 125 | | \$ 2,656 |
| Department of Corrections | 8,755 | 21,600 | 21,425 | 23,250 | \$ 26,450 | 101,480 |
| Department of Education | 21,150 | 27,675 | 27,450 | 29,800 | 33,900 | 139,975 |
| Emergency Management Agency | 330 | 175 | 225 | 225 | | 955 |
| Department of Environmental Resources | 25,969 | 8,375 | 52,300 | 8,000 | 9,100 | 103,744 |
| Game Commission | 1,726 | 2,500 | 2,500 | 2,500 | 2,500 | 11,726 |
| Department of General Services | 8,718 | 3,375 | 3,350 | 3,650 | 4,150 | 23,243 |
| Historical and Museum Commission | 1,802 | 2,025 | 2,025 | 2,200 | 2,500 | 10,552 |
| Department of Military Affairs | 2,315 | 1,700 | 1,725 | 1,750 | 1,800 | 9,290 |
| Department of Public Welfare | 7,112 | 5,400 | 5,375 | 5,825 | 6,625 | 30,337 |
| State Police | 5,467 | 1,850 | 5,300 | 5,950 | 2,475 | 21,042 |
| Department of Transportation | 93,228 | 95,550 | 98,125 | 97,225 | 95,000 | 479,128 |
| TOTAL | <u>\$ 177,128</u> | <u>\$ 171,500</u> | <u>\$ 220,500</u> | <u>\$ 180,500</u> | <u>\$ 184,500</u> | <u>\$ 934,128</u> |

CAPITAL BUDGET

**RECOMMENDED 1987-88 NEW PROJECT AUTHORIZATIONS
STATE FUNDS
Summary by Department**

(Dollar Amounts in Thousands)

| | Bond Funds | | | | Current Revenues | | Total All Funds |
|--|-----------------------------------|--------------------------------------|--|------------------------------|-----------------------------------|---------------------|-----------------------|
| | Public Improvement Projects | Original Furniture & Equipment | Transportation Assistance Projects | Flood Control Projects | Public Improvement Projects | Highway Projects | |
| Department of Agriculture | \$ 556 | ..... | ..... | ..... | ..... | ..... | \$ 556 |
| Department of Corrections | 8,755 | ..... | ..... | ..... | ..... | ..... | 8,755 |
| Department of Education | 16,999 | \$ 4,151 | ..... | ..... | ..... | ..... | 21,150 |
| Emergency Management Agency | 330 | ..... | ..... | ..... | ..... | ..... | 330 |
| Department of Environmental Resources... | 15,309 | 100 | ..... | \$ 10,560 | ..... | ..... | 25,969 |
| Game Commission ..... | ..... | ..... | ..... | ..... | \$ 1,726 | ..... | 1,726 |
| Department of General Services | 8,718 | ..... | ..... | ..... | ..... | ..... | 8,718 |
| Historical and Museum Commission | 1,802 | ..... | ..... | ..... | ..... | ..... | 1,802 |
| Department of Military Affairs | 2,315 | ..... | ..... | ..... | ..... | ..... | 2,315 |
| Department of Public Welfare | 7,112 | ..... | ..... | ..... | ..... | ..... | 7,112 |
| State Police | 5,467 | ..... | ..... | ..... | ..... | ..... | 5,467 |
| Department of Transportation | 7,214 | ..... | \$ 54,652 | ..... | ..... | \$ 31,362 | 93,228 |
| TOTAL | \$ 74,577 | \$ 4,251 | \$ 54,652 | \$ 10,560 | \$ 1,726 | \$ 31,362 | \$ 177,128 |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

DEPARTMENT OF AGRICULTURE

| | Base Project Cost | (Dollar Amounts in Thousands) Land Cost | Design & Contin- gencies | Total Project Cost |
|--|-------------------------|---|--------------------------------|--------------------------|
| 1987-88 PUBLIC IMPROVEMENT PROJECTS | | | | |
| Development of Agricultural Industries | \$ 463 | | \$ 93 | \$ 556 |
| TOTAL PROJECT | \$ 463 | | \$ 93 | \$ 556 |

SOURCE OF FUNDS

| | | | | |
|--|--------|---------|-------|--------|
| General Obligation Bond Issues | | | | |
| Capital Facilities Fund — Buildings and Structures | \$ 463 | | \$ 93 | \$ 556 |
| TOTAL | \$ 463 | | \$ 93 | \$ 556 |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

Department of Agriculture 1987-88 Projects

(Dollar Amounts in Thousands)

| | Base Project Cost | Land Cost | Design & Contingencies | Total Project Cost |
|---|-------------------------|--------------|---------------------------|--------------------------|
| FROM BOND FUNDS | | | | |
| Program: Development of Agricultural Industries | | | | |
| <i>Farm Show Complex — Harrisburg</i> | | | | |
| PARKING AREAS AND HARD STAND IMPROVEMENTS: This project provides for paving, resurfacing and drainage improvements of the parking and service entrance areas surrounding the exhibition buildings. | | | | |
| | \$ 463 | | \$ 93 | \$ 556 |
| PROGRAM TOTAL | \$ 463 | | \$ 93 | \$ 556 |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

DEPARTMENT OF CORRECTIONS

| | | (Dollar Amounts in Thousands) | | |
|--|-------------------------|-------------------------------|---------------------------|--------------------------|
| | Base Project Cost | Land Cost | Design & Contingencies | Total Project Cost |
| 1987-88 PUBLIC IMPROVEMENT PROJECTS | | | | |
| State Correctional Institutions | \$ 7,296 | | \$ 1,459 | \$ 8,755 |
| TOTAL PROJECTS | \$ 7,296 | | \$ 1,459 | \$ 8,755 |
| SOURCE OF FUNDS | | | | |
| General Obligation Bond Issues | | | | |
| Capital Facilities Fund — Buildings and Structures | \$ 7,296 | | \$ 1,459 | \$ 8,755 |
| TOTAL | \$ 7,296 | | \$ 1,459 | \$ 8,755 |

CAPITAL BUDGET

Department of Corrections 1987-88 Projects

| | | (Dollar Amounts in Thousands) | | |
|---|-------------------------|-------------------------------|---------------------------|--------------------------|
| FROM BOND FUNDS | Base Project Cost | Land Cost | Design & Contingencies | Total Project Cost |
| Program: State Correctional Institutions | | | | |
| <i>State Correctional Institution—Dallas</i> | | | | |
| ADDITIONAL FUNDS FOR DGS 578-11, GUARD TOWERS: This will provide additional funding needed for construction of the guard tower project which was authorized in Act 1984-62. This will increase the project authorization to \$397,000. | \$ 131 | | \$ 26 | \$ 157 |
| ADDITIONAL FUNDS FOR DGS 578-10, SECURITY AND LIGHTING: This will provide additional funding needed for the security/lighting project which was authorized in Act 1984-62. This will increase the project authorization to \$2,592,000. | 660 | | 132 | 792 |
| <i>State Correctional Institution—Graterford</i> | | | | |
| ADDITIONAL FUNDS FOR DGS 577-10, SEWAGE TREATMENT SYSTEM: This project will provide additional funding needed to complete the sewage treatment system which was authorized in Act 1984-62. This will increase the project authorization to \$10,825,778. | 1,445 | | 289 | 1,734 |
| <i>State Correctional Institution—Huntingdon</i> | | | | |
| SECURITY FENCE AND LIGHTING: This project will provide for construction of approximately 1,500 ft. of fencing and lighting around "E" and "F" Blocks. | 275 | | 55 | 330 |
| <i>State Correctional Institution—Rockview</i> | | | | |
| RESTRICTED HOUSING UNIT: This project will provide for the construction of a new 60 man restricted housing facility for criminal offenders. | 3,960 | | 792 | 4,752 |
| <i>State Correctional Institution—Smithfield</i> | | | | |
| BAKE SHOP: This project provides for the construction of a 4,000 sq. ft. bake shop and related fixed equipment for supplying the Smithfield and Huntingdon Institutions with bread and baked goods. | 660 | | 132 | 792 |
| <i>State Correctional Institution—Waynesburg</i> | | | | |
| EMERGENCY GENERATOR: This project provides for an emergency generator system to provide emergency power and lighting to the institution in case of power failure. . | 165 | | 33 | 198 |
| PROGRAM TOTAL | \$ 7,296 | | \$ 1,459 | \$ 8,755 |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

DEPARTMENT OF EDUCATION

| | | (Dollar Amounts in Thousands) | | |
|---|-------------------------|-------------------------------|--------------------------------|--------------------------|
| | Base Project Cost | Land Cost | Design & Contin- gencies | Total Project Cost |
| 1987-88 PUBLIC IMPROVEMENT PROJECTS | | | | |
| Higher Education — State System of Higher Education | \$ 10,090 | | \$ 1,976 | \$ 12,066 |
| Higher Education — State Related Universities | 4,063 | | 77 | 4,140 |
| State Owned Schools | 4,163 | | 781 | 4,944 |
| TOTAL PROJECTS | <u>\$ 18,316</u> | <u>. . . .</u> | <u>\$ 2,834</u> | <u>\$ 21,150</u> |

SOURCE OF FUNDS

| | | | | |
|--|------------------|----------------|-----------------|------------------|
| General Obligation Bond Issues | | | | |
| Capital Facilities Fund — Buildings and Structures | \$ 14,165 | | \$ 2,834 | \$ 16,999 |
| Capital Facilities Fund — Furniture and Equipment | 4,151 | | | 4,151 |
| TOTAL | <u>\$ 18,316</u> | <u>. . . .</u> | <u>\$ 2,834</u> | <u>\$ 21,150</u> |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

Department of Education 1987-88 Projects

| | Base Project Cost | (Dollar Amounts in Thousands) Land Cost | Design & Contingencies | Total Project Cost |
|--|-------------------------|---|---------------------------|--------------------------|
| FROM BOND FUNDS | | | | |
| Program: Higher Education — State System of Higher Education | | | | |
| <i>Bloomsburg University</i> | | | | |
| AUTOMATIC FIRE DETECTION/ALARM SYSTEM: This provides for the installation of heat-smoke sensor fire alarm systems in the student housing facilities..... | \$ 256 | | \$ 51 | \$ 307 |
| STEAM LINE IMPROVEMENTS: This project will replace/upgrade the campus high pressure steam line system. | 1,048 | | 210 | 1,258 |
| <i>California University</i> | | | | |
| AUTOMATIC FIRE DETECTION/ALARM SYSTEM: This provides for the installation of heat-smoke sensor fire alarm systems in the student housing facilities..... | 229 | | 46 | 275 |
| ORIGINAL FURNITURE AND EQUIPMENT FOR PROJECT NO. DGS 402-44: This provides for the purchase of movable furniture and equipment for the old library which is being converted to an art-music classroom facility. ... | 62 | | | 62 |
| <i>Cheyney University</i> | | | | |
| RENOVATION OF BIDDLE HALL: This project provides for the upgrading of Biddle Hall which houses the math/computer science program and the administrative computer center. The improvements include; renovation of the HVAC systems, rewiring of the electrical systems, modernization of the buildings interior and space use, and rehabilitation of the exterior. | 1,354 | | 271 | 1,625 |
| <i>Clarion University</i> | | | | |
| RENOVATE FOUNDERS HALL: This project will provide for the replacement of the heating system, electrical system, fire alarm system, roof, ventilation system, exterior masonry restoration, interior upgrade, and an elevator to meet handicapped compliance. | 1,210 | | 242 | 1,452 |

CAPITAL BUDGET

Department of Education 1987-88 Projects

(Dollar Amounts in Thousands)

| | Base Project Cost | Land Cost | Design & Contingencies | Total Project Cost |
|---|-------------------------|--------------|---------------------------|--------------------------|
| FROM BOND FUNDS | | | | |
| Program: Higher Education — State | | | | |
| System of Higher Education (continued) | | | | |
| <i>East Stroudsburg University</i> | | | | |
| RENOVATE GESSNER SCIENCE CENTER: This project provides for the upgrading of the heating and air conditioning systems, installation of an elevator, and construction of an addition to house the storage of chemicals. | \$ 1,100 | ..... | \$ 220 | \$ 1,320 |
| <i>Edinboro University</i> | | | | |
| AUTOMATIC FIRE DETECTION/ALARM SYSTEM: This project provides for the installation of heat-smoke sensor fire alarm systems in the student housing facilities. . | 399 | ..... | 80 | 479 |
| RENOVATION OF LOVELAND HALL: This project provides for safety renovations involving the corners and upper masonry work of the building, repointing of the exterior, replacement of the windows, and interior classroom renovations. | 250 | ..... | 50 | 300 |
| <i>Indiana University</i> | | | | |
| AUTOMATIC FIRE DETECTION/ALARM SYSTEM: This provides for the installation of heat-smoke sensor fire alarm systems in the student housing facilities..... | 495 | ..... | 99 | 594 |
| <i>Kutztown University</i> | | | | |
| AUTOMATIC FIRE DETECTION/ALARM SYSTEM: This provides for the installation of heat-smoke sensor fire alarm systems in the student housing facilities..... | 292 | ..... | 58 | 350 |
| UPGRADE ELECTRICAL DISTRIBUTION SYSTEM: This project will replace and upgrade the 5KV electrical distribution system throughout the campus. In addition, the project will also provide a means of monitoring electrical usage throughout the campus and provide input to a campus-wide energy management system | 770 | ..... | 154 | 924 |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

Department of Education 1987-88 Projects

| | Base Project Cost | (Dollar Amounts in Thousands) Land Cost | Design & Contin- gencies | Total Project Cost |
|---|-------------------------|---|--------------------------------|--------------------------|
| FROM BOND FUNDS | | | | |
| Program: Higher Education — State System of Higher Education (continued) | | | | |
| <i>Lock Haven University</i> | | | | |
| AUTOMATIC FIRE DETECTION/ALARM SYSTEM: This provides for the installation of heat-smoke sensor fire alarm systems in the student housing facilities..... | \$ 149 | | \$ 30 | \$ 179 |
| <i>Mansfield University</i> | | | | |
| AUTOMATIC FIRE DETECTION/ALARM SYSTEM: This provides for the installation of heat-smoke sensor fire alarm systems in the student housing facilities..... | 132 | | 26 | 158 |
| RENOVATE ALLEN HALL: This project will convert an obsolete lecture hall and stage area that is receiving very lit- tle use into an efficient instruction area. The project will provide: (1) a sound system, (2) an improved lighting system, (3) a student survey response system, (4) a color TV studio and an audio studio, and (5) areas will be renovated to move audiovisual services into a contiguous area, and will include air conditioning, new auditorium seats, soundproofing, etc. | 750 | | 150 | 900 |
| <i>Millersville University</i> | | | | |
| AUTOMATIC FIRE DETECTION/ALARM SYSTEM: This provides for the installation of heat-smoke sensor fire alarm systems in the student housing facilities..... | 459 | | 92 | 551 |
| <i>Shippensburg University</i> | | | | |
| AUTOMATIC FIRE DETECTION/ALARM SYSTEM: This provides for the installation of heat-smoke sensor fire alarm systems in the student housing facilities | 248 | | 50 | 298 |

CAPITAL BUDGET

Department of Education 1987-88 Projects

| | | (Dollar Amounts in Thousands) | | |
|---|-------------------------|-------------------------------|---------------------------|--------------------------|
| FROM BOND FUNDS | Base Project Cost | Land Cost | Design & Contingencies | Total Project Cost |
| Program: Higher Education — State System of Higher Education (continued) | | | | |
| <i>West Chester University</i> | | | | |
| AUTOMATIC FIRE DETECTION/ALARM SYSTEM: This provides for the installation of hear-smoke sensor fire alarm systems in the student housing facilities..... | \$ 736 | ..... | \$ 147 | \$ 883 |
| ORIGINAL FURNITURE AND EQUIPMENT FOR PRO- JECT NO. DGS 414-52: This provides for the purchase of movable furniture and equipment for Recitation Hall which is being renovated to upgrade program space utilization, etc. | 151 | ..... | ..... | 151 |
| PROGRAM TOTAL | <u>\$ 10,090</u> | <u>.....</u> | <u>\$ 1,976</u> | <u>\$ 12,066</u> |
| Program: Higher Education — State Related Universities | | | | |
| <i>Lincoln University</i> | | | | |
| FIRE PROTECTION IMPROVEMENTS: This provides for the installation of heat-smoke sensor fire alarm systems and magnetic door holders in the student housing facilities, and the installation of sprinkler systems in various office and classroom buildings. | \$ 383 | ..... | \$ 77 | \$ 460 |
| <i>Pennsylvania State University</i> | | | | |
| ORIGINAL FURNITURE AND EQUIPMENT FOR PRO- JECT NO. DGS 800-175: This provides for the purchase of movable furniture and equipment for the Buckhout, N. Frear, Headhouses 3 and 4, and the Typson buildings which are being renovated for current functional needs. | 680 | ..... | ..... | 680 |
| <i>University of Pittsburgh</i> | | | | |
| ORIGINAL FURNITURE AND EQUIPMENT FOR PRO- JECT NO. DGS 1103-34: This provides for the purchase of movable furniture and equipment to furnish the new medical reasearch facility which is under construction. . . | 3,000 | ..... | ..... | 3,000 |
| PROGRAM TOTAL | <u>\$ 4,063</u> | <u>.....</u> | <u>\$ 77</u> | <u>\$ 4,140</u> |

CAPITAL BUDGET

Department of Education 1987-88 Projects

| FROM BOND FUNDS | (Dollar Amounts in Thousands) | | | Total |
|--|-------------------------------|---------------------------|--------------------------|--------------|
| Base Project Cost | Land Cost | Design & Contingencies | Total Project Cost | |
| Program: State Owned Schools | | | | |
| <i>Scotland School for Veterans' Children</i> | | | | |
| CAMPUS FIRE ALARM SYSTEM: This will provide for the installation of heat-smoke sensor fire alarm systems in the student housing facilities and general upgrading of the schools fire alarm system, including a central reporting station. | | | | |
| \$ 605 | | \$ 121 | \$ 726 | |
| <i>Thaddeus Stevens State School of Technology</i> | | | | |
| CONVERSION OF COTTAGES "A" and "B" AND CONSTRUCTION OF AN ADDITION FOR A LEARNING RESOURCE CENTER: This will provide for the conversion of cottages "A" and "B" and construction of a 43,000 sq. ft. addition to house a 40,000 library collection, and audio-visual center of approximately 10,000 sq. ft. including wired carren, a graphic production equipment and TV studio, three learning labs, a computer center, and a lecture room. | | | | |
| 3,300 | | 660 | 3,960 | |
| ORIGINAL FURNITURE AND EQUIPMENT FOR PROJECT NO. DGS 417-15: This provides for the purchase of movable furniture and equipment to furnish the expansion of Shop No. 3. | | | | |
| 258 | | | 258 | |
| PROGRAM TOTAL | | \$ 781 | \$ 4,944 | |
| | <u> </u> | <u> </u> | <u> </u> | |
| <u>\$ 4,163</u> | <u> </u> | <u>\$ 781</u> | <u>\$ 4,944</u> | |

CAPITAL BUDGET

EMERGENCY MANAGEMENT AGENCY

| | | (Dollar Amounts in Thousands) | | |
|--|-------------------------|-------------------------------|-------------------------------|--------------------------|
| | Base Project Cost | Land Cost | Design & Conti- gencies | Total Project Cost |
| 1987-88 PUBLIC IMPROVEMENT PROJECTS | | | | |
| Fire Prevention and Safety | \$ 275 | | \$ 55 | \$ 330 |
| TOTAL PROJECTS | \$ 275 | | \$ 55 | \$ 330 |
| SOURCE OF FUNDS | | | | |
| General Obligation Bond Issues | | | | |
| Capital Facilities Fund — Buildings and Structures | \$ 275 | | \$ 55 | \$ 330 |
| TOTAL | \$ 275 | | \$ 55 | \$ 330 |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

Emergency Management Agency 1987-88 Projects

| | (Dollar Amounts in Thousands) | | | |
|--|-------------------------------|--------------|--------------------------------|--------------------------|
| | Base Project Cost | Land Cost | Design & Contin- gencies | Total Project Cost |
| FROM BOND FUNDS | | | | |
| Program: Fire Prevention and Safety | | | | |
| <i>State Fire Academy</i> | | | | |
| ADDITIONAL FUNDS FOR PROJECT DGS 418-5, RENOVATE EXISTING FACILITIES: This will provide additional funding needed to complete the renovation of an existing facilities project which was authorized in Act 1986-118. This will bring the total project allocation to \$630,000..... | \$ 275 | | \$ 55 | \$ 330 |
| PROGRAM TOTAL | \$ 275 | | \$ 55 | \$ 330 |

CAPITAL BUDGET

DEPARTMENT OF ENVIRONMENTAL RESOURCES

| | Base Project Cost | (Dollar Amounts in Thousands) Land Cost | Design & Conti- gencies | Total Project Cost |
|--|-------------------------|---|-------------------------------|--------------------------|
| 1987-88 PUBLIC IMPROVEMENT PROJECTS | | | | |
| Management of Recreational Areas and Facilities | \$ 8,043 | | \$ 224 | \$ 8,267 |
| Management of Water and Mineral Resources | 10,896 | | 2,179 | 13,075 |
| Subtotal | \$ 18,939 | | \$ 2,403 | \$ 21,342 |
| 1987-88 FEDERAL FLOOD CONTROL PROJECTS | | | | |
| Management of Water and Mineral Resources | \$ 76,800 | | \$ 960 | \$ 77,760 |
| Subtotal | \$ 76,800 | | \$ 960 | \$ 77,760 |
| TOTAL PROJECTS | \$ 95,739 | | \$ 3,363 | \$ 99,102 |
| SOURCE OF FUNDS | | | | |
| General Obligation Bond Issues | | | | |
| Capital Facilities Fund — Public Improvement Buildings and Structures | \$ 12,906 | | \$ 2,403 | \$ 15,309 |
| Capital Facilities Fund — Public Improvement Furniture and Equipment | 100 | | | 100 |
| Capital Facilities Fund — Flood Control Projects | 9,600 | | 960 | 10,560 |
| Subtotal General Obligation Bonds | \$ 22,606 | | \$ 3,363 | \$ 25,969 |
| Federal Funds | \$ 63,533 | | | \$ 63,533 |
| Other Funds | \$ 9,600 | | | \$ 9,600 |
| TOTAL | \$ 95,739 | | \$ 3,363 | \$ 99,102 |

CAPITAL BUDGET

Department of Environmental Resources 1987-88 Projects

| | | (Dollar Amounts in Thousands) | | |
|--|------------------------------|-------------------------------|-------------------------------|--------------------------|
| | Base Project Cost | Land Cost | Design & Conti- gencies | Total Project Cost |
| FROM BOND FUNDS | | | | |
| <i>PUBLIC IMPROVEMENT PROJECTS</i> | | | | |
| Program: Management of Recreation Areas and Facilities | | | | |
| <i>Chapman State Park</i> | | | | |
| ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 134-2: This project will provide for the purchase of original movable furniture and equipment to furnish the new day- use and beach facilities scheduled to be completed in 1987. | \$ 48 | | | \$ 48 |
| <i>Frances Slocum State Park</i> | | | | |
| ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 126-1: This project will provide for the purchase of original movable furniture and equipment to furnish this new camp- ground facilities scheduled to be completed in 1987. | 52 | | | 52 |
| <i>Presque Isle State Park</i> | | | | |
| BEACH NOURISHMENT: This provides for the State share of beach nourishment/improvement costs under a cooperative agreement with the U.S. Corps of Engineers. | State Fed. 1,780 5,933 | | \$ 178 | 1,958 5,933 |
| <i>Ryerson Station State Park</i> | | | | |
| BRIDGE: This project provides for the construction of a two-lane vehicular bridge to the major day use area. . . . | 230 | | 46 | 276 |
| Total — State Funds | \$ 2,110 | | \$ 224 | \$ 2,334 |
| Total — Federal Funds | 5,933 | | | 5,933 |
| PROGRAM TOTAL | \$ 8,043 | | \$ 224 | \$ 8,267 |

CAPITAL BUDGET

Department of Environmental Resources 1987-88 Projects

| | | (Dollar Amounts in Thousands) | | |
|--|-------------------------|-------------------------------|---------------------------|--------------------------|
| FROM BOND FUNDS (continued) | Base Project Cost | Land Cost | Design & Contingencies | Total Project Cost |
| <i>PUBLIC IMPROVEMENT PROJECTS (continued)</i> | | | | |
| Program: Management of Water and Mineral Resources | | | | |
| <i>Cambria County</i> | | | | |
| ADDITIONAL FUNDS FOR DGS 182-4, FLOOD PROJECTION—CITY OF JOHNSTOWN: This project provides additional funding for channel and culvert improvements along Griffiths Run in the City of Johnstown, which was authorized in Act 1986-118. This will increase the total project authorization to \$900,000. | \$ 133 | | \$ 27 | \$ 160 |
| <i>French Creek State Park</i> | | | | |
| ADDITIONAL FUNDS FOR DGS 111-4, SPILLWAY MODIFICATIONS—HOPEWELL DAM: This project provides additional funds to increase the capacity of the Hopewell Dam spillway, which was authorized in Act 1986-118. This will increase the total project authorization to \$359,000. | 36 | | 7 | 43 |
| <i>Lackawanna County</i> | | | | |
| FLOOD CONTROL—LACKAWANNA RIVER: This project provides for flood control improvements on the Lackawanna River in Lackawanna County. | 3,667 | | 733 | 4,400 |
| <i>Laurel Hill State Park</i> | | | | |
| ADDITIONAL FUNDS FOR DGS 145-6, SPILLWAY MODIFICATIONS: This project provides additional funding for modifications to increase the capacity of the dam spillway, which was authorized in Act 1986-118. This will increase the total project allocation to \$2,700,000. | 550 | | 110 | 660 |
| <i>Luzerne County</i> | | | | |
| ADDITIONAL FUNDS FOR DGS 182-5, FLOOD PROTECTION—EXETER BOROUGH: This project provides additional funding for the channel improvement and sediment basins upstream of the Clocum Avenue culvert to the Sturner Street culvert in Exeter Borough, which was authorized in Act 1986-118. This will increase the total project authorization to \$2,161,000. | 93 | | 19 | 112 |

CAPITAL BUDGET

Department of Environmental Resources 1987-88 Projects

| | (Dollar Amounts in Thousands) | | | |
|---|-------------------------------|--------------|---------------------------|--------------------------|
| FROM BOND FUNDS (continued) | Base Project Cost | Land Cost | Design & Contingencies | Total Project Cost |
| <i>PUBLIC IMPROVEMENT PROJECTS (continued)</i> | | | | |
| Program: Management of Water and Mineral Resources: (continued) | | | | |
| <i>McKean County</i> | | | | |
| FLOOD PROTECTION — PORT ALLEGHANY BOROUGH: This project consists of a debris dam on Lillibridge Creek upstream of the high school, stone protected channel improvement on Lillibridge Creek, and a floodwall and levee system beginning downstream of the Conrail bridge over Lillibridge Creek and extending along the Allegheny River to the Route 6 bridge north of the borough..... | | | | |
| | \$ 5,500 | | \$ 1,100 | \$ 6,600 |
| <i>Sinnemahoning State Park</i> | | | | |
| REHABILITATE GATE AND OUTLET TUNNEL—GEORGE B. STEVENSON DAM: This project will provide for major rehabilitation of the gate and outlet tunnel of the dam, including; repair/replacement of the west gate, rehabilitation of the gate guides and both gates, seals on the west gate, realignment and sealing of the outlet tunnel, reconditioning of the shives, and installing an emergency auxiliary cable. | | | | |
| | 917 | | 183 | 1,100 |
| PROGRAM TOTAL | \$ 10,896 | | \$ 2,179 | \$ 13,075 |

CAPITAL BUDGET

Department of Environmental Resources 1987-88 Projects

| | (Dollar Amounts in Thousands) | | | |
|--|-------------------------------|--------------|--------------------------------|--------------------------|
| FROM BOND FUNDS (continued) | Base Project Cost | Land Cost | Design & Contin- gencies | Total Project Cost |
| <i>FEDERAL FLOOD CONTROL PROJECTS</i> | | | | |
| Program: Management of Water and Mineral Resources: | | | | |
| <i>City of Lock Haven</i> | | | | |
| FLOOD PROTECTION: This project is a combination State-Federal-local funded project. The U.S. Army Corps of Engineers proposes to construct a levee and flood wall system about 6 miles long which would protect the City from the West Branch Susquehanna River and Bald Eagle Creek. Since the levees would increase flood levels on the opposite side of the river, the Corps plans to acquire and demolish 139 homes on the flood plain of Woodward Township. . | | | | |
| | State | \$ 9,600 | | \$ 10,560 |
| | Fed. | 57,600 | | 57,600 |
| | Other | 9,600 | | 9,600 |
| PROGRAM TOTAL | | \$ 76,800 | | \$ 77,760 |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

GAME COMMISSION

(Dollar Amounts in Thousands)

| | Base Project Cost | Land Cost | Design & Contin- gencies | Total Project Cost |
|--|-------------------------|--------------|--------------------------------|--------------------------|
| 1987-88 PUBLIC IMPROVEMENT PROJECTS | | | | |
| Recreation | | \$ 1,726 | ..... | \$ 1,726 |
| TOTAL PROJECTS | | \$ 1,726 | ..... | \$ 1,726 |
| SOURCE OF FUNDS | | | | |
| Current Revenues | | | | |
| Game Fund | | \$ 1,726 | ..... | \$ 1,726 |
| TOTAL | | \$ 1,726 | ..... | \$ 1,726 |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

Game Commission 1987-88 Projects

| | | (Dollar Amounts in Thousands) | | |
|--|-------------------------|-------------------------------|--------------------------------|--------------------------|
| FROM CURRENT REVENUES | Base Project Cost | Land Cost | Design & Contin- gencies | Total Project Cost |
| Program: Recreation | | | | |
| <i>Bedford County</i> | | | | |
| ACQUISITION OF STATE GAME LANDS: This will provide for the acquisition of approximately 1,045 acres of land in Bedford and Harristown Townships to be used for hunting. | | \$ 209 | ..... | \$ 209 |
| <i>Clinton County</i> | | | | |
| ACQUISITION OF STATE GAME LANDS: This will provide for the acquisition of approximately 1,965 acres of land in Gallagher Township to be used for hunting | | 590 | ..... | 590 |
| <i>Fayette County</i> | | | | |
| ACQUISITION OF STATE GAME LANDS: This will provide for the acquisition of approximately 600 acres of land in Dunbar and North Union Townships to be used for hunting | | 180 | ..... | 180 |
| <i>Huntingdon County</i> | | | | |
| ACQUISITION OF STATE GAME LANDS: This will provide for the acquisition of approximately 825 acres of land in Jackson Township to be used for hunting | | 248 | ..... | 248 |
| <i>Lackawanna County</i> | | | | |
| ACQUISITION OF STATE GAME LANDS: This will provide for the acquisition of approximately 1,400 acres of land in Archibald and Jessup Townships to be used for Hunting | | 280 | ..... | 280 |
| <i>McKean County</i> | | | | |
| ACQUISITION OF STATE GAME LANDS: This will provide for the acquisition of approximately 973 acres of land in Liberty Township to be used for hunting | | 219 | ..... | 219 |
| PROGRAM TOTAL | | \$ 1,726 | ..... | \$ 1,726 |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

DEPARTMENT OF GENERAL SERVICES

| | | (Dollar Amounts in Thousands) | | |
|--|-------------------------|-------------------------------|-------------------------------|--------------------------|
| | Base Project Cost | Land Cost | Design & Conti- gencies | Total Project Cost |
| 1987-88 PUBLIC IMPROVEMENT PROJECTS | | | | |
| Management and Operation of Facilities | \$ 7,265 | | \$ 1,453 | \$ 8,718 |
| TOTAL PROJECTS | \$ 7,265 | | \$ 1,453 | \$ 8,718 |
| SOURCE OF FUNDS | | | | |
| General Obligation Bond Issues | | | | |
| Capital Facilities Fund — Buildings and Structures | \$ 7,265 | | \$ 1,453 | \$ 8,718 |
| TOTAL | \$ 7,265 | | \$ 1,453 | \$ 8,718 |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

Department of General Services 1987-88 Projects

| | Base Project Cost | Land Cost | (Dollar Amounts in Thousands) Design & Contin- gencies | Total Project Cost |
|---|-------------------------|--------------|---|--------------------------|
| FROM BOND FUNDS | | | | |
| Program: Management and Operation of Facilities | | | | |
| <i>Capitol Complex</i> | | | | |
| UPGRADE ELEVATORS IN HEALTH AND WELFARE BUILDING: This project provides for the modernization of the elevators to respond to traffic demands more efficiently and reliably. | \$ 990 | | \$ 198 | \$ 1,188 |
| UPGRADE LIGHTING SYSTEMS IN HEALTH AND WELFARE AND LABOR AND INDUSTRY OFFICE BUILDINGS: This project provides for upgrading the building lighting systems with modern energy efficient and computer controlled zoned lighting switching systems. . . | 1,056 | | 211 | 1,267 |
| <i>Harrisburg Area</i> | | | | |
| COMMONWEALTH COMPUTER FACILITY: This project provides for the construction of a new 60,000 sq. ft. data processing and information center for the Central Management Information Center, on State owned land in the Harrisburg area. The facility will house office, warehouse, and computer room space. | 5,219 | | 1,044 | 6,263 |
| PROGRAM TOTAL | \$ 7,265 | | \$ 1,453 | \$ 8,718 |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

HISTORICAL AND MUSEUM COMMISSION

| | Base Project Cost | (Dollar Amounts in Thousands) Land Cost | Design & Contingencies | Total Project Cost |
|--|-------------------------|---|---------------------------|--------------------------|
| 1987-88 PUBLIC IMPROVEMENT PROJECTS | | | | |
| Museum Development and Operations | \$ 1,501 | | \$ 301 | \$ 1,802 |
| TOTAL PROJECTS | <u>\$ 1,501</u> | <u>.</u> | <u>\$ 301</u> | <u>\$ 1,802</u> |
| SOURCE OF FUNDS | | | | |
| General Obligation Bond Issues | | | | |
| Capital Facilities Fund — Buildings and Structures | \$ 1,501 | | \$ 301 | \$ 1,802 |
| TOTAL | <u>\$ 1,501</u> | <u>.</u> | <u>\$ 301</u> | <u>\$ 1,802</u> |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

Historical and Museum Commission 1987-88 Projects

| | Base Project Cost | Land Cost | (Dollar Amounts in Thousands) Design & Contingencies | Total Project Cost |
|---|-------------------------|--------------|--|--------------------------|
| FROM BOND FUNDS | | | | |
| Program: Museum Development and Operations | | | | |
| <i>Cornwall Furnace</i> | | | | |
| RESTORATION—PHASE II: This project provides for the renovation of the Furnace Building, Charcoal House and connecting walkway; replacement of additional slate roofing and repair of structurally unsound walls; archaeology in preparation for ground disturbing activities associated with actions to correct severe drainage problems; and, correction of drainage problems and stabilization of foundations. | \$ 563 | | \$ 113 | \$ 676 |
| <i>Flagship Niagara</i> | | | | |
| ADDITIONAL FUNDS FOR DGS 974-5, RESTORATION OF FLAGSHIP NIAGARA: This will provide additional funding needed for the restoration of the Flagship project which was authorized in Act 1984-62. This will bring the total authorization to \$1,676,000. | 563 | | 113 | 676 |
| <i>Old Economy Village</i> | | | | |
| RESTORATION OF GRANARY: This project provides for the restoration of the granary; including stabilization of the wood framing and foundations/cellars, the replacement of rotted plates and joints/pillars, restoration of the louvers-windows-screens, replacement of the roof, the installation of lightning rods, and improvements to the mechanical systems. | 375 | | 75 | 450 |
| PROGRAM TOTAL | \$ 1,501 | | \$ 301 | \$ 1,802 |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

DEPARTMENT OF MILITARY AFFAIRS

| | | (Dollar Amounts in Thousands) | | |
|--|-------------------------|-------------------------------|--------------------------------|--------------------------|
| 1987-88 PUBLIC IMPROVEMENT PROJECTS | Base Project Cost | Land Cost | Design & Contin- gencies | Total Project Cost |
| Disaster Assistance | \$ 6,800 | \$ 250 | \$ 1,385 | \$ 8,435 |
| TOTAL PROJECTS | <u>\$ 6,800</u> | <u>\$ 250</u> | <u>\$ 1,385</u> | <u>\$ 8,435</u> |

SOURCE OF FUNDS

| | | | | |
|--|-----------------|---------------|-----------------|-----------------|
| General Obligation Bond Issues | | | | |
| Capital Facilities Fund — Buildings and Structures | \$ 1,700 | \$ 250 | \$ 365 | \$ 2,315 |
| Federal Funds | \$ 5,100 | | \$ 1,020 | \$ 6,120 |
| TOTAL | <u>\$ 6,800</u> | <u>\$ 250</u> | <u>\$ 1,385</u> | <u>\$ 8,435</u> |

CAPITAL BUDGET

Department of Military Affairs 1987-88 Projects

| FROM BOND FUNDS | (Dollar Amounts in Thousands) | | | |
|--|-------------------------------|-------------------|-------------------------------|--------------------------|
| | Base Project Cost | Land Cost | Design & Conti- gencies | Total Project Cost |
| Program: Disaster Assistance | | | | |
| <i>Beaver Falls National Guard Armory</i> | | | | |
| ADDITION: This project will provide for a 40,000 sq. ft. addition to the existing armory for an army aviation support unit being relocated to this facility. The addition will include classrooms, locker rooms, arms vault and storage space | | | | |
| | State \$ 700 | | \$ 140 | \$ 840 |
| | Fed. 2,100 | | 420 | 2,520 |
| <i>Chester/Media National Guard Armory</i> | | | | |
| NEW ARMORY: This project provides for site acquisition and construction of a 28,000 sq. ft. armory to house the Media and Chester infantry units which will be relocated to this facility. The armory will include classrooms, training areas, arms vault, storage areas, kitchen, etc. | | | | |
| | State 1,000 | \$ 250 | 225 | 1,475 |
| | Fed. 3,000 | | 600 | 3,600 |
| Total — State Funds | \$ 1,700 | \$ 250 | \$ 365 | \$ 2,315 |
| Total — Federal Funds | 5,100 | | 1,020 | 6,120 |
| PROGRAM TOTAL | \$ 6,800 | \$ 250 | \$ 1,385 | \$ 8,435 |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

DEPARTMENT OF PUBLIC WELFARE

(Dollar Amounts in Thousands)

| | Base Project Cost | Land Cost | Design & Contin- gencies | Total Project Cost |
|---|-------------------------|----------------|--------------------------------|--------------------------|
| 1987-88 PUBLIC IMPROVEMENT PROJECTS | | | | |
| State Mental Hospitals | \$ 2,316 | | \$ 463 | \$ 2,779 |
| State Centers for the Mentally Retarded | 3,611 | | 722 | 4,333 |
| TOTAL PROJECTS | <u>\$ 5,927</u> | <u>. . . .</u> | <u>\$ 1,185</u> | <u>\$ 7,112</u> |

SOURCE OF FUNDS

| | | | | |
|--|-----------------|----------------|-----------------|-----------------|
| General Obligation Bond Issues | | | | |
| Capital Facilities Fund—Buildings and Structures | \$ 5,927 | | \$ 1,185 | \$ 7,112 |
| TOTAL | <u>\$ 5,927</u> | <u>. . . .</u> | <u>\$ 1,185</u> | <u>\$ 7,112</u> |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

Department of Public Welfare 1987-88 Projects

| | Base Project Cost | (Dollar Amounts in Thousands) Land Cost | Design & Conti- gencies | Total Project Cost |
|---|-------------------------|---|-------------------------------|--------------------------|
| FROM BOND FUNDS | | | | |
| Program: State Mental Hospitals | | | | |
| <i>Farview State Hospital</i> | | | | |
| RENOVATE SEWAGE TREATMENT SYSTEM: This project provides for the upgrading of the sewage treatment plant to meet current treatment standards required by the Department of Environmental Resources. This project also includes improvements to the sewage lines. | \$ 490 | ..... | \$ 98 | \$ 588 |
| <i>Harrisburg State Hospital</i> | | | | |
| UPGRADE ELECTRICAL SUBSTATION AND SWITCHGEAR: This project provides for the upgrading of the substation and switchgear to provide increased electrical capacity. | 1,650 | ..... | 330 | 1,980 |
| <i>Torrance State Hospital</i> | | | | |
| RESERVOIR COVER: This project provides for installation of a permanent cover over the water reservoir. | 176 | ..... | 35 | 211 |
| PROGRAM TOTAL | <u>\$ 2,316</u> | <u>.....</u> | <u>\$ 463</u> | <u>\$ 2,779</u> |
| Program: State Centers for the Mentally Retarded | | | | |
| <i>Ebensburg Center</i> | | | | |
| UPGRADE ELECTRICAL SYSTEM AND INSTALL AIR CONDITIONING IN UNIT IV: This project provides for the upgrading of the electrical system to provide additional electrical capacity; and for the installation of air conditioning in the client dayroom and bedroom areas in Unit IV. | \$ 517 | ..... | \$ 103 | \$ 620 |
| <i>Laurelton Center</i> | | | | |
| WATER FILTRATION SYSTEM: This project provides for the construction of a water filtration system, and construction of a cover over Settling Basin No. 3. | 550 | ..... | 110 | 660 |
| AIR-CONDITION THE HOSPITAL BUILDING: This project provides for the installation of a central air-conditioning system in the hospital building. | 814 | ..... | 163 | 977 |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

Department of Public Welfare 1987-88 Projects

| | (Dollar Amounts in Thousands) | | | |
|---|-------------------------------|--------------|---------------------------|--------------------------|
| FROM BOND FUNDS | Base Project Cost | Land Cost | Design & Contingencies | Total Project Cost |
| Program: State Centers for the Mentally Retarded (continued) | | | | |
| <i>Polk Center</i> | | | | |
| AIR-CONDITION THE MEADOWSIDE BUILDING: This project provides for the installation of a central air-conditioning system in the Meadowside patient building. | \$ 1,150 | | \$ 230 | \$ 1,380 |
| <i>Selinsgrove Center</i> | | | | |
| INSTALL ELEVATORS IN CENTRAL BUILDING: This project provides for the installation of two additional elevators in the Central building to accommodate the increased program use of this building. | 250 | | 50 | 300 |
| <i>Western Center</i> | | | | |
| DEMOLISH BUILDING NO. 40: This project provides for the razing of the old chapel building which is no longer used and is a safety hazard. | 110 | | 22 | 132 |
| <i>White Haven Center</i> | | | | |
| UPGRADE STREET LIGHTING SYSTEM: This project provides for the replacement of the existing street lighting system with a more modern and energy efficient high pressure sodium system of lighting. | 220 | | 44 | 264 |
| PROGRAM TOTAL | \$ 3,611 | | \$ 722 | \$ 4,333 |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

STATE POLICE

| | | (Dollar Amounts in Thousands) | | |
|--|-------------------------|-------------------------------|--------------------------------|--------------------------|
| | Base Project Cost | Land Cost | Design & Contin- gencies | Total Project Cost |
| 1987-88 PUBLIC IMPROVEMENT PROJECTS | | | | |
| General Administration and Support | \$ 4,556 | | \$ 911 | \$ 5,467 |
| TOTAL PROJECTS | \$ 4,556 | | \$ 911 | \$ 5,467 |

SOURCE OF FUNDS

| | | | | |
|--|----------|---------|--------|----------|
| General Obligation Bond Issues | | | | |
| Capital Facilities Fund—Buildings and Structures | \$ 4,556 | | \$ 911 | \$ 5,467 |
| TOTAL | \$ 4,556 | | \$ 911 | \$ 5,467 |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

State Police 1987-88 Projects

(Dollar Amounts in Thousands)

| | Base Project Cost | Land Cost | Design & Conti- gencies | Total Project Cost |
|---|-------------------------|------------------|-------------------------------|--------------------------|
| FROM BOND FUNDS | | | | |
| Program: General Administration and Support | | | | |
| <i>State Police Academy</i> | | | | |
| RENOVATION: This project will provide for; (1) general renovation/upgrading of the utility systems, installation of fire and security systems, energy efficiency improvements, and miscellaneous structural improvements and modifications in the existing facilities, and (2) miscellaneous grounds improvements. | | | | |
| | \$ 4,556 | | \$ 911 | \$ 5,467 |
| PROGRAM TOTAL | <u>\$ 4,556</u> | <u>.</u> | <u>\$ 911</u> | <u>\$ 5,467</u> |

CAPITAL BUDGET

DEPARTMENT OF TRANSPORTATION

| | | (Dollar Amounts in Thousands) | | |
|--|-------------------------|-------------------------------|--------------------------------|--------------------------|
| | Base Project Cost | Land Cost | Design & Contin- gencies | Total Project Cost |
| 1987-88 PUBLIC IMPROVEMENT PROJECTS | | | | |
| Highway and Safety Improvement | \$ 5,376 | \$ 225 | \$ 1,098 | \$ 6,699 |
| State Highway Maintenance | 429 | | 86 | 515 |
| Subtotal | <u>\$ 5,805</u> | <u>\$ 225</u> | <u>\$ 1,184</u> | <u>\$ 7,214</u> |
| 1987-88 TRANSPORTATION ASSISTANCE PROJECTS | | | | |
| Urban Mass Transportation | \$ 314,597 | | \$ 4,861 | \$ 319,458 |
| Intercity Rail and Rural Bus Transportation | 2,338 | | 111 | 2,449 |
| Subtotal | <u>\$ 316,935</u> | <u>. . . .</u> | <u>\$ 4,972</u> | <u>\$ 321,907</u> |
| 1987-88 HIGHWAY PROJECTS | | | | |
| Highway and Safety Improvement | \$ 144,916 | \$ 21,506 | \$ 10,247 | \$ 176,669 |
| TOTAL PROJECTS | <u>\$ 467,656</u> | <u>\$ 21,731</u> | <u>\$ 16,403</u> | <u>\$ 505,790</u> |
| SOURCE OF FUNDS | | | | |
| General Obligation Bond Issues | | | | |
| Capital Facilities Fund—Public Improvement Projects | \$ 5,805 | \$ 225 | \$ 1,184 | \$ 7,214 |
| Capital Facilities Fund—Transportation Assistance Projects | 49,680 | | 4,972 | 54,652 |
| Subtotal General Obligation Bonds | <u>\$ 55,485</u> | <u>\$ 225</u> | <u>\$ 6,156</u> | <u>\$ 61,866</u> |
| Current Revenues | | | | |
| Motor License Fund | \$ 25,776 | \$ 3,976 | \$ 1,610 | \$ 31,362 |
| Federal Funds | \$ 371,207 | \$ 14,230 | \$ 8,009 | \$ 393,446 |
| Other Funds | \$ 15,188 | \$ 3,300 | \$ 628 | \$ 19,116 |
| TOTAL | <u>\$ 467,656</u> | <u>\$ 21,731</u> | <u>\$ 16,403</u> | <u>\$ 505,790</u> |

CAPITAL BUDGET

Department of Transportation 1987-88 Projects

| | Base Project Cost | Land Cost | (Dollar Amounts in Thousands) Design & Contin- gencies | Total Project Cost |
|--|-------------------------|------------------|---|--------------------------|
| FROM BOND FUNDS | | | | |
| <i>PUBLIC IMPROVEMENT PROJECTS</i> | | | | |
| Program: Highway and Safety Improvement | | | | |
| <i>Erie County</i> | | | | |
| NEW WELCOME CENTER: This project provides for site acquisition and construction of a new welcome center at the intersection of I-79 and I-90 in Erie County. The project includes the acquisition of approximately 20 acres of land, construction of a 2,400 sq. ft. building, access roads, parking, utilities, and site development. | \$ 1,841 | \$ 80 | \$ 376 | \$ 2,297 |
| <i>Monroe County</i> | | | | |
| RENOVATION—EXPANSION OF THE MONROE WELCOME CENTER: This project provides for; (1) renovation of the existing facility, (2) construction of a 1,200 sq. ft. addition, and (3) outdoor improvements — a playground, additional parking, and landscaping. | 187 | | 37 | 224 |
| <i>Northampton County</i> | | | | |
| NEW WELCOME CENTER: This project provides for site acquisition and construction of a new welcome center in the area of Route 22 at the Pennsylvania/New Jersey border. The project includes the acquisition of approximately 15 acres of land, construction of a 2,400 sq. ft. building, access roads, parking and utilities. | 1,674 | 75 | 343 | 2,092 |
| <i>Washington County</i> | | | | |
| NEW WELCOME CENTER: This project provides for site acquisition and construction of a new welcome center on I-70 at the Pennsylvania/West Virginia border. The project includes the acquisition of approximately 20 acres of land, construction of a 2,400 sq. ft. building, access roads, parking, utilities, and site development. | 1,674 | 70 | 342 | 2,086 |
| PROGRAM TOTAL | <u>\$ 5,376</u> | <u>\$ 225</u> | <u>\$ 1,098</u> | <u>\$ 6,699</u> |
| Program: State Highway Maintenance | | | | |
| <i>Perry County</i> | | | | |
| ADDITION AND ALTERATIONS TO GARAGE: This project provides for the construction of 4,300 sq. ft. addition to the existing building which will house a vehicle lift, wash area, repair area, etc. The project also includes minor associated renovations to the existing facility, including expansion of the heating system. | \$ 429 | | \$ 86 | \$ 515 |
| PROGRAM TOTAL | <u>\$ 429</u> | <u>.</u> | <u>\$ 86</u> | <u>\$ 515</u> |

CAPITAL BUDGET

Department of Transportation 1987-88 Projects

(Dollar Amounts in Thousands)

| | | Base Project Cost | Land Cost | Design & Contin- gencies | Total Project Cost |
|---|-------|-------------------------|--------------|--------------------------------|--------------------------|
| FROM BOND FUNDS: | | | | | |
| <i>TRANSPORTATION ASSISTANCE PROJECTS</i> | | | | | |
| <i>Program: Urban Mass Transportation</i> | | | | | |
| <i>Amtrak</i> | | | | | |
| PASSENGER STATION—PITTSBURGH: This project provides for the construction of a new Amtrak passenger station in Pittsburgh. | State | \$ 455 | ..... | \$ 46 | \$ 501 |
| | Fed. | ..... | ..... | ..... | ..... |
| | Local | 1,377 | ..... | ..... | 1,377 |
| <i>Area Transportation Authority of North Central Pennsylvania</i> | | | | | |
| ADMINISTRATIVE/MAINTENANCE FACILITIES AND EQUIPMENT: This project provides for the construction of administrative/maintenance facilities and purchase of associated equipment. | State | 58 | ..... | 6 | 64 |
| | Fed. | 308 | ..... | ..... | 308 |
| | Local | 13 | ..... | ..... | 13 |
| <i>Beaver County Transit Authority</i> | | | | | |
| PURCHASE OF BUSES, RADIOS AND FAREBOXES: This project provides for the purchase of two commuter buses, radios, and fareboxes. | State | 58 | ..... | 6 | 64 |
| | Fed. | 306 | ..... | ..... | 306 |
| | Local | 12 | ..... | ..... | 12 |
| <i>Berks Area Reading Transportation Authority</i> | | | | | |
| PURCHASE OF BUSES, RADIOS, AND SPARE PARTS: This project provides for the replacement of fifteen (15) buses in the BARTA fleet, for the purchase of spare parts to maintain an appropriate inventory, and for two-way radios for the new buses. | State | 416 | ..... | 42 | 458 |
| | Fed. | 2,200 | ..... | ..... | 2,200 |
| | Local | 92 | ..... | ..... | 92 |
| <i>Cambria County Transit Authority</i> | | | | | |
| PURCHASE OF VEHICLES, TOOLS, PARTS AND EQUIPMENT: This project provides for the purchase of electronic fareboxes, inclined plane equipment, shop tools, equipment and certain parts used to service authority vehicles, a service truck, a road inspection vehicle, and four bus radios. | State | 46 | ..... | 5 | 51 |
| | Fed. | 242 | ..... | ..... | 242 |
| | Local | 10 | ..... | ..... | 10 |
| <i>County of Lackawanna Transit System</i> | | | | | |
| PURCHASE OF MESSAGE KIOSKS, INFORMATIONAL DISPLAYS, SUPERVISORY VEHICLE, AND TELEPHONE AND CONTROL SYSTEM: This project provides for the purchase of 10 informational and message kiosks, 10 computerized public informational displays, a supervisory vehicle, a telephone system and a vehicle control system. | State | 23 | ..... | 2 | 25 |
| | Fed. | 121 | ..... | ..... | 121 |
| | Local | 5 | ..... | ..... | 5 |

CAPITAL BUDGET

Department of Transportation 1987-88 Projects

| FROM BOND FUNDS: (continued) | (Dollar Amounts in Thousands) | | | |
|--|-------------------------------------|-------------------------------|-------------------------------|--------------------------|
| <i>TRANSPORTATION ASSISTANCE PROJECTS (continued)</i> | Base Project Cost | Land Cost | Design & Conti- gencies | Total Project Cost |
| Program: Urban Mass Transportation (continued) | | | | |
| <i>County of Lebanon Transit Authority</i> | | | | |
| PURCHASE OF BUSES, SERVICE VEHICLE AND SHOP TOOLS AND EQUIPMENT: This project provides for the purchase of seven buses, an administrative service vehicle, and miscellaneous shop tools and equipment. . . | State \$ 96 Fed. 508 Local 21 | | \$ 10 | \$ 106 508 21 |
| <i>Endless Mountains Transportation Authority</i> | | | | |
| PURCHASE OF BUSES: This project is for the purchase of two buses to be operated on the rural fixed routes between Wellsboro and Mansfield (Tioga County) and Towanda and Sayre/Athens (Bradford County). | State 15 Fed. 80 Local 3 | | 2 | 17 80 3 |
| <i>Erie Metro Transit Authority</i> | | | | |
| PURCHASE OF BUSES AND CONSTRUCTION OF A POLE BARN AND LIFT: This project provides for the purchase of twelve buses, construction of a pole barn with paint booth, a heating/air conditioning system, and a coach lift. | State 377 Fed. 1,994 Local 83 | | 38 | 415 1,994 83 |
| <i>Lehigh and Northampton Transportation Authority</i> | | | | |
| PURCHASE OF VEHICLES AND SHOP AND OFFICE EQUIPMENT: This project provides for the purchase of three service vehicles, one truck and various shop and office equipment. | State 34 Fed. 176 Local 7 | | 3 | 37 176 7 |
| <i>Mid Mon Valley</i> | | | | |
| PURCHASE OF BUSES, SHELTERS AND SIGNS: This project provides for the purchase of two buses, 10 bus shelters, and bus stop signs. | State 61 Fed. 332 Local 13 | | 6 | 67 332 13 |
| <i>Monroe County Transportation Authority</i> | | | | |
| CONSTRUCTION OF OFFICE/MAINTENANCE FACILITY AND PURCHASE OF BUSES AND LIFT: This project provides for the construction of an office/maintenance facility, the acquisition of two mini buses, and an air lift for the garage. | State 70 Fed. 370 Local 15 | | 7 | 77 370 15 |

CAPITAL BUDGET

Department of Transportation 1987-88 Projects

FROM BOND FUNDS: (continued)

**TRANSPORTATION ASSISTANCE
PROJECTS (continued)**

(Dollar Amounts in Thousands)

| | Base Project Cost | Land Cost | Design & Contin- gencies | Total Project Cost |
|--|-------------------------|--------------|--------------------------------|--------------------------|
| Program: Urban Mass Transportation (continued) | | | | |
| <i>Port Authority of Allegheny County</i> | | | | |
| PAT 1986 PROGRAM—TROLLEY AND GARAGE REHABILITATION, BRAKE RETARDERS, RADIO SYSTEM MODERNIZATION, BRIDGE INSPECTION, AND REPLACEMENT OF SUPPORT VEHICLES: This project provides for: (1) Continuation of the Authority's Trolley Rehabilitation Program which will ultimately result in the complete reconditioning of 45 of the Authority's trolleys, (2) Systematic rehabilitation of the five operating division garages and its central, heavy maintenance facility to bring the garages up to more desirable design standards, (3) Purchase and installation of brake retarders in Neoplan buses, (4) Modernization of critical components in the radio systems of 150 transit coaches, (5) Periodic inspection of PAT — owned bridges and (6) Replacement of PAT's support vehicles, equipment and fixed facilities in accordance with standard replacement schedules. | | | | |
| | State \$ 2,398 | | \$ 240 | \$ 2,638 |
| | Fed. 12,665 | | | 12,665 |
| | Local 528 | | | 528 |
| PAT 1987 PROGRAM—TROLLEY AND GARAGE REHABILITATION, BRAKE RETARDERS, RADIO SYSTEM MODERNIZATION, BRIDGE INSPECTION, AND REPLACEMENT OF SUPPORT VEHICLES: This project provides for: (1) Continuation of the authority's Trolley Rehabilitation Program which will ultimately result in the complete reconditioning of 45 of the authority's trolleys, (2) Systematic rehabilitation of the five operating division garages and its central, heavy maintenance facility to bring the garages up to more desirable design standards, (3) Purchase and installation of brake retarders in Neoplan buses, (4) Modernization of critical components in the radio systems of 150 transit coaches, (5) Periodic inspection of PAT — owned bridges and (6) Replacement of PAT's support vehicles, equipment and fixed facilities in accordance with standard replacement schedules. | | | | |
| | State 2,089 | | 209 | 2,298 |
| | Fed. 11,030 | | | 11,030 |
| | Local 460 | | | 460 |
| <i>Red Rose Transit Authority</i> | | | | |
| PURCHASE OF VEHICLES AND EQUIPMENT, RETROFIT AIR CONDITIONING AND WINDOWS IN BUSES, IMPROVEMENTS TO SHELTERS AND SIGNS, AND A DOWNTOWN INFORMATION CENTER: This project provides for the purchase of three small buses, one used wrecker, three radios and fareboxes, equipment for retrofitting the air conditioning and windows on seven buses, improvements to shelter and signs and the purchase or construction of a downtown information center. | | | | |
| | State 138 | | 14 | 152 |
| | Fed. 728 | | | 728 |
| | Local 30 | | | 30 |

CAPITAL BUDGET

Department of Transportation 1987-88 Projects

FROM BOND FUNDS: (continued)

**TRANSPORTATION ASSISTANCE
PROJECTS (continued)**

Program: Urban Mass Transportation (continued)

(Dollar Amounts in Thousands)

| | | Base Project Cost | Land Cost | Design & Conti- gencies | Total Project Cost |
|--|------------------------|--------------------------|-------------------------------|-------------------------------|---------------------------|
| <i>Schuylkill Transportation System</i> | | | | | |
| PURCHASE OF SHELTERS, SHOP TOOLS, AND EQUIPMENT: This project provides for the purchase of bus shelters and bus related maintenance equipment. . . . | State Fed. Local | \$ 45 242 11 | | \$ 5 | \$ 50 242 11 |
| <i>Southeastern Pennsylvania Transportation Authority</i> | | | | | |
| CONSTRUCTION OF ROBERTS AVENUE MAINTENANCE FACILITY, PURCHASE OF BUSES, AND MODERNIZATION OF WAYNE JUNCTION SUBSTATION: This project provides for the construction of the RHSL-Roberts Avenue Maintenance Facility, the purchase of 120 buses, and modernization of the Wayne Junction substation. | State Fed. Local | 8,271 43,670 1,819 | | 827 | 9,098 43,670 1,819 |
| PURCHASE OF HIGH-SPEED LINE CARS AND CONSTRUCTION OF A MAINTENANCE FACILITY: This project provides for the purchase of 26 new NHSL cars and the engineering and construction of a maintenance facility to replace the outdated existing facility. In addition, this new facility will be designed to service the Media-Sharon Hill light rail vehicle fleet. | State Fed. Local | 9,091 48,000 2,000 | | 909 | 10,000 48,000 2,000 |
| MODERNIZATION OF WYOMING SHOP AND PURCHASE OF RELATED EQUIPMENT: This project provides for the modernization of the Wyoming shop and yard, and for the acquisition of related equipment needed in the modernization effort. | State Fed. Local | 2,273 12,000 500 | | 227 | 2,500 12,000 500 |
| LUZERNE MAINTENANCE FACILITY MODERNIZATION: This project provides for construction of the Luzerne Maintenance Facility to maximize the efficiency of the facility's operations and maintenance capabilities. | State Fed. Local | 4,545 24,000 1,000 | | 455 | 5,000 24,000 1,000 |
| RAILROAD BRIDGE IMPROVEMENT PROGRAM: This project provides for the rehabilitation of all railroad bridges to their original structural integrity to decrease maintenance and operating costs. | State Fed. Local | 3,349 17,680 736 | | 335 | 3,684 17,680 736 |

CAPITAL BUDGET

Department of Transportation 1987-88 Projects

| | (Dollar Amounts in Thousands) | | | | |
|--|-------------------------------|--------------------------------|---------------------------|--------------------------|-------------------|
| FROM BOND FUNDS: (continued) | Base Project Cost | Land Cost | Design & Contingencies | Total Project Cost | |
| TRANSPORTATION ASSISTANCE | | | | | |
| <i>PROJECTS (continued)</i> | | | | | |
| Program: Urban Mass Transportation (continued) | | | | | |
| <i>Southeastern Pennsylvania Transportation Authority (continued)</i> | | | | | |
| TRANSIT AND RAIL VEHICLE OVERHAUL: This project includes but is not limited to, engines, transmissions, air conditioning, electrical systems and interior furnishings overhaul for buses and motors, transformers, compressors, air conditioning systems and electrical systems overhaul for rail vehicles. | | | | | |
| | State | \$ 14,545 | | \$ 1,455 | \$ 16,000* |
| | Fed. | 76,800 | | | 76,800 |
| | Local | 3,200 | | | 3,200 |
| <i>Williamsport Bureau of Transportation</i> | | | | | |
| GARAGE/OFFICE RENOVATION AND PURCHASE OF SPARE PARTS, AND OFFICE AND SHOP EQUIPMENT: This project provides for the completion of the renovations to the garage and office area, the purchase of spare components for the bus fleet, the purchase of equipment for WBT's maintenance program and the purchase of additional office equipment. | | | | | |
| | State | 75 | | 8 | 83. |
| | Fed. | 400 | | | 400 |
| | Local | 17 | | | 17 |
| <i>York Area Transportation Authority</i> | | | | | |
| PURCHASE OF EQUIPMENT, PARTS, AND SHELTERS: This project provides for the purchase of mobile radio's and equipment, spare bus parts, computer software, and shelters and benches. | | | | | |
| | State | 41 | | 4 | 45 |
| | Fed. | 215 | | | 215 |
| | Local | 9 | | | 9 |
| | | Total State Funds | \$ 48,569 | \$ 4,861 | \$ 53,430 |
| | | Total Federal Funds | 254,067 | | 254,067 |
| | | Total Local Funds | 11,961 | | 11,961 |
| | | PROGRAM TOTAL | \$ 314,597 | \$ 4,861 | \$ 319,458 |

*This project will be requested as a supplemental appropriation for 1986-87.

CAPITAL BUDGET

Department of Transportation 1987-88 Projects

FROM BOND FUNDS: (continued)

**TRANSPORTATION ASSISTANCE
PROJECTS (continued)**

Program: Intercity Rail and Rural Bus Transportation

Chessie System Railroads

INCREASE CLEARANCE ON SCHUYLKILL AVENUE BRIDGE: This project provides for increasing the clearance under railroad bridge 89D over Schuylkill Avenue in Philadelphia.

| | (Dollar Amounts in Thousands) | | | |
|-------|-------------------------------|--------------|-------------------------------|--------------------------|
| | Base Project Cost | Land Cost | Design & Conti- gencies | Total Project Cost |
| State | \$ 225 | | \$ 22 | \$ 247 |
| Fed. | | | | |
| Local | 248 | | | 248 |

INCREASE VERTICAL TRACK CLEARANCE—FELTONVILL TO PORT OF PHILADELPHIA: The project involves increasing the clearances of the Pennsylvania portion of the Baltimore-Philadelphia line sufficiently to allow double stack containers to the Port of Philadelphia. This would involve work on two tunnels (Boone Tunnel, and Greys Ferry Tunnel) and nine bridges (85B, 86A, 88A, B, C, and D, 89½A, 90A and 90E) between Feltonville and the Port of Philadelphia.

| | | | | |
|-------|---------|---------|---------|---------|
| State | 435 | | 43 | 478 |
| Fed. | | | | |
| Local | 478 | | | 478 |

Lackawanna County Railroad Authority:

CONSTRUCT BULK/LUMBER TERMINAL IN SCRANTON: This project provides for the construction of a Bulk/Lumber distribution rail terminal in Scranton.

| | | | | |
|-------|---------|---------|---------|---------|
| State | 66 | | 7 | 73 |
| Fed. | | | | |
| Local | 74 | | | 74 |

CONSTRUCT SIDING AND TEAM TRACK IN CARBONDALE: This project provides for the construction of 1200 feet of new track and a wye to serve Northeast Safety Products and provide team track service in Carbondale.

| | | | | |
|-------|---------|---------|---------|---------|
| State | 55 | | 5 | 60 |
| Fed. | | | | |
| Local | 60 | | | 60 |

CONSTRUCT SIDING AND MOTOR VEHICLE RAMP IN MAYFIELD: This project provides for the construction of one turnout and 350 feet of new track and installation of unloading ramp to load and unload motor vehicles on and off bilevel auto rack rail cars for Grumman Olsen Corporation in Mayfield.

| | | | | |
|-------|---------|---------|---------|---------|
| State | 36 | | 4 | 40 |
| Fed. | | | | |
| Local | 41 | | | 41 |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

Department of Transportation 1987-88 Projects

| | (Dollar Amounts in Thousands) | | | |
|--|-------------------------------|-----------------|---------------------------|--------------------------|
| | Base Project Cost | Land Cost | Design & Contingencies | Total Project Cost |
| FROM BOND FUNDS: (continued) | | | | |
| <i>TRANSPORTATION ASSISTANCE PROJECTS (continued)</i> | | | | |
| Program: Intercity Rail and Rural Bus Transportation (continued) | | | | |
| <i>SEDA-COG Joint Rail Authority</i> | | | | |
| REHABILITATION OF BALD EAGLE BRANCH RAIL LINE: This project provides for the rehabilitation of the Bald Eagle Branch from MP 34.6 (Curtin Village-Centre County) to MP 51.5 (Mill Hall-Clinton County)..... | | | | |
| | State | \$ 48 | ..... | \$ 53 |
| | Fed. | ..... | ..... | ..... |
| | Local | 54 | ..... | 54 |
| REHABILITATE SHAMOKIN—CARBON RUN BRANCH RAIL LINES: This project provides for the rehabilitation of a portion of Conrail rail lines known as the Shamokin Area Cluster. | | | | |
| | State | 246 | ..... | 271 |
| | Fed. | ..... | 25 | ..... |
| | Local | 272 | ..... | 272 |
| | Total State Funds | \$ 1,111 | ..... | \$ 1,222 |
| | Total Federal Funds | ..... | ..... | ..... |
| | Total Local Funds | 1,227 | ..... | 1,227 |
| | PROGRAM TOTAL | <u>\$ 2,338</u> | <u>.....</u> | <u>\$ 2,449</u> |

CAPITAL BUDGET

Department of Transportation 1987-88 Projects

(Dollar Amounts in Thousands)

| FROM CURRENT REVENUES | | Base Project Cost | Land Cost | Design Cost | Total Project Cost |
|--|-------|-------------------------|--------------|----------------|--------------------------|
| HIGHWAY PROJECTS | | | | | |
| Program: Highway and Safety Improvement | | | | | |
| BLAIR COUNTY, L.R. 1061 (G08), U.S. 220 Relocation, Kettle Road to Pinecroft, Northeast of Altoona: 4 Lane Divided Relocation: Length 4.0 miles. | | | | | |
| | State | \$ 5,102 | \$ 1,076 | \$ 56 | \$ 6,234 |
| | Fed. | 20,408 | 4,305 | 1,073 | 25,786 |
| BLAIR COUNTY, L.R. 1061 (G09), U.S. 220 Relocation, Pinecroft to Skelp Road, Northeast of Altoona: 4 Lane Divided Relocation: Length 5 miles. | | | | | |
| | State | 4,302 | 187 | 48 | 4,537 |
| | Fed. | 17,210 | 750 | 904 | 18,864 |
| BLAIR COUNTY, L.R. 1061 (G10), U.S. 220 Relocation, Skelp Road — Tyrone Bypass, South of Tyrone: 4 Lane Divided Relocation: Length: 2.0 miles..... | | | | | |
| | State | 2,302 | 138 | 25 | 2,465 |
| | Fed. | 9,209 | 551 | 484 | 10,244 |
| DELAWARE COUNTY, L.R. 1010 (250), I-476: Fringe Parking Lot, Swarthmore College, Swarthmore Boro: Con- struct Parking Lot: Length 0.5 miles. | | | | | |
| | State | 924 | 130 | 35 | 1,089 |
| | Fed. | 8,316 | 1,170 | 310 | 9,796 |
| ERIE COUNTY, L.R. 1003 (A10): Bayfront Highway, I-79 to Wayne Street, City of Erie: Construct 2 Lanes, Phase 1A: Length 3.5 miles..... | | | | | |
| | State | 2,373 | 1,995 | 575 | 4,943 |
| | Fed. | 7,120 | 5,984 | 1,725 | 14,829 |
| | Local | ..... | ..... | 228 | 228 |
| ERIE COUNTY, L.R. 1003 (B10): Bayfront Highway, I-79 to Wayne Street, City of Erie: 2 Lane Relocation, Phase 1B: Length 3.5 miles..... | | | | | |
| | State | 3,613 | ..... | ..... | 3,613 |
| | Fed. | 10,837 | ..... | ..... | 10,837 |
| INDIANA COUNTY, L.R. 1112 (5 and 6), PA 422: Indiana Bypass, TR 119 to TR 422 West of Indiana Boro: 2 Lane Relocation, 4 Lane Right-of-way: Length: 6.1 miles. ... | | | | | |
| | State | ..... | 425 | 350 | 775 |
| | Fed. | ..... | 1,275 | 1,050 | 2,325 |
| JEFFERSON COUNTY, L.R. 1009 (207), I-80: Exit 15 to Clearfield County, Restoration of Roadway and 10 Bridges: Length 7.3 miles..... | | | | | |
| | State | 1,460 | ..... | 23 | 1,483 |
| | Fed. | 13,140 | ..... | 206 | 13,346 |
| MONTGOMERY COUNTY, L.R. 198: Welsh Road, Ten- nis Avenue to Twining Road, Horsham and Upper Dublin Township: Widen to 48 feet: Length 4.1 miles. | | | | | |
| | State | 1,025 | ..... | ..... | 1,025 |
| | Fed. | 3,075 | ..... | ..... | 3,075 |
| MONTGOMERY COUNTY, L.R. 1010, I-476: Blue Route Interchange, West Conshohocken & I-76, Upper Merion Township: Interchange Improvement, Add Ramps to and from South I-476: Length 0.2 miles..... | | | | | |
| | State | 200 | 20 | 25 | 245 |
| | Fed. | 1,800 | 180 | 225 | 2,205 |

CAPITAL BUDGET

Department of Transportation 1987-88 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES (continued)

HIGHWAY PROJECTS (continued)

Program: Highway and Safety Improvement (continued)

| | | Base Project Cost | Land Cost | Design Cost | Total Project Cost |
|--|-------------------|-------------------------|------------------|-------------------|--------------------------|
| NORTHAMPTON COUNTY, L.R. 1098 (A09), PA 33: PA 33 Extension, I-78 to U.S. 22, Bethlehem & Lower Saucon Township: 4 Lane Divided Relocation, Preliminary Engineering: Length: 3.2 miles. | | | | | |
| State | ..... | ..... | ..... | \$ 125 | \$ 125 |
| Fed. | ..... | ..... | ..... | 375 | 375 |
| | | | | | |
| NORTHAMPTON COUNTY, L.R. 48046 (09P), PA 512: PA 512 Reconstruction, Biery's Bridge Road to L.R. 48098, Hanover Township: Widen to 48 Feet: Length 1.8 miles. | | | | | |
| State | \$ 1,400 | ..... | ..... | 25 | 1,425 |
| Fed. | 4,200 | ..... | ..... | 75 | 4,275 |
| Local | 2,000 | \$ 3,300 | ..... | 400 | 5,700 |
| | | | | | |
| PHILADELPHIA COUNTY, L.R. 1000 (B70), I-95 Center City Access, Ben Franklin to Walt Whitman, City of Philadelphia: Interchange Improvements, Various Ramps to City: Length: 3.1 miles. | | | | | |
| State | 2,100 | ..... | ..... | 103 | 2,203 |
| Fed. | 18,900 | ..... | ..... | 922 | 19,822 |
| | | | | | |
| PHILADELPHIA COUNTY, L.R. 67290 (M00): 5th and 6th Streets, Girard Avenue to Lehigh Street, City of Philadelphia: Resurface Reconstruction Package No. 2: Length: 3.2 miles. | | | | | |
| State | 625 | ..... | ..... | ..... | 625 |
| Fed. | 1,875 | ..... | ..... | ..... | 1,875 |
| | | | | | |
| PHILADELPHIA COUNTY, L.R. 67333 (20M), U.S. 13: 33rd Street Bridge, Bridge over Conrail Bridge, City of Philadelphia: Bridge Replacement, and Super Structure Replacement: Length 0.1 miles. | | | | | |
| State | 350 | 5 | ..... | 27 | 382 |
| Fed. | 1,050 | 15 | ..... | 83 | 1,148 |
| | | | | | |
| WYOMING COUNTY, L.R. 1013 (E12), U.S. 6: Tunkhannock Bypass, Tunkhannock Borough, 2 Lane Relocation, Preliminary Engineering Length: 3.5 miles. | | | | | |
| State | ..... | ..... | ..... | 193 | 193 |
| Fed. | ..... | ..... | ..... | 577 | 577 |
| | | | | | |
| Total — State Funds | \$ 25,776 | \$ 3,976 | \$ 1,610 | \$ 31,362 | \$ 31,362 |
| Total — Federal Funds | 117,140 | 14,230 | 8,009 | 139,379 | 139,379 |
| Total — Local Funds | 2,000 | 3,300 | 628 | 5,928 | 5,928 |
| | | | | | |
| TOTAL PROGRAM | \$ 144,916 | \$ 21,506 | \$ 10,247 | \$ 176,669 | \$ 176,669 |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

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

| | (Dollar Amounts in Thousands) | | | |
|--|-------------------------------|-------------------|-------------------|-------------------|
| | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Agriculture..... | \$ 1,275 | \$ 700 | \$ 125 | |
| Department of Corrections..... | 21,600 | 21,425 | 23,250 | \$ 26,450 |
| Department of Education..... | 27,675 | 27,450 | 29,800 | 33,900 |
| Emergency Management Agency..... | 175 | 225 | 225 | |
| Department of Environmental Resources..... | 8,375 | 52,300 | 8,000 | 9,100 |
| Game Commission..... | 2,500 | 2,500 | 2,500 | 2,500 |
| Department of General Services..... | 3,375 | 3,350 | 3,650 | 4,150 |
| Historical and Museum Commission..... | 2,025 | 2,025 | 2,200 | 2,500 |
| Department of Military Affairs..... | 1,700 | 1,725 | 1,750 | 1,800 |
| Department of Public Welfare..... | 5,400 | 5,375 | 5,825 | 6,625 |
| State Police..... | 1,850 | 5,300 | 5,950 | 2,475 |
| Department of Transportation..... | 95,550 | 98,125 | 97,225 | 95,000 |
| TOTAL..... | <u>\$ 171,500</u> | <u>\$ 220,500</u> | <u>\$ 180,500</u> | <u>\$ 184,500</u> |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

Forecast of Future Projects

This section contains estimated authorizations (State funds only) for future capital improvements for the fiscal years 1988-89 through 1991-92. Amounts in this section have been grouped by department and are identified by capital project category.

| | | (Dollar Amounts in Thousands) | | |
|---|----------------------|-------------------------------|----------------------|----------------------|
| | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| FROM BOND FUNDS | | | | |
| Department of Agriculture | | | | |
| PUBLIC IMPROVEMENT PROJECTS: Provides for improvements at the Farm Show Complex, Summerdale Laboratory, and the Headquarters Building. | | | | |
| | \$ 1,275 | \$ 700 | \$ 125 | |
| 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. | | | | |
| | 21,600 | 21,425 | 23,250 | \$ 26,450 |
| 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. | | | | |
| | 27,675 | 27,450 | 29,800 | 33,900 |
| Emergency Management Agency | | | | |
| PUBLIC IMPROVEMENT PROJECTS: Provides for improvements and renovation of facilities etc. at the State Fire Academy. | | | | |
| | 175 | 225 | 225 | |
| Department of Environmental Resources | | | | |
| PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of support, day use, camping facilities, and utility systems at State parks; construction of district offices, central garages, radio communication systems, and rehabilitation of forest roads in State forest districts; and construction of flood protection projects. Also includes purchase of original furniture and equipment to furnish such facilities. | | | | |
| | 7,375 | 7,300 | 8,000 | 9,100 |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

Forecast of Future Projects

| | (Dollar Amounts in Thousands) | | | |
|---|-------------------------------|----------------------|----------------------|----------------------|
| FROM BOND FUNDS (continued) | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| Department of Environmental Resources (continued) | | | | |
| <p>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.</p> | \$ 1,000 | \$ 45,000 | | |
| Department of General Services | | | | |
| <p>PUBLIC IMPROVEMENT PROJECTS: Provides for renovation and improvements of State office buildings and facilities. Also includes the purchase of original movable furniture and equipment to furnish such facilities.</p> | 3,375 | 3,350 | \$ 3,650 | \$ 4,150 |
| Historical and Museum Commission | | | | |
| <p>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.</p> | 2,025 | 2,025 | 2,200 | 2,500 |
| Department of Military Affairs | | | | |
| <p>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.</p> | 1,700 | 1,725 | 1,750 | 1,800 |
| Department of Public Welfare | | | | |
| <p>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.....</p> | 5,400 | 5,375 | 5,825 | 6,625 |

CAPITAL BUDGET

Forecast of Future Projects

| | (Dollar Amounts in Thousands) | | | |
|--|-------------------------------|----------------------|----------------------|----------------------|
| | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| FROM BOND FUNDS (continued) | | | | |
| State Police | | | | |
| PUBLIC IMPROVEMENT PROJECTS: Provides for renovation, expansion, and construction of troop headquarters/station facilities. | | | | |
| | \$ 1,850 | \$ 5,300 | \$ 5,950 | \$ 2,475 |
| Department of Transportation | | | | |
| PUBLIC IMPROVEMENT PROJECTS: Provides for construction of and additions to highway maintenance and district office buildings, construction of driver examination facilities, and construction, expansion and renovation of welcome centers. | | | | |
| | 2,550 | 4,125 | 2,225 | |
| 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 branch lines to be abandoned by the Consolidated Rail Corporation (ConRail). | | | | |
| | 38,000 | 39,000 | 40,000 | 40,000 |
| Total—Public Improvement Program | \$ 75,000 | \$ 79,000 | \$ 83,000 | \$ 87,000 |
| Total—Transportation Assistance Program | 38,000 | 39,000 | 40,000 | 40,000 |
| Total—Flood Control Program | 1,000 | 45,000 | | |
| SUBTOTAL—BOND FUNDS | \$ 114,000 | \$ 163,000 | \$ 123,000 | \$ 127,000 |

| |
|-----------------------|
| CAPITAL BUDGET |
|-----------------------|

Forecast of Future Projects

(Dollar Amounts in Thousands)

| | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
|---|----------------------|----------------------|----------------------|----------------------|
| FROM CURRENT REVENUES | | | | |
| Game Commission | | | | |
| PUBLIC IMPROVEMENT PROJECTS: Provides for acquisition of additional State game lands. | \$ 2,500 | \$ 2,500 | \$ 2,500 | \$ 2,500 |
| 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. | 55,000 | 55,000 | 55,000 | 55,000 |
| Total—Public Improvement Program | \$ 2,500 | \$ 2,500 | \$ 2,500 | \$ 2,500 |
| Total—Highway Program | 55,000 | 55,000 | 55,000 | 55,000 |
| SUBTOTAL—CURRENT REVENUES | \$ 57,500 | \$ 57,500 | \$ 57,500 | \$ 57,500 |
| TOTAL—ALL PROGRAMS | \$ 171,500 | \$ 220,500 | \$ 180,500 | \$ 184,500 |

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

| | (Dollar Amounts in Thousands) | | | | |
|--|-------------------------------|----------------------|----------------------|----------------------|----------------------|
| Department | 1987-88 Estimated | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| Agriculture | \$ 1,157 | \$ 1,415 | \$ 1,380 | \$ 1,503 | \$ 1,437 |
| Community Affairs | 58,000 | 63,000 | 44,000 | 23,000 | 6,782 |
| Corrections | 39,194 | 23,532 | 18,862 | 22,740 | 26,402 |
| Education | 77,511 | 84,211 | 64,386 | 53,142 | 56,031 |
| Emergency Management Agency | 924 | 1,113 | 990 | 885 | 779 |
| Environmental Resources | 35,688 | 40,551 | 39,480 | 36,883 | 32,038 |
| Game Commission | 2,750 | 2,500 | 2,500 | 2,500 | 2,500 |
| General Services | 23,682 | 15,878 | 16,129 | 17,952 | 11,680 |
| Historical and Museum Commission | 1,066 | 1,428 | 1,808 | 2,105 | 2,636 |
| Military Affairs | 2,609 | 3,444 | 3,943 | 3,027 | 3,002 |
| Public Welfare | 14,842 | 7,827 | 8,349 | 8,920 | 9,208 |
| State Police | 861 | 1,457 | 2,624 | 3,355 | 4,559 |
| Transportation | 433,948 | 392,709 | 175,264 | 132,768 | 136,078 |
| TOTAL | <u>\$ 692,232</u> | <u>\$ 639,065</u> | <u>\$ 379,715</u> | <u>\$ 308,780</u> | <u>\$ 293,132</u> |

CAPITAL BUDGET

Estimate of Capital Expenditures

| | (Dollar Amounts in Thousands) | | | | |
|--|-------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| BOND FUNDS | 1987-88 Estimated | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| Department of Agriculture | | | | | |
| Public Improvement Projects | | | | | |
| Projects Currently Authorized | | | | | |
| Buildings and Structures | \$ 1,151 | \$ 1,352 | \$ 1,091 | \$ 889 | \$ 694 |
| Projects in 1987-88 Budget | | | | | |
| Buildings and Structures | 6 | 50 | 167 | 167 | 139 |
| Future Projects (1988-92) | | | | | |
| Buildings and Structures ..... | ..... | 13 | 122 | 447 | 604 |
| TOTAL—AGRICULTURE | <u><u>\$ 1,157</u></u> | <u><u>\$ 1,415</u></u> | <u><u>\$ 1,380</u></u> | <u><u>\$ 1,503</u></u> | <u><u>\$ 1,437</u></u> |
| Department of Community Affairs | | | | | |
| Redevelopment Assistance Projects | | | | | |
| Projects Currently Authorized | | | | | |
| Acquisition and Construction | \$ 58,000 | \$ 63,000 | \$ 44,000 | \$ 23,000 | \$ 6,782 |
| TOTAL—COMMUNITY AFFAIRS ... | <u><u>\$ 58,000</u></u> | <u><u>\$ 63,000</u></u> | <u><u>\$ 44,000</u></u> | <u><u>\$ 23,000</u></u> | <u><u>\$ 6,782</u></u> |
| Department of Corrections | | | | | |
| Public Improvement Projects | | | | | |
| Projects Currently Authorized | | | | | |
| Buildings and Structures | \$ 39,106 | \$ 22,528 | \$ 14,077 | \$ 11,472 | \$ 8,947 |
| Projects in 1987-88 Budget | | | | | |
| Buildings and Structures | 88 | 788 | 2,627 | 2,627 | 2,189 |
| Future Projects (1988-92) | | | | | |
| Buildings and Structures ..... | ..... | 216 | 2,158 | 8,641 | 15,266 |
| TOTAL—CORRECTIONS | <u><u>\$ 39,194</u></u> | <u><u>\$ 23,532</u></u> | <u><u>\$ 18,862</u></u> | <u><u>\$ 22,740</u></u> | <u><u>\$ 26,402</u></u> |
| Department of Education | | | | | |
| Public Improvement Projects | | | | | |
| Projects Currently Authorized | | | | | |
| Buildings and Structures | \$ 75,405 | \$ 69,119 | \$ 49,216 | \$ 40,108 | \$ 31,280 |
| Furniture and Equipment | 898 | 7,543 | ..... | ..... | ..... |
| Projects in 1987-88 Budget | | | | | |
| Buildings and Structures | 170 | 1,530 | 5,100 | 5,100 | 4,250 |
| Furniture and Equipment | 1,038 | 3,113 | ..... | ..... | ..... |
| Future Projects (1988-92) | | | | | |
| Buildings and Structures ..... | ..... | 167 | 1,777 | 7,709 | 15,751 |
| Furniture and Equipment ..... | ..... | 2,739 | 8,293 | 225 | 4,750 |
| TOTAL—EDUCATION | <u><u>\$ 77,511</u></u> | <u><u>\$ 84,211</u></u> | <u><u>\$ 64,386</u></u> | <u><u>\$ 53,142</u></u> | <u><u>\$ 56,031</u></u> |

CAPITAL BUDGET

Estimate of Capital Expenditures

| | (Dollar Amounts in Thousands) | | | | |
|--|-------------------------------|----------------------|----------------------|----------------------|----------------------|
| BOND FUNDS (continued) | 1987-88 Estimated | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| Emergency Management Agency | | | | | |
| Public Improvement Projects | | | | | |
| Projects Currently Authorized | | | | | |
| Buildings and Structures | \$ 921 | \$ 1,081 | \$ 873 | \$ 711 | \$ 555 |
| Projects in 1987-88 Budget | | | | | |
| Buildings and Structures | 3 | 30 | 99 | 99 | 83 |
| Future Projects (1988-92) | | | | | |
| Buildings and Structures ..... | . . . . | 2 | 18 | 75 | 141 |
| TOTAL—EMERGENCY MANAGEMENT | <u>\$ 924</u> | <u>\$ 1,113</u> | <u>\$ 990</u> | <u>\$ 885</u> | <u>\$ 779</u> |
| Department of Environmental Resources | | | | | |
| Public Improvement Projects | | | | | |
| Projects Currently Authorized | | | | | |
| Buildings and Structures | \$ 26,685 | \$ 27,994 | \$ 21,865 | \$ 16,985 | \$ 13,247 |
| Furniture and Equipment | 100 | 5,350 | | | |
| Projects in 1987-88 Budget | | | | | |
| Buildings and Structures | 153 | 1,378 | 4,593 | 4,593 | 3,827 |
| Furniture and Equipment | 25 | 75 | | | |
| Future Projects (1988-92) | | | | | |
| Buildings and Structures ..... | . . . . | 74 | 737 | 2,950 | 5,214 |
| Subtotal | <u>\$ 26,963</u> | <u>\$ 34,871</u> | <u>\$ 27,195</u> | <u>\$ 24,528</u> | <u>\$ 22,288</u> |
| Flood Control Projects | | | | | |
| Projects Currently Authorized | | | | | |
| Structures and Improvements | \$ 4,625 | \$ 3,000 | \$ 3,000 | \$ 2,205 | |
| Projects in 1987-88 Budget | | | | | |
| Structures and Improvements | 4,100 | 2,500 | 3,000 | | |
| Future Projects (1988-92) | | | | | |
| Structures and Improvements ..... | . . . . | 180 | 6,285 | 10,150 | \$ 9,750 |
| Subtotal | <u>\$ 8,725</u> | <u>\$ 5,680</u> | <u>\$ 12,285</u> | <u>\$ 12,355</u> | <u>\$ 9,750</u> |
| TOTAL—ENVIRONMENTAL RESOURCES | <u>\$ 35,688</u> | <u>\$ 40,551</u> | <u>\$ 39,480</u> | <u>\$ 36,883</u> | <u>\$ 32,038</u> |
| Department of General Services | | | | | |
| Public Improvement Projects | | | | | |
| Projects Currently Authorized | | | | | |
| Buildings and Structures | \$ 14,704 | \$ 15,059 | \$ 11,676 | \$ 9,515 | \$ 7,421 |
| Furniture and Equipment | 8,891 | | | | |
| Projects in 1987-88 Budget | | | | | |
| Buildings and Structures | 87 | 785 | 2,615 | 2,615 | 2,180 |
| Future Projects (1988-92) | | | | | |
| Buildings and Structures ..... | . . . . | 34 | 338 | 1,322 | 2,079 |
| Furniture and Equipment ..... | . . . . | . . . . | 1,500 | 4,500 | |
| TOTAL—GENERAL SERVICES | <u>\$ 23,682</u> | <u>\$ 15,878</u> | <u>\$ 16,129</u> | <u>\$ 17,952</u> | <u>\$ 11,680</u> |

CAPITAL BUDGET

Estimate of Capital Expenditures

| | (Dollar Amounts in Thousands) | | | | |
|---|-------------------------------|----------------------|----------------------|----------------------|----------------------|
| | 1987-88 Estimated | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| BOND FUNDS (continued) | | | | | |
| Historical and Museum Commission | | | | | |
| Public Improvement Projects | | | | | |
| Projects Currently Authorized | | | | | |
| Buildings and Structures | \$ 1,036 | \$ 1,216 | \$ 982 | \$ 800 | \$ 624 |
| Furniture and Equipment | 12 | ..... | ..... | ..... | ..... |
| Projects in 1987-88 Budget | | | | | |
| Buildings and Structures | 18 | 162 | 541 | 541 | 451 |
| Future Projects (1988-92) | | | | | |
| Buildings and Structures ..... | ..... | 19 | 191 | 764 | 1,311 |
| Furniture and Equipment ..... | ..... | 31 | 94 | ..... | 250 |
| TOTAL—HISTORICAL AND MUSEUM | <u>\$ 1,066</u> | <u>\$ 1,428</u> | <u>\$ 1,808</u> | <u>\$ 2,105</u> | <u>\$ 2,636</u> |
| Department of Military Affairs | | | | | |
| Public Improvement Projects | | | | | |
| Projects Currently Authorized | | | | | |
| Buildings and Structures | \$ 2,586 | \$ 2,973 | \$ 2,401 | \$ 1,956 | \$ 1,526 |
| Projects in 1987-88 Budget | | | | | |
| Buildings and Structures | 23 | 208 | 695 | 695 | 579 |
| Future Projects (1988-92) | | | | | |
| Buildings and Structures ..... | ..... | 7 | 78 | 376 | 897 |
| Furniture and Equipment ..... | ..... | 256 | 769 | ..... | ..... |
| TOTAL—MILITARY AFFAIRS | <u>\$ 2,609</u> | <u>\$ 3,444</u> | <u>\$ 3,943</u> | <u>\$ 3,027</u> | <u>\$ 3,002</u> |
| Department of Public Welfare | | | | | |
| Public Improvement Projects | | | | | |
| Projects Currently Authorized | | | | | |
| Buildings and Structures | \$ 11,541 | \$ 7,028 | \$ 5,675 | \$ 4,624 | \$ 3,607 |
| Furniture and Equipment | 3,230 | 105 | ..... | ..... | ..... |
| Projects in 1987-88 Budget | | | | | |
| Buildings and Structures | 71 | 640 | 2,134 | 2,134 | 1,778 |
| Future Projects (1988-92) | | | | | |
| Buildings and Structures ..... | ..... | 54 | 540 | 2,162 | 3,823 |
| TOTAL—PUBLIC WELFARE | <u>\$ 14,842</u> | <u>\$ 7,827</u> | <u>\$ 8,349</u> | <u>\$ 8,920</u> | <u>\$ 9,208</u> |
| Department of State Police | | | | | |
| Public Improvement Projects | | | | | |
| Projects Currently Authorized | | | | | |
| Buildings and Structures | \$ 806 | \$ 946 | \$ 764 | \$ 623 | \$ 486 |
| Projects in 1987-88 Budget | | | | | |
| Buildings and Structures | 55 | 492 | 1,640 | 1,640 | 1,367 |
| Future Projects (1988-92) | | | | | |
| Buildings and Structures ..... | ..... | 19 | 220 | 1,092 | 2,706 |
| TOTAL—STATE POLICE | <u>\$ 861</u> | <u>\$ 1,457</u> | <u>\$ 2,624</u> | <u>\$ 3,355</u> | <u>\$ 4,559</u> |

CAPITAL BUDGET

Estimate of Capital Expenditures

| | (Dollar Amounts in Thousands) | | | | |
|---|-------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| BOND FUNDS (continued) | 1987-88 Estimated | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| Department of Transportation | | | | | |
| Public Improvement Projects | | | | | |
| Projects Currently Authorized | | | | | |
| Buildings and Structures | \$ 1,611 | \$ 1,892 | \$ 1,528 | \$ 1,245 | \$ 971 |
| Projects in 1987-88 Budget | | | | | |
| Buildings and Structures | 72 | 649 | 2,165 | 2,165 | 1,804 |
| Future Projects (1988-92) | | | | | |
| Buildings and Structures ..... | . . . . | 26 | 271 | 1,158 | 2,203 |
| Subtotal | <u>\$ 1,683</u> | <u>\$ 2,567</u> | <u>\$ 3,964</u> | <u>\$ 4,568</u> | <u>\$ 4,978</u> |
| Highway Projects | | | | | |
| Projects Currently Authorized | | | | | |
| Bridge Restoration and Replacement | \$ 111,000 | \$ 96,000 | \$ 7,000 | \$ 9,000 | \$ 11,000 |
| Advanced Construction Interstate | 127,865 | 142,242 | | | |
| Subtotal | <u>\$ 238,865</u> | <u>\$ 238,242</u> | <u>\$ 7,000</u> | <u>\$ 9,000</u> | <u>\$ 11,000</u> |
| Transportation Assistance Projects | | | | | |
| Projects Currently Authorized | | | | | |
| Mass Transit and Branch Rail Lines | \$ 55,000 | \$ 55,000 | \$ 58,000 | | |
| Projects in 1987-88 Budget | | | | | |
| Mass Transit and Branch Rail Lines ..... | . . . . | 10,900 | 10,900 | \$ 19,100 | \$ 10,900 |
| Future Projects (1988-92) | | | | | |
| Mass Transit and Branch Rail Lines ..... | . . . . | . . . . | 7,600 | 15,400 | 29,100 |
| Subtotal | <u>\$ 55,000</u> | <u>\$ 65,900</u> | <u>\$ 76,500</u> | <u>\$ 34,500</u> | <u>\$ 40,000</u> |
| TOTAL--TRANSPORTATION | <u><u>\$ 295,548</u></u> | <u><u>\$ 306,709</u></u> | <u><u>\$ 87,464</u></u> | <u><u>\$ 48,068</u></u> | <u><u>\$ 55,978</u></u> |
| TOTAL--BOND FUNDS | | | | | |
| Public Improvement Projects | | | | | |
| Buildings and Structures | \$ 176,298 | \$ 158,531 | \$ 138,974 | \$ 138,000 | \$ 138,000 |
| Furniture and Equipment | 14,194 | 19,212 | 10,656 | 4,725 | 5,000 |
| Redevelopment Assistance Projects | | | | | |
| Acquisition and Construction | 58,000 | 63,000 | 44,000 | 23,000 | 6,782 |
| Flood Control Projects | | | | | |
| Structures and Improvements | 8,725 | 5,680 | 12,285 | 12,355 | 9,750 |
| Highway Projects | | | | | |
| Bridge Restoration and Replacement | 111,000 | 96,000 | 7,000 | 9,000 | 11,000 |
| Advanced Construction Interstate | 127,865 | 142,242 | | | |
| Transportation Assistance Projects | | | | | |
| Mass Transit and Branch Rail Lines | 55,000 | 65,900 | 76,500 | 34,500 | 40,000 |
| TOTAL | <u><u>\$ 551,082</u></u> | <u><u>\$ 550,565</u></u> | <u><u>\$ 289,415</u></u> | <u><u>\$ 221,580</u></u> | <u><u>\$ 210,532</u></u> |

CAPITAL BUDGET

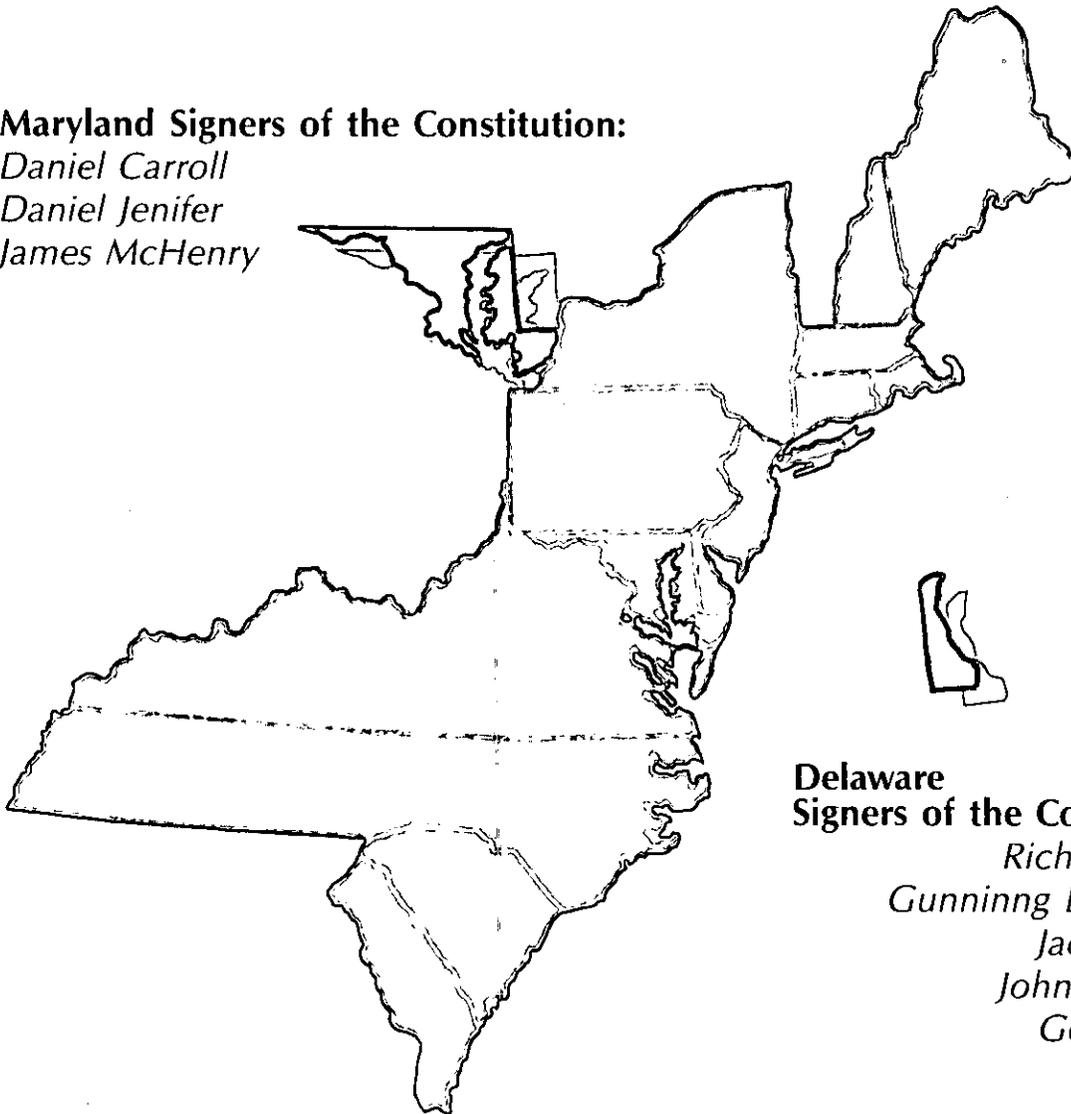
Estimate of Capital Expenditures

| | (Dollar Amounts in Thousands) | | | | |
|--|-------------------------------|----------------------|----------------------|----------------------|----------------------|
| CURRENT REVENUES | 1987-88 Estimated | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| Game Commission | | | | | |
| Public Improvement Projects | | | | | |
| Projects Currently Authorized | | | | | |
| Game Fund | \$ 1,024 | ..... | ..... | ..... | ..... |
| Projects in 1987-88 Budget | | | | | |
| Game Fund | 1,726 | ..... | ..... | ..... | ..... |
| Future Projects (1988-92) | | | | | |
| Game Fund ..... | ..... | \$ 2,500 | \$ 2,500 | \$ 2,500 | \$ 2,500 |
| TOTAL—GAME—COMMISSION | <u>\$ 2,750</u> | <u>\$ 2,500</u> | <u>\$ 2,500</u> | <u>\$ 2,500</u> | <u>\$ 2,500</u> |
| Department Transportation | | | | | |
| Highway Projects | | | | | |
| Projects Currently Authorized | | | | | |
| Motor License Fund | \$ 101,700 | \$ 54,900 | \$ 54,700 | \$ 48,300 | \$ 42,100 |
| Motor License Fund Restricted Revenue .. | 31,300 | 8,200 | 20,300 | 21,400 | 20,900 |
| Projects in 1987-88 Budget | | | | | |
| Motor License Fund | 5,400 | 18,600 | 2,500 | 2,500 | 2,300 |
| Future Projects (1988-92) | | | | | |
| Motor License Fund ..... | ..... | 4,300 | 10,300 | 12,500 | 14,800 |
| TOTAL—TRANSPORTATION | <u>\$ 138,400</u> | <u>\$ 86,000</u> | <u>\$ 87,800</u> | <u>\$ 84,700</u> | <u>\$ 80,100</u> |
| TOTAL—CURRENT REVENUES | | | | | |
| Public Improvement Projects | | | | | |
| Game Fund | \$ 2,750 | \$ 2,500 | \$ 2,500 | \$ 2,500 | \$ 2,500 |
| Highway Projects | | | | | |
| Motor License Fund | 107,100 | 77,800 | 67,500 | 63,300 | 59,200 |
| Motor License Fund Restricted Revenue .. | 31,300 | 8,200 | 20,300 | 21,400 | 20,900 |
| TOTAL | <u>\$ 141,150</u> | <u>\$ 88,500</u> | <u>\$ 90,300</u> | <u>\$ 87,200</u> | <u>\$ 82,600</u> |
| TOTAL—ALL STATE FUNDS | <u>\$ 692,232</u> | <u>\$ 639,065</u> | <u>\$ 379,715</u> | <u>\$ 308,780</u> | <u>\$ 293,132</u> |

SINKING FUNDS AND PUBLIC DEBT

Maryland Signers of the Constitution:

*Daniel Carroll
Daniel Jenifer
James McHenry*



Delaware Signers of the Constitution:

*Richard Bassett
Gunning Bedford, Jr.
Jacob Broom
John Dickinson
George Read*

BONDS AUTHORIZED, ISSUED AND OUTSTANDING

The Commonwealth issues general obligation bonds for purposes which cannot be financed from current revenues. Bonds have been issued for Project 70, Land and Water Development, Vietnam Veterans' Compensation, Disaster Relief, Nursing Home Loans, Volunteer Companies' Loans, Water Facilities Loans, Economic Revitalization and for Capital Facilities and Highway construction.

The following statement reflects the bonded indebtedness of the Commonwealth as of December 31, 1986. Issues which have been completely redeemed are not included.

| | (Dollar Amounts in Thousands) | | | | | |
|---|-------------------------------|--------------------------|------------------------------|----------------------|------------------|---------------------|
| | Total Debt Authorized | Total Bonds Issued | Bonds Redeemed To Date | Bonds Outstanding | Sinking Fund | Net Indebtedness |
| Capital Facilities | \$10,695,675 | \$4,750,330 | \$1,501,250 ^b | \$3,249,080 | \$ 792 | \$3,248,288 |
| General State Authority | 1,165,250 | 1,165,250 | 940,024 | 225,226 | 37,203 | 188,023 |
| State Highway and Bridge Authority ... | 580,000 | 580,000 | 496,845 | 83,155 | | 83,155 |
| State Public School Building Authority . | 8,150 | 8,150 | 6,845 | 1,305 | | 1,305 |
| Disaster Relief ^a | 192,708 | 168,000 | 41,430 | 126,570 | 11 | 126,559 |
| Economic Revitalization ^a | 190,000 | 73,000 | 15,965 | 57,035 | 56 | 56,979 |
| Land and Water Development ^a | 500,000 | 475,000 | 150,860 ^d | 324,140 | 63 | 324,077 |
| Nursing Home Loan Agency ^a | 100,000 | 66,000 | 20,780 | 45,220 | 773 | 44,447 |
| Project 70 Land Acquisition ^a | 70,000 | 70,000 | 61,200 | 8,800 | 645 | 8,155 |
| Vietnam Veterans' Compensation ^a | 65,000 | 62,000 | 20,110 | 41,890 | 8 | 41,882 |
| Volunteer Companies' Loan ^a | 25,000 | 25,000 | 5,775 | 19,225 | 74 | 19,151 |
| Water Facilities Loan ^a | 300,000 | 115,000 | 13,935 ^c | 101,065 | 450 | 100,615 |
| Refunding Bonds ^a..... | . . . . | 188,703 | 1,290 | 187,413 | | 187,413 |
| Matured Loans Unclaimed ^a..... | . . . . | . . . . | . . . . | 141 | 145 | (4) |
| TOTAL | <u>\$13,891,783</u> | <u>\$7,746,433</u> | <u>\$3,276,309</u> | <u>\$4,470,265</u> | <u>\$ 40,220</u> | <u>\$4,430,045</u> |

^aNot applicable to constitutional debt limit.

^bReflects refunding of \$78,555,000 of outstanding bonds with General Obligation Refunding Bonds issued in December 1985 and refunding of \$60,975,000 of outstanding bonds with General Obligation Refunding Bonds issued in June 1986.

^cReflects refunding of \$7,100,000 of outstanding bonds with General Obligation Refunding Bonds issued in December 1985.

^dReflects refunding of \$15,780,000 of outstanding bonds with General Obligation Refunding Bonds issued in June 1986.

PROJECTED BOND ISSUES AND DEBT OUTSTANDING
1986-87 Through 1991-92

This table shows the projected amount of general obligation bonds of the Commonwealth to be issued and the level of bonded debt outstanding at the end of the fiscal year. Outstanding debt levels are also shown for remaining principal payments on authority debt and for bond programs for which no additional bonds are planned to be issued. A detailed forecast of outstanding capital facilities debt by category of project and the comparison of debt subject to the debt limit is contained in the Capital Budget section of this volume.

| | (Dollar Amounts in Thousands) | | | | | |
|---|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Projected Bond Issues | | | | | | |
| Capital Facilities | | | | | | |
| Public Improvements | \$ 150,000 | \$ 185,000 | \$ 160,000 | \$ 140,000 | \$ 140,000 | \$ 135,000 |
| Highways ..... | ..... | 115,000 | 100,000 | 5,000 | 10,000 | 5,000 |
| Transportation Assistance | 30,000 | 55,000 | 70,000 | 70,000 | 35,000 | 40,000 |
| Original Furniture and Equipment | 10,000 | 15,000 | 20,000 | 10,000 | 4,000 | 5,000 |
| Redevelopment Assistance | 98,000 | 30,000 | 56,000 | 45,000 | 23,000 | 5,000 |
| Flood Control | 3,000 | 10,000 | 5,000 | 10,000 | 15,000 | 10,000 |
| Advanced Construction Interstate | 78,000 | 130,000 | 135,000 | ..... | ..... | ..... |
| Total | \$ 369,000 | \$ 540,000 | \$ 546,000 | \$ 280,000 | \$ 227,000 | \$ 200,000 |
| Special Purpose | | | | | | |
| Land and Water Development ..... | ..... | \$ 6,000 | \$ 3,000 | \$ 6,000 | 6,000 | 4,000 |
| Nursing Home Loan | \$ 3,000 | ..... | 3,000 | 3,000 | \$ 3,000 | \$ 3,000 |
| Water Facilities Loan | 7,000 | 30,000 | 20,000 | 40,000 | 40,000 | 40,000 |
| Total | \$ 10,000 | \$ 36,000 | \$ 26,000 | \$ 49,000 | \$ 49,000 | \$ 47,000 |
| TOTAL | \$ 379,000 | \$ 576,000 | \$ 572,000 | \$ 329,000 | \$ 276,000 | \$ 247,000 |
| Debt Outstanding Projection | | | | | | |
| Capital Facilities | \$3,444,725 | \$3,768,390 | \$4,031,280 | \$3,936,100 | \$3,672,220 | \$3,561,805 |
| General State Authority ^a | 188,023 | 151,273 | 117,298 | 85,935 | 59,640 | 38,385 |
| State Highway and Bridge Authority | 83,155 | 59,490 | 36,665 | 19,135 | 6,940 | ..... |
| State Public School Building Authority | 1,305 | 865 | 385 | ..... | ..... | ..... |
| Special Purpose | | | | | | |
| Disaster Relief | 122,855 | 116,505 | 109,895 | 103,005 | 95,830 | 88,340 |
| Economic Revitalization | 55,910 | 47,710 | 39,510 | 31,580 | 25,350 | 19,120 |
| Land and Water Development | 313,705 | 300,910 | 283,900 | 268,755 | 253,485 | 234,790 |
| Nursing Home Loan | 48,060 | 44,510 | 43,790 | 42,730 | 41,315 | 39,530 |
| Project 70 Land Acquisition | 6,880 | 6,540 | 6,175 | 5,785 | 5,370 | 4,920 |
| Vietnam Veterans' Compensation | 39,985 | 37,765 | 35,415 | 32,920 | 30,275 | 27,465 |
| Volunteer Companies Loan | 18,855 | 17,565 | 16,245 | 14,895 | 13,510 | 12,090 |
| Water Facilities Loan | 100,440 | 124,345 | 136,750 | 168,155 | 198,505 | 226,745 |
| Refunding Bonds ^b | 187,413 | 184,753 | 181,933 | 178,938 | 171,608 | 160,048 |
| TOTAL | \$4,611,311 | \$4,860,621 | \$5,039,241 | \$4,887,933 | \$4,574,048 | \$4,413,238 |

^aReflects the early deposit of funds for bond retirement.

^bPortions of refunding bonds used for early retirement of Capital Facilities debt, Water Facilities Loan debt and Land and Water Development debt.

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 the Capital Facilities bonds by category of project is contained in the Capital Budget section of this volume.

| | (Dollar Amounts in Thousands) | | | | |
|--|-------------------------------|-------------------|-------------------|-------------------|-------------------|
| | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | | | | | |
| Capital Facilities | \$ 256,024 | \$ 283,260 | \$ 312,019 | \$ 326,020 | \$ 336,788 |
| General State Authority Rentals | 42,767 | 38,616 | 34,710 | 28,431 | 22,351 |
| Disaster Relief | 13,734 | 13,591 | 13,450 | 13,297 | 13,153 |
| Economic Revitalization | 11,964 | 11,445 | 10,623 | 8,430 | 7,983 |
| Land and Water Development | 37,371 | 37,776 | 38,314 | 37,032 | 37,432 |
| Nursing Home Loan | 6,563 | 6,589 | 6,857 | 7,124 | 7,387 |
| Project 70 Land Acquisition | 762 | 764 | 764 | 763 | 770 |
| Vietnam Veteran's Compensation | 4,565 | 4,560 | 4,562 | 4,559 | 4,561 |
| Volunteer Companies Loan | 2,720 | 2,651 | 2,579 | 2,509 | 2,437 |
| Water Facilities | 14,729 | 17,578 | 19,218 | 22,070 | 25,871 |
| Refunding Series | 15,726 | 15,726 | 15,726 | 19,751 | 23,394 |
| Less: Interest and Miscellaneous Revenue .. | -11,799 | -9,942 | -9,768 | -9,397 | -9,317 |
| TOTAL | <u>\$ 395,126</u> | <u>\$ 422,614</u> | <u>\$ 449,054</u> | <u>\$ 460,589</u> | <u>\$ 472,810</u> |
| Motor License Fund | | | | | |
| Capital Facilities—Highways | \$ 164,998 | \$ 165,051 | \$ 165,066 | \$ 165,075 | \$ 164,976 |
| Capital Facilities | 524 | 1,281 | 1,361 | 1,361 | 1,361 |
| General State Authority Rentals | 1,105 | 1,102 | 1,100 | 1,100 | 1,100 |
| State Highway and Bridge Authority Rentals | 26,895 | 25,056 | 18,869 | 12,824 | 7,183 |
| Advance Construction Interstate—Interest Payments | 7,990 | 15,743 | 15,798 | 7,403 | |
| Less: Miscellaneous Revenue | -455 | -472 | | | |
| TOTAL | <u>\$ 201,057</u> | <u>\$ 207,761</u> | <u>\$ 202,194</u> | <u>\$ 187,763</u> | <u>\$ 174,620</u> |
| Boating Fund | | | | | |
| General State Authority Rentals | <u>\$ 2</u> | <u>\$ 2</u> | <u>\$ 2</u> | <u>\$ 2</u> | <u>\$ 2</u> |
| Fish Fund | | | | | |
| General State Authority Rentals | <u>\$ 63</u> | <u>\$ 63</u> | <u>\$ 63</u> | <u>\$ 63</u> | <u>\$ 63</u> |
| Other Funds | | | | | |
| State Public School Building Authority | <u>\$ 530</u> | <u>\$ 533</u> | <u>\$ 402</u> | | |
| Motor License Fund Restricted | | | | | |
| Receipts | | | | | |
| Aviation—Capital Facilities | 144 | 1,252 | 1,252 | 1,422 | 1,422 |
| Aviation—General State Authority | 39 | 39 | 39 | 39 | 39 |
| Highway Bridge Improvement—Capital Facilities | 2,250 | 14,038 | 20,618 | 23,429 | 24,218 |
| Less: Miscellaneous Revenue | -403 | -350 | -18 | -35 | -18 |
| TOTAL | <u>\$ 2,030</u> | <u>\$ 14,979</u> | <u>\$ 21,891</u> | <u>\$ 24,855</u> | <u>\$ 25,661</u> |
| TOTAL | <u>\$ 598,808</u> | <u>\$ 645,952</u> | <u>\$ 673,606</u> | <u>\$ 673,272</u> | <u>\$ 673,156</u> |

**ANNUAL DEBT SERVICE ON OUTSTANDING
GENERAL OBLIGATION BONDS AND AUTHORITY RENTALS
Bonds Issued as of December 31, 1986**

(Dollar Amounts in Thousands)

| Fiscal Year | Authority Rentals | | | | | | Land and Water |
|----------------|--|---|-------------------------|---|----------------|--|----------------------|
| | General State Authority ^(a) | State Highway and Bridge Authority | Capital Improvements | Public School Building Authority | Transportation | Advanced Construction Interstate | |
| 1986-87 | \$45,817 | \$26,487 | \$237,715 | \$533 | \$164,911 | \$ 625 | \$37,539 |
| 1987-88 | 43,976 | 26,895 | 244,666 | 530 | 164,997 | 1,250 | 37,281 |
| 1988-89 | 39,822 | 25,056 | 253,214 | 533 | 165,050 | 13,438 | 37,029 |
| 1989-90 | 35,914 | 18,869 | 248,985 | 402 | 165,066 | 12,813 | 37,260 |
| 1990-91 | 29,635 | 12,824 | 228,851 | .. | 165,074 | .. | 35,486 |
| 1991-92 | 23,555 | 7,183 | 221,405 | .. | 164,976 | .. | 35,307 |
| 1992-93 | 17,550 | .. | 216,054 | .. | 164,850 | .. | 34,594 |
| 1993-94 | 12,284 | .. | 211,243 | .. | 164,784 | .. | 34,472 |
| 1994-95 | 4,228 | .. | 201,362 | .. | 164,956 | .. | 34,353 |
| 1995-96 | 3,396 | .. | 188,455 | .. | 136,009 | .. | 34,278 |
| 1996-97 | 4,189 | .. | 165,235 | .. | 103,992 | .. | 28,290 |
| 1997-98 | .. | .. | 153,335 | .. | 99,942 | .. | 25,561 |
| 1998-99 | .. | .. | 137,233 | .. | 97,184 | .. | 20,876 |
| 1999-00 | .. | .. | 121,998 | .. | 84,609 | .. | 18,981 |
| 2000-01 | .. | .. | 100,772 | .. | 66,564 | .. | 17,926 |
| 2001-02 | .. | .. | 80,144 | .. | 46,501 | .. | 12,205 |
| 2002-03 | .. | .. | 59,405 | .. | 27,775 | .. | 8,834 |
| 2003-04 | .. | .. | 43,301 | .. | 17,469 | .. | 4,934 |
| 2004-05 | .. | .. | 22,935 | .. | .. | .. | .. |
| 2005-06 | .. | .. | 11,732 | .. | .. | .. | .. |
| 2006-07 | .. | .. | 3,856 | .. | .. | .. | .. |

^aAs payable by the Commonwealth. Rentals are due in the fiscal year prior to the due date of the authority's bonds.

PUBLIC DEBT

| Fiscal Year | Disaster Relief | Project 70 | Vietnam Veterans' Compensation | Volunteer Companies Loan Fund | Nursing Home Loan Agency | Water Facilities Loan | Economic Revitalization | Refunding Bonds | Total |
|-------------|-----------------|------------|--------------------------------|-------------------------------|--------------------------|-----------------------|-------------------------|-----------------|-----------|
| 1986-87 | \$13,874 | \$2,421 | \$4,575 | \$2,787 | \$6,302 | \$13,933 | \$12,447 | \$14,466 | \$584,432 |
| 1987-88 | 13,734 | 761 | 4,565 | 2,720 | 6,252 | 13,929 | 11,964 | 15,726 | 589,246 |
| 1988-89 | 13,590 | 763 | 4,560 | 2,650 | 6,195 | 13,512 | 11,445 | 15,725 | 602,582 |
| 1989-90 | 13,450 | 764 | 4,562 | 2,578 | 6,144 | 13,076 | 10,623 | 15,726 | 586,232 |
| 1990-91 | 13,296 | 763 | 4,559 | 2,509 | 6,087 | 12,628 | 8,430 | 19,751 | 539,893 |
| 1991-92 | 13,152 | 770 | 4,560 | 2,436 | 6,036 | 12,168 | 7,983 | 23,393 | 522,924 |
| 1992-93 | 13,003 | 770 | 4,559 | 2,366 | 5,994 | 11,696 | 7,169 | 26,785 | 505,390 |
| 1993-94 | 12,840 | 769 | 4,562 | 2,292 | 5,950 | 11,212 | 4,653 | 25,079 | 490,140 |
| 1994-95 | 12,686 | 775 | 4,567 | 2,220 | 5,906 | 10,715 | 3,974 | 22,971 | 468,713 |
| 1995-96 | 12,524 | 779 | 4,575 | 2,143 | 3,596 | 9,454 | 1,344 | 27,651 | 424,204 |
| 1996-97 | 12,351 | 780 | 4,574 | 2,063 | 3,538 | 9,013 | 1,274 | 24,580 | 359,879 |
| 1997-98 | 12,183 | 778 | 4,572 | 1,114 | 2,174 | 8,602 | 1,202 | 22,837 | 332,300 |
| 1998-99 | 10,711 | 783 | 2,592 | 1,032 | 2,109 | 8,143 | 1,131 | 21,186 | 302,980 |
| 1999-00 | 8,742 | 785 | 2,602 | 950 | 870 | 7,677 | 971 | 19,150 | 267,335 |
| 2000-01 | 7,047 | ..... | 478 | 868 | 809 | 7,211 | 547 | 13,660 | 215,882 |
| 2001-02 | 7,071 | ..... | 482 | 789 | 747 | 6,745 | 514 | 10,007 | 165,205 |
| 2002-03 | 7,092 | ..... | 487 | 440 | 735 | 6,327 | 481 | 6,370 | 117,946 |
| 2003-04 | 176 | ..... | 491 | ..... | 131 | 5,398 | 453 | 5,830 | 78,183 |
| 2004-05 | 125 | ..... | ..... | ..... | ..... | 3,282 | 370 | ..... | 26,712 |
| 2005-06 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | 11,732 |
| 2006-07 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | 3,856 |

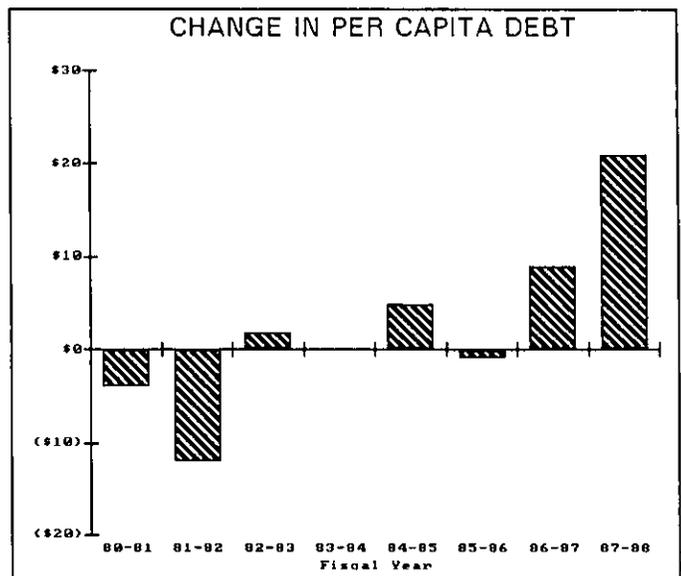
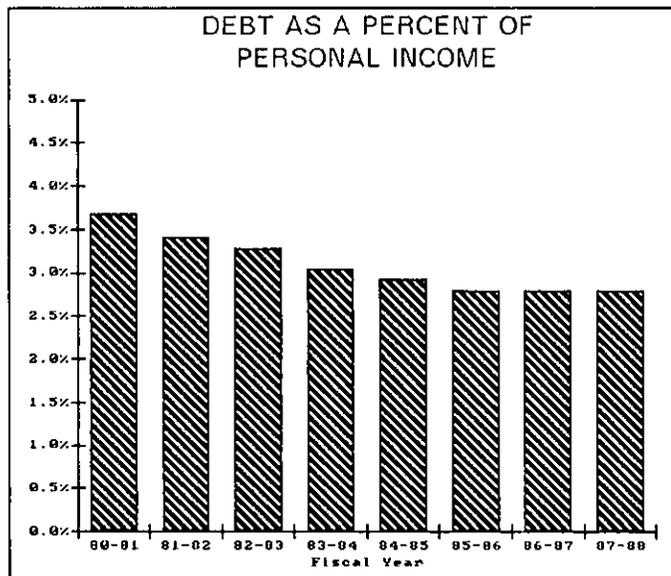
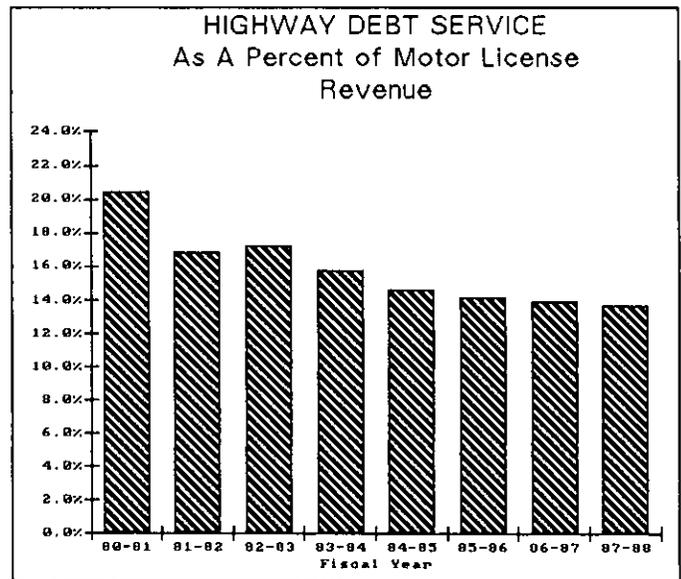
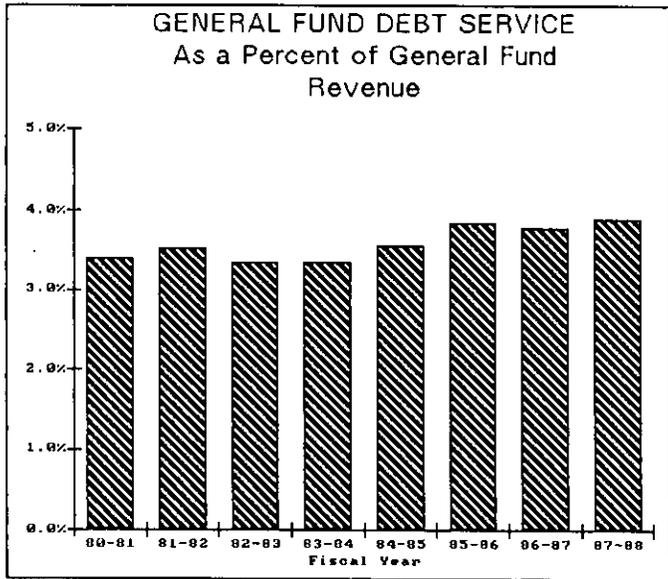
TERMS OF BONDS ISSUED

The following chart reflects the terms of the Commonwealth's general obligation bonds that were issued in the calendar year ending December 31, 1986.

| Purpose of Bonds | Bond Date | Interest Rate | First and Last Year of Maturity | Original Amount in Thousands |
|--|--------------------------------|---------------|---------------------------------|------------------------------|
| Capital Facilities — Construction | March 1, 1986 | 6.21% | 1987-05 | \$ 97,000 |
| | May 1, 1986 | 7.17% | 1987-05 | 30,000 |
| | October 15, 1986 | 6.42% | 1987-06 | 50,000 |
| | December 15, 1986 ^a | 6.21% | 1987-06 | 35,000 |
| Subtotal | | | | <u>\$ 212,000</u> |
| Capital Facilities — Equipment | March 1, 1986 | 5.87% | 1986-95 | \$ 3,000 |
| | October 15, 1986 | 5.83% | 1987-96 | 5,000 |
| | December 15, 1986 ^a | 5.71% | 1987-96 | 5,000 |
| Subtotal | | | | <u>\$ 13,000</u> |
| Capital Facilities — Transportation Assistance | May 1, 1986 | 7.08% | 1986-05 | \$ 20,000 |
| | December 15, 1986 ^a | 6.21% | 1987-06 | 15,000 |
| Subtotal | | | | <u>\$ 35,000</u> |
| Capital Facilities — Advance Construction Interstate | October 15, 1986 | 5.41% | 1988-89 | \$ 25,000 |
| | December 15, 1986 ^a | 5.63% | 1988-89 | 10,000 |
| Subtotal | | | | <u>\$ 35,000</u> |
| Capital Facilities — Redevelopment Assistance | October 15, 1986 | 6.42% | 1987-06 | \$ 20,000 |
| | December 15, 1986 ^a | 6.23% | 1987-06 | 30,000 |
| Subtotal | | | | <u>\$ 50,000</u> |
| Capital Facilities — Flood Control | December 15, 1986 ^a | 6.22% | 1987-06 | \$ 3,000 |
| Nursing Home Loan Agency | December 15, 1986 ^a | 6.22% | 1987-06 | \$ 3,000 |
| Water Facilities Loan | October 15, 1986 | 6.42% | 1987-06 | \$ 5,000 |
| | December 15, 1986 ^a | 6.25% | 1987-06 | 2,000 |
| Subtotal | | | | <u>\$ 7,000</u> |
| Refunding | May 1, 1986 | 6.93% | 1986-01 | <u>\$ 90,350</u> |
| TOTAL | | | | <u><u>\$ 448,350</u></u> |

^aBonds issued January 8, 1987.

**TRENDS IN DEBT SERVICE AND DEBT RATIOS
1980-81 Through 1987-88**



**OUTSTANDING INDEBTEDNESS OF
PENNSYLVANIA AGENCIES AND AUTHORITIES**

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

| | As of December 31, 1986 (in thousands) | |
|--|--|--------------------------|
| | Notes | Bonds |
| Higher Education Facilities Authority | | |
| Acquires, constructs, improves and leases (as lessor) college facilities for colleges and universities within the Commonwealth. Debt service on the bonds is paid from rentals collected for the use of the facilities. | | \$1,040,900 ^a |
| State Public School Building Authority | | |
| Constructs, improves and equips public buildings for local school districts. Debt service on the bonds is paid from rentals collected for the use of the facilities..... | | 256,785 |
| 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. | | 807,600 |
| 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 ... | | 133,450 |
| 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 the "moral obligation" of the Commonwealth. Debt service on the notes is paid by the sale of the mortgage to a Federal agency. | \$ 5,337 | 1,574,660 |

^aReflects outstanding indebtedness for both notes and bonds for Higher Education Facilities Authority.

**OUTSTANDING INDEBTEDNESS OF
PENNSYLVANIA AGENCIES AND AUTHORITIES
(continued)**

| | As of December 31, 1986 (in thousands) | |
|---|--|--------------------------|
| | Notes | Bonds |
| 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. | | \$ 352,000 |
| 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. | | 162,250 |
| Delaware River Port Authority | | |
| Created by Pennsylvania and New Jersey to control and operate bridges crossing the Delaware River, it may construct or acquire other bridges or tunnels, projects for port improvement and development and has constructed and operates a rapid transit system. Debt service on the bonds is paid from tolls, fares, rents and other revenue of the authority. | | 222,235 |
| 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. | | 1,540 |
| TOTAL | \$ 5,337 | \$4,551,420 ^a |

^aReflects outstanding indebtedness for both notes and bonds for Higher Education Facilities Authority.

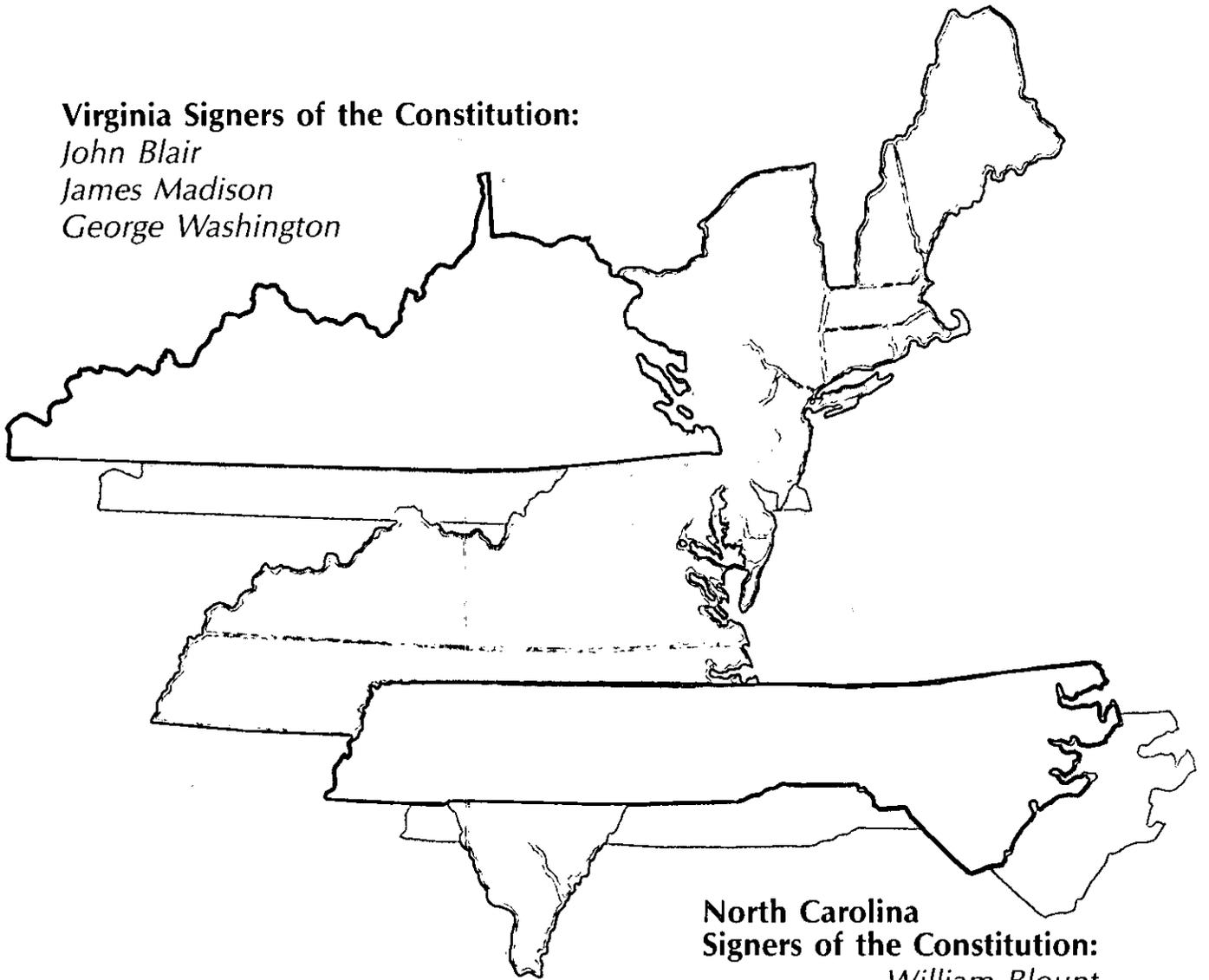
OTHER SPECIAL FUNDS

Virginia Signers of the Constitution:

John Blair

James Madison

George Washington



North Carolina Signers of the Constitution:

William Blount

Richard Dobbs Spaight

Hugh Williamson

OTHER SPECIAL FUNDS APPENDIX

This section provides descriptive and financial data for Commonwealth funds which traditionally had been excluded from the Governor's Budget. This information is presented to demonstrate the magnitude and complexity of the Commonwealth's financial structure as well as give some details of the various funds.

OTHER SPECIAL FUNDS

This appendix contains a brief presentation of all active Commonwealth funds not given an expanded treatment in the other sections of the budget. Previously, the funds shown in this section were given occasional analytical review and information concerning these funds was presented on a selected basis to the extent that they had impact on annual budget considerations.

In a limited number of cases expenditures from funds presented in this section are included in other presentations.

Generally, the Commonwealth uses a modified accrual basis of accounting for financial reporting where certain revenues are accrued and expenditures are reflected when disbursed or committed. 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, 1986.

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 Governor's Office. Receipts and disbursements shown as a result of such transactions may not be equal within any given fiscal year.

A more comprehensive explanation of these funds is available in "Report on the Funds of the Commonwealth of Pennsylvania" prepared by the Legislative Budget and Finance Committee. Additional details are also available from the Office of the Budget.

The vast majority of Commonwealth day-to-day activities are financed from the General Fund; however, over time a large number of other funds have been created to more closely relate specific revenue sources to specific programs or to identify particular government programs or activities. These special funds are categorized into six groups to aid in identifying their purpose. These groups are defined below.

Special Revenue Funds — These funds are used to account for revenues from specific taxes or other earmarked revenue sources which by law are designated to finance particular functions or activities.

Internal Service Funds — These funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the Commonwealth, or to other governmental units, on a cost-reimbursement basis.

Bond Funds — Bond Funds are used to account for the receipt and disbursement of bond sale proceeds which normally finance the construction of acquisition or designated fixed assets.

Debt Service Funds — These funds account for the accumulation of resources, principally from transfers from other funds, for the payment of general long-term debt principal and interest.

Trust and Agency Funds — These funds are used to account for assets held by the Commonwealth as trustee or agent for individuals, private organizations and other governmental units.

Enterprise Funds — These funds accommodate the operation of public service programs financed wholly or mostly by user charges, or where the periodic determination of net income is deemed appropriate.

ADMINISTRATION FUND

This fund was created for the administrative costs associated with the Unemployment Compensation Law and the State system of public employment offices (Office of Employment Security). While the fund can receive funds from any source, the majority of revenue results from moneys requisitioned from the Commonwealth's account in the Federal Unemployment Trust Fund.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 6,358 | \$ 6,073 | \$ 5,778 |
| Receipts: | | | |
| Federal Unemployment Trust Fund .. | \$ 139,458 | \$ 144,339 | \$ 150,113 |
| Federal JTPA Funds | 823 | 852 | 886 |
| Other | 23,196 | 19,952 | 20,750 |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 163,477 | 165,143 | 171,749 |
| | <hr/> | <hr/> | <hr/> |
| Total Funds Available | \$ 169,835 | \$ 171,216 | \$ 177,527 |
| Disbursements: | | | |
| Executive Offices | \$ 14,515 | \$ 10,967 | \$ 11,406 |
| Labor and Industry | 149,247 | 154,471 | 160,650 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | -163,762 | -165,438 | -172,056 |
| | <hr/> | <hr/> | <hr/> |
| Cash Balance, Ending | <u>\$ 6,073</u> | <u>\$ 5,778</u> | <u>\$ 5,471</u> |

AGRICULTURAL COLLEGE LAND SCRIP FUND

This fund was established in 1862 with \$500,000 received from the sale of lands and scrip which was donated to the Commonwealth by an Act of Congress to establish a college for the benefit of Agriculture and the Mechanical Arts (Pennsylvania State University). The income derived from the investment of the money in the fund plus appropriations which may be made from time to time by the General Assembly serve as revenue to the fund. Moneys in this fund can be disbursed only for use by the officially designated land grant college (Pennsylvania State University) for the benefit of Agriculture and Mechanical Arts.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 701 | \$ 643 | \$ 664 |
| Receipts: | | | |
| Interest on Securities | \$ 48 | \$ 51 | \$ 52 |
| Total Receipts | <u>48</u> | <u>51</u> | <u>52</u> |
| Total Funds Available | \$ 749 | \$ 694 | \$ 716 |
| Disbursements: | | | |
| Treasury | \$ 106 | \$ 30 | \$ 30 |
| Total Disbursements | <u>-106</u> | <u>-30</u> | <u>-30</u> |
| Cash Balance, Ending | <u>\$ 643</u> | <u>\$ 664</u> | <u>\$ 686</u> |

CAPITAL DEBT FUND

Annual appropriations by the General Assembly for payment of interest and principal due on general obligation bonds are credited to this fund. Money in the fund is used solely for the payment of interest and principal due on general obligation bonds. If more money is available than is needed to pay the interest and principal falling due in any one particular fiscal year, such additional money 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. Transactions in escrow accounts whose use is restricted to the retirement of advance refunded bonds are not included.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 1,357 | \$ 3,422 | ..... |
| Receipts: | | | |
| Transfer from Other Funds | \$ 370,924 | \$ 377,805 | \$ 420,625 |
| Rentals — Pier 124 | 2,762 | 2,762 | 2,762 |
| Rentals — State - Aided and State- Related Institutions | 6,428 | 6,399 | 6,394 |
| Interest Subsidy — Higher Education Construction Projects | 157 | 157 | 157 |
| Sale of State Property | 191 | 9 | ..... |
| Sale of Refunding Bonds | 84,123 | ..... | ..... |
| General Obligation Refunding Bonds | 195,135 | ..... | ..... |
| Accrued Interest on Bonds Sold | 1,876 | 1,292 | 1,890 |
| Interest on Securities | 1,015 | 100 | 100 |
| Total Receipts | 662,611 | 388,524 | 431,928 |
| Total Funds Available | \$ 663,968 | \$ 391,946 | \$ 431,928 |
| Disbursements: | | | |
| Treasury | \$ 660,546 | \$ 391,946 | \$ 431,928 |
| Total Disbursements | -660,546 | -391,946 | -431,928 |
| Cash Balance, Ending | \$ 3,422 | ..... | ..... |

CAPITAL FACILITIES FUND

Revenue for this fund comes principally from the sale of general obligation bonds. Such bonded debt may not exceed one and three quarter times the average of the annual tax revenues deposited in the preceding five fiscal years. This fund has at least one account for each category of capital projects. Interest earned on investment or deposit of moneys in the fund is credited to the account in the fund to which such invested or deposited money was originally credited. Moneys in this fund are used to meet the financial costs of capital projects as authorized by Capital Budget Acts.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 136,600 | \$ 130,018 | \$ 73,330 |
| Receipts: | | | |
| Sale of Bonds | \$ 207,176 | \$ 369,000 | \$ 540,000 |
| Interest on Securities | 8,103 | 5,585 | 5,533 |
| Other | 8,529 | 4,536 | 4,536 |
| Total Receipts | 223,808 | 379,121 | 550,069 |
| Total Funds Available | \$ 360,408 | \$ 509,139 | \$ 623,399 |
| Disbursements: | | | |
| General Services | \$ 184,013 | \$ 206,843 | \$ 196,969 |
| Community Affairs | 8,041 | 99,920 | 58,509 |
| Transportation | 38,098 | 128,428 | 296,860 |
| Environmental Resources ..... | . . . . | 194 | 8,813 |
| Treasury | 238 | 424 | 621 |
| Total Disbursements | -230,390 | -435,809 | -561,772 |
| Cash Balance, Ending | \$ 130,018 | \$ 73,330 | \$ 61,627 |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 84 | \$ 103 | \$ 63 |
| Receipts: | | | |
| Contributions and Sales | \$ 24 | | \$ 5 |
| Other | 5 | 10 | 5 |
| Total Receipts | 29 | 10 | 10 |
| Total Funds Available | \$ 113 | \$ 113 | \$ 73 |
| Disbursements: | | | |
| Capitol Preservation Committee | \$ 10 | \$ 50 | \$ 10 |
| Total Disbursements | -10 | -50 | -10 |
| Cash Balance, Ending | \$ 103 | \$ 63 | \$ 63 |

CATASTROPHIC LOSS TRUST FUND

The purpose of this fund is to pay medical and rehabilitative expenses in excess of \$100,000 to residents of Pennsylvania injured in a motor vehicle accident as provided by The Motor Vehicle Financial Responsibility Law. The fund is administered by a nine-person administrative board in the Insurance Department. The fund is financed by an annual fee levied on specific classes of motor vehicles registered in Pennsylvania.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 7,881 | \$ 58,335 | \$ 71,726 |
| Receipts: | | | |
| Vehicle Fee | \$ 58,197 | \$ 35,000 | \$ 35,000 |
| Interest | 2,731 | 4,700 | 4,900 |
| Other | 9 | ..... | ..... |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 60,937 | 39,700 | 39,900 |
| Total Funds Available | <u>\$ 68,818</u> | <u>\$ 98,035</u> | <u>\$ 111,626</u> |
| Disbursements: | | | |
| Insurance | \$ 10,478 | \$ 26,309 | \$ 38,100 |
| Executive Office | 5 | ..... | ..... |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | -10,483 | -26,309 | -38,100 |
| Cash Balance, Ending | <u>\$ 58,335</u> | <u>\$ 71,726</u> | <u>\$ 73,526</u> |

COAL AND CLAY MINE SUBSIDENCE INSURANCE FUND

This fund was created in 1961 to provide insurance to home owners in mining areas against damages resulting from subsidence. Revenue is derived from premiums paid by policy-holders for subsidence insurance.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 5,906 | \$ 6,599 | \$ 6,984 |
| Receipts: | | | |
| Premiums Collected | \$ 1,244 | \$ 1,363 | \$ 1,529 |
| Interest | 495 | 550 | 575 |
| Other | 45 | ..... | ..... |
| Total Receipts | 1,784 | 1,913 | 2,104 |
| Total Funds Available | \$ 7,690 | \$ 8,512 | \$ 9,088 |
| Disbursements: | | | |
| Executive Offices | \$ 41 | \$ 50 | ..... |
| Environmental Resources | 1,050 | 1,478 | 1,536 |
| Total Disbursements | -1,091 | -1,528 | ..... |
| Cash Balance, Ending | \$ 6,599 | \$ 6,984 | \$ 7,552 |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 140 | \$ 151 | \$ 163 |
| Receipts: | | | |
| Interest | \$ 11 | \$ 12 | \$ 12 |
| Total Receipts | 11 | 12 | 12 |
| Total Funds Available | \$ 151 | \$ 163 | \$ 175 |
| Disbursements: | | | |
| Environmental Resources ..... | ..... | ..... | ..... |
| Total Disbursements ..... | ..... | ..... | ..... |
| Cash Balance, Ending | <u>\$ 151</u> | <u>\$ 163</u> | <u>\$ 175</u> |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--|---------------------|---|----------------------|
| Cash Balance, Beginning | \$ 31 | \$ 33 | \$ 34 |
| Receipts: | | | |
| Interest on Securities | \$ 2 | \$ 1 | \$ 1 |
| Redemption of Securities ..... | ..... | ..... | 20 |
| Total Receipts | <u>2</u> | <u>1</u> | <u>21</u> |
| Total Funds Available | <u>\$ 33</u> | <u>\$ 34</u> | <u>\$ 55</u> |
| Disbursements: | | | |
| Historical and Museum Commission ..... | ..... | ..... | ..... |
| Total Disbursements ..... | ..... | ..... | ..... |
| Cash Balance, Ending | <u><u>\$ 33</u></u> | <u><u>\$ 34</u></u> | <u><u>\$ 55</u></u> |

DISASTER RELIEF FUND

Act 4 of the 1972 Second Special Legislative Session provided authority for implementation of a \$140 million bond issue for redevelopment of flooded areas within the Commonwealth destroyed by the great storms and flood of September, 1971 and June, 1972. This was amended in October, 1978 to include the flood of July, 1977 and to increase the bond authority by \$50 million to \$190 million. The proceeds from these bonds are paid into the Disaster Relief Fund which is administered by the Department of Community Affairs.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 5,167 | \$ 3,185 | \$ 2,835 |
| Receipts: | | | |
| Bond Proceeds ..... | ..... | \$ 3,000 | ..... |
| Interest Earned | 234 | 150 | 150 |
| Total Receipts | <u>234</u> | <u>3,150</u> | <u>150</u> |
| Total Funds Available | <u>\$ 5,401</u> | <u>\$ 6,335</u> | <u>\$ 2,985</u> |
| Disbursements: | | | |
| Community Affairs | \$ 2,216 | \$ 3,500 | \$ 1,000 |
| Treasury ..... | ..... | ..... | ..... |
| Total Disbursements | <u>-2,216</u> | <u>-3,500</u> | <u>-1,000</u> |
| Cash Balance, Ending | <u>\$ 3,185</u> | <u>\$ 2,835</u> | <u>\$ 1,985</u> |

DISASTER RELIEF REDEMPTION FUND

This fund is used for the payment of interest and principal due on bonds which were issued for the Disaster Relief Fund. Money in the fund in excess of that needed to pay the interest and principal due in any one fiscal period may be used for the purchase and retirement of all or any part of such bonds issued which are still outstanding. The receipts of this fund include repayment of any moneys provided from the Disaster Relief Fund and annual General Fund appropriations of the amount necessary to insure sufficient money is available to pay interest and principal due on Disaster Relief bonds.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 11 | \$ 11 | ..... |
| Receipts: | | | |
| Transfer from General Fund | \$ 13,847 | \$ 13,864 | \$ 13,734 |
| Total Receipts | 13,847 | 13,864 | 13,734 |
| Total Funds Available | <u>\$ 13,858</u> | <u>\$ 13,875</u> | <u>\$ 13,734</u> |
| Disbursements: | | | |
| Treasury | \$ 13,847 | \$ 13,875 | \$ 13,734 |
| Total Disbursements | <u>-13,847</u> | <u>-13,875</u> | <u>-13,734</u> |
| Cash Balance, Ending | <u>\$ 11</u> | <u>.....</u> | <u>.....</u> |

EMERGENCY MEDICAL SERVICES OPERATING FUND

The purpose of this fund is to assist in activities relating to the prevention and reduction of premature death and disability in this Commonwealth; providing for assistance, coordination and support of the development and maintenance of a comprehensive emergency medical services system and for qualifications, eligibility and certification of emergency medical services personnel and funding ambulance services. The fund was created by The Emergency Medical Services Act (Act 45) enacted on July 7, 1985. The source of revenue is a \$10 fine levied on all moving traffic violations. These fines are in addition to other fines imposed at the discretion of the court.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning ..... | ..... | \$ 3,960 | \$ 2,733 |
| Receipts: | | | |
| Fines | \$ 3,960 | \$ 6,500 | \$ 6,500 |
| Total Receipts | <u>3,960</u> | <u>6,500</u> | <u>6,500</u> |
| Total Funds Available ..... | ..... | \$ 10,460 | \$ 9,233 |
| Disbursements: | | | |
| Health ..... | ..... | \$ 7,727 | \$ 4,993 |
| Total Disbursements ..... | ..... | <u>-7,727</u> | <u>-4,993</u> |
| Cash Balance, Ending | <u>\$ 3,960</u> | <u>\$ 2,733</u> | <u>\$ 4,240</u> |

EMPLOYMENT FUND FOR THE BLIND

This fund, administered by the Department of Public Welfare, was created June 13, 1967, to make loans to blind persons to purchase equipment, stock, merchandise and accessories necessary to put into operation a vending or refreshment stand or other suitable business enterprises in some suitable location to be leased or arranged for by the Department of Public Welfare.

Monies credited to this fund include: (1) repayment of money advanced to blind persons for the purchase of merchandise, equipment, stock and accessories; (2) rental fees paid by blind persons for leasing equipment and accessories purchased, owned, installed and maintained by the Department of Public Welfare; (3) percentage of the profits from vending machines in State buildings wherein a restaurant or cafeteria is operated by the Department of General Services and (4) any grants or contributions from the Federal government.

The fund should not exceed the sum of \$150,000.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 500 | \$ 346 | \$ 121 |
| Receipts: | | | |
| Federal Reimbursement — Business Enterprise Program | \$ 185 | \$ 190 | \$ 195 |
| Vending Stand Equipment Rentals ... | 308 | 310 | 312 |
| Vending Machine Receipts | 19 | 185 | 191 |
| Other | 206 | 40 | 34 |
| Total Receipts | 718 | 725 | 732 |
| Total Funds Available | \$ 1,218 | \$ 1,071 | \$ 853 |
| Disbursements: | | | |
| Public Welfare | \$ 872 | \$ 950 | \$ 800 |
| Total Disbursements | -872 | -950 | -800 |
| Cash Balance, Ending | <u>\$ 346</u> | <u>\$ 121</u> | <u>\$ 53</u> |

ENERGY CONSERVATION AND ASSISTANCE FUND

The Energy Conservation and Assistance Fund was created by Act 122 of 1986 to receive all oil overcharge settlements including the uncommitted balance of settlements received prior to the act. Appropriations are made from the fund for supplemental low income weatherization and assistance programs, energy conservation activities and for solid waste resource recovery. The statement includes the activity of the Oil Overcharge Fund that preceded Act 122. The available expenditures include executive authorizations from the old fund as well as expenditures of appropriations made by Act 122.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 1,030 | \$ 102,671 | \$ 110,985 |
| Receipts: | | | |
| Settlements | \$ 100,659 | \$ 39,940 | |
| Interest | 2,853 | 8,055 | 6,788 |
| Total Receipts | 103,512 | 47,995 | 6,788 |
| Total Funds Available | <u>\$ 104,542</u> | <u>\$ 150,666</u> | <u>\$ 117,773</u> |
| Disbursements: | | | |
| Executive Offices | \$ 1,342 | \$ 4,424 | \$ 8,837 |
| Community Affairs | 529 | 20,257 | |
| Environmental Resources ..... | . . . . | 5,000 | |
| Public Welfare ..... | . . . . | 10,000 | 31,874 |
| Total Disbursements | <u>-1,871</u> | <u>-39,681</u> | <u>-40,711</u> |
| Cash Balance, Ending | <u>\$ 102,671</u> | <u>\$ 110,985</u> | <u>\$ 77,062</u> |

ENERGY DEVELOPMENT FUND

The Energy Development Fund was created by Act 280 of 1982. The fund provides the vehicle to accomplish the purposes of the Pennsylvania Energy Development Authority including the sale of bonds. Activities of the fund include preparation of the energy development plan, payment of initial administrative costs, the making of grants and loans for limited research which will make the greatest possible contributions to energy conservation and development, and the establishment of reserves in respect to loans guaranteed or bonds issued by the Authority.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 3,471 | \$ 3,387 | \$ 2,380 |
| Receipts: | | | |
| Transfer from General Fund | \$ 1,300 | \$ 1,300 | \$ 1,500 |
| Interest | 260 | 258 | 125 |
| Other | 27 | 25 | 25 |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 1,587 | 1,583 | 1,650 |
| Total Funds Available | <u>\$ 5,058</u> | <u>\$ 4,970</u> | <u>\$ 4,030</u> |
| Disbursements: | | | |
| Commerce | \$ 1,671 | \$ 2,590 | ..... |
| Economic Development Partnership .. | ..... | ..... | \$ 2,500 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | -1,671 | -2,590 | -2,500 |
| Cash Balance, Ending | <u>\$ 3,387</u> | <u>\$ 2,380</u> | <u>\$ 1,530</u> |

FIRE INSURANCE TAX FUND

The revenue for the Fire Insurance Tax Fund results from the two percent tax paid upon premiums received from foreign (out-of-state) fire insurance companies on business done within the Commonwealth. All money in the fund, except interest, is paid to incorporated local governments in Pennsylvania based on the amount of foreign fire insurance sold in that city, town, township or borough. 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. Interest earned on money in this fund is transferred to the State Insurance Fund.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 24,843 | \$ 32,825 | \$ 34,872 |
| Receipts: | | | |
| Foreign Fire Insurance Premiums Tax Payable to Municipalities | \$ 32,748 | \$ 34,824 | \$ 36,913 |
| Total Receipts | 32,748 | 34,824 | 36,913 |
| Total Funds Available | \$ 57,591 | \$ 67,649 | \$ 71,785 |
| Disbursements: | | | |
| Revenue | \$ 24,766 | \$ 32,777 | \$ 34,843 |
| Total Disbursements | -24,766 | -32,777 | -34,843 |
| Cash Balance, Ending | <u>\$ 32,825</u> | <u>\$ 34,872</u> | <u>\$ 36,942</u> |

HIGHER EDUCATION ASSISTANCE FUND

Moneys in this fund are currently used for the following purposes: (1) maintenance of a monetary reserve to be used for all expenses associated with loans guaranteed by the Pennsylvania Higher Education Assistance Agency (PHEAA); (2) provision of scholarships; (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; and (5) payment of PHEAA administrative costs. Revenue to this fund is derived from appropriations by the General Assembly of General Fund money, gifts, Federal funds and interest earnings and servicing fees. The net investment adjustment item is shown below to reflect the current market value of long term investments as of June 30.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 134,079 | \$ 130,825 | \$ 148,024 |
| Receipts: | | | |
| Transfer from General Fund | \$ 117,576 | \$ 125,566 | \$ 139,930 |
| Interest Earning | 12,641 | 12,682 | 13,316 |
| Federal Revenue | 92,666 | 110,324 | 109,540 |
| Other | 58,851 | 63,603 | 66,783 |
| Total Receipts | <u>281,734</u> | <u>312,175</u> | <u>329,569</u> |
| Total Funds Available | <u>\$ 415,813</u> | <u>\$ 443,000</u> | <u>\$ 477,593</u> |
| Disbursements: | | | |
| Executive Offices | \$ 1,620 | \$ 1,461 | \$ 1,461 |
| Pennsylvania Higher Education Assistance Agency | 283,218 | 293,515 | 353,871 |
| Net Investment Adjustment | 150 | | |
| Total Disbursements | <u>-284,988</u> | <u>-294,976</u> | <u>-355,332</u> |
| Cash Balance, Ending | <u>\$ 130,825</u> | <u>\$ 148,024</u> | <u>\$ 122,261</u> |

HIGHWAY BEAUTIFICATION FUND

The Highway Beautification Fund was created by Act 5, 1966, Third Special Session. Activities include control of outdoor advertising, control of junkyards and landscaping and scenic development. Although General Fund monies were initially appropriated to establish the fund, highway beautification activities are now supported fully by Federal aid, licenses and fees, fines, penalties and interest.

Each year the Governor issues executive authorizations which establish the amount to be spent by the Department of Transportation in each of the three highway beautification activities.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 738 | \$ 761 | \$ 1,253 |
| Receipts: | | | |
| Licenses and Fees | \$ 271 | \$ 310 | \$ 310 |
| Federal Highway Beautification Funds | 21 | 173 | 152 |
| Other | 55 | 628 | 511 |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 347 | 1,111 | 973 |
| Total Funds Available | <u>\$ 1,085</u> | <u>\$ 1,872</u> | <u>\$ 2,226</u> |
| Disbursements: | | | |
| Transportation | \$ 324 | \$ 618 | \$ 609 |
| Treasury ..... | ..... | 1 | 1 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | -324 | -619 | -610 |
| Cash Balance, Ending | <u>\$ 761</u> | <u>\$ 1,253</u> | <u>\$ 1,616</u> |

HISTORICAL PRESERVATION FUND

This fund was created for expenditure by the Historical and Museum Commission for the preservation, care and maintenance of State historical properties, museums and records and for the financing of historical research and publication programs. Money in the fund can also be used to purchase publications and souvenirs of a historical nature for sale at commission administered properties. This fund is made up of moneys arising from the sale of publications of the Pennsylvania Historical and Museum Commission and all moneys received from admission fees or other sales by the commission at the State historical properties and/or museums. Most of the revenue results from admission fees and sale of publications and souvenirs.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 886 | \$ 642 | \$ 639 |
| Receipts: | | | |
| Admission Fees | \$ 580 | \$ 650 | \$ 600 |
| Interest | 70 | | |
| Other | 650 | 547 | 500 |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 1,300 | 1,197 | 1,100 |
| Total Funds Available | <u>\$ 2,186</u> | <u>\$ 1,839</u> | <u>\$ 1,739</u> |
| Disbursements: | | | |
| Historical and Museum Commission . | \$ 1,544 | \$ 1,200 | \$ 1,250 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | -1,544 | -1,200 | -1,250 |
| Cash Balance, Ending | <u>\$ 642</u> | <u>\$ 639</u> | <u>\$ 489</u> |

INDUSTRIAL DEVELOPMENT FUND

To this fund are credited General Fund appropriations made by the General Assembly to the Pennsylvania Industrial Development Authority (PIDA). The monies are used to make loans to local industrial development agencies to stimulate economic activity in areas of high unemployment. Repayments of loans, while not credited to this fund, are used by PIDA to make additional loans.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 317 | \$ 12,030 | \$ 630 |
| Receipts: | | | |
| Transfer from General Fund | \$ 12,000 | \$ 15,000 | \$ 15,000 |
| Interest on Securities | 156 | 300 | 200 |
| Total Receipts | <u>12,156</u> | <u>15,300</u> | <u>15,200</u> |
| Total Funds Available | \$ 12,473 | \$ 27,330 | \$ 15,830 |
| Disbursements: | | | |
| Commerce | \$ 443 | \$ 26,700 | |
| Economic Development Partnership .. | . . . . | . . . . | \$ 15,500 |
| Total Disbursements | <u>-443</u> | <u>-26,700</u> | <u>-15,500</u> |
| Cash Balance, Ending | <u>\$ 12,030</u> | <u>\$ 630</u> | <u>\$ 330</u> |

KELLOGG FOUNDATION FUND

The W. K. Kellogg Foundation has provided the State Library of Pennsylvania with a three year grant to provide job and career information through centers in designated public libraries to the unemployed and underemployed.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | | | \$ 115 |
| Receipts: | | | |
| Grant, Kellogg Foundation | | \$ 321 | \$ 203 |
| Interest Earnings | | 13 | 22 |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | | 334 | 225 |
| Total Funds Available | | \$ 334 | \$ 340 |
| Disbursements: | | | |
| Education | | \$ 219 | \$ 305 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | | -219 | -305 |
| Cash Balance, Ending | <hr/> <hr/> | <hr/> <hr/> \$ 115 | <hr/> <hr/> \$ 35 |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 10,991 | \$ 6,850 | \$ 2,378 |
| Receipts: | | | |
| Sale of Bonds ..... | ..... | ..... | \$ 6,000 |
| Federal Augmentations ..... | ..... | 40 | 40 |
| Other | 474 | ..... | ..... |
| Total Receipts | <u>474</u> | <u>40</u> | <u>6,040</u> |
| Total Funds Available | <u>\$ 11,465</u> | <u>\$ 6,890</u> | <u>\$ 8,418</u> |
| Disbursements: | | | |
| Executive Offices | \$ 504 | \$ 450 | \$ 450 |
| Community Affairs | 206 | 62 | 50 |
| Historical and Museum Commission ..... | ..... | ..... | ..... |
| Environmental Resources | 3,905 | 4,000 | 4,000 |
| Total Disbursements | <u>-4,615</u> | <u>-4,512</u> | <u>-4,500</u> |
| Cash Balance, Ending | <u>\$ 6,850</u> | <u>\$ 2,378</u> | <u>\$ 3,918</u> |

LAND AND WATER DEVELOPMENT SINKING FUND

Moneys in this fund are obtained from annual appropriations by the General Assembly and from interest and dividends on invested balances in this fund and in the Land and Water Development Fund. These moneys are used solely for payment of interest and principal due on outstanding Land and Water Development bonds.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 376 | \$ 44 | ..... |
| Receipts: | | | |
| Transfer from General Fund | \$ 38,068 | \$ 37,134 | \$ 36,956 |
| Interest on Securities | 922 | 362 | 393 |
| Accrued Interest on Bonds Sold ..... | ..... | ..... | 22 |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 38,990 | 37,496 | 37,371 |
| Total Funds Available | <u>\$ 39,366</u> | <u>\$ 37,540</u> | <u>\$ 37,371</u> |
| Disbursements: | | | |
| Treasury | \$ 39,322 | \$ 37,540 | \$ 37,371 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | -39,322 | -37,540 | \$ -37,371 |
| | <hr/> | <hr/> | <hr/> |
| Cash Balance, Ending | <u>\$ 44</u> | <u>.....</u> | <u>.....</u> |

LIQUID FUELS TAX FUND

The Liquid Fuels Tax Fund was created in 1931 by an act of the General Assembly to assist in funding the local roads system. One-half cent per gallon of the tax on gasoline and diesel fuel is deposited into the fund for semi-annual distribution to county governments and payment of registration fees for vehicles operated by mass transportation systems. After payment of fees, remaining funds are allocated to the counties on a road mileage-population formula and must be used for highway purposes. Since the majority of counties have direct jurisdiction over a limited number of roads, a large portion of these funds are further allocated by the counties to their political subdivisions.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|------------------------|---|------------------------|
| Cash Balance, Beginning | \$ 1,119 | \$ 2,187 | \$ 2,578 |
| Receipts: | | | |
| Tax on Gasoline | \$ 21,354 | \$ 21,452 | \$ 21,664 |
| Tax on Diesel Fuel | 4,104 | 4,280 | 4,451 |
| Total Receipts | 25,458 | 25,732 | 26,115 |
| Total Funds Available | <u>\$ 26,577</u> | <u>\$ 27,919</u> | <u>\$ 28,693</u> |
| Disbursements: | | | |
| Treasury | \$ 50 | | |
| Revenue | 24,340 | \$ 25,341 | \$ 26,093 |
| Total Disbursements | <u>-24,390</u> | <u>-25,341</u> | <u>-26,093</u> |
| Cash Balance, Ending | <u><u>\$ 2,187</u></u> | <u><u>\$ 2,578</u></u> | <u><u>\$ 2,600</u></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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|------------------------|---|------------------------|
| Cash Balance, Beginning | \$ 2,426 | \$ 2,425 | \$ 2,401 |
| Receipts: | | | |
| Liquor License Fees | \$ 5,398 | \$ 5,285 | \$ 5,285 |
| Beer License Fees ..... | ..... | 130 | 130 |
| Other | 3 | 1 | 1 |
| Total Receipts | <u>5,401</u> | <u>5,416</u> | <u>5,416</u> |
| Total Funds Available | <u>\$ 7,827</u> | <u>\$ 7,841</u> | <u>\$ 7,817</u> |
| Disbursements: | | | |
| Liquor Control Board | \$ 5,402 | \$ 5,440 | \$ 5,440 |
| Total Disbursements | <u>-5,402</u> | <u>-5,440</u> | <u>-5,440</u> |
| Cash Balance, Ending | <u><u>\$ 2,425</u></u> | <u><u>\$ 2,401</u></u> | <u><u>\$ 2,377</u></u> |

MANUFACTURING FUND

This fund, created in 1915, is a self-sustaining enterprise that provides institutionalized offenders an opportunity for vocational rehabilitation. Receipts are derived from the sale of inmate manufactured goods to government agencies or government-aided organizations.

Expenditures are made for the purchase of raw materials, machinery replacement, inmate wages, and other costs related to the sale and manufacture of their products.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 460 | \$ 1,198 | \$ 1,050 |
| Receipts: | | | |
| Sale of Manufactured Products | \$ 16,800 | \$ 16,202 | \$ 16,500 |
| Interest | 96 | ..... | ..... |
| Other | 696 | 750 | 700 |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 17,592 | 16,952 | 17,200 |
| | <hr/> | <hr/> | <hr/> |
| Total Funds Available | \$ 18,052 | \$ 18,150 | \$ 18,250 |
| Disbursements: | | | |
| Executive Offices | \$ 676 | \$ 600 | \$ 610 |
| Corrections | 16,178 | 16,500 | 16,515 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | -16,854 | -17,100 | -17,125 |
| | <hr/> | <hr/> | <hr/> |
| Cash Balance, Ending | <u>\$ 1,198</u> | <u>\$ 1,050</u> | <u>\$ 1,125</u> |

MEDICAL PROFESSIONAL LIABILITY CATASTROPHE LOSS FUND

This fund was created in 1975 to make available professional liability insurance at a reasonable cost to health care providers and to establish a system through which injured parties can obtain a prompt determination and adjudication of their claims. Revenue is derived by levying an annual surcharge on health care providers.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 49,612 | \$ 78,878 | \$ 77,489 |
| Receipts: | | | |
| Surcharges | \$ 124,119 | \$ 134,859 | \$ 155,899 |
| Interest | 4,784 | 4,996 | 4,597 |
| Other | 414 | | |
| Total Receipts | <u>129,317</u> | <u>139,855</u> | <u>160,496</u> |
| Total Funds Available | \$ 178,929 | \$ 218,733 | \$ 237,985 |
| Disbursements: | | | |
| Executive Offices | \$ 100,051 | \$ 141,244 | \$ 154,275 |
| Total Disbursements | <u>-100,051</u> | <u>-141,244</u> | <u>-154,275</u> |
| Cash Balance, Ending | <u>\$ 78,878</u> | <u>\$ 77,489</u> | <u>\$ 83,710</u> |

MINORITY BUSINESS DEVELOPMENT FUND

This fund was created in 1974 to accommodate the operations of the Pennsylvania Minority Business Development Authority. Receipts come from loan repayments, transfer of General Fund appropriations and interest. The authority also has the power to issue bonds or other obligations which would provide another source of income. To date this has not been done.

Expenditures are made for loans to minority business enterprises and for operating expenses of the authority.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|------------------------|---|------------------------|
| Cash Balance, Beginning | \$ 4,418 | \$ 5,642 | \$ 5,864 |
| Receipts: | | | |
| Transfer from General Fund | \$ 2,000 | \$ 2,000 | \$ 2,000 |
| Loan Principal Repayments | 556 | 631 | 706 |
| Loan Interest | 343 | 404 | 457 |
| Other | 432 | 337 | 344 |
| Total Receipts | <u>\$ 3,331</u> | <u>\$ 3,372</u> | <u>\$ 3,507</u> |
| Total Funds Available | \$ 7,749 | \$ 9,014 | \$ 9,371 |
| Disbursements: | | | |
| Commerce | \$ 2,107 | \$ 3,150 | |
| Economic Development Partnership .. | . . . . | . . . . | \$ 3,944 |
| Total Disbursements | <u>-2,107</u> | <u>-3,150</u> | <u>-3,944</u> |
| Cash Balance, Ending | <u><u>\$ 5,642</u></u> | <u><u>\$ 5,864</u></u> | <u><u>\$ 5,427</u></u> |

MUNICIPAL PENSION AID FUND

This fund was created by Act 205 of 1984, the Municipal Pension Plan Funding Standard and Recovery Act, and is administered by the Auditor General. Beginning on July 1, 1985, this fund receives a portion of the revenues from the Foreign Casualty Insurance Premium Tax and the Foreign Fire Insurance Premium Tax. These revenues and earnings are for distribution to municipalities for distribution to the various municipal, police, and fire pension funds.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|---|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 62,162 | \$ 75,961 | \$ 88,314 |
| Receipts: | | | |
| Foreign Casualty Insurance Premium Tax | \$ 74,507 | \$ 80,000 | \$ 86,000 |
| Foreign Fire Insurance Premium Tax . | 8,905 | 9,485 | 10,102 |
| Interest | 1,423 | 1,382 | 2,764 |
| Total Receipts | <u>84,835</u> | <u>90,867</u> | <u>98,866</u> |
| Total Funds Available | \$ 146,997 | \$ 166,828 | \$ 187,180 |
| Disbursements: | | | |
| Auditor General | \$ 71,036 | \$ 78,514 | \$ 90,649 |
| Total Disbursements | <u>-71,036</u> | <u>-78,514</u> | <u>-90,649</u> |
| Cash Balance, Ending | <u>\$ 75,961</u> | <u>\$ 88,314</u> | <u>\$ 96,531</u> |

NON-COAL SURFACE MINING CONSERVATION AND RECLAMATION FUND

This fund was created in 1986 to finance reclamation projects on land scarred by non-coal surface mining. Projects include recontouring, terracing and planting of trees, shrubs and grasses. Revenues are provided by charging non-coal surface mining operators for licenses and permits and by fining them for failing to apply for the licenses and permits as well as by forfeiture of collateral bonds, cash or securities for failure to comply with an approved reclamation plan.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--|-------------------|---|----------------------|
| Cash Balance, Beginning ..... | ..... | \$ 505 | \$ 96 |
| Receipts: | | | |
| Transfer from Surface Mining Conservation and Reclamation Fund | \$ 465 | ..... | ..... |
| Other | 40 | 391 | 350 |
| Total Receipts | <u>505</u> | <u>391</u> | <u>350</u> |
| Total Funds Available | <u>\$ 505</u> | <u>\$ 896</u> | <u>\$ 446</u> |
| Disbursements: | | | |
| Environmental Resources ..... | ..... | 800 | 350 |
| Total Disbursements ..... | ..... | <u>-800</u> | <u>-350</u> |
| Cash Balance, Ending | <u>\$ 505</u> | <u>\$ 96</u> | <u>\$ 96</u> |

NURSING HOME LOAN DEVELOPMENT FUND

This fund serves as a depository for proceeds from the sale of General Obligation Bonds approved by referendum May 21, 1974. Net proceeds are transferred to the Nursing Home Loan Fund as needed. Interest earnings in this fund and bond proceeds not required for nursing home loans are paid into the Nursing Home Loan Sinking Fund for debt retirement.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 12,420 | \$ 12,116 | \$ 14,000 |
| Receipts: | | | |
| Bond Proceeds ..... | ..... | \$ 3,000 | ..... |
| Assumption Fees | \$ 4 | ..... | ..... |
| Total Receipts | <u>\$ 4</u> | <u>\$ 3,000</u> | <u>.....</u> |
| Total Funds Available | <u>\$ 12,424</u> | <u>\$ 15,116</u> | <u>\$ 14,000</u> |
| Disbursements: | | | |
| Treasury | \$ 308 | \$ 1,116 | \$ 1,000 |
| Total Disbursements | <u>-308</u> | <u>-1,116</u> | <u>-1,000</u> |
| Cash Balance, Ending | <u>\$ 12,116</u> | <u>\$ 14,000</u> | <u>\$ 13,000</u> |

NURSING HOME LOAN FUND

Loans to nursing homes for repairs, reconstruction and rehabilitation to meet safety code standards are made from this fund. Loans are made from bond proceeds transferred from the Nursing Home Loan Development Fund. Repayments of loans are transferred from this fund to the General Fund.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|---|-------------------|---|----------------------|
| Cash Balance, Beginning ..... | ..... | ..... | ..... |
| Receipts: | | | |
| Transfer from Nursing Home Loan Development Fund | \$ 309 | \$ 1,115 | \$ 1,000 |
| Total Receipts | 309 | 1,115 | 1,000 |
| Total Funds Available | \$ 309 | \$ 1,115 | \$ 1,000 |
| Disbursements: | | | |
| Commerce | \$ 309 | \$ 1,115 | ..... |
| Economic Development Partnership .. | ..... | ..... | \$ 1,000 |
| Total Disbursements | -309 | -1,115 | -1,000 |
| Cash Balance, Ending ..... | ..... | ..... | ..... |

NURSING HOME LOAN SINKING FUND

Moneys in this fund are used for the redemption of nursing home loan bonds at maturity and all interest payable on such bonds. The moneys used for this purpose are derived from earnings received from investment or deposit of balances in this fund and in the Nursing Home Loan Development Fund. An annual appropriation by the General Assembly necessary for payment of the interest and principal falling due for nursing home loan bonds is also credited to this fund.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|----------------------|---|-----------------------|
| Cash Balance, Beginning | \$ 594 | \$ 525 | |
| Receipts: | | | |
| Transfer from General Fund | \$ 5,083 | \$ 5,029 | \$ 5,593 |
| Interest on Securities | 1,203 | 824 | 970 |
| Accrued Interest on Bonds Sold ..... | . . . . | 11 | |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 6,286 | 5,864 | 6,563 |
| Total Funds Available | <u>\$ 6,880</u> | <u>\$ 6,389</u> | <u>\$ 6,563</u> |
| Disbursements: | | | |
| Treasury | <u>\$ 6,355</u> | <u>\$ 6,389</u> | <u>\$ 6,563</u> |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | -6,355 | -6,389 | -6,563 |
| | <hr/> | <hr/> | <hr/> |
| Cash Balance, Ending | <u><u>\$ 525</u></u> | <u><u>. . . .</u></u> | <u><u>. . . .</u></u> |

NUTRITION EDUCATION AND TRAINING FUND

As a result of successful antitrust litigation against the National Broiler Marketing Association, et. al, the Attorney General of the Commonwealth of Pennsylvania, the State Treasurer and the Secretary of Education entered into an agreement with the United States District Court in January 1983 to establish the Nutrition Education and Training Fund to hold the proceeds of the court's award. Funds are distributed to areas of the Commonwealth that the Department of Health has designated as having the greatest need for nutrition education programs.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|----------------------|---|----------------------|
| Cash Balance, Beginning | \$ 161 | \$ 105 | \$ 51 |
| Receipts: | | | |
| Interest | \$ 9 | \$ 6 | \$ 3 |
| Total Receipts | <u>9</u> | <u>6</u> | <u>3</u> |
| Total Funds Available | <u>\$ 170</u> | <u>\$ 111</u> | <u>\$ 54</u> |
| Disbursements: | | | |
| Education | \$ 65 | \$ 60 | \$ 54 |
| Total Disbursements | <u>-65</u> | <u>-60</u> | <u>-54</u> |
| Cash Balance, Ending | <u><u>\$ 105</u></u> | <u><u>\$ 51</u></u> | <u><u>.....</u></u> |

OIL AND GAS LEASE FUND

Created in 1955, this fund is used to finance conservation, recreation, dams or flood control projects or to match any Federal grants made for those purposes. Revenues are derived from rents and royalties from oil and gas leases of Commonwealth owned land with the exception of rents and royalties from land owned by either the Pennsylvania Game or Fish Commissions. Those revenues are paid into the Game and Fish Funds.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|------------------------|---|------------------------|
| Cash Balance, Beginning | \$ 8,865 | \$ 9,685 | \$ 7,345 |
| Receipts: | | | |
| Rents and Royalties | \$ 4,615 | \$ 4,000 | \$ 4,000 |
| Interest | 631 | 600 | 600 |
| Other | 112 | 50 | 50 |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 5,358 | 4,650 | 4,650 |
| Total Funds Available | <u>\$ 14,223</u> | <u>\$ 14,335</u> | <u>\$ 11,995</u> |
| Disbursements: | | | |
| Executive Offices | \$ 4,444 | \$ 90 | \$ 90 |
| Environmental Resources | 94 | 6,900 | 6,600 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | -4,538 | -6,990 | -6,690 |
| Cash Balance, Ending | <u><u>\$ 9,685</u></u> | <u><u>\$ 7,345</u></u> | <u><u>\$ 5,305</u></u> |

PENNSYLVANIA CAPITAL LOAN FUND

The Pennsylvania Capital Loan Program began in 1982 with funding from the U.S. Appalachian Regional Commission and the U.S. Economic Development Administration to provide low interest loans to businesses for capital development projects. Act 109 of July 1984 created this fund and provided additional funding from the Pennsylvania Economic Revitalization Fund. This fund is also supported by a legislative appropriation.

Loans are used by manufacturing, industrial and export service businesses for the purchase of land, building, machinery, equipment and working capital. County and regional economic development organizations assist the department in packaging and reviewing the loan applications.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 6,226 | \$ 8,506 | \$ 5,040 |
| Receipts: | | | |
| Loan Principal | \$ 1,226 | \$ 3,174 | \$ 5,000 |
| Interest — Loans | 320 | 879 | 1,400 |
| Interest — Securities | 711 | 1,481 | 365 |
| Economic Development Administration | 94 | 500 | |
| Transfer From General Fund ..... | . . . . | . . . . | 5,000 |
| Transfer From Pennsylvania Economic Revitalization Fund . . . | 5,000 | 15,000 | |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 7,351 | 21,034 | 11,765 |
| Total Funds Available | <u>\$ 13,577</u> | <u>\$ 29,540</u> | <u>\$ 17,805</u> |
| Disbursements: | | | |
| Commerce | \$ 5,071 | \$ 23,500 | |
| Economic Development Partnership .. | . . . . | . . . . | \$ 17,500 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | -5,071 | -23,500 | -17,500 |
| Cash Balance, Ending | <u>\$ 8,506</u> | <u>\$ 6,040</u> | <u>\$ 305</u> |

PENNSYLVANIA ECONOMIC REVITALIZATION FUND

On June 26, 1984 the Economic Revitalization Fund (PERF) was created by Act 104. The fund provides the vehicle to accomplish economic revitalization efforts through a \$190 million bond issue authorized by the electorate by referendum on April 10, 1984. However, Bond funding was only utilized for the first year of funding. The remaining program costs are supported by a \$117,000,000 General Fund appropriation provided by the Legislature in 1984-85 and 1985-86.

As we enter the final months of PERF's current three-year authorization, it has become apparent certain programs will not fully utilize all funds appropriated by June 30, 1987 and that most programs warrant continuation beyond that date. Therefore, this budget recommends numerous changes to PERF, including extending it until June 30, 1988 and making certain further appropriations from it during 1987-88. In addition, other existing PERF programs are recommended to be continued, either via General Fund appropriations or by making currently lapsable PERF appropriations continuing.

Please refer to the Spending Plan for an Economic Development Partnership for details of the many changes proposed.

Statement of Receipts and Disbursements^a

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 48,110 | \$ 13,301 | \$ 22,337 |
| Receipts: | | | |
| Transfer from Capitol Loan Fund ... | \$ 234 | | |
| Transfer from General Fund | 12,000 | \$ 105,000 | |
| Other | 569 | 300 | |
| Interest | 3,576 | 2,000 | \$ 500 |
| Less: Transfer of Excess Interest to Sinking Fund ..... | . . . . | -3,569 | -2,000 |
| Total Receipts | 16,379 | 103,731 | -1,500 |
| Total Funds Available | <u>\$ 64,489</u> | <u>\$ 117,032</u> | <u>\$ 20,837</u> |
| Disbursements: | | | |
| Agriculture | \$ 781 | \$ 1,909 | \$ |
| Commerce | 10,812 | 56,289 | |
| Community Affairs | 10,565 | 13,435 | |
| Economic Development Partnership .. | . . . . | . . . . | 20,500 |
| Education | 15,078 | 9,254 | |
| Environmental Resources | 13,916 | 13,808 | |
| Treasury | 36 | | |
| Total Disbursements | -51,188 | -94,695 | -20,500 |
| Cash Balances, Ending | <u>\$ 13,301</u> | <u>\$ 22,337</u> | <u>\$ 337</u> |

^aDisbursements essentially are actual or estimated expenditures and encumbrances of year end.

PENNSYLVANIA ECONOMIC REVITALIZATION SINKING FUND

Annual appropriations from General Fund by the General Assembly are deposited into this fund, and together with interest earned in this fund and interest earned and transferred from the Pennsylvania Economic Revitalization Fund, are used to pay interest and principal payments due on outstanding Economic Revitalization Fund bonds.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 40,229 | \$ 15 | ..... |
| Receipts: | | | |
| Transfer from General Fund | \$ 12,385 | \$ 8,727 | \$ 9,964 |
| Transfer from Pennsylvania Economic Revitalization Fund ... | ..... | 3,575 | 2,000 |
| Interest on Securities | 1,008 | 131 | ..... |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 13,393 | 12,433 | 11,964 |
| Total Funds Available | <u>\$ 53,622</u> | <u>\$ 12,448</u> | <u>\$ 11,964</u> |
| Disbursements: | | | |
| Treasury | \$ 53,607 | \$ 12,448 | \$ 11,964 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | -53,607 | -12,448 | -11,964 |
| | <hr/> | <hr/> | <hr/> |
| Cash Balance, Ending | <u>\$ 15</u> | <u>.....</u> | <u>.....</u> |

PENNSYLVANIA HISTORICAL AND MUSEUM COMMISSION TRUST FUND

This fund, created under special Act No. 113 (P.L. 185), approved May 21, 1931, is administered by the Governor, Auditor General, State Treasurer and the Pennsylvania Historical and Museum Commission. The interest received from investment of the \$33,000 perpetual endowment to this fund in bonds of the Commonwealth, or any of its political subdivisions, is credited to the fund. Interest earned on investments is used for the restoration, maintenance and improvement of the Cornwall Charcoal Furnace, Cornwall Borough, Lebanon County.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 65 | \$ 68 | \$ 6 |
| Receipts: | | | |
| Interest on Securities | \$ 3 | \$ 3 | \$ 2 |
| Redemption of Securities ..... | ..... | ..... | ..... |
| Net Investment Adjustment ..... | ..... | ..... | 65 |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 3 | 3 | 67 |
| Total Funds Available | <u>\$ 68</u> | <u>\$ 71</u> | <u>\$ 73</u> |
| Disbursements: | | | |
| Historical and Museum Commission ..... | ..... | -65 | -65 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements ..... | ..... | -65 | -65 |
| Cash Balance, Ending | <u>\$ 68</u> | <u>\$ 6</u> | <u>\$ 8</u> |

PENNSYLVANIA MUNICIPAL RETIREMENT FUND

Act 15 of 1974 created the Pennsylvania Municipal Retirement System and replaced the "Municipal Employes 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, fireman 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 current market value of long-term investments as of June 30.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 127,342 | \$ 160,273 | \$ 193,610 |
| Receipts: | | | |
| Contributions | \$ 21,719 | \$ 21,512 | \$ 22,654 |
| Other | 58 | | |
| Interest | 12,533 | 12,184 | 13,875 |
| Net Investment Adjustment | 8,257 | 10,235 | 10,315 |
| Total Receipts | <u>42,567</u> | <u>43,931</u> | <u>46,844</u> |
| Total Funds Available | \$ 169,909 | \$ 204,204 | \$ 240,454 |
| Disbursements: | | | |
| Executive Offices | \$ 57 | \$ 1,289 | \$ 1,406 |
| Municipal Employes Retirement Board | 9,579 | 9,305 | 9,854 |
| Total Disbursements | <u>-9,636</u> | <u>-10,594</u> | <u>-11,260</u> |
| Cash Balance, Ending | <u>\$ 160,273</u> | <u>\$ 193,610</u> | <u>\$ 229,194</u> |

**PHARMACEUTICAL ASSISTANCE
(CONTRACT FOR THE ELDERLY)
FUND**

This fund was created by Act 63 of 1983 in order to provide a limited pharmaceutical assistance program for the Commonwealth's senior citizens who are 65 years of age or over, and whose annual income does not exceed the maximum specified in the act for program eligibility. Funds not expended in the fiscal year in which they were appropriated shall be available for use in the following fiscal year. For additional information on the program, refer to the Department of Aging in volume two of the Governor's Executive Budget.

Statement of Cash Receipts and Disbursements

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Estimated |
| Cash Balance, Beginning | \$ 162,873 | \$ 158,847 | \$ 117,252 |
| Receipts: | | | |
| Transfer from Lottery Fund | \$ 100,000 | \$ 100,000 | \$ 100,000 |
| Interest on Securities | 8,831 | 7,500 | 7,000 |
| Retirement Contributions | 25 | 25 | 26 |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 108,856 | 107,525 | 107,026 |
| Total Funds Available | <u>\$ 271,729</u> | <u>\$ 266,372</u> | <u>\$ 224,278</u> |
| Disbursements: | | | |
| Aging | \$ 112,858 | \$ 149,095 | \$ 171,735 |
| Executive Offices | 24 | 25 | 26 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | -112,882 | -149,120 | -171,761 |
| Cash Balance, Ending | <u>\$ 158,847</u> | <u>\$ 117,252</u> | <u>\$ 52,517</u> |

PROJECT 70 LAND ACQUISITION FUND

This fund was created in 1965 to finance the Commonwealth's cost of acquiring land for recreation, conservation or historical purposes and to aid local governments in acquiring land for the same purposes. As of December 31, 1970, all unencumbered money in this fund was paid into the Project 70 Land Acquisition Sinking Fund. Revenue for the fund was provided by a bond issue approved by the electorate on November 4, 1963 with the proceeds not to exceed \$70 million.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|------------------------|---|----------------------|
| Cash Balance, Beginning | \$ 652 | ..... | ..... |
| Receipts: | | | |
| Other | \$ -29 ^a | ..... | ..... |
| Total Receipts | <u>-29^a</u> | <u>.....</u> | <u>.....</u> |
| Total Funds Available | \$ 623 | ..... | ..... |
| Disbursements: | | | |
| Environmental Resources | \$ 598 | ..... | ..... |
| Transfer to Sinking Fund | 25 | ..... | ..... |
| Total Disbursements | <u>-623</u> | <u>.....</u> | <u>.....</u> |
| Cash Balance, Ending | <u>.....</u> | <u>.....</u> | <u>.....</u> |

^aNegative number results from adjustment to revenue received in prior year.

PROJECT 70 LAND ACQUISITION SINKING FUND

Annual appropriations by the General Assembly for payment of interest and principal falling due on Project 70 bonds are credited to this fund. In addition, interest from the investment or deposit of money in the Project 70 Land Acquisition Fund is credited to this fund. All remaining moneys in the Project 70 Land Acquisition Fund were transferred to this fund in 1985-86. Moneys reimbursed to the Commonwealth by political subdivisions for inappropriate use of Project 70 are credited to this fund. Moneys in this fund are used solely to pay interest accruing on Project 70 bonds and for the redemption of such bonds.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 157 | \$ 875 | ..... |
| Receipts: | | | |
| Transfer from General Fund | \$ 4,308 | \$ 1,547 | \$ 762 |
| Transfer from Project 70 Land Acquisition Fund | 652 | ..... | ..... |
| Sale of Real Estate | 1 | ..... | ..... |
| Interest on Securities | 65 | ..... | ..... |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 5,026 | 1,547 | 762 |
| Total Funds Available | <u>\$ 5,183</u> | <u>\$ 2,422</u> | <u>\$ 762</u> |
| Disbursements: | | | |
| Treasury | \$ 4,308 | \$ 2,422 | \$ 762 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | -4,308 | -2,422 | -762 |
| | <hr/> | <hr/> | <hr/> |
| Cash Balance, Ending | <u>\$ 875</u> | <u>.....</u> | <u>.....</u> |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 5,064 | \$ 5,143 | \$ 3,743 |
| Receipts: | | | |
| Reimbursement from other agencies .. | \$ 38,245 | \$ 48,000 | \$ 60,000 |
| General Fund Loan | 15,200 | 15,200 | 9,000 |
| Other | 535 | 600 | 600 |
| Total Receipts | 53,980 | 63,800 | 69,600 |
| Total Funds Available | \$ 59,044 | \$ 68,943 | \$ 73,343 |
| Disbursements: | | | |
| Executive Office | \$ 221 | \$ 200 | \$ 200 |
| General Services* | 53,680 | 65,000 | 70,000 |
| Total Disbursements | -53,901 | -65,200 | -70,200 |
| Cash Balance, Ending | \$ 5,143 | \$ 3,743 | \$ 3,143 |

*Includes repayment of General Fund loan.

REAL ESTATE RECOVERY FUND

This fund was established in 1980 to reimburse aggrieved persons the amount unpaid upon judgements, from competent jurisdiction, against any person licensed by the Real Estate Commission. Revenue is derived from additional fees paid by licensees, with interest on investments being retained by the fund.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|------------------------|---|------------------------|
| Cash Balance, Beginning | \$ 1,000 | \$ 1,150 | \$ 1,293 |
| Receipts: | | | |
| Additional License Fees | \$ 90 | \$ 90 | \$ 90 |
| Interest | 93 | 113 | 127 |
| Total Receipts | <u>183</u> | <u>203</u> | <u>217</u> |
| Total Funds Available | <u>\$ 1,183</u> | <u>\$ 1,353</u> | <u>\$ 1,510</u> |
| Disbursements: | | | |
| State | \$ 33 | \$ 60 | \$ 60 |
| Total Disbursements | <u>-33</u> | <u>-60</u> | <u>-60</u> |
| Cash Balance, Ending | <u><u>\$ 1,150</u></u> | <u><u>\$ 1,293</u></u> | <u><u>\$ 1,450</u></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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 860 | \$ 1,215 | \$ 1,185 |
| Receipts: | | | |
| Clients Fees | \$ 10,355 | \$ 10,300 | \$ 10,400 |
| Other | 1,086 | 880 | 910 |
| Total Receipts | 11,441 | 11,180 | 11,310 |
| Total Funds Available | \$ 12,301 | \$ 12,395 | \$ 12,495 |
| Disbursements: | | | |
| Executive Offices | \$ 964 | \$ 728 | \$ 764 |
| Labor and Industry | 10,122 | 10,482 | 11,006 |
| Total Disbursements | -11,086 | -11,210 | -11,770 |
| Cash Balance, Ending | \$ 1,215 | \$ 1,185 | \$ 725 |

SCHOOL EMPLOYES' 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 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 current market value of long-term investments as of June 30.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|---|--------------------|---|----------------------|
| Cash Balance, Beginning | \$7,550,330 | \$ 8,897,110 | \$10,313,690 |
| Receipts: | | | |
| Transfer from General Fund — Employer Contribution | \$ 431,090 | \$ 434,500 | \$ 459,500 |
| Transfers from State Retirement System | 823 | 1,500 | 1,500 |
| Contribution of School Employees | 243,431 | 231,400 | 247,500 |
| Returned Contributions of School Employees | 9,446 | 10,000 | 10,000 |
| Contributions of School Districts | 462,851 | 434,800 | 464,000 |
| Interest on Securities | 1,015,817 | 1,105,000 | 1,326,000 |
| Other | 667 | 100 | 100 |
| Total Receipts | <u>2,164,125</u> | <u>2,217,300</u> | <u>2,508,600</u> |
| Total Funds Available | \$9,714,455 | \$11,114,410 | \$12,822,290 |
| Disbursements: | | | |
| Executive Offices | \$ 667 | \$ 700 | \$ 700 |
| Treasury | 13 | 20 | 20 |
| Public School Employees' Retirement Board | 719,028 | 800,000 | 900,000 |
| Net Investment Adjustment | 97,637 | ..... | ..... |
| Total Disbursements | <u>-817,345</u> | <u>-800,720</u> | <u>-900,720</u> |
| Cash Balance, Ending | <u>\$8,897,110</u> | <u>\$10,313,690</u> | <u>\$11,921,570</u> |

SINKING FUND

Appropriations by the General Assembly constitute the major source of revenue to this fund. This one sinking fund existed prior to the practice of having a sinking fund for each separate bond fund. Moneys are held in this fund to cover the possible redemption of Commonwealth notes and bonds which had maturity dates from 1841 through 1871. There has been no activity on these old outstanding obligations, reportedly, since 1929. The redemption value of those obligations is \$141,320.06. Money not needed to pay principal or interest on Commonwealth debt may also be used to suppress insurrection or defend the State in war, in accordance with the Constitution of the Commonwealth of Pennsylvania. Money in this fund may be invested only in United States or Commonwealth bonds. Interest accumulating on moneys remaining in the fund is credited to the State School Fund.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|----------------------|---|----------------------|
| Cash Balance, Beginning | \$ 145 | \$ 145 | \$ 145 |
| Receipts: | | | |
| Interest on Securities ..... | ..... | ..... | ..... |
| Total Receipts ..... | ..... | ..... | ..... |
| Total Funds Available | <u>\$ 145</u> | <u>\$ 145</u> | <u>\$ 145</u> |
| Disbursements: | | | |
| Treasury ..... | ..... | ..... | ..... |
| Total Disbursements ..... | ..... | ..... | ..... |
| Cash Balance, Ending | <u><u>\$ 145</u></u> | <u><u>\$ 145</u></u> | <u><u>\$ 145</u></u> |

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 employes 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 employes under the Federal old-age and survivors insurance system and for payment of refunds and overpayments made by a political subdivision.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--|--------------------|---|----------------------|
| Cash Balance, Beginning | \$ 48,849 | \$ 19,975 | \$ 19,000 |
| Receipts: | | | |
| State Employes and Political Subdivi- sion Employes | \$1,161,912 | \$1,196,769 | \$1,232,672 |
| Public School Employes | 149,113 | 152,000 | 155,000 |
| Other | 4,034 | 4,155 | 4,280 |
| | | | |
| Total Receipts | 1,315,059 | 1,352,924 | 1,391,952 |
| Total Funds Available | <u>\$1,363,908</u> | <u>\$1,372,899</u> | <u>\$1,410,952</u> |
| Disbursements: | | | |
| Labor and Industry | \$1,343,933 | \$1,353,899 | \$1,391,952 |
| | | | |
| Total Disbursements | <u>-1,343,933</u> | <u>-1,353,899</u> | <u>-1,391,952</u> |
| | | | |
| Cash Balance, Ending | <u>\$ 19,975</u> | <u>\$ 19,000</u> | <u>\$ 19,000</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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| | <u> </u> | <u> </u> | <u> </u> |
| Cash Balance, Beginning | \$ 7,011 | \$ 9,715 | \$ 6,215 |
| Receipts: | | | |
| Interest | \$ 578 | \$ 500 | \$ 500 |
| Transfer From General Fund | 2,500 |  | ..... |
| | <u> </u> | <u> </u> | <u> </u> |
| Total Receipts | 3,078 | 500 | 500 |
| Total Funds Available | \$ 10,089 | \$ 10,215 | \$ 6,715 |
| Disbursements: | | | |
| Environmental Resources | \$ 374 | \$ 4,000 | \$ 4,000 |
| | <u> </u> | <u> </u> | <u> </u> |
| Total Disbursements | -374 | -4,000 | -4,000 |
| Cash Balance, Ending | <u>\$ 9,715</u> | <u>\$ 6,215</u> | <u>\$ 2,715</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 Fund.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 286 | \$ 200 | \$ 200 |
| Receipts: | | | |
| Interest and Penalties | \$ 495 | ..... | ..... |
| Other | 248 | \$ 300 | \$ 300 |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 743 | 300 | 300 |
| Total Funds Available | <u>\$ 1,029</u> | <u>\$ 500</u> | <u>\$ 500</u> |
| Disbursements: | | | |
| Labor and Industry | \$ 829 | \$ 300 | \$ 300 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | -829 | -300 | -300 |
| | <hr/> | <hr/> | <hr/> |
| Cash Balances, Ending | <u>\$ 200</u> | <u>\$ 200</u> | <u>\$ 200</u> |

STATE COLLEGE EXPERIMENTAL FARM FUND

Act 56, approved May 13, 1887, authorized the sale of the eastern and western experimental farms which were purchased with Federal land grant moneys in 1862. These farms were sold for \$17,000 in 1888 and the proceeds were placed in this fund to be invested in bonds of the Commonwealth at 6 percent per annum with the interest serving as an ongoing revenue to this fund.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 26 | \$ 25 | \$ 26 |
| Receipts: | | | |
| Miscellaneous | \$ 2 | \$ 2 | \$ 2 |
| Total Receipts | <u>2</u> | <u>2</u> | <u>2</u> |
| Total Funds Available | \$ 28 | \$ 27 | \$ 28 |
| Disbursements: | | | |
| Treasury | \$ 3 | \$ 1 | \$ 1 |
| Total Disbursements | <u>-3</u> | <u>-1</u> | <u>-1</u> |
| Cash Balance, Ending | <u>\$ 25</u> | <u>\$ 26</u> | <u>\$ 27</u> |

STATE EMPLOYEES' RETIREMENT FUND

This fund was created in 1924 to accumulate reserves for the payment of pensions to former State employes.

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 employes, and available to employes 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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|---------------------------------------|---------------------------|---|---------------------------|
| Cash Balance, Beginning | \$5,054,353 | \$5,883,958 | \$6,389,196 |
| Receipts: | | | |
| Contributions of Employes | \$ 132,372 | \$ 140,500 | \$ 145,400 |
| State Share Contribution | 462,326 | 376,000 | 366,000 |
| Interest on Securities | 456,507 | 520,800 | 561,750 |
| Other | 1,307 | 538 | 550 |
| Net Investment Adjustment | 265,035 | ..... | ..... |
| Total Receipts | <u>1,317,547</u> | <u>1,037,838</u> | <u>1,073,700</u> |
| Total Funds Available | \$6,371,900 | \$6,921,796 | \$7,462,896 |
| Disbursements: | | | |
| Executive Offices | \$ 325 | | |
| Treasury | 2 | | |
| State Employees Retirement System ... | 487,615 | \$ 532,600 | \$ 575,200 |
| Total Disbursements | <u>-487,942</u> | <u>-532,600</u> | <u>-575,200</u> |
| Cash Balance, Ending | <u><u>\$5,883,958</u></u> | <u><u>\$6,389,196</u></u> | <u><u>\$6,887,696</u></u> |

STATE INSURANCE FUND

Created in 1915, this fund finances expenditures relating to the rebuilding, restoring or replacing of buildings, structures, equipment or other property owned by the Commonwealth which have been damaged or destroyed by fire or other casualty. This includes natural or man made disasters. Revenue is derived from interest earned by the fund, interest received from the Fire Insurance Tax Fund and from reimbursements by insurance companies. If needed, money may also be directly appropriated to this fund. Any amount in the fund in excess of \$3 million on December 31st of each year shall be transferred to the General Fund. This fund satisfies the requirements of the Federal Government for Disaster Insurance program.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 3,758 | \$ 4,743 | \$ 4,743 |
| Receipts: | | | |
| Recovered Damages ..... | ..... | ..... | ..... |
| Interest | 1,345 | 1,400 | 1,400 |
| Total Receipts | <u>1,345</u> | <u>1,400</u> | <u>1,400</u> |
| Total Funds Available | <u>\$ 5,103</u> | <u>\$ 6,143</u> | <u>\$ 6,143</u> |
| Disbursements: | | | |
| General Services | \$ 360 | \$ 1,400 | \$ 1,400 |
| Total Disbursements | <u>-360</u> | <u>-1,400</u> | <u>-1,400</u> |
| Cash Balance, Ending | <u>\$ 4,743</u> | <u>\$ 4,743</u> | <u>\$ 4,743</u> |

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 will be enlarged and relocated into the Capitol Addition.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 459 | \$ 497 | \$ 325 |
| Receipts: | | | |
| Revenue from General Operations ... | \$ 3 | \$ 3 | \$ 3 |
| Other | 37 | 25 | 25 |
| Total Receipts | 40 | 28 | 28 |
| Total Funds Available | \$ 499 | \$ 525 | \$ 353 |
| Disbursements: | | | |
| General Services | \$ 2 | \$ 200 | \$ 5 |
| Total Disbursements | -2 | -200 | -5 |
| Cash Balance, Ending | \$ 497 | \$ 325 | \$ 348 |

STATE SCHOOL FUND

The fund was established in 1911 and is funded primarily by the sale of escheated estates and other nonpublic real estate and interest earnings of the Sinking Fund. Recent changes in the escheat law and lack of interest earnings from the Sinking Fund or investment of moneys in the State School Fund have resulted in a low revenue level; this fund is active in only a limited sense.

The original purpose of the fund was to equalize educational advantages across the Commonwealth; to provide advancements to school districts temporarily in need of aid; and to promote education in the conservation of natural resources, forestry, agriculture and other industrial pursuits. The law was amended in 1960 to change the purpose to equalization of educational opportunities, and paying part of the cost of repair or alteration of local public school or State college buildings when they are required to satisfy requirements of the Department of Labor and Industry or another relevant governmental agency.

Expenditures from the fund are made at the direction of the State Board of Education.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 475 | \$ 518 | \$ 465 |
| Receipts: | | | |
| Sinking Fund: Interest | \$ 7 | \$ 8 | \$ 8 |
| Treasury: Interest | 36 | 39 | 43 |
| Total Receipts | 43 | 47 | 51 |
| Total Funds Available | <u>\$ 518</u> | <u>\$ 565</u> | <u>\$ 516</u> |
| Disbursements: | | | |
| Education ..... | ..... | \$ 100 | \$ 50 . . . |
| Total Disbursements ..... | ..... | -100 | -50 |
| Cash Balance, Ending | <u>\$ 518</u> | <u>\$ 465</u> | <u>\$ 466</u> |

STATE STORES FUND

The State Stores Fund serves as the general operating fund for the Liquor Control Board. To this fund are credited revenues from the sale of goods in State Liquor Stores, fees not credited to the Liquor License Fund, fines and penalties, losses and damages recovered and loans from the General Fund to provide working capital. Expenditures cover all costs associated with the operation and administration of the Liquor Stores System and enforcement of the Liquor Control Law. Any surplus is transferred to the General Fund.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 32,887 | \$ 38,574 | \$ 38,813 |
| Receipts: | | | |
| Fees | \$ 6,139 | \$ 6,000 | \$ 6,000 |
| Fines and Penalties | 868 | 700 | 700 |
| Sale of Goods | 765,004 | 773,589 | 775,990 |
| Recovered Losses and Damages | 1,155 | 650 | 650 |
| General Fund Loans | 66,000 | 66,000 | 66,000 |
| Other | 16,718 | 16,800 | 16,800 |
| Total Receipts | 855,884 | 863,739 | 866,140 |
| Total Funds Available | \$ 888,771 | \$ 902,313 | \$ 904,953 |
| Disbursements: | | | |
| Treasury ..... | ..... | ..... | ..... |
| Executive Offices | \$ 13,653 | \$ 13,500 | \$ 13,500 |
| Liquor Control Board* | 836,544 | 850,000 | 855,000 |
| Total Disbursements | -850,197 | -863,500 | -868,500 |
| Cash Balance, Ending | \$ 38,574 | \$ 38,813 | \$ 36,453 |

*Includes repayment of General Fund Loan

STATE TREASURY ARMORY FUND

Created in accordance with Act 126 of 1979 and Act 92 of 1975, this fund receives monies derived from the sale of any armory building, armory site or other real estate. Funds shall be expended solely for the purchase of equipment, furniture and fixtures or for the construction of new armories in the Commonwealth.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 239 | \$ 202 | \$ 172 |
| Receipts: | | | |
| Interest | \$ 15 | \$ 14 | \$ 10 |
| Sale of Armories and/or Land ..... | ..... | ..... | ..... |
| Total Receipts | <u>15</u> | <u>14</u> | <u>10</u> |
| Total Funds Available | <u>\$ 254</u> | <u>\$ 216</u> | <u>\$ 182</u> |
| Disbursements: | | | |
| Military Affairs | \$ 52 | \$ 44 | \$ 40 |
| Total Disbursements | <u>-52</u> | <u>-44</u> | <u>-40</u> |
| Cash Balance, Ending | <u>\$ 202</u> | <u>\$ 172</u> | <u>\$ 142</u> |

STATE WORKMEN'S INSURANCE FUND

The State Workmen's Insurance Fund (SWIF) was created by the Act of June 2, 1915, and operates within the Department of Labor and Industry. It is a self-sustaining fund providing workmen's compensation insurance to employers, including those refused policies by private insurance firms. SWIF is subject to underwriting rules, classifications and rates promulgated by rating bureaus authorized by the State Insurance Commissioner. Premium rates are established by them based on the history of accidents by industry. Administrative costs are paid from the fund including expenses related to Insurance Department and Auditor General examinations.

The net investment adjustment shown below is to reflect the current market value of long-term investments as of June 30.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 682,309 | \$ 782,671 | \$ 882,458 |
| Receipts: | | | |
| Premiums | \$ 68,325 | \$ 71,058 | \$ 73,900 |
| Other | 104,244 | 113,040 | 117,562 |
| Net Investment Adjustment | 4,397 | | |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 176,966 | 184,098 | 191,462 |
| | <hr/> | <hr/> | <hr/> |
| Total Funds Available | \$ 859,275 | \$ 966,769 | \$ 1,073,920 |
| Disbursements: | | | |
| Treasury | \$ 2 | | |
| Executive Offices | 540 | \$ 407 | \$ 424 |
| Labor and Industry | 76,062 | 83,904 | 95,000 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | -76,604 | -84,311 | -95,424 |
| | <hr/> | <hr/> | <hr/> |
| Cash Balance, Ending | <u>\$ 782,671</u> | <u>\$ 882,458</u> | <u>\$ 978,496</u> |

SUNNY DAY FUND

The purpose of this fund created by Act 32 of 1985, and administered by the Treasury Department is to provide assistance to the Governor and the Department of Commerce in their efforts to attract industrial, manufacturing or research and development enterprises to this Commonwealth. Revenue is provided through an appropriation by the General Assembly for transfer to this fund. Appropriations out of the fund require approval by two thirds of the members of the General Assembly.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------------|---|-------------------------|
| Cash Balance, Beginning ..... | ..... | \$ 25,000 | \$ 32,540 |
| Receipts: | | | |
| General Fund Transfer | \$ 25,000 | \$ 25,000 | \$ 35,000 |
| Interest on Securities ..... | ..... | 1,250 | 1,952 |
| Total Receipts | <u>\$ 25,000</u> | <u>\$ 26,250</u> | <u>36,952</u> |
| Total Funds Available | <u>\$ 25,000</u> | <u>\$ 51,250</u> | <u>\$ 69,492</u> |
| Disbursements: | | | |
| Commerce ..... | ..... | \$ 18,710 | ..... |
| Total Disbursements ..... | ..... | <u>-18,710</u> | ..... |
| Cash Balance, Ending | <u><u>\$ 25,000</u></u> | <u><u>\$ 32,540</u></u> | <u><u>\$ 69,492</u></u> |

SUPPLEMENTAL STATE ASSISTANCE FUND

This fund was created by Act 205 of 1984, the Municipal Pension Plan Funding Standard and Recovery Act, and is administered by the Auditor General. Effective July 1985, the fund includes a portion of the Foreign Casualty Insurance Premium Tax which in prior years was allocated to the State Employees Retirement Fund State Police account. Those revenues will be used for loans to municipalities in danger of default on their pension program. Loans have been available since 1985-86 fiscal year; however, no requests for assistance have been received and therefore no disbursements are anticipated. Beginning in 1988 a program of General Fund aid to distressed municipalities will be provided through this fund.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|---|-------------------|---|----------------------|
| Cash Balance, Beginning ..... | . . . . . | \$ 8,714 | \$ 15,956 |
| Receipts: | | | |
| Foreign Casualty Insurance Premium Tax for Loans to Municipalities . | \$ 8,421 | 6,908 | 3,575 |
| Interest Earnings | 292 | 334 | 552 |
| Total Receipts | <u>8,713</u> | <u>7,242</u> | <u>4,127</u> |
| Total Funds Available | <u>\$ 8,713</u> | <u>\$ 15,956</u> | <u>\$ 20,083</u> |
| Disbursements: | | | |
| Auditor General ..... | . . . . . | . . . . . | . . . . . |
| Total Disbursements | <u>.</u> | <u>.</u> | <u>.</u> |
| Cash Balances, Ending | <u>\$ 8,713</u> | <u>\$ 15,956</u> | <u>\$ 20,083</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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 12,256 | \$ 12,162 | \$ 11,632 |
| Receipts: | | | |
| Licenses and Fees | \$ 1,618 | \$ 1,950 | \$ 1,950 |
| Interest | 947 | 970 | 940 |
| Forfeiture of Bonds | 1,985 | 1,000 | 1,000 |
| Trust Account Collateral | 81 | 400 | 400 |
| Other | 845 | 60 | 60 |
| Total Receipts | 5,476 | 4,380 | 4,350 |
| Total Funds Available | \$ 17,732 | \$ 16,542 | \$ 15,982 |
| Disbursements: | | | |
| Treasury ..... | ..... | ..... | ..... |
| Executive Offices | 146 | \$ 135 | \$ 135 |
| Environmental Resources | 5,424 | 4,775 | 4,775 |
| Total Disbursements | -5,570 | -4,910 | -4,910 |
| Cash Balance, Ending | \$ 12,162 | \$ 11,632 | \$ 11,072 |

TAX NOTE SINKING FUND

Moneys in this fund are used solely for the payment of principal and interest on tax anticipation notes. Repayment of tax anticipation notes must be accomplished before the end of the fiscal period in which the notes were issued. Moneys in this fund derive from transfers from the General Fund or Motor License Fund. The amount of money transferred from either of these two funds during one fiscal year is proportionate to the amount each such fund received from the sale of tax anticipation notes. 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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning ..... | ..... | ..... | ..... |
| Receipts: | | | |
| Transfer from General Fund | \$ 255,622 | \$ 244,669 | \$ 255,600 |
| Total Receipts | 255,622 | 244,669 | 255,600 |
| Total Funds Available | <u>\$ 255,622</u> | <u>\$ 244,669</u> | <u>\$ 255,600</u> |
| Disbursements: | | | |
| Treasury | \$ 255,622 | \$ 244,669 | \$ 255,600 |
| Total Disbursements | <u>-255,622</u> | <u>-244,669</u> | <u>-255,600</u> |
| Cash Balance, Ending | <u>.....</u> | <u>.....</u> | <u>.....</u> |

TAX STABILIZATION RESERVE FUND

Created in July of 1985 by Act 32, this fund provides financial assistance to minimize future revenue shortfalls and deficits, and promote greater continuity and predictability in the funding of vital government services. It also minimizes the need to increase taxes to balance the budget of the Commonwealth during periods of economic distress. Revenue 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.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning ..... | ..... | \$ 25,000 | \$ 51,500 |
| Receipts: | | | |
| General Fund Transfer | \$ 25,000 | \$ 25,000 | \$ 35,000 |
| Interest on Securities ..... | ..... | 1,500 | 3,090 |
| | ----- | ----- | ----- |
| Total Receipts | 25,000 | 26,500 | 38,090 |
| Total Funds Available | \$ 25,000 | \$ 51,500 | \$ 89,590 |
| Disbursements: | | | |
| Total Disbursements ..... | ..... | ..... | ..... |
| | ----- | ----- | ----- |
| Cash Balance, Ending | <u>\$ 25,000</u> | <u>\$ 51,500</u> | <u>\$ 89,590</u> |

UNEMPLOYMENT COMPENSATION BENEFIT PAYMENT FUND

Employers' and employes' 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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|---|--------------------|---|----------------------|
| Cash Balance, Beginning | \$ 2 | ..... | ..... |
| Receipts: | | | |
| Regular Unemployment Compensation Program | \$1,090,296 | \$1,099,110 | \$1,114,000 |
| Federal Supplemental Compensation | 1,502 | ..... | ..... |
| Federal Receipts in Transit ^a | 11,890 | ..... | ..... |
| Other | 53,121 | 67,025 | 67,425 |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 1,156,809 | 1,166,135 | 1,181,425 |
| Total Funds Available | <u>\$1,156,811</u> | <u>\$1,166,135</u> | <u>\$1,181,425</u> |
| Disbursements: | | | |
| Labor and Industry | \$1,156,811 | \$1,166,135 | \$1,181,425 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | -1,156,811 | -1,166,135 | -1,181,425 |
| | <hr/> | <hr/> | <hr/> |
| 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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 988 | ..... | ..... |
| Receipts: | | | |
| Contributions of Employers and Employes | \$1,492,755 | \$1,433,800 | \$1,400,800 |
| Other | 26 | 25 | 25 |
| | <u>1,492,781</u> | <u>1,433,825</u> | <u>1,400,825</u> |
| Total Receipts | | | |
| Total Funds Available | \$1,493,769 | \$1,433,825 | \$1,400,825 |
| Disbursements: | | | |
| Labor and Industry | \$1,493,769 | \$1,433,825 | \$1,400,825 |
| | <u>1,493,769</u> | <u>1,433,825</u> | <u>1,400,825</u> |
| Total Disbursements | -1,493,769 | -1,433,825 | -1,400,825 |
| Cash Balance, Ending | <u>.....</u> | <u>.....</u> | <u>.....</u> |

UNEMPLOYMENT COMPENSATION INTEREST FUND

This fund was created to pay the interest due on the Federal Unemployment Compensation Title XII Advances. The receipts in this fund are generated by employers under provisions of the Unemployment Compensation Law as amended in July, 1983. Funds are to be used exclusively for interest payments; however, if funds collected exceed interest payment requirements, such excess funds are to be used for benefit payments.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|--------------------------|---|-------------------------|
| Cash Balance, Beginning | \$ 70,213 | \$ 136,278 | \$ 124,267 |
| Receipts: | | | |
| Employer's Interest Taxes | \$ 105,079 | \$ 39,000 | |
| Other | 7,070 | 7,000 | 6,000 |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 112,149 | 46,000 | |
| Total Funds Available | <u>\$ 182,362</u> | <u>\$ 182,278</u> | <u>\$ 130,267</u> |
| Disbursements: | | | |
| Labor and Industry | \$ 46,084 | \$ 58,011 | \$ 46,084 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | 46,084 | 58,011 | 46,084 |
| Cash Balance, Ending | <u><u>\$ 136,278</u></u> | <u><u>\$ 124,267</u></u> | <u><u>\$ 84,183</u></u> |

VIETNAM CONFLICT VETERAN'S COMPENSATION FUND

Created in 1968, this fund provides payments to residents of the Commonwealth who were in active service in the Vietnam Theatre of Operations, as defined for the award of the Vietnam Service Medal, or their beneficiaries. The maximum compensation is \$750 except in case of death when it is \$1,000. Salaries and other necessary expenses for the proper administration of the Vietnam Conflict Veteran's Compensation Act are also paid from the fund. Revenue was derived from a bond issue that was approved by the electorate on November 6, 1973. This fund will be closed out by the end of the 1987-88 year after a final appeal for program participation.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 447 | \$ 484 | \$ 512 |
| Receipts: | | | |
| Interest | \$ 38 | \$ 29 | \$ 31 |
| Total Receipts | 38 | 29 | 31 |
| Total Funds Available | <u>\$ 485</u> | <u>\$ 513</u> | <u>\$ 543</u> |
| Disbursements: | | | |
| Military Affairs | \$ 1 | \$ 1 | \$ 174 |
| Total Disbursements | -1 | -1 | -174 |
| Cash Balance, Ending | <u>\$ 484</u> | <u>\$ 512</u> | <u>\$ 369</u> |

VIETNAM CONFLICT VETERANS' COMPENSATION SINKING FUND

Moneys in this fund are used to redeem or pay interest on bonds issued for the Vietnam Conflict Veterans' Compensation Fund. An appropriation from the General Fund provides the revenues of this fund.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 8 | \$ 8 | |
| Receipts: | | | |
| Transfer from General Fund | \$ 4,584 | \$ 4,567 | \$ 4,565 |
| Total Receipts | 4,584 | 4,567 | 4,565 |
| Total Funds Available | \$ 4,592 | \$ 4,575 | \$ 4,565 |
| Disbursements: | | | |
| Treasury | \$ 4,584 | \$ 4,575 | \$ 4,565 |
| Total Disbursements | -4,584 | -4,575 | -4,565 |
| Cash Balance, Ending | \$ 8 | | |

VOCATIONAL REHABILITATION FUND

This fund, administered by the State Board of Vocational Rehabilitation (Department of Labor and Industry), was created to provide vocational rehabilitation services to any person who has a disability (mental or physical) which constitutes a handicap to employment or to achievement of an independent living status. Services can be provided directly or through a purchase of service arrangement. Receipts for this fund come from Federal vocational rehabilitation funds, transfer of General Fund appropriations (for matching the Federal funds) and interest earned.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 302 | \$ 249 | \$ 225 |
| Receipts: | | | |
| Transfer from General Fund | \$ 12,000 | \$ 13,965 | \$ 16,500 |
| Federal Vocational Rehabilitation Funds | 57,675 | 57,850 | 64,970 |
| Other | 4,056 | 3,239 | 2,350 |
| Total Receipts | <u>73,731</u> | <u>75,054</u> | <u>83,820</u> |
| Total Funds Available | <u>\$ 74,033</u> | <u>\$ 75,303</u> | <u>\$ 84,045</u> |
| Disbursements: | | | |
| Executive Offices | \$ 2,910 | \$ 2,199 | \$ 2,265 |
| Labor and Industry | 70,874 | 72,879 | 81,650 |
| Total Disbursements | <u>-73,784</u> | <u>-75,879</u> | <u>-83,915</u> |
| Cash Balance, Ending | <u>\$ 249</u> | <u>\$ 225</u> | <u>\$ 130</u> |

VOLUNTEER COMPANIES LOAN FUND

On November 4, 1975, a voter referendum authorized a \$10,000,000 bond issue to be used for acquisition and replacement of volunteer fire, ambulance and rescue company equipment and facilities. A second voter referendum in November 1981 authorized an additional \$15,000,000 to be added to the fund. Act 208 of 1976 established a revolving loan fund known as the "Volunteer Companies Loan Fund" administered by the Pennsylvania Emergency Management Agency. Funds amounting to \$10 million were included in the 1985-86 General Fund budget for transfer to the Volunteer Companies Loan Fund. 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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|---|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 1,794 | \$ 10,447 | \$ 7,088 |
| Receipts: | | | |
| Loan Principal Repayments | \$ 4,939 | \$ 5,250 | \$ 5,750 |
| Loan Interest | 600 | 635 | 650 |
| Transfer From the General Fund | 10,000 | ..... | ..... |
| Interest on Securities | 465 | 480 | 450 |
| Miscellaneous | 9 | 10 | 10 |
| Total Receipts | <u>16,013</u> | <u>6,375</u> | <u>6,860</u> |
| Total Funds Available | \$ 17,807 | \$ 16,822 | \$ 13,948 |
| Disbursements: | | | |
| Pennsylvania Emergency Management Agency | \$ 7,360 | \$ 9,734 | \$ 8,000 |
| Total Disbursements | <u>-7,360</u> | <u>-9,734</u> | <u>-8,000</u> |
| Cash Balance, Ending | <u>\$ 10,447</u> | <u>\$ 7,088</u> | <u>\$ 5,948</u> |

VOLUNTEER COMPANIES LOAN SINKING FUND

Moneys in this fund are used to redeem or pay interest on bonds issued for the Volunteer Companies Loan Fund. An appropriation from the General Fund provides revenues to the Fund.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 69 | \$ 72 | ..... |
| Receipts: | | | |
| Transfer from General Fund | \$ 2,856 | \$ 2,711 | \$ 2,720 |
| Interest on Securities | 4 | 4 | ..... |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 2,860 | 2,715 | 2,720 |
| Total Funds Available | <u>\$ 2,929</u> | <u>\$ 2,787</u> | <u>\$ 2,720</u> |
| Disbursements: | | | |
| Treasury | \$ 2,857 | \$ 2,787 | \$ 2,720 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | -2,857 | -2,787 | -2,720 |
| | <hr/> | <hr/> | <hr/> |
| Cash Balance, Ending | <u>\$ 72</u> | <u>.....</u> | <u>.....</u> |

WATER FACILITIES LOAN FUND

This fund was created by Act 167 of 1982 in order to implement the water project loan referendum approved by the electorate on November 3, 1981. That referendum authorized the Commonwealth to incur an indebtedness of \$300 million for use as loans to repair, construct, reconstruct, rehabilitate, extend and improve water supply systems or to repair, reconstruct or rehabilitate flood control facilities, dams and port facilities.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 57,725 | \$ 77,636 | \$ 86,636 |
| Receipts: | | | |
| Sale of Bonds | \$ 39,281 | \$ 49,000 | \$ 49,000 |
| Total Receipts | 39,281 | 49,000 | 49,000 |
| Total Funds Available | \$ 97,006 | \$ 126,636 | \$ 135,636 |
| Disbursements: | | | |
| Environmental Resources | \$ 19,370 | \$ 40,000 | \$ 40,000 |
| Total Disbursements | -19,370 | -40,000 | -40,000 |
| Cash Balance, Ending | \$ 77,636 | \$ 86,636 | \$ 95,636 |

WATER FACILITIES LOAN REDEMPTION FUND

Moneys in this fund are obtained from annual appropriations by the General Assembly and from interest and dividends on moneys in the Water Facilities Loan Fund. These moneys are used solely for payment of interest and principal due on outstanding Water Facilities Loan bonds.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|------------------------|---|----------------------|
| Cash Balance, Beginning | \$ 3,579 | \$ 1,590 | ..... |
| Receipts: | | | |
| Transfer from General Fund | \$ 1,266 | \$ 7,835 | \$ 11,124 |
| Interest on Securities | 6,829 | 4,543 | 3,500 |
| Accrued Interest on Bonds Sold | 122 | 24 | 105 |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 8,217 | 12,402 | 14,729 |
| Total Funds Available | <u>\$ 11,796</u> | <u>\$ 13,992</u> | <u>\$ 14,729</u> |
| Disbursements: | | | |
| Treasury | \$ 10,206 | \$ 13,992 | \$ 14,729 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | -10,206 | -13,992 | -14,729 |
| Cash Balance, Ending | <u><u>\$ 1,590</u></u> | <u><u>.....</u></u> | <u><u>.....</u></u> |

WILD RESOURCES CONSERVATION FUND

This fund was created by Act 170 of 1982. Revenue is derived primarily from tax rebate check-offs and voluntary contributions. The fund is to be used to collect information relating to population, distribution, habitat needs, limiting factors and other biological and ecological data to classify plants and to determine necessary management measures. These management measures will include promotion of a statewide system of private wild plant sanctuaries, permitting of removal, collection, or transplanting of endangered or threatened plant species, and regulation of the digging, harvesting, sale, and exploitation of designated species.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|----------------------|---|----------------------|
| Cash Balance, Beginning | \$ 773 | \$ 855 | \$ 655 |
| Receipts: | | | |
| Tax Check-Offs | \$ 322 | \$ 325 | \$ 325 |
| Interest on Securities | 59 | 60 | 60 |
| Voluntary Donations | 13 | 15 | 15 |
| Total Receipts | <u>394</u> | <u>400</u> | <u>400</u> |
| Total Funds Available | <u>\$ 1,167</u> | <u>\$ 1,255</u> | <u>\$ 1,055</u> |
| Disbursements: | | | |
| Environmental Resources | \$ 312 | \$ 600 | \$ 600 |
| Total Disbursements | <u>-312</u> | <u>-600</u> | <u>-600</u> |
| Cash Balance, Ending | <u><u>\$ 855</u></u> | <u><u>\$ 655</u></u> | <u><u>\$ 455</u></u> |

WORKMEN'S COMPENSATION ADMINISTRATION FUND

This fund was created by Act No. 2 of 1976 to finance the expenses of the Department of Labor and Industry in administering the Pennsylvania Workmen's Compensation Act and the Pennsylvania Occupational Disease Act. The fund is supported by annual assessments on insurers and self-insurers under the act. These administrative funds are approved by the Legislature for expenditure through the appropriation process.

Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 8,035 | \$ 8,213 | \$ 8,123 |
| Receipts: | | | |
| Assessments | \$ 10,869 | \$ 11,000 | \$ 11,400 |
| Other | 1,593 | 1,361 | 1,429 |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 12,462 | 12,361 | 12,829 |
| Total Funds Available | <u>\$ 20,497</u> | <u>\$ 20,574</u> | <u>\$ 20,952</u> |
| Disbursements: | | | |
| Executive Offices | \$ 994 | \$ 751 | \$ 789 |
| Labor and Industry | 11,290 | 11,700 | 12,285 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | -12,284 | -12,451 | -13,074 |
| Cash Balance, Ending | <u>\$ 8,213</u> | <u>\$ 8,123</u> | <u>\$ 7,878</u> |

WORKMEN'S COMPENSATION SECURITY FUND

The purpose of this fund is payment of valid claims for compensation provided by the Workmen's Compensation Law to individuals who are insured by an insolvent stock company. Expenses for administration of the fund are also covered. One percent of the net written premiums by every stock insurance company received for Workmen's Compensation insurance policies written in the Commonwealth during the preceeding annual reporting period is credited to the fund. Such payments are required only if the balance (less known liabilities) of the fund is determined to be less than five percent of the loss reserves of all such stock companies for payments of benefits under the Workmen's Compensation Law.

Statement of Cash Receipts and Disbursements

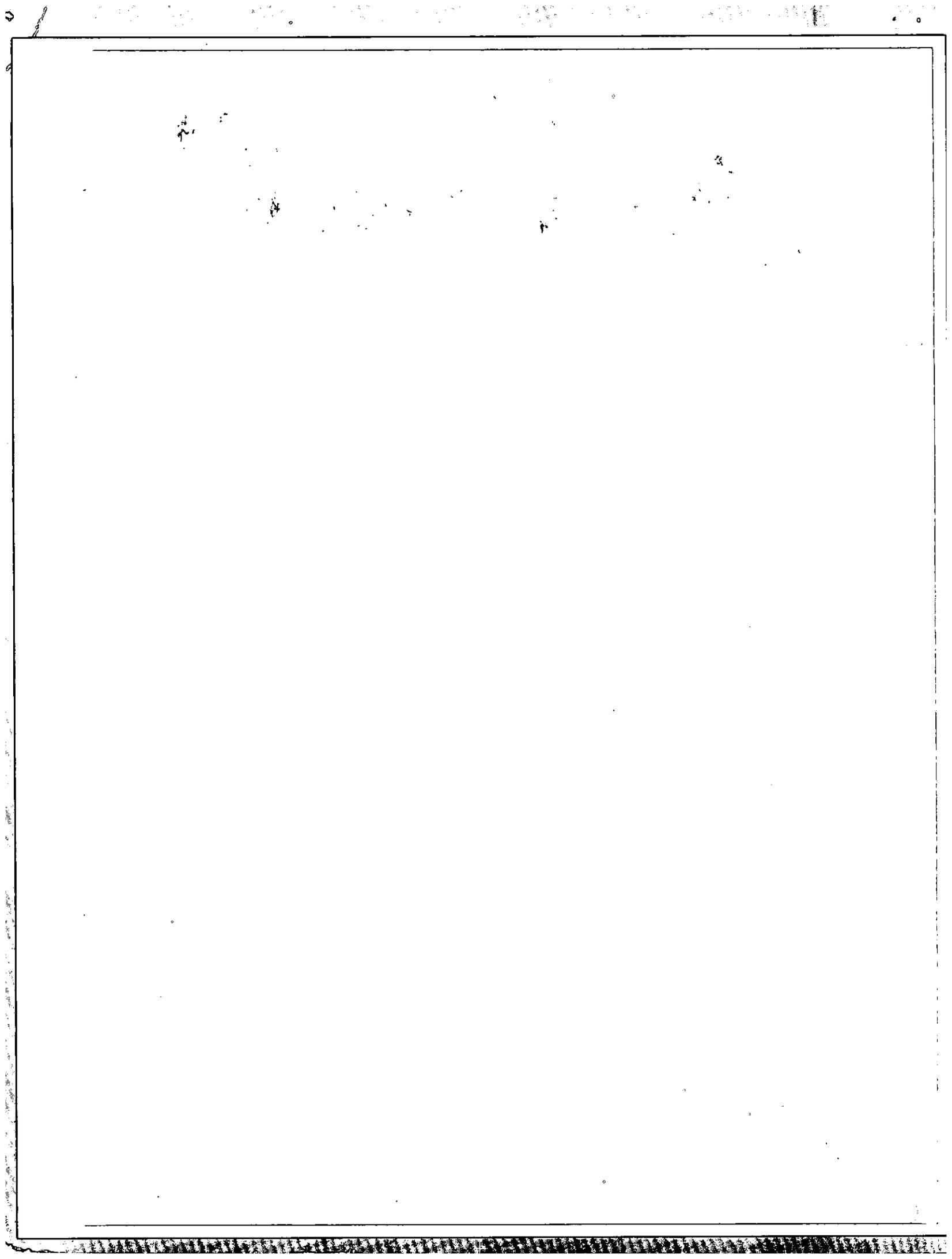
| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 180,014 | \$ 194,761 | \$ 213,491 |
| Receipts: | | | |
| Premium Contributions | \$ 284 | | \$ 10,000 |
| Interest on Securities | 20,878 | \$ 21,000 | 23,000 |
| Total Receipts | <u>21,162</u> | <u>21,000</u> | <u>33,000</u> |
| Total Funds Available | \$ 201,176 | \$ 215,761 | \$ 246,491 |
| Disbursements: | | | |
| Insurance | \$ 1,707 | \$ 2,270 | \$ 3,180 |
| Net Investment Adjustment | 4,708 | | |
| Total Disbursements | <u>-6,415</u> | <u>-2,270</u> | <u>-3,180</u> |
| Cash Balance, Ending | <u>\$ 194,761</u> | <u>\$ 213,491</u> | <u>\$ 243,311</u> |

WORKMEN'S COMPENSATION SUPERSEDEAS FUND

The purpose of this fund is to reimburse insurers for payments made by them to claimants under the Workmen's Compensation Act who are later determined to be ineligible. The fund is maintained by annual assessments on insurers and self-insurers and is administered by the Department of Labor and Industry.

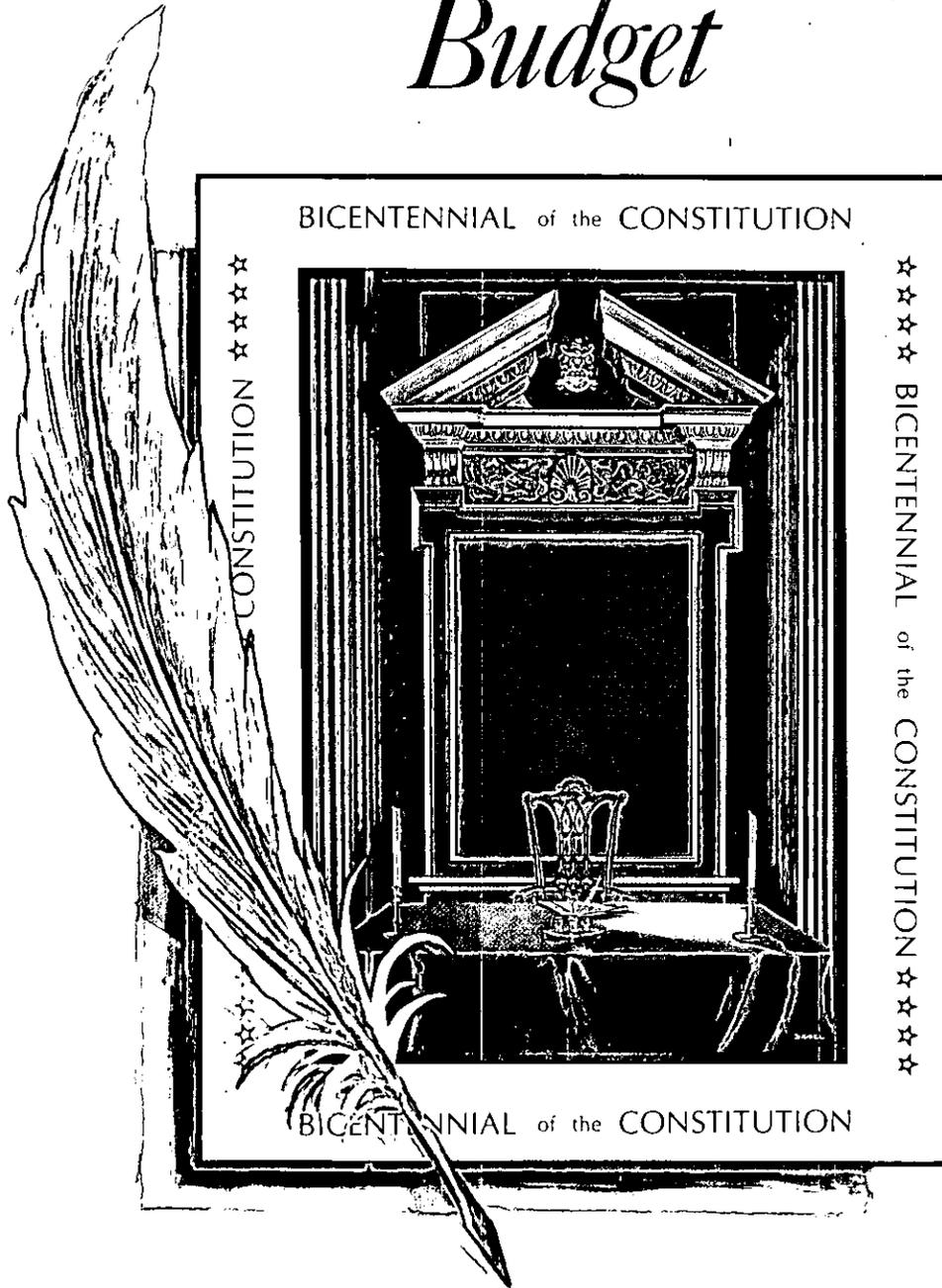
Statement of Cash Receipts and Disbursements

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Estimated |
|--------------------------------------|-------------------|---|----------------------|
| Cash Balance, Beginning | \$ 61 | \$ 61 | \$ 60 |
| Receipts: | | | |
| Assessments | \$ 1,606 | \$ 1,615 | \$ 1,625 |
| Other | 28 | 25 | 25 |
| | <hr/> | <hr/> | <hr/> |
| Total Receipts | 1,634 | 1,640 | 1,650 |
| Total Funds Available | \$ 1,695 | \$ 1,701 | \$ 1,710 |
| Disbursements: | | | |
| Labor and Industry | \$ 1,634 | \$ 1,641 | \$ 1,650 |
| | <hr/> | <hr/> | <hr/> |
| Total Disbursements | -1,634 | -1,641 | -1,650 |
| Cash Balance, Ending | \$ 61 | \$ 60 | \$ 60 |



1987-88

Governor's Executive Budget



Commonwealth of Pennsylvania

Robert P. Casey
Governor

The cover depicts the rising sun chair used by George Washington when he presided at this nation's constitutional convention two centuries ago at Independence Hall in Philadelphia.

. . . .“Two centuries ago, in 1787, a troubled people who were the children of destiny gathered in Pennsylvania.

In the turbulent wake of a revolution only just ended, their infant nation would surely perish unless they could form a new political and social partnership unlike the world had ever seen.

Torn by faction, paralyzed by petty partisanship, unsure of their course, and uncertain of their possibilities, they convened in Pennsylvania to invent the future.

Through the months of summer and into the fall, they struggled to write a Constitution unlike any before in the history of humankind.

And during the long and sometimes bitter debate, a former governor of Pennsylvania, Dr. Benjamin Franklin, took to musing about a wooden carving on the back of the chair of the convention's presiding officer.

The carving was a representation of the sun, and in it Franklin saw a metaphor for the infant nation; but he wondered, had the artist meant to carve it as a sun that was rising or setting?

Finally, on September 17, 1787, the Constitution was born, and Dr. Franklin told his fellow delegates: ‘Now at length I have the happiness to know that it is a rising and not a setting sun.’

. . . .“I believe that once again, it is within our power to determine whether Pennsylvania's sun is to set or to rise. I believe the future is ours; all we have to do is seize it.

“That is why I have come here today: to take command, not of the status quo, which is shadowed by the dusk, but of our future, illuminated in the brilliance of the dawn.

That is why I call for a new Pennsylvania Partnership:

—A Pennsylvania Partnership which must be as bold and stunning as that which two centuries ago fashioned in Philadelphia the Constitution which I have just sworn to uphold.

—A Pennsylvania Partnership which brings into the same house the men and women of labor and business, of government and education, of cities and suburbs, of factories and farms.

—A Pennsylvania Partnership which knows that if the sun does not rise for all of us, it will surely set on most of us.”

From the inaugural speech of
Governor Robert P. Casey,
January 20, 1987

FOREWORD

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

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

See Volume I Foreword for discussion of significant changes to the presentations in both volumes.

TABLE OF CONTENTS

Commonwealth Summaries

| | |
|--|---|
| Five Year Summary by Department and Fund | 3 |
|--|---|

Departmental Presentation

| | |
|--|-----|
| Governor’s Office | 9 |
| Summary by Fund and Appropriation | 11 |
| Summary by Category and Subcategory | 13 |
| Executive Direction | 14 |
| Executive Offices | 15 |
| Summary by Fund and Appropriation | 17 |
| Other Funds | 30 |
| Summary by Category and Subcategory | 31 |
| Executive Direction | 32 |
| Legal Services | 35 |
| Prevention and Elimination of Discriminatory Practices | 36 |
| Development of Artists and Audiences | 38 |
| Energy Management and Conservation | 41 |
| Income Maintenance | 44 |
| Criminal and Juvenile Justice Planning and Coordination | 46 |
| Reintegration of Juvenile Delinquents | 48 |
| Medical Malpractice Arbitration and Health Facilities Hearings | 50 |
| Lieutenant Governor | 53 |
| Summary by Fund and Appropriation | 55 |
| Summary by Category and Subcategory | 57 |
| Executive Direction | 58 |
| Attorney General | 59 |
| Summary by Fund and Appropriation | 61 |
| Summary by Category and Subcategory | 64 |
| General Administration and Support | 65 |
| Commonwealth Agencies Legal Services | 66 |
| Public Protection | 68 |
| Criminal Law | 70 |
| Auditor General | 73 |
| Summary by Fund and Appropriation | 75 |
| Other Funds | 77 |
| Summary by Category and Subcategory | 78 |
| Auditing | 79 |
| Income Maintenance | 80 |
| Municipal Pension Systems | 81 |
| Treasury | 83 |
| Summary by Fund and Appropriation | 85 |
| Other Funds | 102 |
| Summary by Category and Subcategory | 103 |
| Disbursement | 104 |
| Income Maintenance | 106 |
| Debt Service | 107 |
| Interstate Relations | 109 |
| Development, Utilization and Regulation of Water Resources | 110 |
| Aging | 111 |
| Summary by Fund and Appropriation | 113 |
| Summary by Category and Subcategory | 118 |
| General Administration and Support | 119 |
| Community Services | 120 |
| Community Based Long Term Care | 122 |
| Community Care | 125 |
| Pharmaceutical Assistance Program | 127 |

| | |
|--|-----|
| Agriculture | 131 |
| Summary by Fund and Appropriation | 133 |
| Other Funds..... | 141 |
| Summary by Category and Subcategory | 142 |
| General Administration and Support | 143 |
| Consumable Agricultural Products | 144 |
| Regulation of Horse Racing | 146 |
| Animal Health | 148 |
| Development of Agricultural Industries | 150 |
| Banking | 153 |
| Summary by Fund and Appropriation | 155 |
| Summary by Category and Subcategory | 157 |
| Regulation of Financial Institutions | 158 |
| Civil Service Commission | 161 |
| Summary by Fund and Appropriation | 163 |
| Summary by Category and Subcategory | 165 |
| General Administration and Support | 166 |
| Selection | 167 |
| Commerce | 169 |
| Summary by Fund and Appropriation | 171 |
| Community Affairs | 173 |
| Summary by Fund and Appropriation | 175 |
| Other Funds..... | 180 |
| Summary by Category and Subcategory | 181 |
| General Administration and Support | 182 |
| Housing and Redevelopment | 183 |
| Community Park and Recreation Development | 186 |
| Community Conservation and Youth Employment | 189 |
| Areawide Intermunicipal Services | 191 |
| Municipal Administrative Support Capability | 192 |
| Community Development Planning | 195 |
| Corrections | 197 |
| Summary by Fund and Appropriation | 199 |
| Other Funds..... | 203 |
| Summary by Category and Subcategory | 204 |
| Institutionalization of Offenders | 205 |
| Expansion of State Correctional Institution Housing | 208 |
| Crime Commission | 209 |
| Summary by Fund and Appropriation | 211 |
| Summary by Category and Subcategory | 213 |
| Criminal Law Enforcement | 214 |
| Economic Development Partnership | 217 |
| Funding Summary | 219 |
| Education | 221 |
| Summary by Fund and Appropriation | 223 |
| Other Funds..... | 246 |
| Summary by Category and Subcategory | 247 |
| Summary of Enrollments | 248 |
| General Administration and Support | 249 |
| General Preschool Education | 250 |
| General Elementary and Secondary Education | 252 |

| | |
|--|-----|
| Education (continued) | |
| Special Education Category Analysis | 255 |
| Mentally Handicapped Education | 256 |
| Physically Handicapped Education | 258 |
| Gifted and Talented Education | 261 |
| Compensatory Preschool Education | 263 |
| Compensatory Elementary and Secondary Education | 265 |
| Vocational Education | 267 |
| Community Education | 269 |
| Education in Correctional Institutions | 272 |
| Higher Education | 273 |
| Highway Safety Education | 287 |
| Adult Employment Training Services | 288 |
| State Library Services | 290 |
| Emergency Management Agency | 293 |
| Summary by Fund and Appropriation | 295 |
| Other Funds | 299 |
| Summary by Category and Subcategory | 300 |
| Emergency Management | 301 |
| Fire Prevention and Safety | 303 |
| Environmental Resources | 305 |
| Summary by Fund and Appropriation | 307 |
| Other Funds | 321 |
| Summary by Category and Subcategory | 322 |
| General Administration and Support | 323 |
| Management of Forest Resources | 324 |
| Management of Water and Mineral Resources | 326 |
| Air Pollution Control | 328 |
| Water Quality Management | 330 |
| Community Environmental Management | 332 |
| Solid Waste Management | 335 |
| Hazardous Waste Site Clean-up | 337 |
| Regulation of Mining | 339 |
| Environmental Support Services | 341 |
| Radiation Protection | 343 |
| Management of Recreation Areas and Facilities | 345 |
| Fish Commission | 347 |
| Summary by Fund and Appropriation | 349 |
| Summary by Category and Subcategory | 353 |
| General Administration and Support | 354 |
| Recreational Fishing and Boating | 355 |
| Game Commission | 357 |
| Summary by Fund and Appropriation | 359 |
| Summary by Category and Subcategory | 361 |
| General Administration and Support | 362 |
| Wildlife Management | 363 |
| General Services | 365 |
| Summary by Fund and Appropriation | 367 |
| Summary by Category and Subcategory | 378 |
| General Administration and Support | 379 |
| Procurement and Distribution of Commodities | 380 |
| Disposition and Utilization of Surplus and Donated Commodities | 382 |
| Management and Operation of Facilities | 383 |
| Payment of General State Authority Rentals | 385 |
| Risk Management and Tort Claims | 386 |

| | |
|--|-----|
| Health | 389 |
| Summary by Fund and Appropriation | 391 |
| Other Funds | 402 |
| Summary by Category and Subcategory | 403 |
| General Administration and Support | 404 |
| Medical Research and Health Information | 405 |
| Medical Facilities Review | 408 |
| Health Services Development | 410 |
| Health Maintenance and Disease Prevention | 412 |
| Maternity Services | 416 |
| Detection and Diagnosis | 417 |
| Outpatient Treatment | 419 |
| Inpatient Treatment | 422 |
| Prevention/Intervention of Drug and Alcohol Abuse | 423 |
| Treatment of Drug and Alcohol Abuse | 425 |
| Higher Education Assistance Agency | 427 |
| Summary by Fund and Appropriation | 429 |
| Other Funds | 431 |
| Summary by Category and Subcategory | 432 |
| Financial Assistance to Students | 433 |
| Financial Assistance to Students | 436 |
| Financial Assistance to Institutions | 437 |
| Financial Assistance to Institutions | 438 |
| General Elementary and Secondary Education | 439 |
| Historical and Museum Commission | 441 |
| Summary by Fund and Appropriation | 443 |
| Other Funds | 446 |
| Summary Category and Subcategory | 447 |
| General Administration and Support | 448 |
| Preserving Valuable Records | 449 |
| Development and Promotion of Pennsylvania State and Local History | 450 |
| Museum Development and Operation | 451 |
| Development and Preservation of Historical Sites and Properties | 454 |
| Housing Finance Agency | 457 |
| Summary by Fund and Appropriation | 459 |
| Summary by Category and Subcategory | 461 |
| General Administration and Support | 462 |
| Housing and Redevelopment | 463 |
| Insurance | 465 |
| Summary by Fund and Appropriation | 467 |
| Other Funds | 469 |
| Summary by Category and Subcategory | 470 |
| Regulation of Insurance Industry | 471 |
| Rate Analysis Enhancement | 474 |
| Labor and Industry | 477 |
| Summary by Fund and Appropriation | 479 |
| Other Funds | 484 |
| Summary by Category and Subcategory | 485 |
| General Administration and Support | 486 |
| Employability Development-Socially and Economically Handicapped | 487 |
| Employability Development-Physically and Mentally Handicapped | 489 |
| Income Maintenance | 492 |
| Labor Relations Stability | 495 |
| Accident Prevention | 497 |
| Regulation of Consumer Products and Promotion of Fair Business Practices | 499 |

| | |
|---|-----|
| Liquor Control Board | 501 |
| Summary by Fund and Appropriation | 503 |
| Summary by Category and Subcategory | 506 |
| Liquor Control | 507 |
| Military Affairs | 509 |
| Summary by Fund and Appropriation | 511 |
| Summary by Category and Subcategory | 517 |
| General Administration and Support | 518 |
| Domiciliary and Nursing Home Care | 519 |
| Disaster Assistance | 521 |
| Compensation and Assistance | 523 |
| Milk Marketing Board | 525 |
| Summary by Fund and Appropriation | 527 |
| Summary by Category and Subcategory | 530 |
| Regulation of Milk Industry | 531 |
| Probation and Parole | 533 |
| Summary by Fund and Appropriation | 535 |
| Summary by Category and Subcategory | 537 |
| General Administration and Support | 538 |
| Reintegration of the Adult Offender | 539 |
| Public Television Network | 543 |
| Summary by Fund and Appropriation | 545 |
| Summary by Category and Subcategory | 547 |
| General Administration and Support | 548 |
| Public Television Services | 549 |
| Public Utility Commission | 551 |
| Summary by Fund and Appropriation | 553 |
| Summary by Category and Subcategory | 555 |
| Regulation of Public Utilities | 556 |
| Public Welfare | 559 |
| Summary by Fund and Appropriation | 561 |
| Other Funds | 585 |
| Summary by Category and Subcategory | 586 |
| General Administration and Support | 587 |
| Alternative Health Care Delivery | 588 |
| Preventive Health Services | 590 |
| Treatment-Outpatient Services | 592 |
| Treatment-Inpatient Services | 594 |
| Long-Term Care Services | 598 |
| Community Mental Health Services | 600 |
| State Mental Hospital Services | 603 |
| Youth Development Services | 605 |
| Family Support Services | 608 |
| Child Abuse Prevention | 613 |
| Homeless Assistance | 614 |
| Community Mental Retardation Services | 615 |
| Private Intermediate Care Facilities | 620 |
| State Centers | 621 |
| Income Maintenance | 623 |
| Cash Grant Increase | 626 |
| Revenue | 629 |
| Summary by Fund and Appropriation | 631 |
| Summary by Category and Subcategory | 639 |
| General Administration and Support | 640 |
| Revenue Collection and Administration | 641 |
| Public Utility Realty Payments | 643 |
| Homeowners and Renters Assistance | 644 |

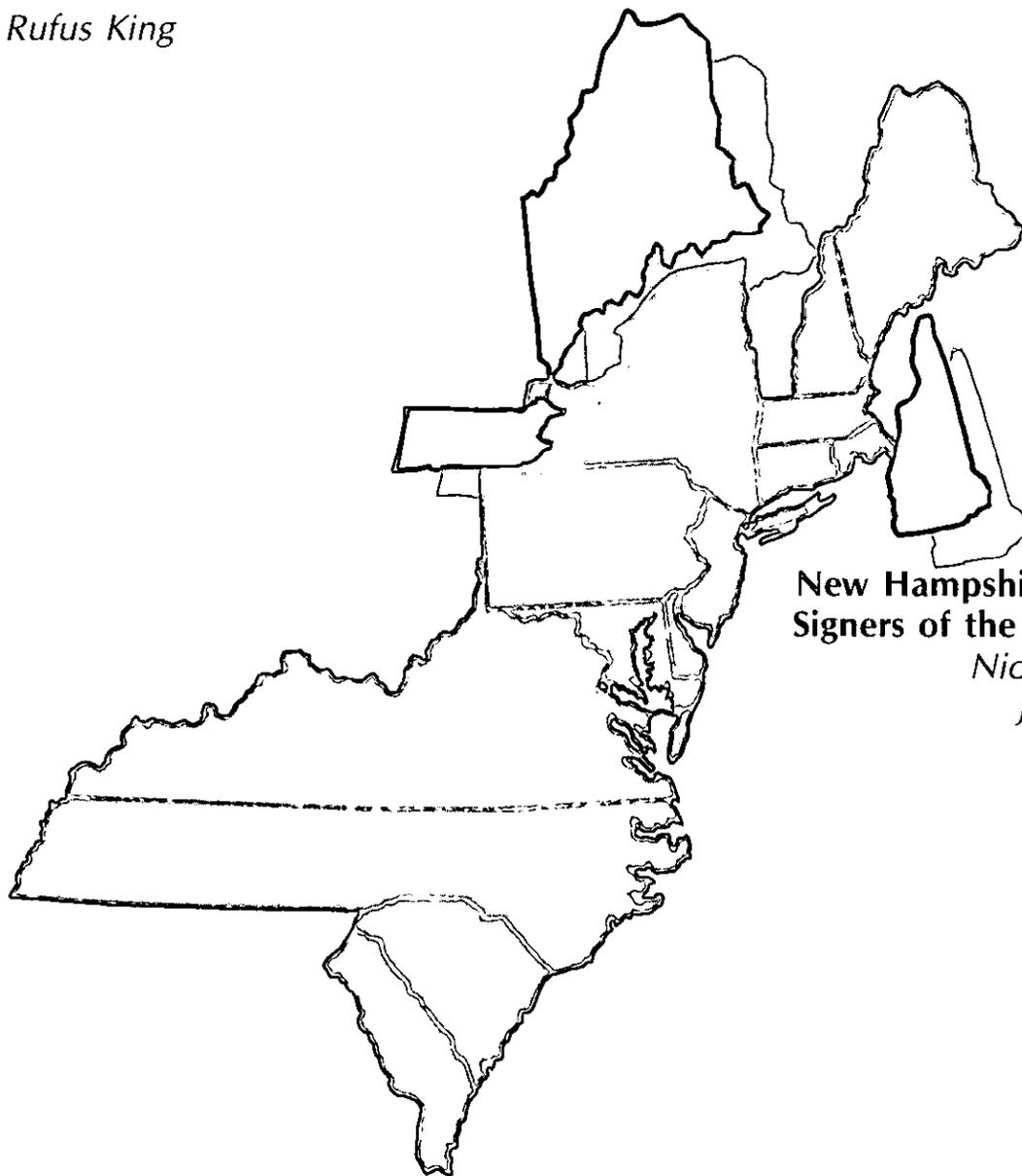
| | |
|--|-----|
| Securities Commission | 645 |
| Summary by Fund and Appropriation | 647 |
| Summary by Category and Subcategory | 649 |
| Regulation of Securities Industry | 650 |
| State | 653 |
| Summary by Fund and Appropriation | 655 |
| Summary by Category and Subcategory | 658 |
| General Administration and Support | 659 |
| Regulation of Consumer Products and Promotion of Fair Business Practices | 660 |
| Maintenance of Professional and Occupational Standards | 662 |
| Maintenance of the Electoral Process | 664 |
| State Employees' Retirement System | 667 |
| Summary by Fund and Appropriation | 669 |
| Other Funds | 671 |
| Summary by Category and Subcategory | 672 |
| General Administration and Support | 673 |
| State Police | 675 |
| Summary by Fund and Appropriation | 677 |
| Summary by Category and Subcategory | 681 |
| General Administration and Support | 682 |
| Operator Qualifications Control | 683 |
| Vehicle Standards Control | 685 |
| Traffic Supervision | 687 |
| Crime Prevention | 690 |
| Criminal Law Enforcement | 692 |
| Automated Fingerprint Identification System (AFIS) | 696 |
| Emergency Assistance | 697 |
| Fire Prevention | 699 |
| Tax Equalization Board | 701 |
| Summary by Fund and Appropriation | 703 |
| Summary by Category and Subcategory | 705 |
| General Administration and Support | 706 |
| Transportation | 707 |
| Summary by Fund and Appropriation | 709 |
| Other Funds | 727 |
| Summary by Category and Subcategory | 728 |
| General Administration and Support | 729 |
| State Highway Construction/Reconstruction | 730 |
| State Highway Maintenance | 732 |
| Local Highway Assistance | 735 |
| Urban Mass Transportation | 737 |
| Predictable Funding | 738 |
| Rural and Intercity Rail and Bus Transportation | 740 |
| Air Transportation | 743 |
| State Bridges | 743 |
| Highway Safety Projects | 747 |
| Safety Administration and Licensing | 749 |
| Elderly Transit | 751 |
| Legislature | 753 |
| Summary by Fund and Appropriation | 755 |
| Summary by Category and Subcategory | 760 |
| Legislature | 761 |
| Judiciary | 763 |
| Summary by Fund and Appropriation | 765 |
| Summary by Category and Subcategory | 771 |
| State Judicial System | 772 |

COMMONWEALTH SUMMARIES

Massachusetts Signers of the Constitution:

Nathaniel Gorham

Rufus King



New Hampshire

Signers of the Constitution:

Nicholas Gilman

John Langdon

FIVE-YEAR DEPARTMENT SUMMARY BY FUND

(continued)

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| GOVERNOR'S OFFICE | | | | | | | |
| GENERAL FUND | \$ 3,332 | \$ 3,476 | \$ 3,712 | \$ 3,860 | \$ 4,014 | \$ 4,175 | \$ 4,342 |
| TOTAL | \$ 3,332 | \$ 3,476 | \$ 3,712 | \$ 3,860 | \$ 4,014 | \$ 4,175 | \$ 4,342 |
| EXECUTIVE OFFICES | | | | | | | |
| GENERAL FUND | \$ 51,445 | \$ 51,107 | \$ 55,722 | \$ 59,778 | \$ 61,545 | \$ 63,387 | \$ 65,300 |
| MOTOR LICENSE FUND | 3,679 | 3,579 | 3,777 | 3,928 | 4,085 | 4,248 | 4,418 |
| TOTAL | \$ 55,124 | \$ 54,686 | \$ 59,499 | \$ 63,706 | \$ 65,630 | \$ 67,635 | \$ 69,718 |
| LIEUTENANT GOVERNOR'S OFFICE | | | | | | | |
| GENERAL FUND | \$ 676 | \$ 668 | \$ 711 | \$ 739 | \$ 769 | \$ 800 | \$ 832 |
| TOTAL | \$ 676 | \$ 668 | \$ 711 | \$ 739 | \$ 769 | \$ 800 | \$ 832 |
| ATTORNEY GENERAL | | | | | | | |
| GENERAL FUND | \$ 24,639 | \$ 25,043 | \$ 26,305 | \$ 27,358 | \$ 28,451 | \$ 29,589 | \$ 30,773 |
| TOTAL | \$ 24,639 | \$ 25,043 | \$ 26,305 | \$ 27,358 | \$ 28,451 | \$ 29,589 | \$ 30,773 |
| AUDITOR GENERAL | | | | | | | |
| GENERAL FUND | \$ 27,181 | \$ 27,477 | \$ 29,712 | \$ 30,900 | \$ 67,136 | \$ 68,422 | \$ 69,759 |
| TOTAL | \$ 27,181 | \$ 27,477 | \$ 29,712 | \$ 30,900 | \$ 67,136 | \$ 68,422 | \$ 69,759 |
| TREASURY | | | | | | | |
| GENERAL FUND | \$ 316,528 | \$ 361,096 | \$ 382,302 | \$ 414,496 | \$ 445,419 | \$ 463,833 | \$ 482,759 |
| LOTTERY FUND | 15 | 20 | 20 | 20 | 20 | 20 | 20 |
| RACING FUND ..... | . . . . | 10 | 10 | 10 | 10 | 10 | 10 |
| MOTOR LICENSE FUND | 172,143 | 176,668 | 181,957 | 190,513 | 192,312 | 182,770 | 175,279 |
| GAME FUND ..... | . . . . | 6 | 6 | 6 | 6 | 6 | 6 |
| FISH FUND ..... | . . . . | 5 | 5 | 5 | 5 | 5 | 5 |
| BANKING DEPARTMENT FUND ..... | . . . . | 5 | 5 | 5 | 5 | 5 | 5 |
| MILK MARKETING FUND ..... | . . . . | 10 | 10 | 10 | 10 | 10 | 10 |
| FARM PRODUCTS SHOW FUND ..... | . . . . | 5 | 5 | 5 | 5 | 5 | 5 |
| BOATING FUND ..... | . . . . | 5 | 5 | 5 | 5 | 5 | 5 |
| TOTAL | \$ 488,686 | \$ 537,830 | \$ 564,325 | \$ 605,075 | \$ 637,797 | \$ 646,669 | \$ 658,104 |
| AGING | | | | | | | |
| GENERAL FUND ..... | . . . . | . . . . | \$ 2,000 | | | | |
| LOTTERY FUND | \$ 178,090 | \$ 186,779 | 197,367 | \$ 247,327 | \$ 319,339 | \$ 350,394 | \$ 384,500 |
| TOTAL | \$ 178,090 | \$ 186,779 | \$ 199,367 | \$ 247,327 | \$ 319,339 | \$ 350,394 | \$ 384,500 |
| AGRICULTURE | | | | | | | |
| GENERAL FUND | \$ 33,007 | \$ 31,398 | \$ 34,189 | \$ 31,864 | \$ 32,214 | \$ 35,917 | \$ 33,647 |
| RACING FUND | 8,868 | 7,730 | 6,639 | 7,194 | 7,228 | 7,202 | 7,209 |
| PENNSYLVANIA FAIR FUND | 10- | 143 | | | | | |
| FARM PRODUCTS SHOW FUND | 1,735 | 1,847 | 1,852 | 1,926 | 2,003 | 2,083 | 2,167 |
| TOTAL | \$ 43,600 | \$ 41,118 | \$ 42,680 | \$ 40,984 | \$ 41,445 | \$ 45,202 | \$ 43,023 |
| BANKING | | | | | | | |
| BANKING DEPARTMENT FUND | \$ 6,854 | \$ 6,836 | \$ 7,035 | \$ 7,316 | \$ 7,609 | \$ 7,913 | \$ 8,230 |
| TOTAL | \$ 6,854 | \$ 6,836 | \$ 7,035 | \$ 7,316 | \$ 7,609 | \$ 7,913 | \$ 8,230 |

FIVE-YEAR DEPARTMENT SUMMARY BY FUND

(continued)

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| COMMERCE | | | | | | | |
| GENERAL FUND..... | \$ 179,420 | \$ 92,014 | ..... | ..... | ..... | ..... | ..... |
| TOTAL | \$ 179,420 | \$ 92,014 | ..... | ..... | ..... | ..... | ..... |
| COMMUNITY AFFAIRS | | | | | | | |
| GENERAL FUND..... | \$ 32,280 | \$ 45,798 | \$ 41,621 | \$ 26,910 | \$ 27,211 | \$ 27,524 | \$ 27,850 |
| TOTAL | \$ 32,280 | \$ 45,798 | \$ 41,621 | \$ 26,910 | \$ 27,211 | \$ 27,524 | \$ 27,850 |
| CORRECTIONS | | | | | | | |
| GENERAL FUND..... | \$ 185,268 | \$ 204,543 | \$ 241,071 | \$ 255,535 | \$ 268,374 | \$ 279,109 | \$ 290,273 |
| TOTAL | \$ 185,268 | \$ 204,543 | \$ 241,071 | \$ 255,535 | \$ 268,374 | \$ 279,109 | \$ 290,273 |
| CRIME COMMISSION | | | | | | | |
| GENERAL FUND..... | \$ 2,234 | \$ 2,240 | \$ 2,230 | \$ 2,319 | \$ 2,412 | \$ 2,508 | \$ 2,609 |
| TOTAL | \$ 2,234 | \$ 2,240 | \$ 2,230 | \$ 2,319 | \$ 2,412 | \$ 2,508 | \$ 2,609 |
| ECONOMIC DEVELOPMENT PARTNERSHIP | | | | | | | |
| GENERAL FUND..... | ..... | ..... | \$ 100,056 | \$ 103,103 | \$ 101,921 | \$ 105,511 | \$ 103,125 |
| TOTAL ..... | ..... | ..... | \$ 100,056 | \$ 103,103 | \$ 101,921 | \$ 105,511 | \$ 103,125 |
| EDUCATION | | | | | | | |
| GENERAL FUND..... | \$ 4,352,069 | \$ 4,639,038 | \$ 4,872,801 | \$ 5,075,925 | \$ 5,288,612 | \$ 5,662,466 | \$ 6,047,036 |
| MOTOR LICENSE FUND | 2,069 | 2,598 | 2,300 | 2,300 | 2,300 | 2,300 | 2,300 |
| TOTAL | \$ 4,354,138 | \$ 4,641,636 | \$ 4,875,101 | \$ 5,078,225 | \$ 5,290,912 | \$ 5,664,766 | \$ 6,049,336 |
| PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY | | | | | | | |
| GENERAL FUND..... | \$ 19,773 | \$ 2,462 | \$ 2,467 | \$ 2,566 | \$ 2,668 | \$ 2,775 | \$ 2,886 |
| TOTAL | \$ 19,773 | \$ 2,462 | \$ 2,467 | \$ 2,566 | \$ 2,668 | \$ 2,775 | \$ 2,886 |
| DEPARTMENT OF ENVIRONMENTAL RESOURCES | | | | | | | |
| GENERAL FUND..... | \$ 147,622 | \$ 156,003 | \$ 197,096 | \$ 198,738 | \$ 203,636 | \$ 208,652 | \$ 190,711 |
| TOTAL | \$ 147,622 | \$ 156,003 | \$ 197,096 | \$ 198,738 | \$ 203,636 | \$ 208,652 | \$ 190,711 |
| FISH COMMISSION | | | | | | | |
| GENERAL FUND..... | \$ 5 | \$ 7 | \$ 7 | \$ 7 | \$ 7 | \$ 7 | \$ 7 |
| FISH FUND | 15,143 | 15,505 | 15,399 | 15,740 | 16,137 | 16,137 | 16,137 |
| BOATING FUND | 3,564 | 3,845 | 3,863 | 3,957 | 4,059 | 4,059 | 4,059 |
| TOTAL | \$ 18,712 | \$ 19,357 | \$ 19,269 | \$ 19,704 | \$ 20,203 | \$ 20,203 | \$ 20,203 |
| GAME COMMISSION | | | | | | | |
| GAME FUND..... | \$ 36,222 | \$ 37,151 | \$ 31,923 | \$ 33,200 | \$ 34,528 | \$ 35,909 | \$ 33,874 |
| TOTAL | \$ 36,222 | \$ 37,151 | \$ 31,923 | \$ 33,200 | \$ 34,528 | \$ 35,909 | \$ 33,874 |
| GENERAL SERVICES | | | | | | | |
| GENERAL FUND..... | \$ 113,016 | \$ 111,095 | \$ 109,849 | \$ 107,618 | \$ 105,616 | \$ 105,164 | \$ 104,878 |
| LOTTERY FUND | 198 | 189 | 188 | 183 | 183 | 187 | 185 |
| MOTOR LICENSE FUND | 26,171 | 27,676 | 27,685 | 30,177 | 31,648 | 35,578 | 38,549 |
| FISH FUND | 62 | 63 | 63 | 63 | 63 | 63 | 63 |
| BANKING DEPARTMENT FUND..... | 290 | 301 | 299 | 292 | 292 | 297 | 298 |
| BOATING FUND | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| FEDERAL REVENUE SHARING TRUST FUND | 36 | 300 | 300 | ..... | ..... | ..... | ..... |
| TOTAL | \$ 139,775 | \$ 139,626 | \$ 138,386 | \$ 138,335 | \$ 137,804 | \$ 141,291 | \$ 143,975 |

FIVE-YEAR DEPARTMENT SUMMARY BY FUND

(continued)

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
| HEALTH | | | | | | | |
| GENERAL FUND | \$ 133,242 | \$ 143,536 | \$ 148,946 | \$ 153,414 | \$ 157,548 | \$ 161,842 | \$ 166,292 |
| TOTAL | \$ 133,242 | \$ 143,536 | \$ 148,946 | \$ 153,414 | \$ 157,548 | \$ 161,842 | \$ 166,292 |
| HIGHER EDUCATION ASSISTANCE AGENCY | | | | | | | |
| GENERAL FUND | \$ 117,576 | \$ 125,566 | \$ 138,498 | \$ 144,036 | \$ 149,796 | \$ 155,786 | \$ 162,015 |
| TOTAL | \$ 117,576 | \$ 125,566 | \$ 138,498 | \$ 144,036 | \$ 149,796 | \$ 155,786 | \$ 162,015 |
| HISTORICAL AND MUSEUM COMMISSION | | | | | | | |
| GENERAL FUND | \$ 12,833 | \$ 13,441 | \$ 13,902 | \$ 14,367 | \$ 14,105 | \$ 14,611 | \$ 15,135 |
| TOTAL | \$ 12,833 | \$ 13,441 | \$ 13,902 | \$ 14,367 | \$ 14,105 | \$ 14,611 | \$ 15,135 |
| HOUSING FINANCE AGENCY | | | | | | | |
| GENERAL FUND | \$ 25,750 | \$ 25,750 | \$ 18,000 | \$ 18,000 | \$ 18,000 | \$ 855 | \$ 855 |
| TOTAL | \$ 25,750 | \$ 25,750 | \$ 18,000 | \$ 18,000 | \$ 18,000 | \$ 855 | \$ 855 |
| INSURANCE | | | | | | | |
| GENERAL FUND | \$ 7,530 | \$ 7,952 | \$ 8,600 | \$ 9,256 | \$ 9,626 | \$ 10,011 | \$ 10,411 |
| TOTAL | \$ 7,530 | \$ 7,952 | \$ 8,600 | \$ 9,256 | \$ 9,626 | \$ 10,011 | \$ 10,411 |
| LABOR AND INDUSTRY | | | | | | | |
| GENERAL FUND | \$ 39,899 | \$ 47,900 | \$ 45,270 | \$ 46,415 | \$ 49,554 | \$ 51,580 | \$ 52,687 |
| TOTAL | \$ 39,899 | \$ 47,900 | \$ 45,270 | \$ 46,415 | \$ 49,554 | \$ 51,580 | \$ 52,687 |
| MILITARY AFFAIRS | | | | | | | |
| GENERAL FUND | \$ 24,592 | \$ 27,816 | \$ 30,155 | \$ 31,421 | \$ 32,562 | \$ 33,746 | \$ 34,980 |
| TOTAL | \$ 24,592 | \$ 27,816 | \$ 30,155 | \$ 31,421 | \$ 32,562 | \$ 33,746 | \$ 34,980 |
| MILK MARKETING BOARD | | | | | | | |
| GENERAL FUND | \$ 975 | \$ 950 | \$ 950 | \$ 950 | \$ 950 | \$ 950 | \$ 950 |
| MILK MARKETING FUND | 606 | 784 | 715 | 715 | 715 | 715 | 715 |
| TOTAL | \$ 1,581 | \$ 1,734 | \$ 1,665 | \$ 1,665 | \$ 1,665 | \$ 1,665 | \$ 1,665 |
| PROBATION AND PAROLE | | | | | | | |
| GENERAL FUND | \$ 26,475 | \$ 30,034 | \$ 34,782 | \$ 36,016 | \$ 36,919 | \$ 37,858 | \$ 38,835 |
| TOTAL | \$ 26,475 | \$ 30,034 | \$ 34,782 | \$ 36,016 | \$ 36,919 | \$ 37,858 | \$ 38,835 |
| PUBLIC TELEVISION NETWORK | | | | | | | |
| GENERAL FUND | \$ 8,785 | \$ 9,242 | \$ 9,638 | \$ 9,955 | \$ 10,282 | \$ 10,621 | \$ 10,971 |
| TOTAL | \$ 8,785 | \$ 9,242 | \$ 9,638 | \$ 9,955 | \$ 10,282 | \$ 10,621 | \$ 10,971 |
| PUBLIC WELFARE | | | | | | | |
| GENERAL FUND | \$ 2,764,070 | \$ 2,848,932 | \$ 2,983,196 | \$ 3,117,719 | \$ 3,238,685 | \$ 3,358,481 | \$ 3,486,925 |
| LOTTERY FUND | 169,635 | 170,301 | 151,835 | 152,427 | 153,046 | 153,700 | 154,390 |
| TOTAL | \$ 2,933,705 | \$ 3,019,233 | \$ 3,135,031 | \$ 3,270,146 | \$ 3,391,731 | \$ 3,512,181 | \$ 3,641,315 |

FIVE-YEAR DEPARTMENT SUMMARY BY FUND

(continued)

(Dollar Amounts in Thousands)

| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | 1988-89 Estimated | 1989-90 Estimated | 1990-91 Estimated | 1991-92 Estimated |
|---|---------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| REVENUE | | | | | | | |
| GENERAL FUND | \$ 152,242 | \$ 156,415 | \$ 161,039 | \$ 168,179 | \$ 174,770 | \$ 181,621 | \$ 188,742 |
| LOTTERY FUND | 349,012 | 398,190 | 355,030 | 354,515 | 353,862 | 353,277 | 352,759 |
| RACING FUND | 139 | 119 | 124 | 129 | 133 | 137 | 141 |
| MOTOR LICENSE FUND | 11,383 | 12,405 | 12,758 | 12,903 | 13,064 | 13,230 | 13,402 |
| TOTAL | \$ 512,776 | \$ 567,129 | \$ 528,951 | \$ 535,726 | \$ 541,829 | \$ 548,265 | \$ 555,044 |
| SECURITIES COMMISSION | | | | | | | |
| GENERAL FUND | \$ 2,154 | \$ 2,346 | \$ 2,529 | \$ 2,693 | \$ 2,745 | \$ 2,855 | \$ 2,969 |
| TOTAL | \$ 2,154 | \$ 2,346 | \$ 2,529 | \$ 2,693 | \$ 2,745 | \$ 2,855 | \$ 2,969 |
| STATE | | | | | | | |
| GENERAL FUND | \$ 3,434 | \$ 3,062 | \$ 3,188 | \$ 3,305 | \$ 3,414 | \$ 3,534 | \$ 3,658 |
| TOTAL | \$ 3,434 | \$ 3,062 | \$ 3,188 | \$ 3,305 | \$ 3,414 | \$ 3,534 | \$ 3,658 |
| EMPLOYES RETIREMENT SYSTEM | | | | | | | |
| GENERAL FUND | \$ 1,403 | \$ 1,193 | \$ 679 | \$ 679 | \$ 679 | \$ 679 | \$ 679 |
| TOTAL | \$ 1,403 | \$ 1,193 | \$ 679 | \$ 679 | \$ 679 | \$ 679 | \$ 679 |
| POLICE | | | | | | | |
| GENERAL FUND | \$ 64,896 | \$ 68,814 | \$ 81,076 | \$ 83,586 | \$ 86,504 | \$ 89,848 | \$ 93,325 |
| MOTOR LICENSE FUND | 148,112 | 152,018 | 162,224 | 164,575 | 167,632 | 174,120 | 180,868 |
| TOTAL | \$ 213,008 | \$ 220,832 | \$ 243,300 | \$ 248,161 | \$ 254,136 | \$ 263,968 | \$ 274,193 |
| TAX EQUALIZATION BOARD | | | | | | | |
| GENERAL FUND | \$ 945 | \$ 933 | \$ 1,015 | \$ 1,056 | \$ 1,098 | \$ 1,142 | \$ 1,188 |
| TOTAL | \$ 945 | \$ 933 | \$ 1,015 | \$ 1,056 | \$ 1,098 | \$ 1,142 | \$ 1,188 |
| TRANSPORTATION | | | | | | | |
| GENERAL FUND | \$ 185,886 | \$ 193,380 | \$ 208,739 | \$ 215,962 | \$ 224,228 | \$ 232,826 | \$ 241,767 |
| LOTTERY FUND | 107,526 | 116,569 | 118,684 | 119,992 | 121,321 | 122,758 | 124,040 |
| MOTOR LICENSE FUND | 1,018,715 | 1,038,699 | 1,052,977 | 997,060 | 991,454 | 992,331 | 993,892 |
| TOTAL | \$ 1,312,127 | \$ 1,348,648 | \$ 1,380,400 | \$ 1,333,014 | \$ 1,337,003 | \$ 1,347,915 | \$ 1,359,699 |
| LEGISLATURE | | | | | | | |
| GENERAL FUND | \$ 99,414 | \$ 113,281 | \$ 119,619 | \$ 119,619 | \$ 119,619 | \$ 119,619 | \$ 119,619 |
| TOTAL | \$ 99,414 | \$ 113,281 | \$ 119,619 | \$ 119,619 | \$ 119,619 | \$ 119,619 | \$ 119,619 |
| JUDICIARY | | | | | | | |
| GENERAL FUND | \$ 131,475 | \$ 125,118 | \$ 131,204 | \$ 134,738 | \$ 138,413 | \$ 142,236 | \$ 146,211 |
| TOTAL | \$ 131,475 | \$ 125,118 | \$ 131,204 | \$ 134,738 | \$ 138,413 | \$ 142,236 | \$ 146,211 |
| COMMONWEALTH TOTAL | | | | | | | |
| GENERAL FUND | \$ 9,292,072 | \$ 9,699,127 | \$10,242,877 | \$10,653,083 | \$11,109,503 | \$11,670,541 | \$12,235,002 |
| LOTTERY FUND | 804,476 | 872,048 | 823,124 | 874,464 | 947,771 | 980,336 | 1,015,894 |
| RACING FUND | 9,007 | 7,859 | 6,773 | 7,333 | 7,371 | 7,349 | 7,360 |
| PENNSYLVANIA FAIR FUND | 10- | 143 | ..... | ..... | ..... | ..... | ..... |
| MOTOR LICENSE FUND | 1,382,272 | 1,413,643 | 1,443,678 | 1,401,456 | 1,402,495 | 1,404,577 | 1,408,708 |
| GAME FUND | 36,222 | 37,157 | 31,929 | 33,206 | 34,534 | 35,915 | 33,880 |
| FISH FUND | 15,205 | 15,573 | 15,467 | 15,808 | 16,205 | 16,205 | 16,205 |
| BANKING DEPARTMENT FUND | 7,144 | 7,142 | 7,339 | 7,613 | 7,906 | 8,215 | 8,533 |
| MILK MARKETING FUND | 606 | 794 | 725 | 725 | 725 | 725 | 725 |
| FARM PRODUCTS SHOW FUND | 1,735 | 1,852 | 1,857 | 1,931 | 2,008 | 2,088 | 2,172 |
| BOATING FUND | 3,566 | 3,852 | 3,870 | 3,964 | 4,066 | 4,066 | 4,066 |
| FEDERAL REVENUE SHARING TRUST FUND | 36 | 300 | 300 | ..... | ..... | ..... | ..... |
| GRAND TOTAL | \$11,552,331 | \$12,059,490 | \$12,577,939 | \$12,999,583 | \$13,532,584 | \$14,130,017 | \$14,732,545 |

DEPARTMENT PRESENTATIONS

Connecticut Signers of the Constitution:

William Samuel Johnson

Roger Sherman



**Rhode Island
Signers of the Constitution:**
none

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|-------------------------|-------------------|---|-------------------|
| General Fund | | | |
| General Government | | | |
| Governor's Office..... | \$ 3,332 | \$ 3,476 | \$ 3,712 |
| GENERAL FUND TOTAL..... | <u>\$ 3,332</u> | <u>\$ 3,476</u> | <u>\$ 3,712</u> |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Governor's Office | | | |
| State Funds | \$ 3,332 | \$ 3,476 | \$ 3,712 |

Provides the Governor with the necessary staff to perform the legislative, administrative and public information functions required of the office. Also provides for Pennsylvania's Liaison Office in Washington, D.C. and official entertainment and household expenses at the Governor's Home.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|-------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Governor's Office | <u>\$ 3,332</u> | <u>\$ 3,476</u> | <u>\$ 3,712</u> |

GOVERNOR'S OFFICE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 3,332 | \$ 3,476 | \$ 3,712 | \$ 3,860 | \$ 4,014 | \$ 4,175 | \$ 4,342 |
| Executive Direction | 3,332 | 3,476 | 3,712 | 3,860 | 4,014 | 4,175 | 4,342 |
| DEPARTMENT TOTAL | <u>\$ 3,332</u> | <u>\$ 3,476</u> | <u>\$ 3,712</u> | <u>\$ 3,860</u> | <u>\$ 4,014</u> | <u>\$ 4,175</u> | <u>\$ 4,342</u> |

Executive Direction

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>\$ 3,332</u> | <u>\$ 3,476</u> | <u>\$ 3,712</u> | <u>\$ 3,860</u> | <u>\$ 4,014</u> | <u>\$ 4,175</u> | <u>\$ 4,342</u> |

Program Analysis:

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, 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 Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 |  |  | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Governor's Office..... | <u>\$ 3,332</u> | <u>\$ 3,476</u> | <u>\$ 3,712</u> | <u>\$ 3,860</u> | <u>\$ 4,014</u> | <u>\$ 4,175</u> | <u>\$ 4,342</u> |

Executive Offices

To aid the Governor, the Office of Administration performs the duties of a central management agency and coordinates the Commonwealth's Integrated Central System. The Office of the Budget performs the duties of a central management agency, prepares the annual Governor's Budget and Five Year Financial Plan based upon the Governor's priorities and analysis of program effectiveness and provides comptroller services for the maintenance and management of all agency accounts in the Commonwealth. The Human Relations Commission and the Pennsylvania Commission for Women promote equal opportunities for all people in employment, housing, public accommodations and education. The Governor's Energy Council 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 Office of Policy Development provides the Governor with policy analysis and research in areas relating to economic development, human services, public safety, the environment and other areas of concern to the Commonwealth. The Commission on Crime and Delinquency provides the planning and technical assistance for the improvement of the Criminal Justice System. The Governor's Action Center provides citizens easy access to State Government. The Milrite Council seeks solutions to Pennsylvania's economic problems and makes funds available for local labor/management committees. The Public Employee Retirement Study Commission monitors public 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 Facilities Hearing Board conducts preliminary hearings on appeals from decisions of the Department of Health relating to applications for certificate of need and the licensure of health care facilities. The Health Care Conciliation Panels assist courts by conducting conciliation conferences involving medical malpractice cases. The Medical Professional Liability Catastrophe Loss Fund makes claim payments in certain medical malpractice cases. The anti-drug abuse program will provide funds to reduce drug abuse through school and community education, law enforcement and treatment of substance abuse.

EXECUTIVE OFFICES

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| Governor's Action Center | \$ 555 | \$ 559 | \$ 576 |
| Office of Administration | 4,152 | 4,000 | 4,358 |
| Office of the Budget | 18,978 | 18,678 | 19,719 |
| ICS Development | 3,126 | 3,231 | 3,531 |
| Office of Policy Development | 650 | 526 | 772 |
| Human Resources Committee | 295 | 290 | 299 |
| Milrite Council | 178 | 397 | 203 |
| Human Relations Commission | 5,041 | 5,199 | 5,898 |
| Council on the Arts | 723 | 780 | 800 |
| Commission for Women | 197 | 175 | 196 |
| Governor's Energy Council | 1,584 | 1,465 | 1,471 |
| Commission on Crime and Delinquency | 1,627 | 1,805 | 1,805 |
| Office of General Counsel | 1,301 | 1,318 | 1,358 |
| Juvenile Court Judges Commission | 475 | 475 | 489 |
| Crime Victims Compensation Board | 433 | 436 | 475 |
| Health Facilities Hearing Board | 148 | 168 | 173 |
| Health Care Conciliation Panels ..... | ..... | 454 | ..... |
| Public Employee Retirement Study Commission | 312 | 425 | 430 |
| Distinguished Daughters | 3 | 4 | 4 |
| Anti-Drug Abuse — Law Enforcement Administration ..... | ..... | ..... | 84 |
| Anti-Drug Abuse — Law Enforcement State Match ..... | ..... | ..... | 562 |
| Subtotal | \$ 39,778 | \$ 40,385 | \$ 43,203 |
| Grants and Subsidies | | | |
| Grants to the Arts | \$ 5,997 | \$ 7,000 | \$ 9,000 |
| Improvement of Juvenile Probation Services | 2,638 | 2,902 | 2,989 |
| Compensation to Crime Victims | 2,300 | ..... | ..... |
| Labor Management Committees | 432 | 500 | 530 |
| Eagleville Hospital | 300 | 300 | ..... |
| New Castle School District Energy Plan ..... | ..... | 20 | ..... |
| Subtotal | \$ 11,667 | \$ 10,722 | \$ 12,519 |
| TOTAL STATE FUNDS | \$ 51,445 | \$ 51,107 | \$ 55,722 |
| Federal Funds | \$ 7,162 | \$ 7,075 | \$ 29,218 |
| Augmentations | 28,740 | 30,298 | 32,499 |
| GENERAL FUND TOTAL | \$ 87,347 | \$ 88,480 | \$ 117,439 |

EXECUTIVE OFFICES

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

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Motor License Fund | | | |
| General Government | | | |
| Office of the Budget | \$ 3,679 | \$ 3,579 | \$ 3,777 |
| TOTAL STATE FUNDS | <u>\$ 3,679</u> | <u>\$ 3,579</u> | <u>\$ 3,777</u> |
| Augmentations | \$ 742 | \$ 754 | \$ 805 |
| MOTOR LICENSE FUND TOTAL | <u>\$ 4,421</u> | <u>\$ 4,333</u> | <u>\$ 4,582</u> |
| Department Total — All Funds | | | |
| General Fund | \$ 51,445 | \$ 51,107 | \$ 55,722 |
| Special Funds | 3,679 | 3,579 | 3,777 |
| Federal Funds | 7,162 | 7,075 | 29,218 |
| Augmentaions | 29,482 | 31,052 | 33,304 |
| SUBTOTAL ALL FUNDS | <u>\$ 91,768</u> | <u>\$ 92,813</u> | <u>\$ 122,021</u> |
| Other Funds | \$ 107,345 | \$ 157,684 | \$ 172,618 |
| TOTAL ALL FUNDS | <u>\$ 199,113</u> | <u>\$ 250,497</u> | <u>\$ 294,639</u> |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|---------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Governor's Action Center | | | |
| State Funds | \$ 555 | \$ 559 | \$ 576 |

Provides citizens with easy access to State Government and attempts to resolve individual and family problems.

| | (Dollar Amounts in Thousands) | | |
|--------------------------------|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Governor's Action Center | <u>\$ 555</u> | <u>\$ 559</u> | <u>\$ 576</u> |

| | (Dollar Amounts in Thousands) | | |
|---------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Office of Administration | | | |
| State Funds | \$ 4,152 | \$ 4,000 | \$ 4,358 |
| Augmentations | 11,972 | 12,815 | 13,588 |
| TOTAL | <u>\$ 16,124</u> | <u>\$ 16,815</u> | <u>\$ 17,946</u> |

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

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Office of Administration | \$ 4,152 | \$ 4,000 | \$ 4,358 |
| Augmentations: | | | |
| Reimbursement — Classification and Pay | 1,384 | 1,426 | 1,645 |
| Reimbursement — CMIC | 9,603 | 10,362 | 10,820 |
| Reimbursement — BMS | 777 | 800 | 837 |
| Reimbursement — Labor Relations | 27 | 41 | 41 |
| Reimbursement — Directives Management | 181 | 186 | 245 |
| TOTAL | <u>\$ 16,124</u> | <u>\$ 16,815</u> | <u>\$ 17,946</u> |

GENERAL FUND

EXECUTIVE OFFICES

| | (Dollar Amounts in Thousands) | | |
|-----------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Office of the Budget | | | |
| State Funds | \$ 18,978 | \$ 18,678 | \$ 19,719 |
| Federal Funds | 854 | 859 | 884 |
| Augmentations | 16,524 | 17,109 | 18,648 |
| TOTAL | <u>\$ 36,356</u> | <u>\$ 36,646</u> | <u>\$ 39,251</u> |

Prepares and oversees the annual Commonwealth Budget and assists the Governor in formulating fiscal policies and procedures to reduce State program costs and promote program effectiveness. Also, provides comptroller services to manage and maintain all fund and departmental accounting records and provides for audits of the Commonwealth's Financial Statements.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Office of the Budget | \$ 18,978 | \$ 18,678 | \$ 19,719 |
| Federal Funds: | | | |
| JTPA—Program Accountability | 854 | 859 | 884 |
| Augmentation: | | | |
| Reimbursement — Comptroller Services | 16,524 | 17,109 | 18,648 |
| TOTAL | <u>\$ 36,356</u> | <u>\$ 36,646</u> | <u>\$ 39,251</u> |

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Integrated Central System (ICS) | | | |
| State Funds | \$ 3,126 | \$ 3,231 | \$ 3,531 |

Provides the computerized information base and report generating capabilities essential for development and production of a centralized accounting, budgeting, personnel, payroll and purchasing system designed to eliminate the redundant steps inherent in independent systems.

| | (Dollar Amounts in Thousands) | | |
|------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| ICS Development | <u>\$ 3,126</u> | <u>\$ 3,231</u> | <u>\$ 3,531</u> |

GENERAL FUND

EXECUTIVE OFFICES

| | (Dollar Amounts in Thousands) | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Office of Policy Development | | | |
| State Funds | \$ 945 | \$ 816 | \$ 1,071 |
| Federal Funds | 666 | 758 | 574 |
| Augmentations | 135 | 145 | 145 |
| TOTAL | \$ 1,746 | \$ 1,719 | \$ 1,790 |

Provides policy analysis of economic and community development, human service, public safety and environmental issues to support the State Planning Board and enhance future growth of the Commonwealth.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| Office of Policy Development | \$ 650 | \$ 526 | \$ 772 |
| Human Resources Committee | 295 | 290 | 299 |
| Federal Funds: | | | |
| EDA — Planning Assistance | 100 | 100 | 60 |
| EDA — Supplemental and Basic Funding | 11 | ..... | ..... |
| National Occupational Information Coordinating Committee | 88 | 179 | 88 |
| Centralia Mine Fire Recovery | 65 | 65 | ..... |
| JTPA—Economic Development Committee | 402 | 414 | 426 |
| Augmentations: | | | |
| State Clearinghouse | 75 | 145 | 145 |
| Population Projection System | 60 | ..... | ..... |
| TOTAL | \$ 1,746 | \$ 1,719 | \$ 1,790 |

| | (Dollar Amounts in Thousands) | | |
|-------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Milrite | | | |
| State Funds | \$ 178 | \$ 397 | \$ 203 |

Seeks solutions to Pennsylvania's economic problems which require the cooperation of labor, business and government, and which affect firms and establishments currently doing business in Pennsylvania.

| | (Dollar Amounts in Thousands) | | |
|------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Milrite | <u>\$ 178</u> | <u>\$ 397</u> | <u>\$ 203</u> |

GENERAL FUND

EXECUTIVE OFFICES

| | 1985-86 | (Dollar Amounts in Thousands) 1986-87 | 1987-88 |
|-----------------------------------|-----------------|--|-----------------|
| | Actual | Available | Budget |
| Human Relations Commission | | | |
| State Funds | \$ 5,041 | \$ 5,199 | \$ 5,898 |
| Federal Funds | 1,144 | 900 | 855 |
| TOTAL | \$ 6,185 | \$ 6,099 | \$ 6,753 |

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

| | 1985-86 | (Dollar Amounts in Thousands) 1986-87 | 1987-88 |
|---|-----------------|--|-----------------|
| | Actual | Available | Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Human Relations Commission | \$ 5,041 | \$ 5,199 | \$ 5,898 |
| Federal Funds: | | | |
| EEOC — Special Project Grant | 935 | 600 | 700 |
| HUD — Special Project Grant | 200 | 300 | 155 |
| Office of Revenue Sharing — Special Project Grant | 9 | ..... | ..... |
| TOTAL | \$ 6,185 | \$ 6,099 | \$ 6,753 |

| | 1985-86 | (Dollar Amounts in Thousands) 1986-87 | 1987-88 |
|----------------------------|---------------|--|---------------|
| | Actual | Available | Budget |
| Council on the Arts | | | |
| State Funds | \$ 723 | \$ 780 | \$ 800 |
| Federal Funds | 49 | 51 | 50 |
| TOTAL | \$ 772 | \$ 831 | \$ 850 |

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

| | 1985-86 | (Dollar Amounts in Thousands) 1986-87 | 1987-88 |
|--|---------------|--|---------------|
| | Actual | Available | Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Council on the Arts | \$ 723 | \$ 780 | \$ 800 |
| Federal Funds: | | | |
| National Endowment for the Arts — Grants to the Arts — Administration | 49 | 51 | 50 |
| TOTAL | \$ 772 | \$ 831 | \$ 850 |

GENERAL FUND

EXECUTIVE OFFICES

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|-----------------------------|-------------------|---|-------------------|
| Commission for Women | | | |
| State Funds | \$ 197 | \$ 175 | \$ 196 |
| Augmentations | 1 | | |
| TOTAL | <u>\$ 198</u> | <u>\$ 175</u> | <u>\$ 196</u> |

Provides women with information in regard to their legal rights and helps eliminate discriminatory practices at all levels of society.

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|----------------------------|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| Commission for Women | \$ 197 | \$ 175 | \$ 196 |
| Augmentations: | | | |
| Contributions | 1 | | |
| TOTAL | <u>\$ 198</u> | <u>\$ 175</u> | <u>\$ 196</u> |

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|----------------------------------|-------------------|---|-------------------|
| Governor's Energy Council | | | |
| State Funds | \$ 1,584 | \$ 1,465 | \$ 1,471 |
| Federal Funds | 3,681 | 2,638 | 1,340 |
| Augmentations | 23 | 119 | 8 |
| TOTAL | <u>\$ 5,288</u> | <u>\$ 4,222</u> | <u>\$ 2,819</u> |

Provides for coordinated analysis of the Commonwealth's energy needs and priorities to insure that the demands for energy are met and to guarantee the economic stability and environmental sanctity of the Commonwealth. Also provides support to the Pennsylvania Energy Centers and coordinates the Energy Conservation and Assistance Fund.

GENERAL FUND

EXECUTIVE OFFICES

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Governor's Energy Council | \$ 1,584 | \$ 1,465 | \$ 1,471 |
| Federal Funds: | | | |
| Energy Extension Services | 350 | 359 | 260 |
| State Energy Conservation Plan | 780 | 909 | 590 |
| Institutional Conservation | 270 | 285 | 210 |
| HUD — Energy Conservation and Solar Bank | 2,265 | 700 | 212 |
| Fuel Oil Survey | 16 | 30 | 18 |
| Developmental Institutional Conservation ..... | ..... | 155 | 50 |
| Gas Conservation Demonstration ..... | ..... | 200 | ..... |
| Augmentations: | | | |
| Energy Council — Chevron Funds | 23 | 119 | ..... |
| Energy Council — PEDA ..... | ..... | ..... | 8 |
| TOTAL | <u>\$ 5,288</u> | <u>\$ 4,222</u> | <u>\$ 2,819</u> |

| Commission on Crime and Delinquency | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 1,627 | \$ 1,805 | \$ 1,805 |
| Federal Funds | 157 | 225 | 155 |
| Augmentations | 86 | 110 | 110 |
| TOTAL | <u>\$ 1,870</u> | <u>\$ 2,140</u> | <u>\$ 2,070</u> |

Provides planning for improvement of the criminal justice system and technical assistance to all segments of the system.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Commission on Crime and Delinquency | \$ 1,627 | \$ 1,805 | \$ 1,805 |
| Federal Funds: | | | |
| Plan for Juvenile Justice | 149 | 155 | 155 |
| Criminal Justice Statistical Analysis Center | 5 | 70 | ..... |
| Jail Overcrowding and Technical Assistance | 3 | ..... | ..... |
| Augmentations: | | | |
| Deputy Sheriffs Education and Training | 86 | 110 | 110 |
| TOTAL | <u>\$ 1,870</u> | <u>\$ 2,140</u> | <u>\$ 2,070</u> |

GENERAL FUND

EXECUTIVE OFFICES

| | (Dollar Amounts in Thousands) | | |
|----------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Office of General Counsel | | | |
| State Funds | \$ 2,357 | \$ 2,851 | \$ 2,495 |
| Federal Funds | 22 | 950 | 800 |
| TOTAL | <u>\$ 2,379</u> | <u>\$ 3,801</u> | <u>\$ 3,295</u> |

Provides legal counsel in matters affecting the operation of the State agencies. Also, provides grants to crime victims, assistance to juvenile probation offices, conducts hearings on appeals concerning licensure of health care facilities and conducts conciliation conferences in medical malpractice cases.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| Office of General Counsel | \$ 1,301 | \$ 1,318 | \$ 1,358 |
| Juvenile Court Judges Commission | 475 | 475 | 489 |
| Crime Victims Compensation Board | 433 | 436 | 475 |
| Health Facilities Hearing Board | 148 | 168 | 173 |
| Health Care Conciliation Panels ..... | ..... | 454 | ..... |
| Federal Funds: | | | |
| Statistical Analysis Center | 22 | 62 | ..... |
| Crime Victim Payments ..... | ..... | 888 | 800 |
| TOTAL | <u>\$ 2,379</u> | <u>\$ 3,801</u> | <u>\$ 3,295</u> |

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Public Employe Retirement Study Commission | | | |
| State Funds | \$ 312 | \$ 425 | \$ 430 |

Provides an ongoing mechanism to monitor public employe retirement plans and develops a coordinated public employe pension policy in the Commonwealth.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Public Employe Retirement Study Commission | <u>\$ 312</u> | <u>\$ 425</u> | <u>\$ 430</u> |

GENERAL FUND

EXECUTIVE OFFICES

| | (Dollar Amounts in Thousands) | | |
|--------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Distinguished Daughters | | | |
| State Funds | \$ 3 | \$ 4 | \$ 4 |

Provides payment for the ceremonies of the distinguished daughters of Pennsylvania.

| | (Dollar Amounts in Thousands) | | |
|-------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Distinguished Daughters | <u>\$ 3</u> | <u>\$ 4</u> | <u>\$ 4</u> |

| | (Dollar Amounts in Thousands) | | |
|------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Anti-Drug Abuse | | | |
| State Funds | | | \$ 646 |
| Federal Funds | | | 23,910 |
| TOTAL | | | <u>\$ 24,556</u> |

Provides funds for combating drug abuse through school and community education, enhanced law enforcement by State and local governments and treatment of substance abuse.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| Anti-Drug Abuse — Law Enforcement Administration | | | \$ 84 |
| Anti-Drug Abuse — Law Enforcement State Match | | | 562 |
| Federal Funds: | | | |
| Anti-Drug Abuse — Administration | | | 1,120 |
| Anti-Drug Abuse — State and Local Law Enforcement | | | 7,244 |
| Anti-Drug Abuse — Drug Free Schools and Communities | | | 6,726 |
| Anti-Drug Abuse — Substance Abuse Treatment | | | 8,820 |
| TOTAL | <u>.....</u> | <u>.....</u> | <u>\$ 24,556</u> |

GRANTS AND SUBSIDIES

| Grants to the Arts | (Dollar Amounts in Thousands) | | |
|---------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 5,997 | \$ 7,000 | \$ 9,000 |
| Federal Funds | 589 | 694 | 650 |
| TOTAL | <u>\$ 6,586</u> | <u>\$ 7,694</u> | <u>\$ 9,650</u> |

Provides funds for grants to arts organizations in order to enrich the artistic and cultural experience of Pennsylvanians.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Grants to the Arts | \$ 5,997 | \$ 7,000 | \$ 9,000 |
| Federal Funds: | | | |
| National Endowment for the Arts — Grants to the Arts — Grants | 589 | 694 | 650 |
| TOTAL | <u>\$ 6,586</u> | <u>\$ 7,694</u> | <u>\$ 9,650</u> |

| Criminal Justice System | (Dollar Amounts in Thousands) | | |
|--------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 5,238 | \$ 3,202 | \$ 2,989 |

Provides grants to county juvenile probation agencies to upgrade services, victims of crime to alleviate economic hardships, district attorneys and other criminal justice agencies to improve crime victims' services, and health care providers to improve services for the psychiatrically impaired substance abuser adjudicated through the criminal justice system.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Improvement of Juvenile Probation Services | \$ 2,638 | \$ 2,902 | \$ 2,989 |
| Compensation to Crime Victims | 2,300 | ..... | ..... |
| Eagleville Hospital | 300 | 300 | ..... |
| TOTAL | <u>\$ 5,238</u> | <u>\$ 3,202</u> | <u>\$ 2,989</u> |

GENERAL FUND

EXECUTIVE OFFICES

| | (Dollar Amounts in Thousands) | | |
|----------------------------|-------------------------------|-----------|---------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Energy Conservation | | | |
| State Funds | | \$ 20 | ..... |

Provides funds to develop a plan for reducing energy consumption in the New Castle School District.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|--------------|--------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| New Castle School District Energy Plan | <u>.....</u> | <u>\$ 20</u> | <u>.....</u> |

| | (Dollar Amounts in Thousands) | | |
|------------------------------------|-------------------------------|-----------|---------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Labor Management Committees | | | |
| State Funds | \$ 432 | \$ 500 | \$ 530 |

Provides grants to industry and area labor-management committees for operating costs.

| | (Dollar Amounts in Thousands) | | |
|-----------------------------------|-------------------------------|----------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Labor Management Committees | <u>\$ 432*</u> | <u>\$ 500*</u> | <u>\$ 530</u> |

*Actually appropriated to Department of Commerce in 1985-86 and 1986-87.

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|-----------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Office of the Budget | | | |
| State Funds | \$ 3,679 | \$ 3,579 | \$ 3,777 |
| Augmentations | 742 | 754 | 805 |
| TOTAL | <u>\$ 4,421</u> | <u>\$ 4,333</u> | <u>\$ 4,582</u> |

Provides comptroller services for the maintenance and management of all agency accounts of the substantive programs of all departments. These services are also provided to the various departments funded out of the Motor License Fund.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Office of the Budget | \$ 3,679 | \$ 3,579 | \$ 3,777 |
| Augmentations: | | | |
| Reimbursement — Federal Sources | 113 | 40 | 40 |
| Reimbursement — Comptroller Services | 629 | 714 | 765 |
| TOTAL | <u>\$ 4,421</u> | <u>\$ 4,333</u> | <u>\$ 4,582</u> |

OTHER FUNDS**EXECUTIVE OFFICES****Amounts Not Previously Detailed**

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| Federal Juvenile Justice and Delinquency Prevention | \$ 1,907 | \$ 2,000 | \$ 2,000 |
| Arbitration Panels for Health Care | 399 | | 486 |
| Crime Victim Payments | 209 | 2,000 | 2,020 |
| Federal Crime Victim Payments | 488 | | |
| Victim/Witness Services | 409 | 1,000 | 1,000 |
| Federal Criminal Justice Assistance | 156 | 2,000 | 2,000 |
| Federal Crime Victim Assistance ..... | . . . . | 2,000 | 2,000 |
| GENERAL FUND TOTAL | <u>\$ 3,568</u> | <u>\$ 9,000</u> | <u>\$ 9,506</u> |
| | | | |
| Medical Professional Liability Catastrophe Loss Fund | | | |
| General Government Operations | \$ 3,168 | \$ 4,244 | \$ 4,275 |
| Payment of Claims | 97,709 | 137,000 | 150,000 |
| MEDICAL PROFESSIONAL LIABILITY CATASTROPHE LOSS FUND TOTAL | <u>\$ 100,877</u> | <u>\$ 141,244</u> | <u>\$ 154,275</u> |
| | | | |
| Energy Conservation and Assistance Fund | | | |
| Energy Conservation ..... | . . . . | \$ 5,000 | 8,837 |
| Energy Extension Services | \$ 155 | | |
| State Energy Conservation Plan | 57 | | |
| Institutional Conservation Program | 2,310 | \$ 1,600 | |
| Energy Conservation | 219 | 825 | |
| Low Income Weatherization | 159 | 15 | |
| ENERGY CONSERVATION AND ASSISTANCE FUND TOTAL | <u>\$ 2,900</u> | <u>\$ 7,440</u> | <u>\$ 8,837</u> |
| DEPARTMENT TOTAL | <u>\$ 107,345</u> | <u>\$ 157,684</u> | <u>\$ 172,618</u> |

EXECUTIVE OFFICES

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 33,661 | \$ 33,507 | \$ 36,203 | \$ 36,957 | \$ 38,412 | \$ 39,928 | \$ 41,503 |
| Executive Direction | 32,360 | 32,189 | 34,845 | 35,545 | 36,944 | 38,401 | 39,915 |
| Legal Services | 1,301 | 1,318 | 1,358 | 1,412 | 1,468 | 1,527 | 1,588 |
| Reduction of Discriminatory Practices | \$ 5,238 | \$ 5,374 | \$ 6,094 | \$ 6,338 | \$ 6,591 | \$ 6,854 | \$ 7,128 |
| Prevention and Elimination of Discriminatory Practices | 5,238 | 5,374 | 6,094 | 6,338 | 6,591 | 6,854 | 7,128 |
| Cultural Enrichment | \$ 6,720 | \$ 7,780 | \$ 9,800 | \$ 12,832 | \$ 12,865 | \$ 12,900 | \$ 12,936 |
| Development of Artists and Audiences | 6,720 | 7,780 | 9,800 | 12,832 | 12,865 | 12,900 | 12,936 |
| Commonwealth Economic Development | \$ 1,584 | \$ 1,485 | \$ 1,471 | \$ 1,530 | \$ 1,591 | \$ 1,655 | \$ 1,721 |
| Energy Management and Conservation .. | 1,584 | 1,485 | 1,471 | 1,530 | 1,591 | 1,655 | 1,721 |
| Personal Economic Development | \$ 2,733 | \$ 436 | \$ 475 | \$ 494 | \$ 514 | \$ 535 | \$ 556 |
| Income Maintenance | 2,733 | 436 | 475 | 494 | 514 | 535 | 556 |
| Control and Reduction of Crime | \$ 5,040 | \$ 5,482 | \$ 5,283 | \$ 5,375 | \$ 5,470 | \$ 5,569 | \$ 5,672 |
| Criminal and Juvenile Justice Planning and Coordination | 1,927 | 2,105 | 1,805 | 1,877 | 1,952 | 2,030 | 2,111 |
| Reintegration of Juvenile Delinquents ... | 3,113 | 3,377 | 3,478 | 3,498 | 3,518 | 3,539 | 3,561 |
| Consumer Protection | \$ 148 | \$ 622 | \$ 173 | \$ 180 | \$ 187 | \$ 194 | \$ 202 |
| Medical Malpractice Arbitration and Health Facilities Hearings | 148 | 622 | 173 | 180 | 187 | 194 | 202 |
| DEPARTMENT TOTAL | <u>\$ 55,124</u> | <u>\$ 54,686</u> | <u>\$ 59,499</u> | <u>\$ 63,706</u> | <u>\$ 65,630</u> | <u>\$ 67,635</u> | <u>\$ 69,718</u> |

Executive Direction

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 28,681 | \$ 28,610 | \$ 31,068 | \$ 31,617 | \$ 32,859 | \$ 34,153 | \$ 35,497 |
| Special Funds | 3,679 | 3,579 | 3,777 | 3,928 | 4,085 | 4,248 | 4,418 |
| Federal Funds | 1,520 | 1,617 | 25,368 | 4,879 | 1,577 | 1,640 | 1,706 |
| Other Funds | 29,373 | 30,823 | 33,186 | 34,508 | 35,882 | 37,312 | 38,798 |
| TOTAL | \$ 63,253 | \$ 64,629 | \$ 93,399 | \$ 74,932 | \$ 74,403 | \$ 77,353 | \$ 80,419 |

Program Analysis:

The Executive Direction program provides administrative support and policy direction for implementing and maintaining the substantive programs of the Commonwealth in an efficient and effective manner.

The Governor's Action Center simplifies citizen contact with State government by operating a statewide, toll-free hotline. The service, established in 1973, provides general information, referral for specific programs and assistance in solving citizen's problems. In addition to direct help, the center's cooperative relationship with other governmental agencies helps make State government more responsive to citizen needs. In 1985-86, over 82,000 Pennsylvanians were served through the Governor's Action Center.

Policy direction and administrative support is provided to all agencies under the Governor's jurisdiction by the Office of Administration. 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. In 1985-86 the Bureau of Affirmative Action implemented a revised contract compliance procedure which compares all contractor's minority employment with the available workforce and provides for resolution of apparent inequities. The Training Division provided over 36,000 hours of instruction primarily for managers and supervisors. During 1985-86, 3,121 contract grievances were received and processed by the Bureau of Labor Relations with approximately 55 percent resulting in arbitration decisions favorable to management.

In addition to personnel administration, the Office of Administration provides management and technological assistance and maintains the Central Management Information Center (CMIC). The Bureau of Management Services conducts management studies to affect policy and systems changes in State programs to improve the operation, administration and organizational structuring of these programs.

The Bureau of EDP/Telecommunications Technology provides executive direction in areas related to electronic data processing and telecommunications. The bureau is responsible for the approval of all Commonwealth EDP and telecommunications resource acquisitions and develops, coordinates and promulgates Commonwealth policy governing the acquisition, management utilization and security of these resources. The budget includes \$100,000 for a consultant to review the Commonwealth's telecommunications system and make recommendations for possible cost savings.

The Central Management Information Center is the data processing service center for all Commonwealth central administrative systems. The center manages and maintains the Commonwealth's payroll, personnel, accounting and retirement systems for all agencies under the Governor's jurisdiction.

The Office of Administration budget includes the Office of Inspector General who is charged with investigating suspected impropriety in State Government. The recommended budget includes \$199,000 for staff support provided by the Department of Transportation.

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

Executive Direction (continued)

Program Analysis: (continued)

proposed regulations as mandated by Act 149 of 1978. Emphasis will be placed on the review of State programs to reduce costs and promote program effectiveness.

In addition, the Office of the Budget provides accounting, auditing, and financial advisory and supportive services to all Commonwealth agencies and is responsible for the maintenance of the ICS accounting system. Use of current technology in accounting, systems, auditing and budget analysis has enabled the office to achieve fiscal and management objectives.

In 1986-87, the office implemented Pennsylvania's response to the Federal Single Audit Act of 1984. All political subdivisions receiving Federal funds in excess of \$25,000 are required to submit a single, comprehensive, financial and programmatic compliance audit. The office will review and, as necessary, resolve findings for over 2,000 entities. The budget includes \$402,000 in augmentations for this service.

The Office of the Budget recommendations includes \$190,000 for consultants to assess the impact of the Federal income tax revisions on the marketability of Pennsylvania bonds and develop strategies to enable the State to acquire necessary debt financing and to provide the Secretary with expert advice regarding the construction of the Philadelphia Convention Center. Funds are also provided for legal services and formation of a fiscal policy unit.

The Integrated Central System (ICS) facilitates policymaking and will provide integrated accounting, budgeting, payroll, purchasing and personnel systems. This improves the effectiveness of managing the Commonwealth's operations as well as improving efficiency and controlling costs by decreasing paper flow, expediting processes and improving productivity.

Since the ICS accounting system totally replaced the previous system in July 1985, the ICS Project Team will proceed with the development of the ICS personnel/payroll system, support the management of the ICS accounting system, and support the Department of General Services in developing the purchasing system. The ICS budget includes \$298,000 for a personnel users group to coordinate the use of the integrated system for personnel leave and payroll transactions.

The Office of Policy Development provides policy research and analytical support to the Governor and his Cabinet in areas relating to economic and community development, human services, public safety, the environment and other areas of concern to the Commonwealth. The office also provides support by examining long-term trends affecting Pennsylvania, and in analyzing long-range objectives.

The Milrite Council examines impediments to the

development of industry and jobs in Pennsylvania by focusing on those problems requiring the cooperation of labor, business and government and which affect firms and establishments currently doing business in Pennsylvania. The council will continue to administer the Area Labor Management Committee Grant Program and to work with businesses and labor leaders across the State who are interested in establishing area labor management committee.

The Public Employee Retirement Study 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 payment for selected women designated as Distinguished Daughters of Pennsylvania to attend ceremonies at the Governor's Home.

Anti-Drug Abuse

Pennsylvania will receive \$23.9 million from the Federal Anti-Drug Abuse Act which includes programs for law enforcement, education and treatment. The program is presented in the Executive Direction subcategory of the budget as this time. Within the next few months, the Governor will make specific recommendations on the distribution of funds by agency and program. The funds are allocated among program as follows:

| <u>Program</u> | <u>Amount</u> |
|--|------------------------|
| Drug-Free Schools and Communities | \$ 7,231 |
| State and Local Law Enforcement Assistance | 7,858 |
| Substance Abuse Treatment | 8,820 |
| TOTAL | <u>\$23,909</u> |

The Drug-Free Schools and Communities program has two components. 30 percent is to be used at the Governor's discretion for innovative community-based programs of coordinated drug and alcohol services for high-risk youth and other broad-based prevention and education programs for all age groups. The remaining 70 percent will be granted to Local Education Agencies (LEA) in response to applications for program funds. The State may use 10 percent of the LEA grant funds for administration.

The State and Local Law Enforcement Assistance funds will enhance the apprehension, prosecution, adjudication and detention of persons violating narcotic control statutes, eradicate plants from which controlled substances may be extracted and demonstrate expedited procedures to identify

Executive Direction (continued)

Program Analysis: (continued)

and move major drug offenders through the criminal justice system. Funds will be allocated between the State and local governments based on prior expenditures for law enforcement programs. State agencies will receive approximately 31 percent of the total. Specific grants for both levels will be in response to proposals and will require a 25 percent cash match. The match for the State programs is shown as one appropriation but will be distributed between agencies when grant awards are made. Up to 10 percent of the total amount may be used for administration.

The Substance Abuse Treatment funds are also divided

into two program areas. Roughly 8 percent of the treatment funds will be added to the Alcohol, Drug Abuse and Mental Health (ADAMH) block grant to be used specifically for mental health programs. The balance of the funds, awarded to the states based on population (45 percent) and need (55 percent), provides emphasis on community based programs and targets special youth populations for coordinated services. The funds can be used for prevention, intervention, treatment and other activities which enhance community initiatives.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------------|-------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Governor's Action Center | \$ 555 | \$ 559 | \$ 576 | \$ 599 | \$ 623 | \$ 648 | \$ 674 |
| Office of Administration | 4,152 | 4,000 | 4,358 | 4,532 | 4,713 | 4,902 | 5,098 |
| Office of the Budget | 18,978 | 18,678 | 19,719 | 20,508 | 21,328 | 22,181 | 23,068 |
| ICS Development | 3,126 | 3,231 | 3,531 | 3,672 | 3,819 | 3,972 | 4,131 |
| Office of Policy Development | 650 | 526 | 772 | 803 | 835 | 868 | 903 |
| Human Resources Committee | 295 | 290 | 299 | 311 | 323 | 336 | 349 |
| Milrite | 178 | 397 | 203 | 211 | 219 | 228 | 237 |
| Public Employe Retirement Study | | | | | | | |
| Commission | 312 | 425 | 430 | 447 | 465 | 484 | 503 |
| Distinguished Daughters | 3 | 4 | 4 | 4 | 4 | 4 | 4 |
| Labor Management Committee | 432 | 500 | 530 | 530 | 530 | 530 | 530 |
| Anti-Drug Abuse-Law Enforcement | | | | | | | |
| Administration | | | 84 | | | | |
| Anti-Drug Abuse-Law Enforcement State | | | | | | | |
| Match | | | 562 | | | | |
| GENERAL FUND TOTAL | <u>\$ 28,681</u> | <u>\$ 28,610</u> | <u>\$ 31,068</u> | <u>\$ 31,617</u> | <u>\$ 32,859</u> | <u>\$ 34,153</u> | <u>\$ 35,497</u> |
| MOTOR LICENSE FUND | | | | | | | |
| Office of the Budget | <u>\$ 3,679</u> | <u>\$ 3,579</u> | <u>\$ 3,777</u> | <u>\$ 3,928</u> | <u>\$ 4,085</u> | <u>\$ 4,248</u> | <u>\$ 4,418</u> |

EXECUTIVE OFFICES

Legal Services

OBJECTIVE: To provide legal advice to the Governor and the Cabinet, and to supervise, coordinate and administer legal services for the Commonwealth.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>\$ 1,301</u> | <u>\$ 1,318</u> | <u>\$ 1,358</u> | <u>\$ 1,412</u> | <u>\$ 1,468</u> | <u>\$ 1,527</u> | <u>\$ 1,588</u> |

Program Analysis:

The Office of the General Counsel is headed by the General Counsel who serves as the chief legal advisor to the Governor and directs the legal activities of the Executive Branch.

This office has the responsibility to appoint the Chief Counsel in each agency and to supervise, coordinate and administer legal services. The office renders such legal advice and representation prior to initiation of any action concerning matters and issues arising in connection with the operation of agencies under the Governor's jurisdiction.

There are two major areas of responsibility for the General Counsel. First, this office provides general legal assistance to the Governor. The office reviews and approves for form and legality all Commonwealth deeds, leases, contracts, rules and regulations. It also is responsible for initiating appropriate proceedings or defending the Commonwealth when the Attorney General refuses or fails to initiate appropriate proceedings. Second, the General

Counsel has the authority to intervene in any action by or against an agency under the Governor's jurisdiction whenever the Governor shall request. This authority is not altered even if the Attorney General conducts the case.

The General Counsel also serves as the Chief Administrative Officer of the Office of General Counsel, the Bureau of Correction, the Juvenile Court Judges Commission, the Crime Victims Compensation Board, the Health Facilities Hearing Board and the Health Care Conciliation Panels.

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

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Office of General Counsel | <u>\$ 1,301</u> | <u>\$ 1,318</u> | <u>\$ 1,358</u> | <u>\$ 1,412</u> | <u>\$ 1,468</u> | <u>\$ 1,527</u> | <u>\$ 1,588</u> |

Prevention and Elimination of Discriminatory Practices

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 5,238 | \$ 5,374 | \$ 6,094 | \$ 6,338 | \$ 6,591 | \$ 6,854 | \$ 7,128 |
| Federal Funds | 1,144 | 900 | 855 | 889 | 925 | 962 | 1,000 |
| TOTAL | <u>\$ 6,382</u> | <u>\$ 6,274</u> | <u>\$ 6,949</u> | <u>\$ 7,227</u> | <u>\$ 7,516</u> | <u>\$ 7,816</u> | <u>\$ 8,128</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Human Relations Commission: | | | | | | | |
| Formal complaint investigation: | | | | | | | |
| Complaints pending | 4,157 | 5,098 | 6,508 | 7,262 | 7,870 | 8,118 | 8,366 |
| New complaints filed | 4,017 | 4,510 | 4,100 | 4,920 | 4,920 | 4,920 | 4,920 |
| Complaints closed | 3,076 | 3,100 | 3,346 | 4,312 | 4,672 | 4,672 | 4,672 |
| Projected complaints pending | 5,098 | 6,508 | 7,262 | 7,870 | 8,118 | 8,366 | 8,614 |
| Pattern complaints closed | 10 | 12 | 12 | 12 | 12 | 12 | 12 |
| Informal complaints received | 17,172 | 17,000 | 17,000 | 17,000 | 17,000 | 17,000 | 17,000 |
| Commission For Women: | | | | | | | |
| Information to organizations and individuals | 79,850 | 82,000 | 84,500 | 86,000 | 87,500 | 90,000 | 92,500 |
| Public education efforts | 167 | 170 | 173 | 178 | 182 | 185 | 190 |

Program Analysis:

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 formal complaints of discrimination which might result in formal legal proceedings being initiated and providing technical assistance to organizations, businesses, governmental bodies and individuals to promote voluntary compliance.

The processing of formal complaints continues to be the major activity of the commission. In 1985-86 the commission received 4,017 new complaints. Added to the 4,157 complaints carried over the the previous fiscal year, the total caseload was 8,174 cases. Commission staff closed 3,076 cases leaving 5,098 unresolved complaints to be carried over

into the 1986-87 fiscal year. The 941 cases added to the backlog represents an increase of 22 percent. The commission also received 17,172 informal complaints for which assistance was provided without the need for a formal complaint.

The budget includes an initiative intended to lower the backlog. Three additional eight person investigative units will be established at a first year cost of \$356,000. During the training year, only 246 additional cases will be processed, but when fully operational, an additional 1,572 cases will be closed annually.

The budget also recommends \$100,000 for court and legislatively mandated changes in the per diem pay for commissioners and the number of commissioners required to review decisions.

Prevention and Elimination of Discriminatory Practices (continued)

Program Analysis: (continued)

Through its enforcement activities, the commission secured over \$5.3 million in salaries, back pay, benefits and other cash remedies. A total of 1,948 individuals directly benefited by securing jobs, promotions, reinstatements, training, policy changes, housing units or accommodations. An additional \$2.8 million was paid to complainants during 1985-86 as a result of court action sustaining prior commission orders.

The 1985-86 projected level of new cases shown in last years budget was based on the proceeding years intake when a substantial increase was experienced. That increase resulted from major plant layoffs and was not repeated in 1985-86. Further increases are anticipated, however, from the 1986 amendments which lengthened the period for filing and added additional classes of discrimination. This increase is expected to begin in the summer of 1987. Further increases in 1987-88 will result from the additional in-take staff recommended. The current two month delay in making appointments with commission staff discourages many claimants from filing.

Substantial resources are also devoted to the commission's second major effort. Technical assistance is provided to anyone who requests guidance in avoiding illegal discriminatory acts. Promoting voluntary compliance is a cost-effective method of reducing discrimination in the Commonwealth. The commission is also involved with major outreach programs to provide information to community leaders and public officials regarding the Pennsylvania Human Relations Act and its procedures.

The commission's efforts to identify and remedy systemic discrimination will continue. This approach addresses major problems of discrimination against whole classes of employees.

Litigation remains a significant feature of the commission's workload. In 1985-86, 90 public hearings were ordered and 69 prehearing conferences and public hearings were held. In addition, the commission was involved in 30 cases in State and Federal courts.

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 commission has received inquiries referred by government agencies, women's organizations, human service organizations, business groups and other sources.

The agency has utilized 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 providing 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.

The program measures for information distributed and public education efforts have changed significantly. Budgetary constraints, coupled with the increased cost of printed material, has forced the commission to redirect its outreach effort by relying on public appearances.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Human Relations Commission..... | \$ 5,041 | \$ 5,199 | \$ 5,898 | \$ 6,134 | \$ 6,379 | \$ 6,634 | \$ 6,899 |
| Commission for Women..... | 197 | 175 | 196 | 204 | 212 | 220 | 229 |
| GENERAL FUND TOTAL..... | <u>\$ 5,238</u> | <u>\$ 5,374</u> | <u>\$ 6,094</u> | <u>\$ 6,338</u> | <u>\$ 6,591</u> | <u>\$ 6,854</u> | <u>\$ 7,128</u> |

Development of Artists and Audiences

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 6,720 | \$ 7,780 | \$ 9,800 | \$ 12,832 | \$ 12,865 | \$ 12,900 | \$ 12,936 |
| Federal Funds | 638 | 745 | 700 | 702 | 704 | 706 | 708 |
| TOTAL | \$ 7,358 | \$ 8,525 | \$ 10,500 | \$ 13,534 | \$ 13,569 | \$ 13,606 | \$ 13,644 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Attendance at supported events (in thousands) | 58,000 | 58,250 | 58,846 | 60,000 | 60,000 | 60,000 | 60,000 |
| Site visits and consultations | 14,750 | 18,000 | 15,000 | 16,500 | 16,700 | 17,000 | 17,200 |
| Award applications reviewed | 2,001 | 2,050 | 2,293 | 2,450 | 2,450 | 2,450 | 2,450 |
| Awards made | 912 | 950 | 1,028 | 1,116 | 1,200 | 1,200 | 1,200 |
| Information services (circulation in thousands) | 135 | 135 | 136 | 137 | 138 | 139 | 140 |

Program Analysis:

The Commonwealth encourages cultural development in the arts through matching grants-in-aid to arts organizations and through service programs initiated by the Council on the Arts. The organizations and artists served are diverse and range from small community organizations that engender and support local arts programs to world-renowned orchestras, museums, dance companies, theatres and festivals.

As the council enters its third decade, it will focus on the Commonwealth's environment for the arts and artists. Past efforts were directed at establishing the purpose and needs of the constituency, strengthening existing organizations and fostering the energies of the emerging groups. While maintaining these efforts, the agency must now address the State's environment for the arts by identifying and working with community leadership in setting local arts agendas, developing new sources of support and resources for the creative artist, expanding the performance and exhibiting venues, developing access to the arts for the full population through arts education in public schools and assisting in community redevelopment projects that contain a strong cultural development program.

The arts are a significant industry in Pennsylvania. Grant applicants report attendance at approximately 58 million, employment of 10,000 people and budgets of \$300 million. The council also collects information on the value of real estate, collections and other holdings of arts organizations. This data is a central factor in the agency's planning and program development.

The council process depends on 14 advisory panels, each chaired by a council member and composed of nine professionals in each program area. The peer review panels are the cornerstone of the decision-making process and provide the method that assures applications receive the most informed and objective review possible. Panels also review program structure and recommend needed changes to the staff and the council.

The Pennsylvania Council on the Arts functions in three ways to support and assist the arts in the Commonwealth: a grants program that responds to applications, program initiatives that address issues and problems that are beyond the capacity of a single arts institution, and staff services and technical assistance to arts organizations. The first two involve direct expenditure of grant funds as well as the

Development of Artists and Audiences (continued)

Program Analysis: (continued)

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. With Federal funds, fellowships are awarded to individual artists to provide time for creative work. The council's strong emphasis on the delivery of professional programs throughout the Commonwealth has been recognized by receiving the largest state arts agency touring grant from the National Endowment for the Arts for three successive years.

The arts initiatives program addresses basic issues and challenges standard assumptions, and is an essential element in any program that is to do more than subsidize the status quo. Such initiatives include publications that transfer information between minority organizations and artists and the mainstream arts community, assistance to library collections to increase exposure of Pennsylvania authors and poets and development of the Pennsylvania Arts Information System Programs which serves the local arts constituency through an integrated data system for compatible software.

Two major program developments in process are designed to strengthen financial and administrative management in arts organizations. The Fellows in Arts Management Enterprise program will broaden and deepen the administrative experience of professional managers of arts institutions through assignment in various organizations and work in the council offices. The Pennsylvania Arts Stabilization Fund, when fully operational, will establish a statewide standard of financial planning for art institutions and help meet the cash flow needs of organizations. These programs will develop the professional skill of staffs and boards in the responsible and successful governance of arts organizations. A cooperative undertaking with the State Folklife Program of the Department of Community Affairs addresses the preservation of traditional crafts by placing apprentices with master artisans in rural and minority communities. The 1985 program expansion to include traditional dance and music will be evaluated in 1987-88.

Other efforts include the development of a showcase to increase performances by Pennsylvania groups in the Commonwealth, a directory of recipients of media arts fellowships to promote the distribution of their work, a preliminary survey of restored theatres and potential theatre restoration to serve the communities and arts groups, the development of inner-city and rural arts councils and a

model program for cooperative commissions and performance of major symphonic works by four orchestras in the State. These are long-term projects which will continue into 1987-88 and beyond.

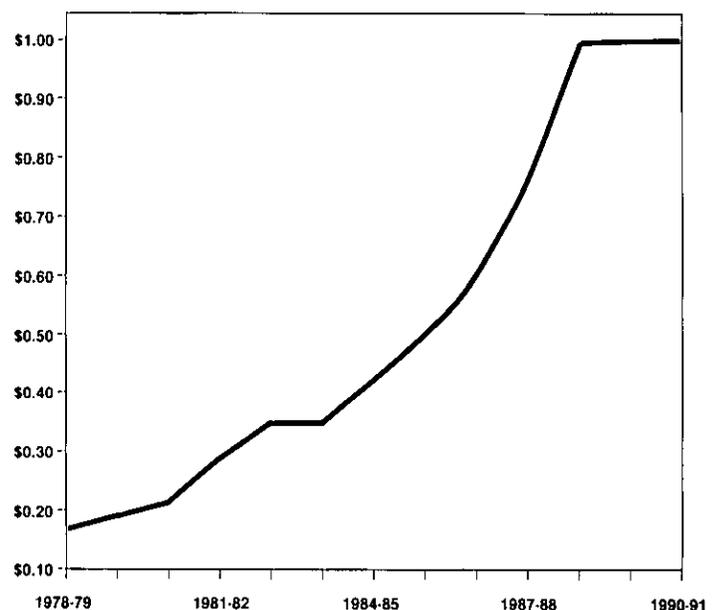
Scheduled for initiation in 1986-87 are projects to attract more arts and cultural conferences to the State, new approaches to encourage video and radio presentation of the arts, exploration of the potential of community cable systems to serve the cultural interests of their audiences, encouraging presentation of high-risk experimental work, development of organizations to serve rural populations and a convocation on minority arts in the context of the social and economic environment of minorities.

The third function of the council in support of the arts is technical assistance and staff services to arts organizations. Site visits, consultations and evaluations are the basis of the development and monitoring of programs. Field work is primarily a function of the program directors. They assist arts organizations in analyzing their problems and in planning solutions through their state work with staff and boards of directors, telephone conversations and correspondence, and by the initiation of special service projects, seminars and workshops. Four public hearings scheduled for the spring of 1987, will increase the statewide contacts.

The graph shows the increase in State grants to the arts on a per capita basis reaching the goal of \$1.00 per capita in 1988-89.

COUNCIL OF THE ARTS

Grants per Capita



Development of Artists and Audiences (continued)

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------|-------------------------------|-----------------|-----------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Council on the Arts | \$ 723 | \$ 780 | \$ 800 | \$ 832 | \$ 865 | \$ 900 | \$ 936 |
| Grants to the Arts | 5,997 | 7,000 | 9,000 | 12,000 | 12,000 | 12,000 | 12,000 |
| GENERAL FUND TOTAL | <u>\$ 6,720</u> | <u>\$ 7,780</u> | <u>\$ 9,800</u> | <u>\$ 12,832</u> | <u>\$ 12,865</u> | <u>\$ 12,900</u> | <u>\$ 12,936</u> |

Energy Management and Conservation

OBJECTIVE: To increase public awareness of energy problems and to encourage public participation in the reduction of energy consumption.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 1,584 | \$ 1,485 | \$ 1,471 | \$ 1,530 | \$ 1,591 | \$ 1,655 | \$ 1,721 |
| Federal Funds | 3,681 | 2,638 | 1,340 | 1,340 | 1,340 | 1,340 | 1,340 |
| Other Funds | 2,923 | 7,559 | 8,845 | 5,008 | 6,008 | 3,008 | 8 |
| TOTAL | \$ 8,188 | \$ 11,682 | \$ 11,656 | \$ 7,878 | \$ 8,939 | \$ 6,003 | \$ 3,069 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Energy center efficiency team surveys | 2,319 | 3,100 | 3,100 | 3,100 | 3,100 | 1,500 | ..... |
| Workshop attendance | 2,824 | 2,600 | 2,600 | 2,600 | 2,600 | 1,300 | ..... |
| Institutional Conservation Program technical assistance studies | 191 | 40 | 56 | 56 | 56 | 56 | 56 |
| Institutional Conservation Program energy conservation measures funded by category: | | | | | | | |
| Schools | 76 | 114 | 59 | 52 | 47 | 22 | ..... |
| Hospitals | 36 | 36 | 23 | 21 | 19 | 9 | ..... |
| Residential energy and solar projects | 6,131 | 1,900 | 1,666 | 1,666 | 1,666 | 800 | ..... |

Program Analysis:

Energy Conservation

Stable energy prices, increased energy efficiency and greater reliance on the State's indigenous energy resources are key elements in enhancing Pennsylvania's economic growth. The Governor's Energy Council has been charged with responsibility for ensuring that these goals are met.

Council initiatives in 1985-86 included publishing the Pennsylvania Coal Buyer's Guide which provides detailed specifications to national and international markets, intervening in utility investigations to ensure competitive electricity rates, instituting a new, statewide conservation grant program for multi-family housing, and completion of a statewide survey of district heating potential.

The Energy Council has maintained its emphasis on providing site specific assistance to selected target audiences rather than generic information. The Federally funded State Energy Conservation Plan and Energy Extension Service have assisted small businesses, local municipalities, public institutions and farmers to conduct site specific feasibility

studies of waste to energy projects such as cogeneration, municipal solid waste and agricultural waste recycling. All site specific studies require a matching contribution thereby leveraging over \$300,000 in local funds since the feasibility study program began.

The Governor's Energy Council created a Pennsylvania Energy Center (PEC) in each region of the State. While the centers can be used as a source of information by private citizens, they are specifically tailored to serve the needs of small businesses, local governments, nonprofit organizations and multi-family building owners. A key element of the center is its Energy Efficiency Team (EET) which surveys target facilities to identify energy conservation opportunities. Over the last five years, a total of 25,300 surveys have been conducted that have saved over \$9 million in energy costs for their clients. The council conducts an annual performance evaluation that is used to allocate approximately one-third of their funding. The EET energy

Energy Management and Conservation (continued)
Program Analysis: (continued)

savings compose approximately one-half of the evaluation.

Energy efficiency capital improvement grants are offered to Pennsylvania's schools and hospitals through the Institutional Conservation Program (ICP). To date, a total of \$42 million has been granted to Pennsylvania institutions which leveraged an additional investment of approximately \$40 million in local funds. The ICP program is saving over \$28 million annually in energy costs for the program participants. During the last six years, the majority of ICP funding was issued by the United States Department of Energy based upon analysis and recommendation by the Energy Council. Beginning in 1986-87 however, oil overcharge money will supplement Federal funds.

The projected number of Institutional Conservation grants made in 1985-86 anticipated the availability of the Warner oil overcharge settlement interest. That money was authorized as part of the Energy Conservation and Assistance Fund appropriation and the grants were made in 1986-87. The 1986-87 measure includes the carryover projects plus grants made in the new funding cycle.

The number of technical assistance grants in 1985-86 reflects anticipation of the large Exxon oil overcharge settlement which the institutions thought would be granted in total. When it became evident that the funds would be expended over several years, the grant request reverted to normal levels.

The attendance at energy conservation workshops conducted primarily by the PECs increased for two reasons. First, workshops were developed on several new topics that attracted different audiences and, second, the PECs increased their workshop promotion activities.

The residential energy and solar projects measure defines a "project" as a housing unit. The program was partially redirected in 1985-86 from single family to multi-family housing thereby increasing the number of units treated.

Energy Conservation and Assistance Fund

Act 122 of 1986 established the Energy Conservation and Assistance Fund as a repository for all oil overcharge settlements. The act also provides a framework for allowable expenditures from the fund. While several of the major court settlements tie the use of funds to existing Federal energy programs, Act 122 restricts Pennsylvania's participation to four of the five programs.

Two programs, Pennsylvania Supplemental Low-Income Energy Assistance and Pennsylvania Supplemental Low-Income Weatherization, are both authorized by the Federal Low Income Home Energy Assistance Program (LIHEAP). The LIHEAP program, while basically providing cash grants to pay energy bills, allows diversion of up to 15 percent of the funds for installing energy conservation improvements in homes.

The act also provides up to 25 percent of the total appropriations each year for activities authorized by three Federal energy conservation programs: the State Energy Conservation Program (SECP), the Energy Extension Service (EES) and the Institutional Conservation Program (ICP). Under the auspices of the SECP program, a two year initiative was authorized in 1986-87 to conduct solid waste feasibility studies and planning.

Traditionally, the energy programs have been supported by Federal funds. With the advent of the large oil overcharge settlements, Congress has reduced energy appropriations and may, in the future, eliminate funding for some conservation programs assuming that the states will continue the programs with their overcharge funds. In addition, Congress has attempted to retain oil overcharge funds that the court has designated for distribution through the states.

The budget recommendation for the Energy Conservation and Assistance Fund is predicated on maintaining level funding for each of the energy programs within the restraints of Act 122. The specific recommendations are as follows:

| <u>Agency/Appropriation</u> | <u>Amount</u> |
|--|-------------------------|
| <i>Governor's Energy Council</i> | \$ 8,837,000 |
| <i>Department of Public Welfare:</i> | |
| Supplemental Assistance | \$31,874,000 |
| TOTAL | <u>\$40,711,000</u> |

The Exxon settlement, which is the primary source of the recommended appropriations, prohibits use of the money for administration. In most cases, administrative costs will be borne by the parent Federal program. Since Act 122 restricts weatherization activities to the LHIEAP program, the Department of Community Affairs cannot use its U.S. Department of Energy weatherization grant for administration. Therefore, the funds recommended for the supplemental assistance program will be appropriated to the Department of Public Welfare. This will allow an appropriation to be made from the Federal LIHEAP block grant funds for the weatherization program.

The recommended amount for the Energy Council includes \$3.1 million carry-over from 1986-87. The ICP grants made to schools and hospitals are for capital projects that cannot be completed in one fiscal year and therefore commitments will carry-over into 1987-88.

Energy Management and Conservation (continued)

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Governor's Energy Council | \$ 1,584 | \$ 1,465 | \$ 1,471 | \$ 1,530 | \$ 1,591 | \$ 1,655 | \$ 1,721 |
| New Castle School District Energy Plan ..... | ..... | 20 | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | <u>\$ 1,584</u> | <u>\$ 1,485</u> | <u>\$ 1,471</u> | <u>\$ 1,530</u> | <u>\$ 1,591</u> | <u>\$ 1,655</u> | <u>\$ 1,721</u> |

Income Maintenance

OBJECTIVE: To increase economic stability by providing financial assistance to those who have suffered financial loss as a result of being injured during the commission of a crime.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 2,733 | \$ 436 | \$ 475 | \$ 494 | \$ 514 | \$ 535 | \$ 556 |
| Federal Funds | | 888 | 800 | 800 | 800 | 800 | 800 |
| Other Funds | 697 | 2,000 | 2,020 | 2,266 | 2,402 | 2,535 | 2,681 |
| TOTAL | \$ 3,430 | \$ 3,324 | \$ 3,295 | \$ 3,560 | \$ 3,716 | \$ 3,870 | \$ 4,037 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|------------------------|---------|---------|---------|---------|---------|---------|---------|
| Claim backlog | 450 | 583 | 733 | 683 | 383 | 183 | 83 |
| Claims submitted | 1,968 | 2,200 | 2,400 | 2,500 | 2,600 | 2,700 | 2,800 |
| Claims paid | 811 | 900 | 1,150 | 1,300 | 1,300 | 1,300 | 1,300 |
| Claims denied | 1,024 | 1,150 | 1,300 | 1,500 | 1,500 | 1,500 | 1,500 |

Program Analysis:

The Crime Victims Compensation Program was established in 1976 to ameliorate the financial burden faced by the victims of crime. Until that time, individuals had to bear not only the physical and psychological pain of crime but often faced a financial hardship.

Individuals under age 60 receive compensation for out-of-pocket expenses exceeding \$100 or for loss of at least two continuous weeks' earnings or support. The maximum compensation paid to a victim or dependant is \$35,000. In addition to earnings, compensation is limited to actual treatment costs or the exact amount of stolen support payments.

The program was expanded by legislation in 1979, 1984 and again in 1986. The changes in 1979 eliminate 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, established statewide to inform individuals of their right to compensation, increased claims to approximately 200 per month; an increase of 55 percent since 1984.

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.

While the public awareness programs resulted in more claims being filed, an increasing percentage of the claims are found to be invalid. 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. The detailed validation procedure and slow response by health care providers, insurance companies, etc. has increased the backlog.

No State grant funds are required for this program after 1986-87 as a result of the Federal Victims of Crime Act of 1984 which allocates Federal funds for crime victims' payments and State Act 96 of 1984 which allows collections and disbursements of court imposed costs from an established restricted revenue account. Since the imposed costs are paid from a restricted revenue account, they are listed as other funds in this program.

| |
|--------------------------|
| EXECUTIVE OFFICES |
|--------------------------|

Income Maintenance (continued)

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------------|-------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Crime Victims Compensation Board..... | \$ 433 | \$ 436 | \$ 475 | \$ 494 | \$ 514 | \$ 535 | \$ 556 |
| Compensation to Crime Victims | 2,300 | ..... | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | <u><u>\$ 2,733</u></u> | <u><u>\$ 436</u></u> | <u><u>\$ 475</u></u> | <u><u>\$ 494</u></u> | <u><u>\$ 514</u></u> | <u><u>\$ 535</u></u> | <u><u>\$ 556</u></u> |

Criminal and Juvenile Justice Planning and Coordination

OBJECTIVE: To provide criminal and juvenile justice system policy analysis, coordination and planning which will improve criminal justice programs.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 1,927 | \$ 2,105 | \$ 1,805 | \$ 1,877 | \$ 1,952 | \$ 2,030 | \$ 2,111 |
| Federal Funds | 157 | 225 | 155 | 155 | 155 | 155 | 155 |
| Other Funds | 2,558 | 7,110 | 7,110 | 7,110 | 7,110 | 7,110 | 7,110 |
| TOTAL | \$ 4,642 | \$ 9,440 | \$ 9,070 | \$ 9,142 | \$ 9,217 | \$ 9,295 | \$ 9,376 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Jail overcrowding analyses completed/plans implemented | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Police officers attending crime prevention practitioner's course and inservice instructors' development workshops | 188 | 200 | 200 | 200 | 200 | 200 | 200 |
| Citizens attending community crime prevention training | | | 100 | 200 | 200 | 200 | 200 |
| Police/Citizens environmental design training workshops | | | 50 | 100 | 100 | 100 | 100 |
| Deputy sheriffs attending basic training | 270 | 200 | 100 | 100 | 100 | 100 | 100 |
| Counties receiving technical assistance and grants for crime victims services | 43 | 55 | 60 | 67 | 67 | 67 | 67 |

Program Analysis:

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.

Integral to PCCD's role in criminal justice coordination has been its analysis of legislative issues concerning criminal justice. Studies of specific topics are undertaken in response to requests by the General Assembly or the Governor's

Office. Recent studies include mandatory sentencing, parole reform, police consolidation, crime prevention, deputy sheriffs' training, judicial merit selection, missing children and private prisons. A study of Pennsylvania's new minimum sentencing law for serious offenders revealed that the law has reduced the incidence of gun robberies below what had been expected but that some of this reduction may have shifted to non-gun robberies. An analysis is currently being conducted on recidivism of first-time offenders.

The "Pennsylvania Crime Watch" serves law enforcement organizations and citizens across the Commonwealth through a comprehensive training and technical assistance effort designed to foster the planning, implementation and evaluation of effective community crime prevention programs. A key element of the program is the four-day Police Crime Prevention Practitioners' Course which is composed of modules covering the value

Criminal and Juvenile Justice Planning and Coordination (continued)

Program Analysis: (continued)

and benefit of crime prevention community programming, increasing public awareness of precautions against property and personal crimes, educating the public and developing a resource network. In addition to providing special seminars to citizens groups, PCCD provides a "Model for Municipal Crime Prevention Programs" which outlines a systematic basis for local program development. PCCD assistance is predicated on supporting the recipient agency or group rather than supplanting their work.

The crime prevention program measures have been changed to reflect current training programs. The basic and advanced police officers and chiefs courses were replaced in 1985-86 by a crime prevention practitioners course that was tested in 1986-87. The Commission is developing two additional crime prevention courses which will be available in 1987-88. The new measures illustrate training addressed not only to police officials but all segments of the community involved in crime prevention.

Since the mid-1970's, PCCD has fostered changes and improvements in Pennsylvania's juvenile justice system. 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. Program emphasis in 1985-86 was placed on programs for serious juvenile offenders including after-care and intensive probation supervision.

The Commission's Prison and Jail Overcrowding Task

Force continues to oversee the adoption and implementation of initiatives to alleviate crowding, monitor and evaluate the effects of the initiatives and identify further necessary changes. The technical assistance program enables counties to analyze the flow of offenders through their local systems to determine the magnitude, type and causes of the crowding problem and implement changes to ameliorate the situation.

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 the 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 Federal Justice Assistance Act (JAA) of 1984 established a State grant program to assist state and local governments in carrying out programs which offer a high probability of improving the functions of the criminal justice system with special emphasis on violent crime and serious offenders. PCCD adopted four priorities for JAA funds: prison and jail overcrowding, career criminals, drug prevention and criminal justice training.

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 first, 160 hour basic training school began in 1985. Since then, five four-week courses have been held at Dickinson Law School training 446 deputy sheriffs from 56 counties.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Commission on Crime and Delinquency | \$ 1,627 | \$ 1,805 | \$ 1,805 | \$ 1,877 | \$ 1,952 | \$ 2,030 | \$ 2,111 |
| Eagleville Hospital | 300 | 300 | | | | | |
| GENERAL FUND TOTAL | <u>\$ 1,927</u> | <u>\$ 2,105</u> | <u>\$ 1,805</u> | <u>\$ 1,877</u> | <u>\$ 1,952</u> | <u>\$ 2,030</u> | <u>\$ 2,111</u> |

Reintegration of Juvenile Delinquents

OBJECTIVE: To reduce the recurrence of juvenile delinquency through replacement of criminal behavior with socially acceptable behavior.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 3,113 | \$ 3,377 | \$ 3,478 | \$ 3,498 | \$ 3,518 | \$ 3,539 | \$ 3,561 |
| Federal Funds | 22 | 62 | ..... | ..... | ..... | ..... | ..... |
| TOTAL | \$ 3,135 | \$ 3,439 | \$ 3,478 | \$ 3,498 | \$ 3,518 | \$ 3,539 | \$ 3,561 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Commitments as a percent of referrals | 12.7% | 12.2% | 12.0% | 11.8% | 11.6% | 11.4% | 11.2% |
| Counties participating in juvenile probation grant programs | 67 | 67 | 67 | 67 | 67 | 67 | 67 |
| Children referred to court | 29,137 | 28,537 | 28,037 | 27,537 | 27,037 | 26,537 | 26,037 |
| Children arrested for violent crime | 4,627 | 4,577 | 4,527 | 4,477 | 4,427 | 4,377 | 4,327 |
| Intensive probation and aftercare programs operating | 57 | 60 | 62 | 64 | 64 | 64 | 64 |
| Juvenile justice personnel trained | 1,248 | 1,721 | 1,500 | 1,600 | 1,650 | 1,700 | 1,700 |

Program Analysis:

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 the increased performance of juvenile courts and their staff.

The development of statewide juvenile probation standards, comprehensive training and specialized intensive probation and aftercare programs have significantly improved the quality of services within the Commonwealth's juvenile court system. In 1986-87, the commission initiated studies of juvenile crime victims and recidivism rates experienced by major juvenile delinquency institutions. Standards and recommendations resulting from the studies will enable the courts to more adequately address the needs of victims and determine the most effective placement service.

The number of children referred to the juvenile courts increased by 13.4 percent, from 25,688 in 1984 to 29,137 in calendar year 1985. The increase in referrals, reflected in the program measure, results from a general increase in juvenile crime. The level of referrals generally has been decreasing since 1980 but a reversal of the trend has been expected. Whether the level of 1985 referrals is an anomaly, such as in 1983, or the beginning of a new trend cannot be determined until actual data for 1986 is available.

While referrals increased, the percentage of referrals committed to institutions decreased from 12.94 percent in 1984 to 12.70 percent in 1985. Correspondingly, children arrested for violent crime during 1985 decreased from 4,731 to 4,627, a 2.2 percent drop.

All of Pennsylvania's 67 counties participate in the commission's grant-in-aid program and have voluntarily adopted the intake standards, participated in the training

Reintegration of Juvenile Delinquents (continued)

Program Analysis: (continued)

programs and complied with the statistical reporting requirements. The grant program supports several major programs including the intensive probation and aftercare initiatives.

The intensive probation program is designed as an alternative to placement while the availability of aftercare programs reduces the average length of placement. Analysis has been completed of 34 of the 57 active specialized programs. The average placement length for children in aftercare programs dropped 69 days, from 9.57 to 7.25 months. The intensive probation programs reduced the number of placements by 95, from 843 to 748. A total reduction of 59,074 juvenile placement days resulted from the two specialized programs. At the average cost of \$100 per day, reducing the number of children in placement facilities results in significant savings to the Commonwealth. In addition, the recidivism rate for the children in these programs dropped from the statewide average of 27 percent to 9.71 percent for aftercare and 16.82 percent for intensive probation.

In 1985-86, the commission sponsored 23 state of the art training programs for 1,248 juvenile justice practitioners on topics such as orientation to juvenile justice, decision making, educational law, reality therapy and victim/offender mediation. The grant-in-aid appropriations made it possible for 80 probation officers to receive master's degrees.

As a result of the Coleman versus Stanziani settlement on April 18, 1986, the commission began a massive training program mandated by the courts. The case challenged the constitutionality of the detention provisions of the Pennsylvania Juvenile Act. The settlement promulgated secure detention standards and charged the commission with training all judges, probation officers and detention center staff in application of the standard. In addition, the commission must monitor compliance for ten years and report annually to the court. The increase in the training measure is a direct result of the settlement.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Juvenile Court Judges Commission | \$ 475 | \$ 475 | \$ 489 | \$ 509 | \$ 529 | \$ 550 | \$ 572 |
| Improvement of Juvenile Probation Services | 2,638 | 2,902 | 2,989 | 2,989 | 2,989 | 2,989 | 2,989 |
| GENERAL FUND TOTAL | <u>\$ 3,113</u> | <u>\$ 3,377</u> | <u>\$ 3,478</u> | <u>\$ 3,498</u> | <u>\$ 3,518</u> | <u>\$ 3,539</u> | <u>\$ 3,561</u> |

Medical Malpractice Arbitration and Health Facilities Hearings

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.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 148 | \$ 622 | \$ 173 | \$ 180 | \$ 187 | \$ 194 | \$ 202 |
| Other Funds | 101,276 | 141,244 | 154,761 | 169,951 | 187,149 | 206,355 | 226,569 |
| TOTAL | \$ 101,424 | \$ 141,866 | \$ 154,934 | \$ 170,131 | \$ 187,336 | \$ 206,549 | \$ 226,771 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Health Care Conciliation Panels: | | | | | | | |
| Court cases settled as a result of conciliation conferences | 215 | 220 | 225 | 230 | 235 | 240 | 245 |
| Conciliation conferences held | 380 | 390 | 400 | 410 | 420 | 420 | 420 |
| Total value of settlements reached (in millions of dollars) | \$40 | \$42.5 | \$45 | \$47.5 | \$50 | \$52.5 | \$55 |
| Time incident to disposition (in months) | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Health Facilities Hearing Board: | | | | | | | |
| Unresolved appeals carried forward | 38 | 57 | 65 | 71 | 74 | 76 | 76 |
| New appeals filed | 63 | 58 | 64 | 66 | 68 | 69 | 70 |
| Total number of open cases | 101 | 115 | 129 | 137 | 142 | 145 | 146 |
| Appeals resolved | 44 | 50 | 58 | 63 | 66 | 69 | 72 |
| Decisions appealed to Commonwealth | | | | | | | |
| Court | 5 | 4 | 4 | 5 | 5 | 5 | 6 |
| Time incident to disposition of appeal (in months) | 9 | 9 | 9 | 9 | 9 | 9 | 9 |

Program Analysis:

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 offered throughout the State.

The original arbitration services were financed by a minimal fee charged to each health care provider as authorized by the act. When the arbitration services was replaced by conciliation, the fee was not collected and a 1986-87 General Fund appropriation was made for the program. The 1987-88 Budget recommends amendment of the act to authorize fees for the conciliation service and use of fees previously collected for operation of the service in 1987-88. The amendment would also change the agency name to the Health Care Conciliation Panels. The budget recommendation is shown as Other funds in this program.

The projected number of conciliation conferences held and cases settled has been increased from previous projections to reflect decisions of the courts in additional counties to use the service. However, the projected settlement value is revised downward to reflect lower average settlements in the cases referred.

Medical Malpractice Arbitration and Health Facilities Hearings (continued)

Program Analysis: (continued)

ed the Medical Professional Liability Catastrophe Loss Fund to pay the cost of settlements in excess of \$200,000 per occurrence and \$600,000 annually for individuals and \$1 million annually for hospitals. A Statement of Cash Receipts and Disbursements for the fund is included in the Special Funds Appendix of Volume I. The fund expenditures are also reflected as other funds in this program.

The State Health Facility Hearing Board, created by Act 48 of 1979, is reflected in this program. The board conducts hearings throughout the State on appeals of decisions made by the Department of Health on application for certificate of need and licensure of health care facilities. Decisions of the board may be appealed to Commonwealth Court.

The Department of Health's action on certificate of need applications may be appealed either by the institution ap-

plying 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.

The increase in number of unresolved appeals carried forward includes delays requested by the parties involved in cases.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------------|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Health Facilities Hearing Board | \$ 148 | \$ 168 | \$ 173 | \$ 180 | \$ 187 | \$ 194 | \$ 202 |
| Health Care Conciliation Panels ..... | ..... | 454 | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | <u>\$ 148</u> | <u>\$ 622</u> | <u>\$ 173</u> | <u>\$ 180</u> | <u>\$ 187</u> | <u>\$ 194</u> | <u>\$ 202</u> |

Lieutenant Governor

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

OFFICE OF THE LIEUTENANT GOVERNOR

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| Lieutenant Governor's Office | \$ 480 | \$ 476 | \$ 503 |
| Board of Pardons | 196 | 192 | 208 |
| GENERAL FUND TOTAL | <u>\$ 676</u> | <u>\$ 668</u> | <u>\$ 711</u> |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Lieutenant Governor's Office | | | |
| State Funds | \$ 480 | \$ 476 | \$ 503 |

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

| | (Dollar Amounts in Thousands) | | |
|------------------------------------|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Lieutenant Governor's Office | <u>\$ 480</u> | <u>\$ 476</u> | <u>\$ 503</u> |

| | (Dollar Amounts in Thousands) | | |
|-------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Board of Pardons | | | |
| State Funds | \$ 196 | \$ 192 | \$ 208 |

Hears petitions for clemency in all criminal cases except impeachment and recommends adjustment in the sentence. The board is also empowered to arbitrate prerelease cases where the sentencing court and the Department of Corrections have a disagreement as to whether an inmate should be placed in this status.

| | (Dollar Amounts in Thousands) | | |
|------------------------|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Board of Pardons | <u>\$ 196</u> | <u>\$ 192</u> | <u>\$ 208</u> |

LIEUTENANT GOVERNOR

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 676 | \$ 668 | \$ 711 | \$ 739 | \$ 769 | \$ 800 | \$ 832 |
| Executive Direction | 676 | 668 | 711 | 739 | 769 | 800 | 832 |
| DEPARTMENT TOTAL | <u>\$ 676</u> | <u>\$ 668</u> | <u>\$ 711</u> | <u>\$ 739</u> | <u>\$ 769</u> | <u>\$ 800</u> | <u>\$ 832</u> |

LIEUTENANT GOVERNOR

Executive Direction

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|---------|---------|---------|---------|---------|---------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 676 | \$ 668 | \$ 711 | \$ 739 | \$ 769 | \$ 800 | \$ 832 |

Program Analysis

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

In addition to these functions prescribed by law, he also serves the Governor in many other important areas and is Chairman of the Emergency Management Council and the

Governor's Energy Council. As chairman of these councils, 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 reprieves, commutation of sentences and pardons. An initiative is included to provide for the board's participation in the Criminal Justice Integrated Computer System now known as J.A.N.E.T. This will give the board the ability to communicate electronically with data bases in Corrections, Parole, State Police and the Pennsylvania Commission on Crime and Delinquency.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|------------------------------------|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Lieutenant Governor's Office | \$ 480 | \$ 476 | \$ 503 | \$ 523 | \$ 544 | \$ 566 | \$ 589 |
| Board of Pardons | 196 | 192 | 208 | 216 | 225 | 234 | 243 |
| GENERAL FUND TOTAL | \$ 676 | \$ 668 | \$ 711 | \$ 739 | \$ 769 | \$ 800 | \$ 832 |

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 state-wide 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

| | (Dollar Amounts in Thousands) | | |
|------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| Attorney General's Office | \$ 24,100 | \$ 24,426 | \$ 25,609 |
| County Trial Reimbursement | 100 | 175 | 100 |
| Hazardous Waste Prosecutions | 439 | 442 | 596 |
| TOTAL STATE FUNDS | <u>\$ 24,639</u> | <u>\$ 25,043</u> | <u>\$ 26,305</u> |
| | | | |
| Federal Funds | \$ 1,701 | \$ 1,864 | \$ 1,968 |
| Augmentations | 1,481 | 1,250 | 1,446 |
| Restricted Revenue | 2,322 | 2,476 | 2,579 |
| | | | |
| GENERAL FUND TOTAL | <u>\$ 30,143</u> | <u>\$ 30,633</u> | <u>\$ 32,298</u> |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| State Funds | \$ 24,639 | \$ 25,043 | \$ 26,305 |
| Federal Funds | 1,701 | 1,864 | 1,968 |
| Augmentations | 1,481 | 1,250 | 1,446 |
| TOTAL | <u>\$ 27,821</u> | <u>\$ 28,157</u> | <u>\$ 29,719</u> |

Provides for administration of the department. Administers the law enforcement powers of the Attorney General, enforces the Wire Tapping Law, provides staff and expenses for grand jury investigations, investigates wrong doing on the part of State employes or Commonwealth contractors, and provides litigation services to the State agencies.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| Attorney General's Office | \$ 24,100 | \$ 24,426 | \$ 25,609 |
| County Trial Reimbursement | 100 | 175 | 100 |
| Hazardous Waste Prosecutions | 439 ^a | 442 ^a | 596 |
| Federal Funds: | | | |
| Medicaid Fraud | 1,701 | 1,864 | 1,968 |
| Augmentations: | | | |
| Sale of Seized Vehicles | 30 | 50 | 52 |
| Court Ordered Restitution of Drug Purchases | 565 | 742 | 918 |
| Legal Fees Reimbursement | 152 | 138 | 147 |
| Collections — Legal | 180 | 180 | 185 |
| Reimbursement for Departmental Services | 390 | 69 | 71 |
| Consumer Protection Investigation Cost Reimbursement | 7 | 6 | 6 |
| Antitrust — Legal Fees Reimbursement | 157 | 65 | 67 |
| TOTAL | <u>\$ 27,821</u> | <u>\$ 28,157</u> | <u>\$ 29,719</u> |

^aActually included in Attorney General's Office appropriation of \$24,539,000 in 1985-86 and \$24,868,000 in 1986-87.

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|------------------------------------|-------------------|---|-------------------|
| Office of Consumer Advocate | | | |
| Restricted Revenue | \$ 2,322 | \$ 2,476 | \$ 2,579 |

The Office of Consumer Advocate has the responsibility to represent the interest of consumers before the Pennsylvania Public Utility Commission and before any court or agency initiating proceedings in connection with any matter involving regulation by the commission or the corresponding regulatory agency of the United States Government.

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|-------------------|---|-------------------|
| Source of Funds | | | |
| Restricted Revenue: | | | |
| Office of Consumer Advocate ^a | <u>\$ 2,322</u> | <u>\$ 2,476</u> | <u>\$ 2,579</u> |

^aAppropriation from a restricted revenue account.

ATTORNEY GENERAL

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 3,909 | \$ 3,857 | \$ 4,044 | \$ 4,206 | \$ 4,374 | \$ 4,549 | \$ 4,731 |
| Legal Services | \$ 7,672 | \$ 7,710 | \$ 8,083 | \$ 8,407 | \$ 8,743 | \$ 9,093 | \$ 9,456 |
| Commonwealth Agencies Legal Services . | 7,672 | 7,710 | 8,083 | 8,407 | 8,743 | 9,093 | 9,456 |
| Public Protection | \$ 3,036 | \$ 3,116 | \$ 3,267 | \$ 3,398 | \$ 3,533 | \$ 3,675 | \$ 3,822 |
| Public Protection | 3,036 | 3,116 | 3,267 | 3,398 | 3,533 | 3,675 | 3,822 |
| Control and Reduction of Crime | \$ 10,022 | \$ 10,360 | \$ 10,911 | \$ 11,347 | \$ 11,801 | \$ 12,272 | \$ 12,764 |
| Criminal Law | 10,022 | 10,360 | 10,911 | 11,347 | 11,801 | 12,272 | 12,764 |
| DEPARTMENT TOTAL | <u>\$ 24,639</u> | <u>\$ 25,043</u> | <u>\$ 26,305</u> | <u>\$ 27,358</u> | <u>\$ 28,451</u> | <u>\$ 29,589</u> | <u>\$ 30,773</u> |

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 3,909 | \$ 3,857 | \$ 4,044 | \$ 4,206 | \$ 4,374 | \$ 4,549 | \$ 4,731 |
| Other Funds | 390 | 69 | 71 | 75 | 79 | 83 | 87 |
| TOTAL | \$ 4,299 | \$ 3,926 | \$ 4,115 | \$ 4,281 | \$ 4,453 | \$ 4,632 | \$ 4,818 |

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of program activities necessary for the achievement of Commonwealth and agency objectives.

The success or failure of all these supportive efforts can

only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the cost of provided services.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------------|-------------------------------|----------|----------|----------|----------|----------|----------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Attorney General's Office..... | \$ 3,909 | \$ 3,857 | \$ 4,044 | \$ 4,206 | \$ 4,374 | \$ 4,549 | \$ 4,731 |

ATTORNEY GENERAL

Commonwealth Agencies Legal Services

OBJECTIVE: To provide legal services for governmental agencies of the Commonwealth.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 7,672 | \$ 7,710 | \$ 8,083 | \$ 8,407 | \$ 8,743 | \$ 9,093 | \$ 9,456 |
| Other Funds | 336 | 318 | 332 | 349 | 367 | 385 | 405 |
| TOTAL | \$ 8,008 | \$ 8,028 | \$ 8,415 | \$ 8,756 | \$ 9,110 | \$ 9,478 | \$ 9,861 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|----------|----------|----------|----------|----------|----------|----------|
| Cases handled: | | | | | | | |
| Torts | 3,695 | 4,000 | 4,400 | 4,825 | 5,300 | 5,700 | 6,100 |
| Tax Litigation Unit | 4,038 | 4,300 | 5,600 | 6,900 | 8,200 | 9,500 | 10,800 |
| Other litigation | 1,300 | 1,400 | 1,500 | 1,600 | 1,700 | 1,800 | 1,900 |
| Deeds, leases and contracts reviewed | 27,218 | 27,000 | 27,000 | 27,000 | 27,000 | 27,000 | 27,000 |
| Rules and regulations reviewed | 310 | 275 | 275 | 275 | 275 | 275 | 275 |
| Delinquent accounts: | | | | | | | |
| Dollars collected (in thousands) | \$17,787 | \$17,300 | \$17,350 | \$17,300 | \$17,300 | \$17,300 | \$17,300 |
| Cost per dollar collected | \$.07 | \$.07 | \$.08 | \$.09 | \$.09 | \$.09 | \$.10 |
| New claims (priority) | 19,868 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 |
| Dollar amount of new claims (in thousands) | \$37,498 | \$38,500 | \$38,500 | \$38,500 | \$38,500 | \$38,500 | \$38,500 |

Program Analysis:

This program provides legal services for the governmental agencies of the Commonwealth as required of the Attorney General's Office by Section 204 of the Commonwealth Attorneys Act. Specifically, the Attorney General's Office represents 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; furnishes upon request legal advice to the Governor or the head of any Commonwealth agency; collects, by suit or otherwise, all debts, taxes and accounts due the Commonwealth which shall be referred to and placed with the Attorney General; and reviews for form and legality, all proposed rules and regulations of Commonwealth agencies, and all Commonwealth deeds, leases, and contracts.

The number of torts cases has increased rapidly over the last several years since the Mayle decision in July of 1978

abolished the Commonwealth's use of sovereign immunity as a defense against tort claims. Subsequently, the General Assembly reaffirmed sovereign immunity by Act 152 of 1978 except in eight specific areas where criteria for limited liability were established: (1) vehicle liability; (2) medical professional liability; (3) personal property; (4) Commonwealth real estate, highways and sidewalks; (5) potholes and other dangerous conditions; (6) care, custody, or control of domestic animals; (7) liquor store sales; and (8) National Guard activities. The increase in claims are within the areas where the Commonwealth has limited liability.

Each week the Torts Litigation Section within the Attorney General's Office receives about 18 to 20 cases and settles or closes approximately 14 cases. The present staff of experienced attorneys is expected to absorb this increase in cases. There are currently 4,000 cases pending. Typical of the cases handled are suits involving automobile accidents

Commonwealth Agencies Legal Services (continued)

Program Analysis: (continued)

with the State fleet, medical malpractice claims against the State hospitals, and suits by persons injured on State premises and highways. During fiscal year 1985-86, the Tax Litigation Unit completed the computerization of the docketing system. The 3,000 cases in inventory as of July 1, 1986, include all open tax appeals, including inheritance tax appeals. The unit anticipates receiving an additional 1,300 cases per year and settling or closing approximately 1,000.

Other litigation cases have increased over the projected figure due to the increase in prisoners' cases and affirmative litigation. As the present staff gains experience in these areas, it appears likely that they will be able to absorb the increase in cases.

The 310 rules and regulations reviewed for 1985-86 were unusually high and above the original estimate, but future year referrals are expected to return to the projected level of 275.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Attorney General's Office..... | <u>\$ 7,672</u> | <u>\$ 7,710</u> | <u>\$ 8,083</u> | <u>\$ 8,407</u> | <u>\$ 8,743</u> | <u>\$ 9,093</u> | <u>\$ 9,456</u> |

Public Protection

OBJECTIVE: To represent and protect the interests of citizens of the Commonwealth in areas of consumer protection, antitrust enforcement, charitable trusts and organizations and civil rights.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 3,036 | \$ 3,116 | \$ 3,267 | \$ 3,398 | \$ 3,533 | \$ 3,675 | \$ 3,822 |
| Other Funds | 159 | 71 | 73 | 76 | 80 | 84 | 87 |
| TOTAL | \$ 3,195 | \$ 3,187 | \$ 3,340 | \$ 3,474 | \$ 3,613 | \$ 3,759 | \$ 3,909 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|----------|----------|----------|---------|---------|---------|---------|
| Consumer protection: | | | | | | | |
| Consumer complaints concerning business practices investigated and mediated | 20,713 | 20,750 | 20,750 | 20,750 | 20,750 | 20,750 | 20,750 |
| Dollar value of recoupment to consumers regarding business practices (in thousands) | \$1,769 | \$1,715 | \$1,775 | \$1,775 | \$1,775 | \$1,775 | \$1,775 |
| Legal actions in which costs and penalties were assessed | 110 | 115 | 120 | 120 | 120 | 120 | 120 |
| Legal actions completed | 50 | 60 | 70 | 70 | 70 | 70 | 70 |
| Voluntary compliances | 60 | 75 | 75 | 75 | 75 | 75 | 75 |
| Rate cases argued by consumer advocate | 39 | 49 | 61 | N/A | N/A | N/A | N/A |
| Antitrust and oil overcharge cases: | | | | | | | |
| Investigations initiated | 64 | 65 | 65 | 65 | 65 | 65 | 65 |
| Court actions brought | 5 | 10 | 7 | 7 | 7 | 7 | 7 |
| Dollars paid or agreed to be paid to the Commonwealth or directly to its citizens (in thousands) | \$98,297 | \$71,113 | \$27,000 | \$2,000 | \$2,200 | \$2,200 | \$2,200 |
| Settlements with or without court action | 11 | 15 | 10 | 10 | 10 | 10 | 10 |
| Court actions brought other than consumer protection or antitrust | 1,250 | 1,400 | 1,600 | 1,800 | 2,000 | 2,200 | 2,400 |

Program Analysis:

Activities within this subcategory are keyed specifically to: decreasing the incidence of fraud and deceptive business practices and securing recovery of damages to the Commonwealth and its citizens which result from these practices; enforcing Federal antitrust laws which encourage free enterprise and competition; providing for enforcement of laws dealing with charitable trusts and organizations; protecting the civil rights of Pennsylvania citizens; and providing for the representation of the consumer before the Public Utility Commission.

This program involves five entities within the Public Protection Division of the Attorney General's Office: the Office of Consumer Advocate; the Antitrust Section; the Bureau of Consumer Protection; the Charitable Trusts and Organization Section; and the Civil Rights Task Force.

The Bureau of Consumer Protection was created by the Legislature in 1968. There are six offices throughout the State. These offices investigate and mediate individual, written consumer complaints and perform the following functions mandated by the law: (1) investigate commercial and

Public Protection (continued)

Program Analysis: (continued)

trade practices including fraud, misrepresentation, and deception; (2) conduct studies, investigation and research in matters affecting consumer interests; (3) advise the legislative branch on such matters; (4) develop policy and legislative programs to protect consumers; (5) promote consumer education and publicize matters relating to consumer fraud.

The bureau is primarily responsible for enforcing the Unfair Trade Practices and Consumer Protection Law, along with other consumer-oriented laws. The bureau has promulgated trade practice regulations with respect to the automobile and debt collection trades, and new loan broker regulations.

April 1985, marked the creation of a toll-free Consumer Protection Hotline, the first of its kind in Pennsylvania. During 1985-86, the hotline handled 11,456 telephone inquiries and mailed out over 5,500 consumer complaint forms and 3,700 consumer education brochures. These figures were greater than projected due to increased public awareness of the Attorney General's functions resulting from numerous public appearances by the Attorney General and staff.

Since 1984-85, the bureau has worked with the United States Consumer Product Safety Commission (CPSC). During 1985-86 the bureau conducted 40 separate recall effectiveness checks on behalf of the CPSC.

The dollar value of recoupment to consumers in cases regarding business practices was about 26 percent higher than anticipated. This measure is difficult to estimate because of the unpredictability of court award amounts and the timing of the decisions.

The bureau enforces unfair debt collection practice regulations and regulations dealing with automobile purchase and repair fraud.

The second program area involves antitrust activities. The Antitrust Section is responsible for protecting the competitive free enterprise system in the Commonwealth; it is

also responsible for recovering damages for the Commonwealth and for its citizens which result from unlawful anticompetitive conduct. The Antitrust Section secured final court approval of a \$228,125 settlement against a camera manufacturer and its dealers for allegedly conspiring to fix the asking price of their cameras. The section has also recovered \$4.65 million in settlements, working with other agencies, from highway contractors and material suppliers for bid-rigging. A shortfall in court actions brought for 1985-86 is attributable to a higher number of potential actions settled out of court. This trend is expected to continue.

The section also represents the Commonwealth's interest in oil overcharge cases in Federal Courts. Since 1981, Pennsylvania has received \$144 million in refunds through litigated cases and Federal legislation. Significant additional funds from these cases are reflected in the program measures for 1986-87 through 1988-89. These cases are also reflected in the higher estimates for the measure of court and administrative actions for all years.

The third program deals with charitable trusts. The Attorney General is charged with broad responsibilities for the enforcement of charitable trusts and overseeing nonprofit corporations under common law *parens patriae* doctrine. This is a common law doctrine which allows the State to act on behalf of citizens who are unable to protect themselves.

The fourth program is conducted by the Civil Rights Task Force. The Task Force is concerned with the broad range of civil rights as well as police abuse.

The last program is conducted by the Office of Consumer Advocate which was created by the General Assembly in 1976 to represent the interests of Pennsylvania utility consumers before the Public Utility Commission and other agencies and courts which regulate the activities of public utilities.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Attorney General's Office..... | <u>\$ 3,036</u> | <u>\$ 3,116</u> | <u>\$ 3,267</u> | <u>\$ 3,398</u> | <u>\$ 3,533</u> | <u>\$ 3,675</u> | <u>\$ 3,822</u> |

ATTORNEY GENERAL

Criminal Law

OBJECTIVE: To investigate and prosecute criminal activity through active enforcement of criminal laws.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 10,022 | \$ 10,360 | \$ 10,911 | \$ 11,347 | \$ 11,801 | \$ 12,272 | \$ 12,764 |
| Federal Funds | 1,701 | 1,864 | 1,968 | 2,066 | 2,169 | 2,278 | 2,392 |
| Other Funds | 596 | 792 | 970 | 1,103 | 1,158 | 1,216 | 1,277 |
| TOTAL | \$ 12,319 | \$ 13,016 | \$ 13,849 | \$ 14,516 | \$ 15,128 | \$ 15,766 | \$ 16,433 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Investigations initiated by the Bureau of Criminal Investigations (BCI) | 238 | 265 | 265 | 265 | 265 | 265 | 265 |
| Cases presented to the statewide investigating Grand Jury by BCI | 27 | 27 | 27 | 27 | 27 | 27 | 27 |
| Number of arrests in BCI cases | 106 | 110 | 110 | 110 | 110 | 110 | 110 |
| Investigations initiated by Medical Fraud Control Section | 120 | 125 | 125 | 125 | 125 | 125 | 125 |
| Drug law arrests: | | | | | | | |
| Cannabis (marijuana and hashish) | 322 | 326 | 326 | 326 | 326 | 326 | 326 |
| Heroin | 168 | 163 | 163 | 163 | 163 | 163 | 163 |
| Cocaine | 539 | 539 | 539 | 539 | 539 | 539 | 539 |
| Stimulants | 289 | 326 | 326 | 326 | 326 | 326 | 326 |
| Hallucinogens | 36 | 33 | 33 | 33 | 33 | 33 | 33 |
| All other arrests | 246 | 245 | 245 | 245 | 245 | 245 | 245 |
| Total | 1,600 | 1,632 | 1,632 | 1,632 | 1,632 | 1,632 | 1,632 |
| Major drug traffickers arrested | 279 | 326 | 326 | 326 | 326 | 326 | 326 |
| Drug inspections at pharmacies, hospitals, institutions, professional and retail locations | 790 | 800 | 800 | 800 | 800 | 800 | 800 |

Program Analysis:

Under Act 164 of 1980 the Attorney General is the Commonwealth's chief law enforcement officer. As such, the agency investigates and prosecutes criminal activity through active enforcement of criminal laws in accordance with Sections 205 and 206 of the Commonwealth Attorneys Act, with particular emphasis in the areas of public corruption and organized crime through the selective use of statewide investigating grand juries and court authorized electronic surveillance.

This program provides for the investigation and prosecution of criminal narcotics activities; ensuring compliance with drug laws; investigation and prosecution involving the illegal transportation and disposal of hazardous waste; investigation and prosecution of Medicaid Fraud; investigations and prosecutions of public corruption cases, investigations falling under the corrupt Organizations Act, criminal complaints referred by other state agencies or local district attorneys, criminal tax cases referred by the Department of

Criminal Law (continued)**Program Analysis: (continued)**

Revenue; and, in general, matters which are multicounty in nature. The program also provides for the coordination and supervision of cases filed in Commonwealth and U.S. Appellate Courts and in Federal District Courts, the preparation and supervision of all applications to the Superior Court for non-consensual electronic surveillances, the supervision of consensual electronic surveillances, and supervision of all investigations brought before the Grand Juries.

The Grand Jury Section is designated to provide the necessary administrative support to the Grand Jury. It coordinates and schedules all matters to be brought before the Grand Jury in order to use the time of the Grand Jury most efficiently and to relieve the investigative agencies and the prosecuting attorneys of the responsibility for coordinating with other agencies and other attorneys. The section also handles all legal matters which are directed at the functioning of the Grand Jury and responds to all attempts to prevent witnesses' appearances or to quash subpoenas for the production of documents and similar matters. It is also responsible for the numerous administrative details necessary to convene, select, and provide transportation and housing for the Grand Jury Panel itself. During fiscal year 1985-86, 38 cases were presented to grand juries, and 25 presentments were returned against 188 defendants. Finally, the section has supervisory responsibility for all forfeiture petitions filed by the Office of Attorney General under the Controlled Substance, Drug, Device, and Cosmetic Act. The program also provides for the preparation of applications for sharing in forfeitures under applicable Federal laws, and provides the required annual forfeiture report to the Legislature.

The Hazardous Waste Prosecutions Section opened 34 cases for investigation in fiscal year 1985-86, filed criminal prosecutions against 12 individuals, and obtained convictions against five others, resulting in the imposition of \$65,000 in criminal fines. More significantly, for the first time in the United States, a defendant was convicted of racketeering charges arising from the transfer of profits derived from illegal dumping. Convictions were obtained against a major licensed landfill operator in two separate trials, each exceeding two weeks of testimony and deliberation. Finally, the Section concluded an intensive grand jury investigation of another landfill alleged to have violated a critical Department of Environmental Resources order; the results of this case will become known during the current fiscal year. The evidence and convictions obtained by the Section also enabled the Department of Environmental Resources to implement major clean-ups in civil proceedings. An additional \$141,000 has been added to expand this program. The Department of Environmental Resources is increasing their inspections of hazardous waste sites and research into toxic waste which will result in greater requirements for investigations and prosecutions by the Attorney General.

During fiscal year 1985-86, the Bureau of Criminal Investigation initiated 238 investigations leading to 106 arrests and 98 prosecutions. Of these 98, 53 subjects pleaded guilty, 37 were found guilty after trial, 3 were found not guilty, 3 defendants died before trial, and 2 cases were nolle prossed. Fewer cases were investigated than projected last year because the estimate of tax referral cases from the Department of Revenue was too high. Restitutions and recoveries amounted over \$2.2 million (in one sting operation in which the Bureau of Criminal Investigation was an active participant with other law enforcement agencies, \$4.5 million was recovered and 30 subjects were arrested. These figures are not included in the data above). Fines amounted to nearly \$185,000. Twenty-seven cases were presented to the two Statewide Investigating Grand Juries; presentments have been returned in 17 cases relating to 96 defendants. During 1985-86 the bureau became increasingly involved in cases that were ultimately presented to the grand jury.

The Bureau of Narcotics Investigation and Drug Control, comprising Office of Attorney General personnel and the Pennsylvania State Police Drug Law Enforcement Division, has the goal of immobilizing drug traffickers and curtailing drug abuse in the Commonwealth. During fiscal year 1985-86, the Bureau's efforts resulted in 1,600 arrests statewide, of which 279 were identified as major drug traffickers, including 35 legitimate dispensers. Eight clandestine drug processing laboratories were seized, and 15 lab operators arrested. Augmenting revenues totaling over \$595,000 were obtained, of which approximately twenty percent were court-ordered restitutions, seven percent were from sales of seized vehicles, and the remaining seventy-two percent were in forfeitures.

Estimates of projected total arrests, arrests by drug classification, and the arrest of major drug violators are accomplished by the collection of program data on a continual basis. From this data, various formulas have been developed that have proven to be reliable when projecting anticipated program results. Fluctuations in actual results can be attributed to program objectives and priorities, available resources, manpower, and drug availability.

The 1985-86 fiscal year was the eighth year of operation of the Medicaid Fraud Control Section. Investigations of Medicaid providers involve extensive document review and analysis followed by interviews, undercover buys, Grand Jury Presentments, and other investigative efforts in order to establish a criminal fraud case that can be successfully prosecuted. The Medicaid Fraud Control Section had 303 cases under investigation including 17 cases before the Grand Jury, 120 cases opened in 1985-86, and 99 cases closed for administrative reasons. During the fiscal year, 20 providers were arrested and 23 convictions were obtained with one acquittal. The courts have ordered fines totaling over \$85,000 while restitution and overpayments amounted to nearly \$480,000.

| |
|-------------------------|
| ATTORNEY GENERAL |
|-------------------------|

Criminal Law (continued)

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-----------------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Attorney General's Office..... | \$ 9,483 | \$ 9,743 | \$ 10,215 | \$ 10,623 | \$ 11,048 | \$ 11,490 | \$ 11,950 |
| Trials of Grand Juries | 100 | 175 | 100 | 104 | 108 | 112 | 117 |
| Hazardous Waste Prosecution | 439 | 442 | 596 | 620 | 645 | 670 | 697 |
| | | | | | | | |
| GENERAL FUND TOTAL | <u>\$ 10,022</u> | <u>\$ 10,360</u> | <u>\$ 10,911</u> | <u>\$ 11,347</u> | <u>\$ 11,801</u> | <u>\$ 12,272</u> | <u>\$ 12,764</u> |

AUDITOR GENERAL

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

AUDITOR GENERAL

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| Auditor General's Office | \$ 26,365 | \$ 26,318 | \$ 28,608 |
| Transition — Governor ..... | ..... | 125 | ..... |
| Board of Claims | 816 | 950 | 1,104 |
| Security and Other Expenses — Outgoing Governor ..... | ..... | 84 | ..... |
| | | | |
| TOTAL STATE FUNDS | <u>27,181</u> | <u>27,477</u> | <u>\$ 29,712</u> |
| Augmentations | \$ 5,363 | \$ 7,009 | \$ 6,075 |
| GENERAL FUND TOTAL | <u>\$ 32,544</u> | <u>\$ 34,486</u> | <u>\$ 35,787</u> |
| Other Funds | \$ 62,324 | \$ 65,000 | \$ 70,000 |
| TOTAL ALL FUNDS | <u>\$ 94,868</u> | <u>\$ 99,486</u> | <u>\$ 105,787</u> |

GENERAL FUND

AUDITOR GENERAL

GENERAL GOVERNMENT

| | 1985-86 | (Dollar Amounts in Thousands) 1986-87 | 1987-88 |
|---------------------------------|------------------|--|------------------|
| | Actual | Available | Budget |
| Auditor General's Office | | | |
| State Funds | \$ 26,365 | \$ 26,527 | \$ 28,608 |
| Augmentations | 5,363 | 7,009 | 6,075 |
| TOTAL | <u>\$ 31,728</u> | <u>\$ 33,536</u> | <u>\$ 34,683</u> |

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

| | 1985-86 | (Dollar Amounts in Thousands) 1986-87 | 1987-88 |
|---|------------------|--|------------------|
| | Actual | Available | Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| Auditor General's Office | \$ 26,365 | \$ 26,318 | \$ 28,608 |
| Transition — Governor ..... | ..... | 125 | ..... |
| Security and Other Expenses — Outgoing Governor ..... | ..... | 84 | ..... |
| Augmentations: | | | |
| Reimbursement for Auditing Services | 5,349 | 7,009 | 6,075 |
| Sale of Automobiles | 14 | ..... | ..... |
| TOTAL | <u>\$ 31,728</u> | <u>\$ 33,536</u> | <u>\$ 34,683</u> |

| | 1985-86 | (Dollar Amounts in Thousands) 1986-87 | 1987-88 |
|------------------------|---------|--|----------|
| | Actual | Available | Budget |
| Board of Claims | | | |
| State Funds | \$ 816 | \$ 950 | \$ 1,104 |

Hears and determines all claims against the Commonwealth arising from contracts that involve amounts in excess of \$300. On October 5, 1978 by an Act of the Legislature, the Board of Claims was created. It was formerly known as the Board of Arbitration of Claims.

| | 1985-86 | (Dollar Amounts in Thousands) 1986-87 | 1987-88 |
|------------------------|---------------|--|-----------------|
| | Actual | Available | Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Board of Claims | <u>\$ 816</u> | <u>\$ 950</u> | <u>\$ 1,104</u> |

OTHER FUNDS**AUDITOR GENERAL****Amounts Not Previously Detailed**

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| Insurance Premium — Police Retirement | \$ 62,324 | \$ 65,000 | \$ 70,000 |
| DEPARTMENT TOTAL | <u>\$ 62,324</u> | <u>\$ 65,000</u> | <u>\$ 70,000</u> |

AUDITOR GENERAL

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Fiscal Management | \$ 22,452 | \$ 22,806 | \$ 24,634 | \$ 25,619 | \$ 26,644 | \$ 27,710 | \$ 28,819 |
| Auditing | 22,452 | 22,806 | 24,634 | 25,619 | 26,644 | 27,710 | 28,819 |
| Economic Development of the Disadvantaged and Handicapped | \$ 4,729 | \$ 4,671 | \$ 5,078 | \$ 5,281 | \$ 5,492 | \$ 5,712 | \$ 5,940 |
| Income Maintenance | 4,729 | 4,671 | 5,078 | 5,281 | 5,492 | 5,712 | 5,940 |
| Local Government Management ..... | ..... | ..... | ..... | ..... | \$ 35,000 | \$ 35,000 | \$ 35,000 |
| Municipal Pension Systems ..... | ..... | ..... | ..... | ..... | 35,000 | 35,000 | 35,000 |
| DEPARTMENT TOTAL | <u>\$ 27,181</u> | <u>\$ 27,477</u> | <u>\$ 29,712</u> | <u>\$ 30,900</u> | <u>\$ 67,136</u> | <u>\$ 68,422</u> | <u>\$ 69,759</u> |

AUDITOR GENERAL

Auditing

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 22,452 | \$ 22,806 | \$ 24,634 | \$ 25,619 | \$ 26,644 | \$ 27,710 | \$ 28,819 |
| Other Funds | 67,687 | 72,009 | 76,075 | 81,318 | 86,571 | 91,834 | 97,107 |
| TOTAL | <u>\$ 90,139</u> | <u>\$ 94,815</u> | <u>\$ 100,709</u> | <u>\$ 106,937</u> | <u>\$ 113,215</u> | <u>\$ 119,544</u> | <u>\$ 125,926</u> |

Program Analysis:

The Auditor General is required by the Fiscal Code to make all audits necessary in connection with the financial affairs of State Government. Each year, the department makes thousands of regular and special post audits of Commonwealth agencies, persons, associations, and corporations to insure money is disbursed legally and properly. Also, the Auditor General examines the accounts of revenue collecting agents to assure that all money due the Commonwealth, totaling several billions of dollars, was reported and transmitted properly. The recommended funding level will continue to support the preparation of Commonwealth financial statements in conformance with 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. For June

30, 1986, an audit of the General Purpose Financial Statements and the supporting, combining and individual fund financial statements was performed.

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. Included within this subcategory are funds to provide for the security and other expenses of the outgoing Governor for a period of time not to exceed six months following the inauguration of the new Governor.

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 Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------------------|-------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Auditor General's Office | \$ 21,636 | \$ 21,647 | \$ 23,530 | \$ 24,471 | \$ 25,450 | \$ 26,468 | \$ 27,527 |
| Security and Other Expenses — | | | | | | | |
| Outgoing Governor | | 84 | | | | | |
| Board of Claims | 816 | 950 | 1,104 | 1,148 | 1,194 | 1,242 | 1,292 |
| Transition — Governor's Office | | 125 | | | | | |
| GENERAL FUND TOTAL | <u>\$ 22,452</u> | <u>\$ 22,806</u> | <u>\$ 24,634</u> | <u>\$ 25,619</u> | <u>\$ 26,644</u> | <u>\$ 27,710</u> | <u>\$ 28,819</u> |

AUDITOR GENERAL

Income Maintenance

OBJECTIVE: To conduct audits of public assistance payments to determine the eligibility of persons receiving public assistance grants.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>\$ 4,729</u> | <u>\$ 4,671</u> | <u>\$ 5,078</u> | <u>\$ 5,281</u> | <u>\$ 5,492</u> | <u>\$ 5,712</u> | <u>\$ 5,940</u> |

Program Analysis:

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

The latest audit report issued, covering the 1985-86 fiscal year, shows that the Auditor General reviewed 20,264 cases. The cases audited covered approximately 6.3 percent of the statewide case load and, of those, 3.0 percent were found to be totally or partially ineligible.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Auditor General's Office | <u>\$ 4,729</u> | <u>\$ 4,671</u> | <u>\$ 5,078</u> | <u>\$ 5,281</u> | <u>\$ 5,492</u> | <u>\$ 5,712</u> | <u>\$ 5,940</u> |

Municipal Pension Systems

OBJECTIVE: To assist municipal pension systems through loans and disbursement of annual supplemental state assistance.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|--------------|--------------|--------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>\$ 35,000</u> | <u>\$ 35,000</u> | <u>\$ 35,000</u> |

Program Analysis:

In late 1984, the General Assembly passed Act 205 known as the Municipal Pension Plan Funding Standard and Recovery Act. The enactment of this legislation was in response to the solvency problems facing many of the Commonwealth's municipal pension systems. The act requires the submission of municipal pension plan actuarial reports to the Public Employee Retirement Study Commission (PERSC) every two years and establishes criteria for the determination of actuarial soundness and the amount of state financed support that will be provided.

The Auditor General is basically 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 will, from July 1985 to December 1988, contain portions of the proceeds of the Foreign Casualty Premium Tax previously paid to the State Employees Retirement Board. That initial funding will be immediately available for loans to municipalities in imminent danger of defaulting on the obligations of their pension plans.

Beginning in December 1988, the Auditor General will also be responsible for disbursement of supplemental state assistance to distressed municipal pension systems based on certified state assistance amounts provided by PERSC. In 1988-89, this assistance will be provided from revenues in the Supplemental Assistance Fund. Beginning in 1989-90, assistance to distressed systems will be provided through a General Fund appropriation of up to \$35.0 million and will continue for up to 15 years.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------|-------------------------------|--------------|--------------|--------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Municipal Pension Systems | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>\$ 35,000</u> | <u>\$ 35,000</u> | <u>\$ 35,000</u> |

Treasury Department

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

TREASURY DEPARTMENT
Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| State Treasurer's Office | \$ 12,114 | \$ 12,568 | \$ 12,945 |
| Board of Finance and Revenue | 807 | 904 | 931 |
| Council of State Governments | 108 | 115 | 118 |
| Great Lakes Commission | 27 | 33 | 35 |
| Publishing Monthly Statements | 33 | 33 | 36 |
| Replacement Checks | 27 | 100 | 100 |
| National Conference of State Legislatures | 127 | 125 | 129 |
| Education Commission of the States | 57 | 61 | 65 |
| Advisory Commission on Intergovernmental Relations | 4 | 9 | 9 |
| National Governor's Association | 92 | 102 | 107 |
| Coalition of Northeast Governors | 50 | 59 | 63 |
| Northeast-Midwest Institute | 42 | 48 | 50 |
| Governmental Accounting Standards Board | 36 | 37 | 42 |
| State and Local Legal Center ..... | . . . . | . . . . | 8 |
| Subtotal | <u>\$ 13,524</u> | <u>\$ 14,194</u> | <u>\$ 14,638</u> |
| Debt Service Requirements | | | |
| Interest Obligations — Penn State University ..... | . . . . | \$ 16 | \$ 16 |
| Loan and Transfers Agent | 107 | 228 | 221 |
| Tax Note Expenses | 90 | 168 | 168 |
| Commercial Paper Costs | 345 | 600 | 400 |
| Interest on Tax Anticipation Notes | 13,624 | 18,400 | 14,000 |
| General Obligation Debt Service | 288,438 | 315,990 | 335,890 |
| Redevelopment Assistance Sinking Fund ..... | . . . . | 11,000 | 16,469 |
| Subtotal | <u>\$ 302,604</u> | <u>\$ 346,402</u> | <u>\$ 367,164</u> |
| Grants and Subsidies | | | |
| Law Enforcement Officers' Death Benefit | \$ 400 | \$ 500 | \$ 500 |
| Subtotal | <u>\$ 400</u> | <u>\$ 500</u> | <u>\$ 500</u> |
| TOTAL STATE FUNDS | <u>\$ 316,528</u> | <u>\$ 361,096</u> | <u>\$ 382,302</u> |
| Augmentations | \$ 665 | \$ 993 | \$ 865 |
| GENERAL FUND TOTAL | <u>\$ 317,193</u> | <u>\$ 362,089</u> | <u>\$ 383,167</u> |
| Motor License Fund | | | |
| General Government | | | |
| Replacement Checks | \$ 9 | \$ 60 | \$ 60 |
| Refunding Liquid Fuel Tax — Agricultural Use | 3,321 | 4,200 | 4,200 |
| Refunding Liquid Fuel Tax — State Share | 176 | 350 | 350 |
| Refunding Emergency Liquid Fuel Tax ..... | . . . . | 1 | 1 |
| Refunding Liquid Fuel Tax — Political Subdivision Use | 1,574 | 2,200 | 2,250 |
| Administration of Refunding Liquid Fuel Tax | 186 | 241 | 248 |
| Refunding Liquid Fuel Tax — Volunteer Fire Companies, Am- bulance Services and Rescue Squads | 104 | 160 | 160 |
| Refunding Marine Liquid Fuel Tax — Boating Fund | 1,161 | 1,750 | 1,500 |
| Subtotal | <u>\$ 6,531</u> | <u>\$ 8,962</u> | <u>\$ 8,769</u> |

TREASURY DEPARTMENT

Summary by Fund and Appropriation (continued)

| | | (Dollar Amounts in Thousands) | |
|--|-------------------|-------------------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Motor License Fund (continued) | | | |
| Debt Service Requirements | | | |
| Capital Debt — Transportation Projects | \$ 165,031 | \$ 164,912 | \$ 164,998 |
| Capital Debt — General State Authority | 498 | 529 | 524 |
| Advance Construction Interstate—Interest ..... | . . . . | 2,130 | 7,535 |
| Loan and Transfer Agent | 83 | 135 | 131 |
| Subtotal | <u>\$ 165,612</u> | <u>\$ 167,706</u> | <u>\$ 173,188</u> |
| TOTAL STATE FUNDS | <u>\$ 172,143</u> | <u>\$ 176,668</u> | <u>\$ 181,957</u> |
| Restricted Revenue | \$ 28 | \$ 193 | \$ 1,991 |
| MOTOR LICENSE FUND TOTAL | <u>\$ 172,171</u> | <u>\$ 176,861</u> | <u>\$ 183,948</u> |
| Banking Department Fund | | | |
| General Government | | | |
| Replacement Checks ..... | . . . . | \$ 5 | \$ 5 |
| BANKING DEPARTMENT FUND TOTAL | <u>. . . .</u> | <u>\$ 5</u> | <u>\$ 5</u> |
| Boating Fund | | | |
| General Government | | | |
| Replacement Checks ..... | . . . . | \$ 5 | \$ 5 |
| BOATING FUND TOTAL | <u>. . . .</u> | <u>\$ 5</u> | <u>\$ 5</u> |
| Farm Products Show Fund | | | |
| General Government | | | |
| Replacement Checks ..... | . . . . | \$ 5 | \$ 5 |
| FARM PRODUCTS SHOW FUND TOTAL | <u>. . . .</u> | <u>\$ 5</u> | <u>\$ 5</u> |
| Fish Fund | | | |
| General Government | | | |
| Replacement Checks ..... | . . . . | \$ 5 | \$ 5 |
| FISH FUND TOTAL | <u>. . . .</u> | <u>\$ 5</u> | <u>\$ 5</u> |

TREASURY DEPARTMENT

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

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Game Fund | | | |
| General Government | | | |
| Replacement Checks ..... | ..... | \$ 6 | \$ 6 |
| GAME FUND TOTAL | <u>.....</u> | <u>\$ 6</u> | <u>\$ 6</u> |
| | | | |
| Lottery Fund | | | |
| General Government | | | |
| Replacement Checks | \$ 15 | \$ 20 | \$ 20 |
| LOTTERY FUND TOTAL | <u>\$ 15</u> | <u>\$ 20</u> | <u>\$ 20</u> |
| | | | |
| Milk Marketing Fund | | | |
| General Government | | | |
| Replacement Checks ..... | ..... | \$ 5 | \$ 5 |
| Refund Milk Marketing Licenses and Fees ..... | ..... | 5 | 5 |
| MILK MARKETING FUND TOTAL | <u>.....</u> | <u>\$ 10</u> | <u>\$ 10</u> |
| | | | |
| Racing Fund | | | |
| General Government | | | |
| Replacement Checks ..... | ..... | \$ 10 | \$ 10 |
| RACING FUND TOTAL | <u>.....</u> | <u>\$ 10</u> | <u>\$ 10</u> |
| | | | |
| Department Total — All Funds | | | |
| General Fund | \$ 316,528 | \$ 361,096 | \$ 382,302 |
| Special Funds | 172,158 | 176,734 | 182,023 |
| Augmentations | 665 | 993 | 865 |
| Restricted Revenue | 28 | 193 | 1,991 |
| TOTAL ALL FUNDS | <u>\$ 489,379</u> | <u>\$ 539,016</u> | <u>\$ 567,181</u> |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|---------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Treasurer's Office | | | |
| State Funds | \$ 12,114 | \$ 12,568 | \$ 12,945 |
| Augmentations | 665 | 993 | 865 |
| TOTAL | <u>\$ 12,779</u> | <u>\$ 13,561</u> | <u>\$ 13,810</u> |

Receives and deposits all monies of the Commonwealth, disburses those monies, and invests surplus monies of operating funds. Audits the disbursement records and checks for public assistance payments, maintains the accounting controls for the allocation of funds and disburses all checks to recipients of those payments.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| State Treasurer's Office | \$ 12,114 | \$ 12,568 | \$ 12,945 |
| Augmentations: | | | |
| Expenses — Unemployment Compensation Disbursements | 629 | 993 | 865 |
| Fees — Federal Savings Bonds | 32 | ..... | ..... |
| Sale of Automobiles | 3 | ..... | ..... |
| Photocopy Services | 1 | ..... | ..... |
| TOTAL | <u>\$ 12,779</u> | <u>\$ 13,561</u> | <u>\$ 13,810</u> |

| | (Dollar Amounts in Thousands) | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Board of Finance and Revenue | | | |
| State Funds | \$ 807 | \$ 904 | \$ 931 |

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

| | (Dollar Amounts in Thousands) | | |
|------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Board of Finance and Revenue | <u>\$ 807</u> | <u>\$ 904</u> | <u>\$ 931</u> |

GENERAL FUND

TREASURY

| | (Dollar Amounts in Thousands) | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Council of State Governments | | | |
| State Funds | \$ 108 | \$ 115 | \$ 118 |

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

| | (Dollar Amounts in Thousands) | | |
|------------------------------------|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Council of State Governments | <u>\$ 108</u> | <u>\$ 115</u> | <u>\$ 118</u> |

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Development, Utilization and Regulation of Water Resources | | | |
| State Funds | \$ 27 | \$ 33 | \$ 35 |

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

| | (Dollar Amounts in Thousands) | | |
|------------------------------|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Great Lakes Commission | <u>\$ 27</u> | <u>\$ 33</u> | <u>35</u> |

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Publishing Monthly Statements | | | |
| State Funds | \$ 33 | \$ 33 | \$ 36 |

Provides for publishing statements of the General Fund and other funds of the Commonwealth.

| | (Dollar Amounts in Thousands) | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Publishing Monthly Statements | <u>\$ 33</u> | <u>33</u> | <u>\$ 36</u> |

| | |
|---------------------|-----------------|
| GENERAL FUND | TREASURY |
|---------------------|-----------------|

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---------------------------|-------------------|---|-------------------|
| Replacement Checks | | | |
| State Funds | \$ 27 | \$ 100 | \$ 100 |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--------------------------|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| Replacement Checks | <u>\$ 27</u> | <u>\$ 100</u> | <u>\$ 100</u> |

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|-------------------|---|-------------------|
| National Conference of State Legislatures | | | |
| State Funds | \$ 127 | \$ 125 | \$ 129 |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| National Conference of State Legislatures | <u>\$ 127</u> | <u>\$ 125</u> | <u>\$ 129</u> |

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---|-------------------|---|-------------------|
| Education Commission of the States | | | |
| State Funds | \$ 57 | \$ 61 | \$ 65 |

Assists in the promotion of education, through the Education Commission of the States.

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| Education Commission of the States | <u>\$ 57</u> | <u>\$ 61</u> | <u>\$ 65</u> |

| | |
|---------------------|-----------------|
| GENERAL FUND | TREASURY |
|---------------------|-----------------|

| | | (Dollar Amounts in Thousands) | | |
|---|-------------------|-------------------------------|-------------------|--|
| Advisory Commission on Intergovernmental Relations | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | |
| State Funds | \$ 4 | \$ 9 | \$ 9 | |

Promotes Federal, State and local relations projects including revenue/tax issues, reducing Federal regulation of state-local governments and block grant implementation. This interstate organization is composed of representatives from most states.

| | | (Dollar Amounts in Thousands) | | |
|--|-------------------|-------------------------------|-------------------|--|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | |
| Appropriation: | | | | |
| Advisory Commission on Intergovernmental Relations | <u>\$ 4</u> | <u>\$ 9</u> | <u>\$ 9</u> | |

| | | (Dollar Amounts in Thousands) | | |
|--|-------------------|-------------------------------|-------------------|--|
| National Governors' Association | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | |
| State Funds | \$ 92 | \$ 102 | \$ 107 | |

Comprised of governors from America's fifty states and its territories, this association serves as the principle organization for coordinating ideas on programs, budgets, governmental techniques and general information concerning the states in liaison with the Congress and the Executive Branch of Government.

| | | (Dollar Amounts in Thousands) | | |
|---------------------------------------|-------------------|-------------------------------|-------------------|--|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | |
| Appropriation: | | | | |
| National Governors' Association | <u>\$ 92</u> | <u>\$ 102</u> | <u>\$ 107</u> | |

GENERAL FUND

TREASURY

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Coalition of Northeastern Governors | | | |
| State Funds | \$ 50 | \$ 59 | \$ 63 |

Comprised of governors from America's northeastern states, this organization was established to bring together representatives from the public, private and labor sectors to focus on major issues of concern to the Northeast.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Coalition of Northeastern Governors | <u>\$ 50</u> | <u>\$ 59</u> | <u>\$ 63</u> |

| | (Dollar Amounts in Thousands) | | |
|------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Northeast—Midwest Institute | | | |
| State Funds | \$ 42 | \$ 48 | \$ 50 |

Promotes Federal and State cooperation through a Congressional Coalition comprised of 212 bipartisan Congressman from 17 states of the Northeast—Midwest region to further regional development policy and inform its members about regional implications of Federal policies.

| | (Dollar Amounts in Thousands) | | |
|-----------------------------------|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Northeast—Midwest Institute | <u>\$ 42</u> | <u>\$ 48</u> | <u>\$ 50</u> |

GENERAL FUND

TREASURY

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Governmental Accounting Standards Board | | | |
| State Funds | \$ 36 | \$ 37 | \$ 42 |

Provides guidance and establishes standards to promote uniformity and comparability in governmental accounting and financial reporting.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Governmental Accounting Standards Board | <u>\$ 36</u> | <u>\$ 37</u> | <u>\$ 42</u> |

| | (Dollar Amounts in Thousands) | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State and Local Legal Center | | | |
| State Funds | \$ | \$ | \$ 8 |

Assists in funding a center to advance and defend the interests of State and local governments within the Federal system.

| | (Dollar Amounts in Thousands) | | |
|------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| State and Local Legal Center | <u>\$</u> | <u>\$</u> | <u>\$ 8</u> |

DEBT SERVICE REQUIREMENTS

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Financing Commonwealth Obligations | | | |
| State Funds | \$ 302,604 | \$ 346,402 | \$ 367,164 |

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

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Interest Obligations — Penn State University ..... | ..... | \$ 16 | \$ 16 |
| Loan and Transfer Agents | 107 | 228 | 221 |
| Tax Note Expenses | 90 | 168 | 168 |
| General Obligation Debt Service | 288,438 | 315,990 | 335,890 |
| Redevelopment Assistance Sinking Fund ..... | ..... | 11,000 | 16,469 |
| Executive Authorization: | | | |
| Interest on Tax Anticipation Notes | 13,624 | 18,400 | 14,000 |
| Commercial Paper Costs | 345 | 600 | 400 |
| TOTAL | <u>\$ 302,604</u> | <u>\$ 346,402</u> | <u>\$ 367,164</u> |

GRANTS AND SUBSIDIES

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Law Enforcement Officers Death Benefits | | | |
| State Funds | \$ 400 | \$ 500 | \$ 500 |

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

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Law Enforcement Officers Death Benefits | <u>\$ 400</u> | <u>\$ 500</u> | <u>\$ 500</u> |

0

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Board of Finance and Revenue Administration | | | |
| State Funds | \$ 6,531 | \$ 8,962 | \$ 8,769 |

Composed of five members, three of whom shall constitute a quorum, the Board is concerned generally with the approval and payment of claims against the Commonwealth for funds improperly or illegally paid into the State Treasury and with the payment of approved refund claims for taxes on liquid fuels used for agricultural purposes within the State, and provides for the reimbursement of marine fuels taxes as required by Act 65 of June 15, 1969. Act 78 of 1982 transferred the responsibility for making certain refunds from Treasury to the Department of Revenue.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Replacement Checks | \$ 9 | \$ 60 | \$ 60 |
| Refunding Liquid Fuel Tax — Agricultural Use | 3,321 | 4,200 | 4,200 |
| Refunding Liquid Fuel Tax — State Share | 176 | 350 | 350 |
| Refunding Emergency Liquid Fuel Tax ..... | ..... | 1 | 1 |
| Refunding Liquid Fuel Tax — Political Subdivision Use | 1,574 | 2,200 | 2,250 |
| Administration of Refunding Liquid Fuel Tax | 186 | 241 | 248 |
| Refunding Liquid Fuel Tax — Volunteer Services | 104 | 160 | 160 |
| Refunding Marine Liquid Fuel Tax — Boating Fund | 1,161 | 1,750 | 1,500 |
| TOTAL | <u>\$ 6,531</u> | <u>\$ 8,962</u> | <u>\$ 8,769</u> |

DEBT SERVICE REQUIREMENTS

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Financing Commonwealth Obligations | | | |
| State Funds | \$ 165,612 | \$ 167,706 | \$ 173,188 |
| Restricted Revenue ^a | 28 | 193 | 1,991 |
| TOTAL | <u>\$ 165,640</u> | <u>\$ 167,899</u> | <u>\$ 175,179</u> |

Provides for interest and principal payments on general obligation bonds issued for highway purposes. Also provides for interest and expenses of issuing tax anticipation notes used to preserve the cash balance in the Motor License Fund, and for the loan and transfer agents.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| Capital Debt — Highway Projects | \$ 165,031 | \$ 164,912 | \$ 164,998 |
| Capital Debt — Public Improvement Projects | 498 | 529 | 524 |
| Advance Construction Interstate—Interest Payments ..... | ..... | 2,130 | 7,535 |
| Loan and Transfer Agent | 83 | 135 | 131 |
| Restricted Revenue | | | |
| Capital Debt — Aviation | 28 | 193 | 144 |
| Capital Debt—Highway Bridge Improvement ..... | ..... | ..... | 1,847 |
| TOTAL | <u>\$ 165,640</u> | <u>\$ 167,899</u> | <u>\$ 175,179</u> |

^aAppropriation From Restricted Revenue Account.

**BANKING DEPARTMENT FUND
GENERAL GOVERNMENT**

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---------------------------|-------------------|---|-------------------|
| Replacement Checks | | | |
| State Funds | | \$ 5 | \$ 5 |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--------------------------|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| Replacement Checks | <u>.....</u> | <u>\$ 5</u> | <u>\$ 5</u> |

**BOATING FUND
GENERAL GOVERNMENT**

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---------------------------|-------------------|---|-------------------|
| Replacement Checks | | | |
| State Funds | | \$ 5 | \$ 5 |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--------------------------|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| Replacement Checks | <u>.....</u> | <u>\$ 5</u> | <u>\$ 5</u> |

**FARM PRODUCTS SHOW FUND
GENERAL GOVERNMENT**

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---------------------------|-------------------|---|-------------------|
| Replacement Checks | | | |
| State Funds | | \$ 5 | \$ 5 |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--------------------------|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| Replacement Checks | <u>.....</u> | <u>\$ 5</u> | <u>\$ 5</u> |

**FISH FUND
GENERAL GOVERNMENT**

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---------------------------|-------------------|---|-------------------|
| Replacement Checks | | | |
| State Funds | | \$ 5 | \$ 5 |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--------------------------|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| Replacement Checks | <u>.....</u> | <u>\$ 5</u> | <u>\$ 5</u> |

**GAME FUND
GENERAL GOVERNMENT**

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---------------------------|-------------------|---|-------------------|
| Replacement Checks | | | |
| State Funds | | \$ 6 | \$ 6 |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--------------------------|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| Replacement Checks | <u>.....</u> | <u>\$ 6</u> | <u>\$ 6</u> |

**LOTTERY FUND
GENERAL GOVERNMENT**

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---------------------------|-------------------|---|-------------------|
| Replacement Checks | | | |
| State Funds | \$ 15 | \$ 20 | \$ 20 |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--------------------------|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| Replacement Checks | <u>\$ 15</u> | <u>\$ 20</u> | <u>\$ 20</u> |

**MILK MARKETING FUND
GENERAL GOVERNMENT**

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---|-------------------|---|-------------------|
| Replacement Checks and Refund Checks | | | |
| State Funds | | \$ 10 | \$ 10 |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| Replacement Checks | | \$ 5 | \$ 5 |
| Executive Authorization: | | | |
| Refund Milk Marketing Licenses and Fees | | 5 | 5 |
| TOTAL | <u>.....</u> | <u>\$ 10</u> | <u>\$ 10</u> |

**RACING FUND
GENERAL GOVERNMENT**

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---------------------------|-------------------|---|-------------------|
| Replacement Checks | | | |
| State Funds | | \$ 10 | \$ 10 |

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

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--------------------------|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| Replacement Checks | <u>.....</u> | <u>\$ 10</u> | <u>\$ 10</u> |

Amounts Not Previously Detailed

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Pennsylvania Economic Revitalization Fund | | | |
| Expenses for Issuing Bonds | \$ 36 | ..... | ..... |
| DEPARTMENT TOTAL | <u>\$ 36</u> | <u>.....</u> | <u>.....</u> |

TREASURY

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Fiscal Management | \$ 15,981 | \$ 18,955 | \$ 19,057 | \$ 19,472 | \$ 19,903 | \$ 20,352 | \$ 20,819 |
| Disbursement | 15,981 | 18,955 | 19,057 | 19,472 | 19,903 | 20,352 | 20,819 |
| Economic Development of the Disadvantaged and Handicapped | \$ 3,913 | \$ 4,145 | \$ 4,254 | \$ 4,404 | \$ 4,560 | \$ 4,722 | \$ 4,891 |
| Income Maintenance | 3,913 | 4,145 | 4,254 | 4,404 | 4,560 | 4,722 | 4,891 |
| Financing Commonwealth Obligations | \$ 468,249 | \$ 514,141 | \$ 540,388 | \$ 580,573 | \$ 612,708 | \$ 620,969 | \$ 631,768 |
| Debt Service | 468,249 | 514,141 | 540,388 | 580,573 | 612,708 | 620,969 | 631,768 |
| Improving Interstate Cooperation | \$ 516 | \$ 556 | \$ 591 | \$ 591 | \$ 591 | \$ 591 | \$ 591 |
| Interstate Relations | 516 | 556 | 591 | 591 | 591 | 591 | 591 |
| Natural Resource Development and Management | \$ 27 | \$ 33 | \$ 35 | \$ 35 | \$ 35 | \$ 35 | \$ 35 |
| Development, Utilization and Regulation of Water Resources | 27 | 33 | 35 | 35 | 35 | 35 | 35 |
| DEPARTMENT TOTAL | <u>\$ 488,686</u> | <u>\$ 537,830</u> | <u>\$ 564,325</u> | <u>\$ 605,075</u> | <u>\$ 637,797</u> | <u>\$ 646,669</u> | <u>\$ 658,104</u> |

Disbursement

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 9,435 | \$ 9,927 | \$ 10,222 | \$ 10,627 | \$ 11,048 | \$ 11,486 | \$ 11,942 |
| Special Funds | 6,546 | 9,028 | 8,835 | 8,845 | 8,855 | 8,866 | 8,877 |
| Other Funds | 665 | 993 | 865 | 900 | 936 | 973 | 1,012 |
| TOTAL | \$ 16,646 | \$ 19,948 | \$ 19,922 | \$ 20,372 | \$ 20,839 | \$ 21,325 | \$ 21,831 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---------------------------------|------------------|------------------|------------------|------------|------------|------------|------------|
| Disbursements issued | 9,954,343 | 9,600,000 | 9,700,000 | N/A | N/A | N/A | N/A |
| Interest earned on investments: | | | | | | | |
| General Fund | \$ 55,438 | \$ 50,755 | \$ 54,650 | N/A | N/A | N/A | N/A |
| Motor Fund | 22,447 | 12,950 | 8,960 | | | | |
| TOTAL | \$ 77,885 | \$ 63,705 | \$ 63,610 | N/A | N/A | N/A | N/A |

Program Analysis:

The Treasury Department is required by statute to receive and deposit all monies of the Commonwealth; to invest in short-term securities any Commonwealth monies which accumulate beyond the daily needs of the various funds; to manage to the best possible advantage all securities in its custody; to preaudit all requisitions for the expenditure of funds; and to disburse all State monies upon proper authorization to those entitled to receive payment. In this connection the State Treasury is responsible for the receipt, custody and disbursement of several billions of dollars each year.

The addition of the direct deposit system has greatly reduced the number of checks issued but the number of total

disbursements whether by check or direct deposit remains high and is now included in the program measure.

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 important boards and commissions.

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

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|------------------------------------|-------------------------------|-----------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| State Treasurers' Office | \$ 8,601 | \$ 8,923 | \$ 9,191 | \$ 9,559 | \$ 9,941 | \$ 10,339 | \$ 10,753 |
| Board of Finance and Revenue | 807 | 904 | 931 | 968 | 1,007 | 1,047 | 1,089 |
| Replacement Checks | 27 | 100 | 100 | 100 | 100 | 100 | 100 |
| GENERAL FUND TOTAL | \$ 9,435 | \$ 9,927 | \$ 10,222 | \$ 10,627 | \$ 11,048 | \$ 11,486 | \$ 11,942 |

Disbursement (continued)

Program Costs by Appropriation (continued)

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| MOTOR LICENSE FUND | | | | | | | |
| Replacement Checks | \$ 9 | \$ 60 | \$ 60 | \$ 60 | \$ 60 | \$ 60 | \$ 60 |
| Refunding Liquid Fuels Tax-Agricultural Use | 3,321 | 4,200 | 4,200 | 4,200 | 4,200 | 4,200 | 4,200 |
| Refunding Liquid Fuels Tax-State Share .. | 176 | 350 | 350 | 350 | 350 | 350 | 350 |
| Refunding Liquid Fuel Tax-Political Subdivisions | 1,574 | 2,200 | 2,250 | 2,250 | 2,250 | 2,250 | 2,250 |
| Administration of Refunding Liquid Fuel Tax | 186 | 241 | 248 | 258 | 268 | 279 | 290 |
| Refunding Liquid Fuel Tax-Volunteer Services | 104 | 160 | 160 | 160 | 160 | 160 | 160 |
| Refunding Marine Liquid Fuel Tax-Boating Fund | 1,161 | 1,750 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| Refunding Emergency Liquid Fuels Tax .. | ..... | 1 | 1 | 1 | 1 | 1 | 1 |
| MOTOR LICENSE FUND TOTAL ... | <u>\$ 6,531</u> | <u>\$ 8,962</u> | <u>\$ 8,769</u> | <u>\$ 8,779</u> | <u>\$ 8,789</u> | <u>\$ 8,800</u> | <u>\$ 8,811</u> |
| BANKING DEPARTMENT FUND | | | | | | | |
| Replacement Checks ..... | ..... | \$ 5 | \$ 5 | \$ 5 | \$ 5 | \$ 5 | \$ 5 |
| BOATING 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 ..... | ..... | \$ 5 | \$ 5 | \$ 5 | \$ 5 | \$ 5 | \$ 5 |
| GAME FUND | | | | | | | |
| Replacement Checks ..... | ..... | \$ 6 | \$ 6 | \$ 6 | \$ 6 | \$ 6 | \$ 6 |
| LOTTERY FUND | | | | | | | |
| Replacement Checks | \$ 15 | \$ 20 | \$ 20 | \$ 20 | \$ 20 | \$ 20 | \$ 20 |
| RACING FUND | | | | | | | |
| Replacement Checks ..... | ..... | \$ 10 | \$ 10 | \$ 10 | \$ 10 | \$ 10 | \$ 10 |
| MILK MARKETING FUND | | | | | | | |
| Replacement Checks ..... | ..... | \$ 5 | \$ 5 | \$ 5 | \$ 5 | \$ 5 | \$ 5 |
| Refunding Milk Marketing Licenses and Fees ..... | ..... | 5 | 5 | 5 | 5 | 5 | 5 |
| MILK MARKETING FUND TOTAL . | <u>.....</u> | $ 10 | $ 10 | $ 10 | $ 10 | $ 10 | <u>\$ 10</u> |

Income Maintenance

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>\$ 3,913</u> | <u>\$ 4,145</u> | <u>\$ 4,254</u> | <u>\$ 4,404</u> | <u>\$ 4,560</u> | <u>\$ 4,722</u> | <u>\$ 4,391</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Average monthly number of persons receiving cash grants | 697,718 | 679,100 | 677,100 | 694,500 | 702,400 | 706,500 | 713,500 |

Program Analysis:

The Treasury Department audits the disbursement records, maintains accounting controls, and disburses all checks to recipients of Public Assistance. Approximately 29,607 Public Assistance checks are processed each working day for distribution to the recipients. This processing includes preauditing, collating, authenticating and mailing the checks to individual recipients and banks.

The Direct Delivery system distributes checks through participating banks. There are presently 356 banks which distribute approximately 19,368 checks daily. The system is in effect in Philadelphia, Pittsburgh, Harrisburg, Chester, Norristown, Bristol, Bethlehem, Erie, Scranton, Lancaster, Allentown, Marcus Hook, Reading and York. This program has reduced substantially the number of lost, stolen and

forged checks. Information from the Department of Public Welfare shows that since the program began there has been over a fifty percent reduction of replacement checks in Philadelphia, Allegheny, Dauphin and Delaware counties and a reduction of ten percent in the remaining counties covered by the Direct Delivery system.

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

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| State Treasurer's Office | \$ 3,513 | \$ 3,645 | \$ 3,754 | \$ 3,904 | \$ 4,060 | \$ 4,222 | \$ 4,391 |
| Law Enforcement Officers' Death Benefits | 400 | 500 | 500 | 500 | 500 | 500 | 500 |
| GENERAL FUND TOTAL | <u>\$ 3,913</u> | <u>\$ 4,145</u> | <u>\$ 4,254</u> | <u>\$ 4,404</u> | <u>\$ 4,560</u> | <u>\$ 4,722</u> | <u>\$ 4,391</u> |

Debt Service

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 302,637 | \$ 346,435 | \$ 367,200 | \$ 398,839 | \$ 429,185 | \$ 446,999 | \$ 465,300 |
| Special Funds | 165,612 | 167,706 | 173,188 | 181,734 | 183,523 | 173,970 | 166,468 |
| Augmentations | 64 | 193 | 1,991 | 14,940 | 21,852 | 24,816 | 25,622 |
| TOTAL | \$ 468,313 | \$ 514,334 | \$ 542,379 | \$ 595,513 | \$ 634,560 | \$ 645,785 | \$ 657,390 |

Program Analysis:

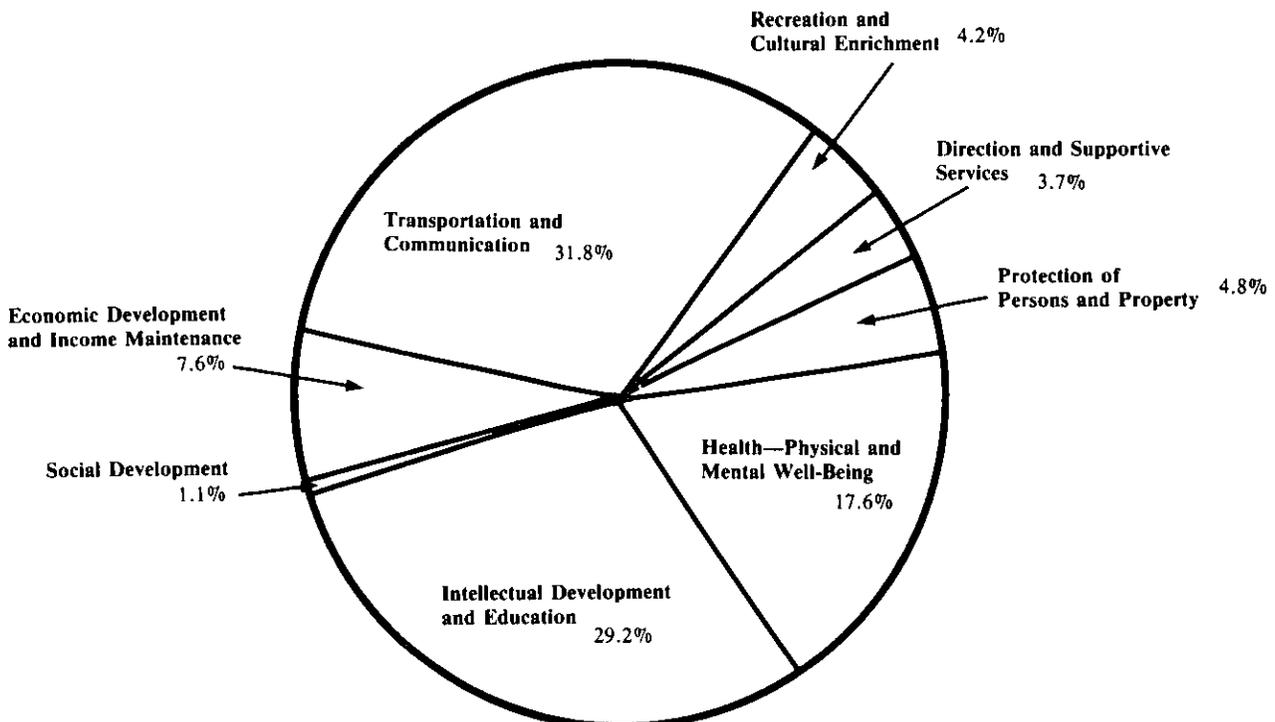
The Commonwealth, through the Treasury Department, is obligated to meet the principal and interest requirements and other expenses related to debt service.

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

to veterans of the Vietnam Conflict; relief for victims of disasters; accomplishing economic revitalization efforts; and a wide variety of construction and renovation projects including hospitals, higher education facilities, State parks, flood control, correctional institutions, and various public buildings. Debt service also provides funds to bring nursing homes up to the standards of the State Life Safety Code.

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

**1987-88
DISTRIBUTION OF DEBT SERVICE BY MAJOR PROGRAM
GENERAL FUND AND MOTOR FUND**



Debt Service (continued)

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Publishing Monthly Statements | \$ 33 | \$ 33 | \$ 36 | \$ 36 | \$ 36 | \$ 36 | \$ 36 |
| Interest Obligations—Penn State | | | | | | | |
| University | | 16 | 16 | 16 | 16 | 16 | 16 |
| Loan and Transfer Agents | 107 | 228 | 221 | 221 | 221 | 221 | 221 |
| Tax Note Expenses | 90 | 168 | 168 | 168 | 168 | 168 | 168 |
| Commercial Paper Cost | 345 | 600 | 400 | 400 | 400 | 400 | 400 |
| Interest on Tax Anticipation Notes | 13,624 | 18,400 | 14,000 | 14,000 | 14,000 | 14,000 | 14,000 |
| General Obligation-Debt Service | 288,438 | 315,990 | 335,890 | 364,211 | 387,569 | 402,637 | 420,489 |
| Redevelopment Assistance Sinking Fund | | 11,000 | 16,469 | 19,787 | 26,775 | 29,521 | 29,970 |
| GENERAL FUND TOTAL | \$ 302,637 | \$ 346,435 | \$ 367,200 | \$ 398,839 | \$ 429,185 | \$ 446,999 | \$ 465,300 |
| MOTOR LICENSE FUND | | | | | | | |
| Capital Debt-Transportation Projects | \$ 165,031 | \$ 164,912 | \$ 164,998 | \$ 165,051 | \$ 165,066 | \$ 165,075 | \$ 164,976 |
| Capital Debt-Public Improvement | | | | | | | |
| Projects | 498 | 529 | 524 | 1,281 | 1,361 | 1,361 | 1,361 |
| Capital Facilities Fund — Advance Construction Interstate — Issuance Costs | | | | | 1,167 | | |
| Advance Construction Interstate— | | | | | | | |
| Interest | | 2,130 | 7,535 | 15,271 | 15,798 | 7,403 | |
| Loan and Transfer Agent | 83 | 135 | 131 | 131 | 131 | 131 | 131 |
| MOTOR LICENSE FUND TOTAL ... | \$ 165,612 | \$ 167,706 | \$ 173,188 | \$ 181,734 | \$ 183,523 | \$ 173,970 | \$ 166,468 |

Interstate Relations

OBJECTIVE: To promote interstate cooperation and progress.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>\$ 516</u> | <u>\$ 556</u> | <u>\$ 591</u> | $ 591 | $ 591 | $ 591 | $ 591 |

Program Analysis:

Pennsylvania helps promote interstate progress and cooperation through participation in various associations, both regionally and nationally, with other states and other units of government.

The Council on State Governments is composed of representatives from all the states and is concerned with intrastate progress, interstate cooperation and Federal-State relations.

The Education Commission of the States, composed of members from all the states and territories, assists in the needs and promotion of education through interstate cooperation.

The National Conference of State Legislatures assists in the promotion of interstate progress and cooperation through the annual national conference.

The Advisory Commission on Intergovernmental Relations promotes state and local relations projects, including Reserve/Tax issues, reducing Federal regulations of state-local governments, and block grant implementation. This interstate organization is composed of representatives from most states. The National Governors Association, coordinates ideas on programs, budgets, governmental techni-

ques and general information concerning the states in liaison with the Congress and the Executive Branch of Government.

The Coalition of Northeastern Governors was established to bring together representatives from the public, private and labor sectors to focus on major issues of concern to the Northeast.

The Northeast-Midwest Institute is the research arm for the Congressional Coalition. The Congressional Coalition is comprised of 212 bipartisan Congressman from 17 states of the Northeast-Midwest region to further regional development policy and inform its members about regional implications of Federal policies.

Also included within this subcategory 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..

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Council on State Governments | \$ 108 | \$ 115 | \$ 118 | \$ 118 | \$ 118 | \$ 118 | \$ 118 |
| National Conference of State Legislatures | 127 | 125 | 129 | 129 | 129 | 129 | 129 |
| Education Commission of the States | 57 | 61 | 65 | 65 | 65 | 65 | 65 |
| National Governors Association | 92 | 102 | 107 | 107 | 107 | 107 | 107 |
| Advisory Commission on Intergovernmental Relations | 4 | 9 | 9 | 9 | 9 | 9 | 9 |
| Coalition of Northeastern Governors | 50 | 59 | 63 | 63 | 63 | 63 | 63 |
| Northeast — Midwest Institute | 42 | 48 | 50 | 50 | 50 | 50 | 50 |
| Governmental Accounting Standards Board | 36 | 37 | 42 | 42 | 42 | 42 | 42 |
| State and Local Legal Center ..... | ..... | ..... | 8 | 8 | 8 | 8 | 8 |
| GENERAL FUND TOTAL | <u>\$ 516</u> | <u>\$ 556</u> | <u>\$ 591</u> | $ 591 | $ 591 | $ 591 | $ 591 |

Development, Utilization and Regulation of Water Resources

OBJECTIVE: To maximize economic benefits from the utilization of water resources at the same time insuring the availability of a sufficient quantity of water to meet the current and future needs of the Commonwealth.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>\$ 27</u> | <u>\$ 33</u> | <u>\$ 35</u> | $ 35 | $ 35 | $ 35 | $ 35 |

Program Analysis:

This program provides for Pennsylvania's share of the cost of the Great Lakes Commission. Established in 1956 to plan and promote a unified and balanced program for the development, use and conservation of the Great Lakes

Basin water resources, this commission is composed of members from Pennsylvania and other states bordering the Great Lakes.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|------------------------------|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Great Lakes Commission | <u>\$ 27</u> | <u>\$ 33</u> | $ 35 | $ 35 | $ 35 | $ 35 | <u>\$ 35</u> |

Department of Aging

The Department of Aging was created by Act 70, approved June 20, 1978 in order to provide for the consolidation of services for the growing number of senior citizens in Pennsylvania who were receiving services through a variety of programs administered by various departments and agencies.

The department, which came into existence on July 1, 1979, is headed by a Secretary who serves as a cabinet-level advocate for citizens sixty years of age and older.

The department also has the responsibility of providing statewide services to the elderly through the local Area Agencies on Aging. These services include, but are not limited to: nutrition, employment, transportation, domiciliary care, in-home services and long-term care assessment and management. (LAMP).

Additionally, the department is to review and comment on the plans and programs of the Commonwealth which impact on the elderly.

The department also has responsibility for administrative oversight of the pharmaceutical assistance program for senior citizens.

Citizen participation and input is provided through a network including area agency advisory boards, regional councils and the Pennsylvania Council on Aging.

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

| Appropriation | Title | 1987-88 State Funds <small>(in thousands)</small> |
|--------------------------|--------------------------|--|
| General Fund | | |
| Transitional Care | Community Care | \$ 1,000 |
| Family Caregiver Support | Community Care | 1,000 |
| | General Fund Total | \$ 2,000 |
| Lottery Fund | | |
| In-Home Services | Community Care | \$ 8,000 |

This Program Revision will enhance the ability of families to provide home care for frail elderly and provide a transition to home care for persons discharged from hospitals.

| | |
|-------------------------|-------------------------|
| DEPARTMENT TOTAL | <u><u>\$ 10,000</u></u> |
|-------------------------|-------------------------|

DEPARTMENT OF AGING

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| Grants and Subsidies | | | |
| Transitional Care ..... | ..... | ..... | \$ 1,000 |
| Family Caregiver Support ..... | ..... | ..... | 1,000 |
| GENERAL FUND TOTAL | <u>.....</u> | <u>.....</u> | <u>\$ 2,000</u> |
| | | | |
| | (Dollar Amounts in Thousands) | | |
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Lottery Fund | | | |
| General Government | | | |
| General Government Operations | \$ 2,367 | \$ 2,369 | \$ 2,440 |
| Grants and Subsidies | | | |
| Aging Programs | \$ 46,637 | \$ 50,560 | \$ 52,077 |
| In-Home Services | 14,000 | 16,000 | 24,000 |
| Pre-Admission In-Home Services | 9,441 | 12,300 | 13,300 |
| Attendant Care | 5,100 | 5,400 | 5,400 |
| Drug Education | 50 | 50 | 50 |
| Alzheimer's Disease | 495 | 100 | 100 |
| Pharmaceutical Assistance | 100,000 | 100,000 | 100,000 |
| Subtotal | <u>\$ 175,723</u> | <u>\$ 184,410</u> | <u>\$ 194,927</u> |
| TOTAL STATE FUNDS — LOTTERY FUND | <u>\$ 178,090</u> | <u>\$ 186,779</u> | <u>\$ 197,367</u> |
| | | | |
| Federal Funds | \$ 54,510 | \$ 49,415 | \$ 52,470 |
| Augmentations | 778 | 1,973 | 2,505 |
| LOTTERY FUND TOTAL | <u>\$ 233,378</u> | <u>\$ 238,167</u> | <u>\$ 252,342</u> |
| Department Total — All Funds | | | |
| General Fund ..... | ..... | ..... | \$ 2,000 |
| Special Funds | \$ 178,090 | \$ 186,779 | 197,367 |
| Federal Funds | 54,510 | 49,415 | 52,470 |
| Augmentations | 778 | 1,973 | 2,505 |
| TOTAL ALL FUNDS | <u>\$ 233,378</u> | <u>\$ 238,167</u> | <u>\$ 254,342</u> |

GRANTS AND SUBSIDIES

| | (Dollar Amounts in Thousands) | | |
|--------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Senior Citizen Programs | | | |
| State Funds | | | \$ 2,000 |

Provides an alternative to nursing home care through the provision of in-home services when appropriate.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|--------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Transitional Care | | | \$ 1,000 |
| Family Caregiver Support | | | 1,000 |
| TOTAL | <u>.....</u> | <u>.....</u> | <u>\$ 2,000</u> |

**LOTTERY FUND
GENERAL GOVERNMENT**

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| State Funds | \$ 2,367 | \$ 2,369 | \$ 2,440 |
| Federal Funds | 1,406 | 1,642 | 1,665 |
| TOTAL | <u>\$ 3,773</u> | <u>\$ 4,011</u> | <u>\$ 4,105</u> |

Provides the administrative and support systems for the operation of the statewide senior citizen program.

Provides the overall planning and direction for elderly persons striving to achieve or maintain independent living and a role in community life.

Provides for the operation of the Pennsylvania Council on Aging.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| General Government Operations | \$ 2,367 | \$ 2,369 | \$ 2,440 |
| Federal Funds: | | | |
| Programs for the Aging (III) — Administration | 1,288 | 1,507 | 1,530 |
| Programs for the Aging (V) — Administration | 118 | 135 | 135 |
| TOTAL | <u>\$ 3,773</u> | <u>\$ 4,011</u> | <u>\$ 4,105</u> |

OTHER SPECIAL FUNDS

AGING

GRANTS AND SUBSIDIES

| | (Dollar Amounts in Thousands) | | |
|--------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Senior Citizen Programs | | | |
| State Funds | \$ 75,723 | \$ 84,410 | \$ 94,927 |
| Federal Funds | 53,104 | 47,773 | 50,805 |
| Augmentations | 778 | 1,973 | 2,505 |
| TOTAL | <u>\$ 129,605</u> | <u>\$ 134,156</u> | <u>\$ 148,237</u> |

Provides services for senior citizens through a network of 51 Area Agencies on Aging. Services provided include meals, homemaker and chore services, transportation, job development and placement, domiciliary care, long-term care assessment and management and the operation of senior centers.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Aging Programs | \$ 46,637 | \$ 50,560 | \$ 52,077 |
| In-Home Services | 14,000 | 16,000 | 24,000 |
| Pre-Admission In-Home Services | 9,441 | 12,300 | 13,300 |
| Attendant Care | 5,100 | 5,400 | 5,400 |
| Drug Education | 50 | 50 | 50 |
| Alzheimer's Disease | 495 | 100 | 100 |
| Federal Funds: | | | |
| Programs for the Aging (III) — Social Services | 41,673 | 35,000 | 37,500 |
| Programs for the Aging (V) — Employment | 3,580 | 3,800 | 3,800 |
| Programs for the Aging — Nutrition | 5,500 | 7,000 | 7,000 |
| Job Training Partnership Grants to Area Agencies on Aging ... | 926 | ..... | ..... |
| Medical Assistance—Pre-Admission Assessment | 1,425 | 1,973 | 2,505 |
| Augmentations: | | | |
| Pre-Admission Assessment | 778 | 1,973 | 2,505 |
| TOTAL | <u>\$ 129,605</u> | <u>\$ 134,156</u> | <u>\$ 148,237</u> |

OTHER SPECIAL FUNDS

AGING

| | (Dollar Amounts in Thousands) | | |
|----------------------------------|-------------------------------|------------|------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Pharmaceutical Assistance | | | |
| State Funds | \$ 100,000 | \$ 100,000 | \$ 100,000 |

Funds are transferred from the Lottery Fund to the Pharmaceutical Assistance Fund to fund payments to pharmacies for the price of prescription drugs reduced by a recipient copayment. Persons over 65 with an income of up to \$12,000 if single or \$15,000 if married are eligible. Also provides for administrative costs of the department and the contractor operating the program.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Transfer to the Pharmaceutical Assistance Fund | <u>\$ 100,000</u> | <u>\$ 100,000</u> | <u>\$ 100,000</u> |

DEPARTMENT OF AGING

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 2,367 | \$ 2,369 | \$ 2,440 | \$ 2,537 | \$ 2,639 | \$ 2,744 | \$ 2,850 |
| Social Development of Individuals | \$ 175,723 | \$ 184,410 | \$ 196,927 | \$ 244,790 | \$ 316,700 | \$ 347,650 | \$ 381,650 |
| Community Services | 22,231 | 22,396 | 22,944 | 23,658 | 24,073 | 25,150 | 25,930 |
| Community-Based Long-Term Care | 53,492 | 62,014 | 73,983 | 76,132 | 80,627 | 84,500 | 88,720 |
| Pharmaceutical Assistance | 100,000 | 100,000 | 100,000 | 145,000 | 212,000 | 238,000 | 267,000 |
| DEPARTMENT TOTAL | <u>\$ 178,090</u> | <u>\$ 186,779</u> | <u>\$ 199,367</u> | <u>\$ 247,327</u> | <u>\$ 319,339</u> | <u>\$ 350,394</u> | <u>\$ 384,500</u> |

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Special Funds | \$ 2,367 | \$ 2,369 | \$ 2,440 | \$ 2,537 | \$ 2,639 | \$ 2,744 | \$ 2,850 |
| Federal Funds | 1,406 | 1,642 | 1,665 | 1,718 | 1,776 | 1,835 | 1,895 |
| TOTAL | \$ 3,773 | \$ 4,011 | \$ 4,105 | \$ 4,255 | \$ 4,415 | \$ 4,579 | \$ 4,745 |

Program Analysis:

General Administration and Support provides administrative and overhead systems which support the operation of programs to achieve Commonwealth and department objectives efficiently and economically.

The administrative costs for the central office, the Council on Aging and its regional councils are included in this subcategory.

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|----------|----------|----------|----------|----------|----------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| STATE LOTTERY FUND | | | | | | | |
| General Government Operations | \$ 2,367 | \$ 2,369 | \$ 2,440 | \$ 2,537 | \$ 2,639 | \$ 2,744 | \$ 2,850 |

Community Services

OBJECTIVE: To enable older persons to continue active and independent lives.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Special Funds | \$ 22,231 | \$ 22,396 | \$ 22,944 | \$ 23,658 | \$ 24,073 | \$ 25,150 | \$ 25,930 |
| Federal Funds | 24,031 | 20,166 | 21,252 | 21,252 | 21,252 | 21,252 | 21,252 |
| TOTAL | \$ 46,262 | \$ 42,562 | \$ 44,196 | \$ 44,910 | \$ 45,325 | \$ 46,402 | \$ 47,182 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Pennsylvanians 60 years and older | 2,354,000 | 2,394,000 | 2,435,000 | 2,476,000 | 2,518,000 | 2,560,000 | 2,600,000 |
| Persons receiving assistance: | | | | | | | |
| Congregate meals (meals served/day) | 130,924 | 137,880 | 138,000 | 139,000 | 140,000 | 141,000 | 142,000 |
| Transportation (complete round trips) | 95,382 | 100,095 | 102,000 | 104,000 | 106,000 | 108,000 | 110,000 |
| Units of services delivered: | | | | | | | |
| Congregate meals (meals provided) | 7,337,077 | 7,496,826 | 7,550,000 | 7,700,000 | 7,800,000 | 7,900,000 | 8,000,000 |
| Employment Services (unsubsidized job placements) | 2,891 | 3,105 | 3,100 | 3,100 | 3,100 | 3,100 | 3,100 |
| Volunteer Services (volunteer hours) | 2,852,687 | 2,868,909 | 2,900,000 | 2,950,000 | 3,000,000 | 3,050,000 | 3,100,000 |
| Transportation (one-way passenger trips) | 4,542,409 | 4,751,462 | 4,800,000 | 4,850,000 | 4,900,000 | 4,950,000 | 5,000,000 |

Program Analysis:

The Commonwealth has developed a statewide system to assist those senior citizens who generally are in good health yet require some degree of aid or socialization to continue to lead active and independent lives. The 51 Area Agencies on Aging are the hub of this system which serves all 67 counties in the State. This basic delivery system serves all the elderly including those in need of more intensive assistance as described in the subcategory Community Based Long-Term Care Services.

The Area Agencies on Aging provide a wide range of services and activities. The most basic of these is outreach and information which helps to inform senior citizens of the availability of services. The Area Agencies either arrange for or provide a variety of services in the community which are designed to enable the elderly to continue to function independently with a minimal amount of outside support. As Pennsylvania's elderly population continues to grow—by the the end of 1987 an estimated 2,435,000 residents will be sixty or more years of age—the Area Agencies on Aging are expected to play an increasingly important role in the provision of services.

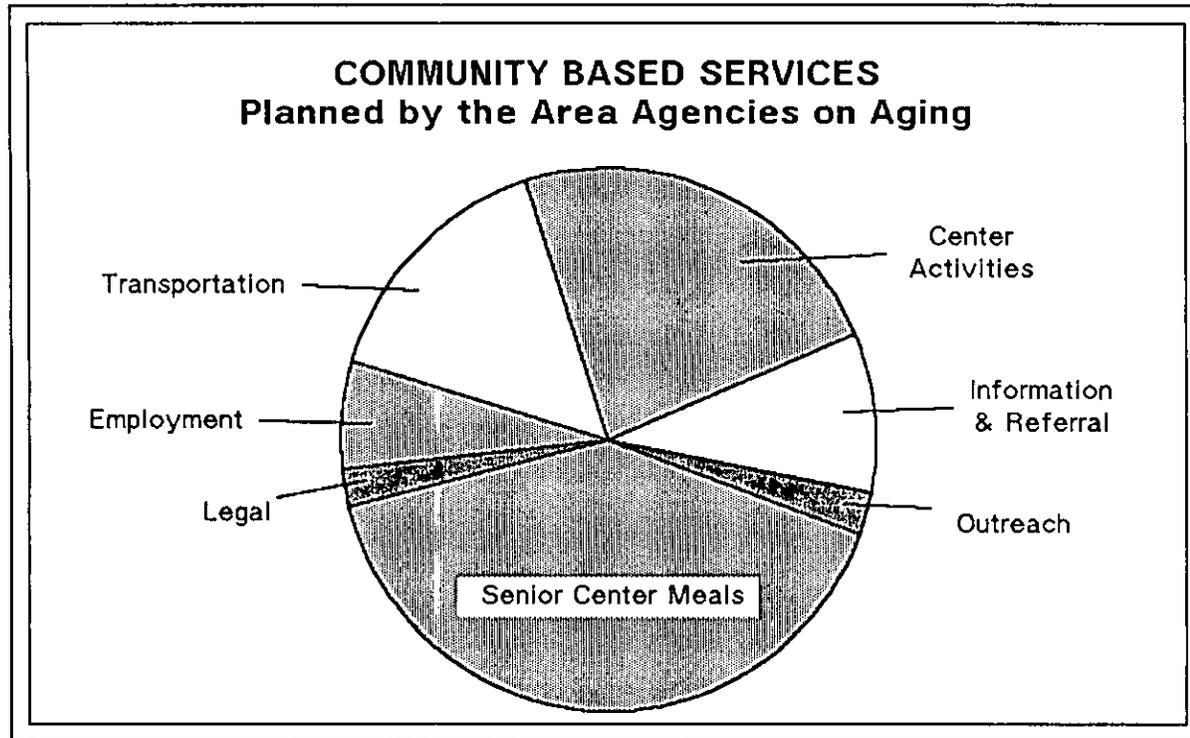
There are more than 500 senior centers in the Commonwealth which provide a full range of socialization and recreation activities, including congregating meals at noon time. Group dining has proved to be a very popular activity. During 1987-88, the senior centers expect to serve about 7.6 million hot and nutritious meals.

Each of the Area Agencies operate a job development and placement program for low income persons aged 55 and above. The major objective of the program is to assist older persons in securing unsubsidized employment in the private sector. In addition, job training and subsidized, part-time employment opportunities in community service work are provided. Job fairs, sponsored by several Area Agencies, have successfully secured employment for many senior citizens.

Frequently, older persons require special access to public and private transportation facilities in order to continue active and independent lives. The Area Agencies on Aging arrange for transportation services to assist the elderly with shopping, visits to the doctor and trips to and from senior centers.

Community Services (continued)

Program Analysis: (continued)



The above graph summarizes the planned activity of the Area Agencies on Aging during 1986-87.

A statewide drug education program was designed in 1985 to prevent Pennsylvania's elderly from misusing drugs and medicines. The program consists of: training local service providers to inform older people about drug misuse; distributing thousands of educational brochures; and providing physicians with a self-study course on elderly-related diseases and effective medications. Several non-government organizations are also involved in the comprehensive drug education project.

An Alzheimer's disease program was developed in 1985-86 with funding of \$500,000. The program consists of education for families of Alzheimer's victims in effective coping strategies and identification of available resources, training for medical and social service providers, and expansion of local support groups. During 1985-86, program materials and information brochures were developed.

Funds are provided to continue the Drug Education and the Alzheimer's information programs.

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| STATE LOTTERY FUND | | | | | | | |
| Aging Programs | \$ 21,686 | \$ 22,246 | \$ 22,794 | \$ 23,508 | \$ 23,923 | \$ 25,000 | \$ 25,780 |
| Drug Education | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Alzheimer's Disease | 495 | 100 | 100 | 100 | 100 | 100 | 100 |
| LOTTERY FUND TOTAL | \$ 22,231 | \$ 22,396 | \$ 22,944 | \$ 23,658 | \$ 24,073 | \$ 25,150 | \$ 25,930 |

Community-Based Long-Term Care Services

OBJECTIVE: To enable older persons to live in their own homes and, where necessary, provide alternative living arrangements.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund ..... | ..... | ..... | \$ 2,000 | ..... | ..... | ..... | ..... |
| Special Funds | \$ 53,492 | \$ 62,014 | 71,983 | \$ 76,132 | \$ 80,627 | \$ 84,500 | \$ 88,720 |
| Federal Funds | 29,073 | 27,607 | 29,553 | 30,678 | 32,108 | 33,698 | 35,198 |
| Other Funds | 778 | 1,973 | 2,505 | 2,630 | 2,760 | 2,900 | 3,050 |
| TOTAL | \$ 83,343 | \$ 91,594 | \$ 106,041 | \$ 109,440 | \$ 115,495 | \$ 121,098 | \$ 126,968 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Older persons receiving: | | | | | | | |
| Intensive community long-term care | 1,631 | 2,200 | 2,600 | 2,800 | 3,100 | 3,300 | 3,500 |
| Attendant care services | 1,683 | 1,776 | 1,800 | 1,840 | 1,900 | 1,950 | 2,000 |
| Home delivered meals | 33,494 | 33,706 | 34,800 | 35,600 | 36,500 | 37,400 | 38,000 |
| Homemaker services | 42,111 | 39,000 | 40,000 | 41,000 | 42,000 | 43,000 | 44,000 |
| Units of services delivered: | | | | | | | |
| Homemaker (client hours) | 2,441,316 | 2,407,992 | 2,410,000 | 2,500,000 | 2,580,000 | 2,650,000 | 2,720,000 |
| Chore Services (client hours) | 239,423 | 218,814 | 220,000 | 230,000 | 240,000 | 250,000 | 260,000 |
| Home delivered meals | 4,426,163 | 4,821,172 | 5,000,000 | 5,100,000 | 5,200,000 | 5,300,000 | 5,400,000 |

Program Analysis:

Most older persons who are unable to care for themselves would prefer to remain in their own homes rather than be placed in an institutional setting such as a nursing home or personal care boarding home. A variety of personal support services have been developed and expanded recently to meet the needs of this growing group of the Commonwealth's senior citizen population.

A pre-admission assessment program for applicants of medical assistance funded nursing homes and State funded community personal care residential living arrangements was implemented in 1984 to provide a comprehensive assessment of the health and social needs of the applicants so that the appropriate level of care may be identified and promptly secured. This program was subsequently expanded and renamed the Long-Term Care Assessment and Management Program (LAMP). In addition to the comprehensive assessments, five million dollars from the Lottery Fund was made available to provide a prescribed community service package of care for those applicants diverted from nursing

home placement and funding was provided for the management and coordination of those services by professional staff. An extensive analysis of this demonstration program is being conducted.

In 1985-86, LAMP was operational in seven counties (Allegheny, Erie, Luzerne, Wyoming, Philadelphia, Westmoreland, and York). Community long-term care service were provided to 1,631 LAMP clients which enabled them to remain in their own homes rather than be institutionalized. In addition, nearly 2,700 persons were determined appropriate for domiciliary care or personal care boarding homes, and 8,600 people were approved for nursing home reimbursement through Medicaid. Recommended funding for 1987-88 includes \$5 million for comprehensive assessments of applicants of long-term care and \$13.3 million to provide intensive community long-term care.

Another in-home service program that was implemented in 1984-85 is attendant care for senior citizens. This program provides personal care services by a specially trained

Community-Based Long-Term Care Services (continued)

Program Analysis: (continued)

attendant to assist physically disabled persons with key activities of daily living such as eating, dressing, and personal hygiene. The major goals of the program are to help prevent and/or delay institutionalization and reduce the cost of long-term care. An estimated 1,800 disabled persons will be receiving these services by the end of the 1987-88 year.

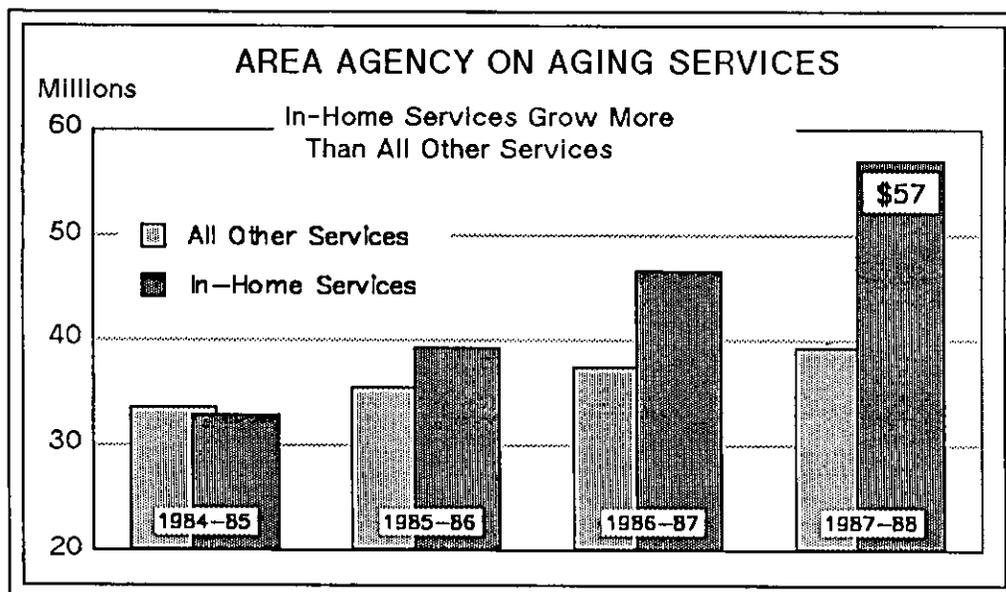
The most widely utilized in-home service is homemaker service which provides the bed-bound or extremely frail elderly with light housekeeping, laundry and personal grooming assistance when there is no other responsible person available or capable of providing these services. Approximately 40,000 senior citizens will receive homemaker services in 1987.

Chore services are provided in a similar manner and lend assistance with minor home maintenance tasks such as: replacing window panes, installing safety rails in the bathroom and cutting grass or shoveling snow. These services are provided to maintain the individual's health and safety in the home.

Another major in-home service is home-delivered meals. The disabled or frail elderly are generally unable to prepare

adequate meals for themselves and are unable to participate in the group dining program of senior centers. To insure minimum levels of sound nutrition, meals are prepared in a central location and delivered to an individual's home. During 1987-88, about five million home-delivered meals will be served to an estimated 34,800 disabled or frail senior citizens.

Community-based long-term care services are offered to senior citizens so that they may remain in their own homes and to reduce the cost of long-term care. In recognition of the needs of the elderly, the Commonwealth has responded by increasing the funding for in-home services. For 1987-88, an additional \$10 million is recommended for these services as described in the Program Revision, which also includes two new programs for Transitional Care and Family Caregiver Support. The following graph depicts the growing emphasis that is being placed on the provision of in-home services by comparing these services to other services provided such as: transportation, employment, senior center meals and activities.



Community-Based Long-Term Care Services (continued)

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Transitional Care ..... | ..... | ..... | \$ 1,000 | ..... | ..... | ..... | ..... |
| Family Caregiver Support ..... | ..... | ..... | 1,000 | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | <u>.....</u> | <u>.....</u> | <u>\$ 2,000</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> |
| LOTTERY FUND | | | | | | | |
| Aging Programs | \$ 24,951 | \$ 28,314 | \$ 29,283 | \$ 30,132 | \$ 31,327 | \$ 31,900 | \$ 32,820 |
| In-Home Services | 14,000 | 16,000 | 24,000 | 26,000 | 28,000 | 30,000 | 32,000 |
| Pre-Admission In-Home Services | 9,441 | 12,300 | 13,300 | 14,400 | 15,500 | 16,600 | 17,700 |
| Attendant Care | 5,100 | 5,400 | 5,400 | 5,600 | 5,800 | 6,000 | 6,200 |
| LOTTERY FUND TOTAL | <u>\$ 53,492</u> | <u>\$ 62,014</u> | <u>\$ 71,983</u> | <u>\$ 76,132</u> | <u>\$ 80,627</u> | <u>\$ 84,500</u> | <u>\$ 88,720</u> |

Community-Based Long-Term Care Services Program Revision: Community Care

Recommended Program Revision Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|---------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | | | \$ 2,000 | | | | |
| Lottery Fund | | | \$ 8,000 | \$ 10,000 | \$ 12,000 | \$ 14,000 | \$ 16,000 |
| TOTAL | | | \$ 10,000 | \$ 10,000 | \$ 12,000 | \$ 14,000 | \$ 16,000 |

Program Analysis:

This Program Revision contains three components to enhance the ability of families to provide home care for frail elderly and provide a transition to home care for persons discharged from hospitals.

FAMILY CAREGIVER SUPPORT

The Family Caregiver Support Program will consist of a demonstration program in selected sites to assess the impact of program activities intended to ease the burden of selected caregivers. It is proposed that the program will have the following components:

Family Support Growth

Each site will develop means to conduct public education and caregiver training and to carry out other activities related to the development of small caregiver self-help groups. The objective of the demonstration is to implement and support programs serving at least 10 families each. In addition to demonstrating how to establish mutual support and respite groups, the project will collect data on the needs and characteristics of participating families and conduct research on the impact of the program on perceived stress.

Family Caregiving Resources

This portion of the initiative will provide modest reimbursement of monthly costs for respite care and for other discretionary expenses to low-income caregiving families to supplement their available caregiving resources.

TRANSITIONAL CARE

In Pennsylvania, over 30 percent of all hospital discharges are persons age 60 and older. Approximately 25 percent of these people receive in-home supports funded by Medicare or other sources, with another 9 percent being discharged directly to a nursing home or other care providing facility. This means that there are over 360,000 instances each year in which an older person returns to the community with no

formal supports after an illness which required hospitalization. This can result in hospital re-admission which can be avoided if community support services are available.

Although some of these older persons are being discharged sicker and more quickly, this does not necessarily mean that the discharges are inappropriate. The acute care hospital setting is not intended as a place for convalescence. Many older persons are often in a weak state when discharged, but they do not need medical treatment for an illness. They do need personal care assistance with activities such as eating, bathing and walking.

This Program Revision seeks to create a demonstration program consisting of intense, short-term, in-home support services to older persons recently discharged from hospitals. The program is designed to provide selected Area Agencies on Aging with additional resources to (1) initiate formal linkages or partnerships with hospitals in their respective areas, (2) target elderly persons living alone who are soon to be released or have recently been released from hospitals, (3) provide comprehensive needs assessments, (4) provide concrete, intense community care consisting of in-home and support services such as homemaker, attendant care, home delivered meals, counseling, etc., and (5) gather statistical data necessary to obtain a more accurate picture of the target population from which statewide planning can be done.

These are demonstration programs that can be expected to increase significantly in future years depending upon demand for services and community support. As such, it is difficult to project future year costs, but if successful, this program is expected to increase to \$44 million over a four year period.

IN-HOME SERVICES

The third component of this Program Revision is a 50 percent expansion of the in-home services program, an \$8 million increase in 1987-88. This will provide a significant expansion of such services as homemaker, chore, and home delivered meals in areas either un-served or under-served to respond to the increasing need for these services.

**Community-Based Long-Term Care Services
Program Revision: Community Care (continued)**

Recommended Program Revision Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------|-------------------------------|--------------|-----------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Transitional Care | | | \$ 1,000 | ..... | ..... | ..... | ..... |
| Family Caregiver Support | | | \$ 1,000 | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | <u>.....</u> | <u>.....</u> | <u>\$ 2,000</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> |
| LOTTERY FUND | | | | | | | |
| In-Home Services | <u>.....</u> | <u>.....</u> | <u>\$ 8,000</u> | <u>\$ 10,000</u> | <u>\$ 12,000</u> | <u>\$ 14,000</u> | <u>\$ 16,000</u> |

Pharmaceutical Assistance

OBJECTIVE: To provide assistance to the Commonwealth's elderly citizens who are experiencing difficulties in meeting the costs of prescription drugs.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------|------------|------------|------------|------------|------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Special Funds | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 145,000 | \$ 212,000 | \$ 238,000 | \$ 267,000 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|------------|------------|------------|------------|------------|------------|------------|
| Persons receiving benefits (end of year).... | 445,836 | 455,000 | 460,000 | 463,000 | 463,000 | 463,000 | 463,000 |
| Total prescriptions per year | 9,339,004 | 10,800,000 | 10,920,000 | 11,000,000 | 11,000,000 | 11,000,000 | 11,000,000 |
| Program Expenditures (in thousands)..... | \$ 115,461 | \$ 152,035 | \$ 172,780 | \$ 194,764 | \$ 218,458 | \$ 246,024 | \$ 275,587 |

Program Analysis:

Act 63 of 1983 provides the Department of Aging with Lottery funds for the administration and provision of pharmaceutical assistance benefits for Commonwealth senior citizens.

Pennsylvania residents who are 65 years of age or over are eligible for benefits if their annual income does not exceed \$12,000 for single persons and \$15,000 for married persons provided they are not qualified for payment of drugs under any other public assistance or insurance program.

Pharmacies are reimbursed for all legend drugs, insulin, insulin syringes, and insulin needles dispensed to senior citizens with a PACE identification card. Prescription size for most drugs is limited to a 30 day supply or 100 doses, whichever is less. Acute drugs are limited to a 15 day supply. An eligible recipient must pay the difference in cost between a brand name drug and its generic equivalent if the physician permits substitutions and the recipient elects to purchase the brand name drug. Over 2,800 pharmacies throughout the Commonwealth are participating in the program.

A mandatory \$4.00 co-payment to the pharmacy per prescription is required from eligible recipients. The pharmacy will be reimbursed for the remainder of the drug cost with proceeds from the Lottery Fund. The co-payment may be increased or decreased on an annual basis by the average percent change of ingredient costs for all prescription drugs covered by the program. In addition, the department may adjust the co-payment semiannually based upon the financial experience and projections of program expenditures.

Since inception of the program in July 1984 through the end of January 1987, more than 450,000 persons received

benefits and over 20 million reduced price prescriptions were dispensed at a savings to senior citizens of over \$248 million. Program benefits and costs are projected to increase in future years as shown in the program measures above.

The Lottery Fund has shown steady annual growth from its inception in 1972 to 1985. Beginning in 1981, phenomenal growth in the reserves resulted in program development, including support for the PACE program.

However, as the first chart shows, original Lottery sales estimates for 1987-88 through 1991-92 assumed a 3% annual growth rate. This is unrealistic since actual sales for the first seven months of 1986-87 not only fell short of the original estimate but were below actual sales for 1985-86 on a year-to-date basis. Given the substantial difference between original estimates and actual sales to date, sales for all of 1986-87 and each fiscal year thereafter through 1990-91 are currently projected to be static.

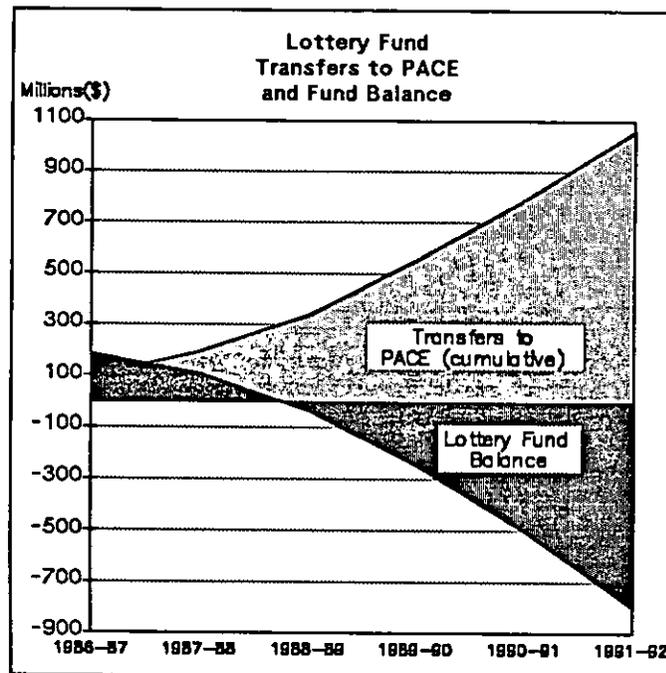
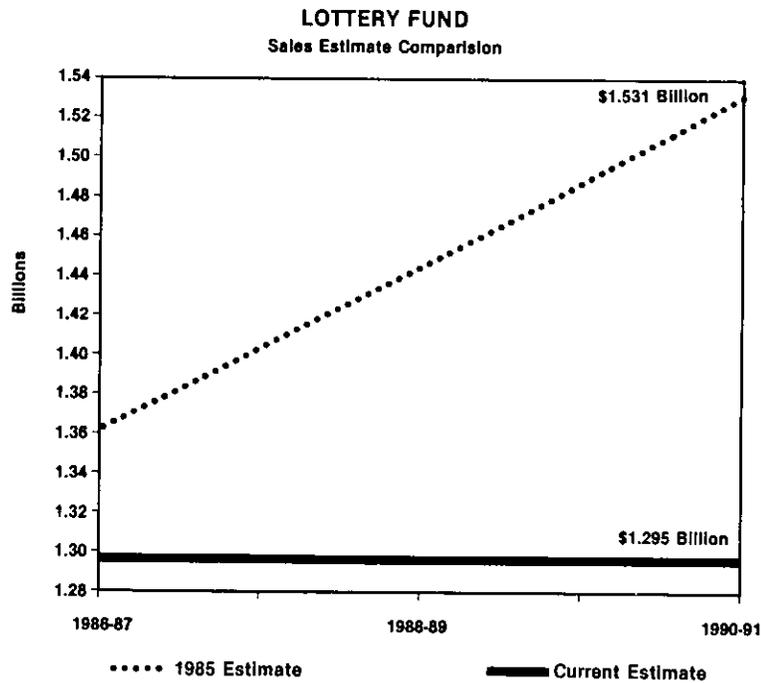
While funds available to the Lottery are currently projected to show no growth through 1990-91, expenditures are projected to increase. Cost increases will be primarily due to increased expenditures for the PACE program.

As the second chart shows, the cost of the PACE program has consumed the substantial reserve accumulated in the Lottery as of 1986-87 and is the driving force behind the growing deficits projected over the next five fiscal years.

As a first-step to making more Lottery funds available to offset program costs, this budget recommends transferring \$19.8 million in program costs for Supplemental Grants to the Aged and Community Mental Retardation Services for the Elderly from the Lottery to the General Fund.

Pharmaceutical Assistance (continued)

Program Analysis: (continued)



Pharmaceutical Assistance (continued)**Program Analysis: (continued)****Program Costs by Appropriation:**

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| LOTTERY FUND | | | | | | | |
| Transfer to Pharmaceutical Assistance | | | | | | | |
| Fund | <u>\$ 100,000</u> | <u>\$ 100,000</u> | <u>\$ 100,000</u> | <u>\$ 145,000</u> | <u>\$ 212,000</u> | <u>\$ 238,000</u> | <u>\$ 267,000</u> |

Department of Agriculture

The Department of Agriculture carries out activities to ensure wholesome and quality agricultural products for consumers; to expand existing and develop new domestic and foreign markets for Pennsylvania's agricultural products; to develop and encourage proper farming and conservation practices; to prevent, control and eradicate diseases among livestock, poultry and plants; to regulate the conduct of horse racing; and to improve the quality of life in rural Pennsylvania.

DEPARTMENT OF AGRICULTURE

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| General Government Operations | \$ 16,750 | \$ 16,123 | \$ 16,226 |
| Agricultural Research | 732 | 1,000 | 1,000 |
| Agricultural Promotion | 60 | 360 | 360 |
| Pennsylvania Pesticide Control Act ..... | ..... | 239 | ..... |
| Subtotal | <u>\$ 17,542</u> | <u>\$ 17,722</u> | <u>\$ 17,586</u> |
| Grants and Subsidies | | | |
| Brucellosis Vaccination Program | \$ 150 | \$ 150 | \$ 150 |
| Rabies Virus Research | 110 | ..... | ..... |
| Rabies Research ..... | ..... | 273 | 300 |
| Livestock Diagnostic Contract | 153 | 189 | 189 |
| Poultry Laboratory Diagnostic Contract | 169 | 189 | 189 |
| Field Investigation Program | 183 | 200 | 200 |
| Poultry Surveillance Program ..... | ..... | 150 | 150 |
| Johne's Disease | 115 | 115 | 115 |
| Animal Indemnities | 1,425 | 350 | 350 |
| Acid Rain Research | 200 | 100 | ..... |
| Transfer to Farm Products Show Fund | 1,000 | 1,000 | 1,000 |
| Livestock Show | 83 | 83 | 83 |
| Open Dairy Show | 66 | 66 | 66 |
| Junior Dairy Show | 28 | 28 | 28 |
| 4-H Club Shows | 33 | 33 | 33 |
| Payments to Pennsylvania Fairs | 2,500 | 2,750 | 2,750 |
| Emergency Food Assistance Program | 9,000 | 8,000 | 8,000 |
| Urban Farm Market Promotion | 250 | ..... | ..... |
| Agricultural Development ..... | ..... | ..... | 3,000 |
| Subtotal | <u>\$ 15,465</u> | <u>\$ 13,676</u> | <u>\$ 16,603</u> |
| TOTAL STATE FUNDS | <u>\$ 33,007</u> | <u>\$ 31,398</u> | <u>\$ 34,189</u> |
| Federal Funds | \$ 4,369 | \$ 4,648 | \$ 4,323 |
| Augmentations | 876 | 846 | 861 |
| GENERAL FUND TOTAL | <u>\$ 38,252</u> | <u>\$ 36,892</u> | <u>\$ 39,373</u> |
| Fair Fund | | | |
| General Government | | | |
| General Operations | \$ -10 | \$ 143 | ..... |
| FAIR FUND TOTAL | <u>\$ -10</u> | <u>\$ 143</u> | <u>.....</u> |
| Farm Products Show Fund | | | |
| General Government | | | |
| General Operations | \$ 1,735 | \$ 1,847 | \$ 1,852 |
| FARM PRODUCTS SHOW FUND TOTAL | <u>\$ 1,735</u> | <u>\$ 1,847</u> | <u>\$ 1,852</u> |

DEPARTMENT OF AGRICULTURE

Summary by Fund and Appropriation (continued)

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Racing Fund | | | |
| General Government | | | |
| Harness Racing Commission | \$ 1,775 | \$ 2,199 | \$ 1,579 |
| Horse Racing Commission | 2,676 | 2,785 | 2,869 |
| Race Horse Testing Laboratory | 810 | 764 | 764 |
| Payments to Pennsylvania Fairs—Administration | 228 | 157 | 216 |
| Subtotal | <u>\$ 5,489</u> | <u>\$ 5,905</u> | <u>\$ 5,428</u> |
| Grants and Subsidies | | | |
| Transfer to the General Fund | \$ 3,379 | \$ 1,825 | \$ 1,211 |
| RACING FUND TOTAL | <u>\$ 8,868</u> | <u>\$ 7,730</u> | <u>\$ 6,639</u> |
| DEPARTMENT TOTAL—ALL FUNDS | | | |
| General Fund | \$ 33,007 | \$ 31,398 | \$ 34,189 |
| Special Funds | 10,593 | 9,720 | 8,491 |
| Federal Funds | 4,369 | 4,648 | 4,323 |
| Augmentations | 876 | 846 | 861 |
| SUBTOTAL ALL FUNDS | <u>\$ 48,845</u> | <u>\$ 46,612</u> | <u>\$ 47,864</u> |
| Other Funds | \$ 9,447 | \$ 10,147 | \$ 8,524 |
| TOTAL ALL FUNDS | <u>\$ 58,292</u> | <u>\$ 56,759</u> | <u>\$ 56,388</u> |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| State Funds | \$ 17,542 | \$ 17,722 | \$ 17,586 |
| Federal Funds | 4,369 | 4,648 | 4,323 |
| Augmentations | 876 | 846 | 861 |
| TOTAL | \$ 22,787 | \$ 23,216 | \$ 22,770 |

Provides the overall planning, policy guidance and coordination for agency programs and supplies administrative, legal, public information, planning and research, personnel, fiscal management and supply services to the various substantive operational programs.

Protects the consumer by insuring that certain commodities comply with quality, grade and weight standards.

Engages in the protection and improvement of plant and animal health through the evaluation and control of disease.

Attempts to strengthen the agricultural economy through activities aimed at improving farm family income.

Engages in research and promotional activities for the benefit of both the agrarian and nonagrarian communities.

Also, provides for regulation of the labeling, distribution, transportation, use, application and storage of pesticides.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| General Government Operations | \$ 16,750 | \$ 16,123 | \$ 16,226 |
| Agricultural Research | 732 | 1,000 | 1,000 |
| Agricultural Promotion | 60 | 360 | 360 |
| Pennsylvania Pesticide Control Act ..... | . . . . | 239 | |
| Federal Funds: | | | |
| Diagnostic Laboratory Services | 82 | 125 | 80 |
| Food and Drug Administration — Food Sanitation Inspections | 141 | 150 | 90 |
| Poultry Grading Service | 133 | 160 | 116 |
| Marketing Services ..... | . . . . | 25 | 25 |
| Ornamental Crop Reporting | 22 | 22 | 18 |
| Pesticide Enforcement, Certification and Training | 307 | 304 | 227 |
| Medicated Feed Mill Inspection Program | 17 | 28 | 10 |
| Donated Food-Administrative Expenses | 100 | 75 | 75 |
| Plant Pest Detection | 39 | 36 | 32 |
| Household Commodity Program | 3,375 | 3,500 | 3,500 |
| Pseudorabies Pilot Project | 151 | 213 | 150 |
| Bacteriological Study | 2 | | |
| Fruit Tree Improvement ..... | . . . . | 10 | |

GENERAL FUND

AGRICULTURE

| <i>Source of Funds (continued)</i> | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Augmentations: | | | |
| Feed and Fertilizer Inspection, and Registration, Fees and Fines | \$ 283 | \$ 309 | \$ 295 |
| Lime Inspection and Registration Fees and Fines | 36 | 43 | 43 |
| Soil Conditioner Inspection and Registration Fees and Fines | 12 | 12 | 11 |
| Data Processing Services | 1 | | |
| Milk Plant Inspections | 33 | 29 | 31 |
| Fruit Tree Improvement | 28 | 15 | 15 |
| Donated Food Damage Claims | | | 30 |
| Animal Industry Services | 5 | 7 | 7 |
| Special Conferences and Project | 61 | 12 | 11 |
| Administrative Services | 413 | 412 | 415 |
| Weights and Measures Inspection Services | 4 | 7 | 3 |
| TOTAL | \$ 22,787 | \$ 23,216 | \$ 22,770 |

GRANTS AND SUBSIDIES

| Animal Health | (Dollar Amounts in Thousands) | | |
|----------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 2,305 | \$ 1,616 | \$ 1,643 |

Provides indemnity payments as compensation for diseased or exposed animals which are destroyed to prevent the spread of disease.

Also provides for various research, disease prevention and vaccination programs.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Brucellosis Vaccination Program | \$ 150 | \$ 150 | \$ 150 |
| Rabies Virus Research | 110 | | |
| Rabies Research | | 273 | 300 |
| Livestock Diagnostic Contract | 153 | 189 | 189 |
| Poultry Laboratory Diagnostic Contract | 169 | 189 | 189 |
| Field Investigation Program | 183 | 200 | 200 |
| Poultry Surveillance Program | | 150 | 150 |
| Johne's Disease | 115 | 115 | 115 |
| Animal Indemnities | 1,425 | 350 | 350 |
| TOTAL | \$ 2,305 | \$ 1,616 | \$ 1,643 |

GENERAL FUND

AGRICULTURE

| | (Dollar Amounts in Thousands) | | |
|---------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Agribusiness Development | | | |
| State Funds | \$ 4,160 | \$ 4,060 | \$ 6,960 |

Supports that portion of the Farm Show Activities not covered by Farm Products Show Fund revenues, stimulates the improvement and development of Pennsylvania's agricultural products through competitive shows, farmers' markets, promotion of and development of export markets, and supports Pennsylvania Fair activities and funds Agricultural Development initiatives to aid the agricultural industry in the Commonwealth.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Acid Rain Research | \$ 200 | \$ 100 | ..... |
| Transfer to Farm Products Show Fund | 1,000 | 1,000 | \$ 1,000 |
| Livestock Show | 83 | 83 | 83 |
| Open Dairy Show | 66 | 66 | 66 |
| Junior Dairy Show | 28 | 28 | 28 |
| 4-H Club Shows | 33 | 33 | 33 |
| Payments to Pennsylvania Fairs | 2,500 | 2,750 | 2,750 |
| Urban Farm Market Promotion | 250 | ..... | ..... |
| Agricultural Development ..... | ..... | ..... | 3,000 |
| TOTAL | <u>\$ 4,160</u> | <u>\$ 4,060</u> | <u>\$ 6,960</u> |

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Consumable Agricultural Products | | | |
| State Funds | \$ 9,000 | \$ 8,000 | \$ 8,000 |

Provides grants to local organizations to feed the needy.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Emergency Food Assistance Program | <u>\$ 9,000</u> | <u>\$ 8,000</u> | <u>\$ 8,000</u> |

**FAIR FUND
GENERAL GOVERNMENT**

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---------------------------|---------------------|---|-------------------|
| General Operations | | | |
| State Funds | \$ -10 ^a | \$ 143 | ..... |
| Augmentations | 2,500 ^b | ..... | ..... |
| TOTAL | <u>\$ 2,490</u> | <u>\$ 143</u> | <u>.....</u> |

Reimburses local organizations for operating expenses incurred in conducting annual agricultural fairs. Conducts marketing, consumer service and agricultural research programs. If funds are available, provides grants to fairs for capital improvements.

The Fair Fund was a special revenue fund composed of a transfer from the General Fund. Act 92 signed July 8, 1986, eliminated the Fair Fund as a special fund, effective July 1, 1986 and created a grant appropriation, Payments to Pennsylvania Fairs, in order to provide continued assistance to agricultural fairs.

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|----------------------------------|---------------------|---|-------------------|
| Source of Funds | | | |
| Executive Authorization: | | | |
| General Operations | \$ -10 ^a | \$ 143 | ..... |
| Augmentations: | | | |
| Transfer from General Fund | 2,500 ^b | ..... | ..... |
| TOTAL | <u>\$ 2,490</u> | <u>\$ 143</u> | <u>.....</u> |

^aLapses from the fund exceeded the amount of the State funds executive authorization.

^bThe transfer from the General Fund is not carried forward as Augmentations to the Summary by Fund and Appropriation to avoid double counting.

**FARM PRODUCTS SHOW FUND
GENERAL GOVERNMENT**

| | (Dollar Amounts in Thousands) | | |
|---------------------------|-------------------------------|----------------------|--------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Operations | | | |
| State Funds | \$ 1,735 | \$ 1,847 | \$ 1,852 |
| Augmentations | 1,000 ^a | 1,000 ^a | 1,000 ^a |
| TOTAL | <u>\$ 2,735</u> | <u>\$ 2,847</u> | <u>\$ 2,852</u> |

Stimulates the improvement and development of Pennsylvania's agricultural products by encouraging and staging competitive shows at the State Farm Show Complex. Provides facilities for educational, cultural, religious, sport and other activities of interest to the general public.

| | (Dollar Amounts in Thousands) | | |
|----------------------------------|-------------------------------|----------------------|--------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Executive Authorization: | | | |
| General Operations | \$ 1,735 | \$ 1,847 | \$ 1,852 |
| Augmentations: | | | |
| Transfer from General Fund | 1,000 ^a | 1,000 ^a | 1,000 ^a |
| TOTAL | <u>\$ 2,735</u> | <u>\$ 2,847</u> | <u>\$ 2,852</u> |

**RACING FUND
GENERAL GOVERNMENT**

| | (Dollar Amounts in Thousands) | | |
|--------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Racing Operations | | | |
| State Funds | \$ 5,261 | \$ 5,748 | \$ 5,212 |

Develops and implements rules, regulations and procedures to insure the public and harness and horse owners of honest and safe competitive pari-mutuel harness and horse racing. Act 93 of 1983 merged the State Harness Racing Fund and the State Horse Racing Fund into the Racing Fund.

| | (Dollar Amounts in Thousands) | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Executive Authorizations: | | | |
| Harness Racing Commission | \$ 1,775 | \$ 2,199 | \$ 1,579 |
| Horse Racing Commission | 2,676 | 2,785 | 2,869 |
| Race Horse Testing Laboratory | 810 | 764 | 764 |
| TOTAL | <u>\$ 5,261</u> | <u>\$ 5,748</u> | <u>\$ 5,212</u> |

^aThe transfer from the General Fund is not carried forward as augmentations to the Summary by Fund and Appropriation to avoid double counting.

OTHER SPECIAL FUNDS

AGRICULTURE

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Payments to Pennsylvania Fairs — Administration | | | |
| State Funds | \$ 228 | \$ 157 | \$ 216 |

Provides for the expenses incurred by the Secretary and the Department of Agriculture in administering the grant program entitled Payments to Pennsylvania Fairs.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Executive Authorization: | | | |
| Payments to Pennsylvania Fairs—Administration | <u>\$ 228</u> | <u>\$ 157</u> | <u>\$ 216</u> |

GRANTS AND SUBSIDIES

| | (Dollar Amounts in Thousands) | | |
|----------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Statutory Transfers | | | |
| State Funds | \$ 3,379 | \$ 1,825 | \$ 1,211 |

Act 93 of 1983 adjusted the distribution of monies in the Racing Fund. From monies remaining in the Racing Fund after payment of necessary expenses, percentages of the amount wagered as specified are to be credited to the Breeders' Fund and to the Sire Stakes Fund. These funds are listed as separate accounts in the Other funds section under the Racing Fund. All remaining monies in the Racing Fund would then be transferred to the General Fund in the subsequent fiscal year.

| | (Dollar Amounts in Thousands) | | |
|---------------------------------|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Executive Authorization: | | | |
| Transfer to General Fund | <u>\$ 3,379</u> | <u>\$ 1,825</u> | <u>\$ 1,211</u> |

OTHER FUNDS

AGRICULTURE

Amounts Not Previously Detailed

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| Agriculture Farm Operations | \$ 423 | \$ 501 | \$ 516 |
| Recovery on Lost Commodities | 8 | 8 | 9 |
| Dog Law Administration | 3,314 | 3,484 | 3,589 |
| Farm Loan Program | 223 | 230 | 237 |
| GENERAL FUND TOTAL | <u>\$ 3,968</u> | <u>\$ 4,223</u> | <u>\$ 4,351</u> |
| Racing Fund | | | |
| Sire Stakes Fund | \$ 2,732 | \$ 1,990 | \$ 2,088 |
| Breeders' Fund | 1,966 | 2,025 | 2,085 |
| RACING FUND TOTAL | <u>\$ 4,698</u> | <u>\$ 4,015</u> | <u>\$ 4,173</u> |
| Pennsylvania Economic Revitalization Fund | | | |
| Agricultural Loans | \$ 781 | \$ 1,909 | ..... |
| PENNSYLVANIA ECONOMIC REVITALIZATION FUND TOTAL | <u>\$ 781</u> | <u>\$ 1,909</u> | ..... |
| DEPARTMENT TOTAL | <u>\$ 9,447</u> | <u>\$ 10,147</u> | <u>\$ 8,524</u> |

DEPARTMENT OF AGRICULTURE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 3,076 | \$ 3,043 | \$ 3,067 | \$ 3,190 | \$ 3,318 | \$ 3,451 | \$ 3,589 |
| Consumer Protection | \$ 24,690 | \$ 22,440 | \$ 21,092 | \$ 21,905 | \$ 22,207 | \$ 22,461 | \$ 22,758 |
| Consumable Agricultural Products | 16,050 | 14,867 | 14,669 | 14,936 | 15,213 | 15,502 | 15,802 |
| Regulation of Horse Racing | 8,640 | 7,573 | 6,423 | 6,969 | 6,994 | 6,959 | 6,956 |
| Property Protection | \$ 6,703 | \$ 6,011 | \$ 6,056 | \$ 6,258 | \$ 6,117 | \$ 6,308 | \$ 6,507 |
| Animal Health | 6,703 | 6,011 | 6,056 | 6,258 | 6,117 | 6,308 | 6,507 |
| Agribusiness Development | \$ 9,131 | \$ 9,624 | \$ 12,465 | \$ 9,631 | \$ 9,803 | \$ 12,982 | \$ 10,169 |
| Development of Agricultural Industries .. | 9,131 | 9,624 | 12,465 | 9,631 | 9,803 | 12,982 | 10,169 |
| DEPARTMENT TOTAL | <u>\$ 43,600</u> | <u>\$ 41,118</u> | <u>\$ 42,680</u> | <u>\$ 40,984</u> | <u>\$ 41,445</u> | <u>\$ 45,202</u> | <u>\$ 43,023</u> |

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 3,076 | \$ 3,043 | \$ 3,067 | \$ 3,190 | \$ 3,318 | \$ 3,451 | \$ 3,589 |
| Federal Funds ..... | ..... | 10 | ..... | ..... | ..... | ..... | ..... |
| Other Funds | 407 | 413 | 426 | 439 | 451 | 464 | 476 |
| TOTAL | <u>\$ 3,483</u> | <u>\$ 3,466</u> | <u>\$ 3,493</u> | <u>\$ 3,629</u> | <u>\$ 3,769</u> | <u>\$ 3,915</u> | <u>\$ 4,065</u> |

Program Analysis:

This program provides the administrative and overhead services which support the operations of the substantive programs of the department. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. Such services include overall executive direction, manpower management, fiscal accounting and management information processing.

Funds are also provided to support the Pennsylvania Crop

Reporting Service. The Service is a cooperative effort of the State and Federal governments which assembles and distributes essential facts pertaining to the agriculture of the State.

A by-product of the Pennsylvania Crop Reporting Service is the "Annual Crop and Livestock Summary" which serves as a single reference source for county and State seasonal agricultural information.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | <u>\$ 3,076</u> | <u>\$ 3,043</u> | <u>\$ 3,067</u> | <u>\$ 3,190</u> | <u>\$ 3,318</u> | <u>\$ 3,451</u> | <u>\$ 3,589</u> |

Consumable Agricultural Products

OBJECTIVE: To protect and assure the high quality of consumable agricultural products through reduction of the incidence of plant pests and misused, misrepresented, substantial or adulterated products.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 16,050 | \$ 14,867 | \$ 14,669 | \$ 14,936 | \$ 15,213 | \$ 15,502 | \$ 15,802 |
| Federal Funds | 3,979 | 4,118 | 3,934 | 3,934 | 3,934 | 3,934 | 3,934 |
| Other Funds | 432 | 436 | 437 | 505 | 531 | 557 | 585 |
| TOTAL | \$ 20,461 | \$ 19,421 | \$ 19,040 | \$ 19,375 | \$ 19,678 | \$ 19,993 | \$ 20,321 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Food establishments requiring inspection... | 48,500 | 49,500 | 49,500 | 49,500 | 49,500 | 40,500 | 49,500 |
| Incidence of consumer complaints | 879 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Incidence of food products showing major discrepancies | 9,952 | 10,400 | 10,400 | 10,400 | 10,400 | 10,400 | 10,400 |
| Dollar value of products removed from the market (in thousands) | \$3,923 | \$3,400 | \$3,400 | \$3,400 | \$3,400 | \$3,400 | \$3,400 |
| Weight and measure inspections performed | 47,302 | 37,000 | 37,000 | 37,000 | 37,000 | 37,000 | 37,000 |
| Plant samples processed | 9,500 | 10,000 | 11,000 | 12,000 | 13,000 | 14,000 | 14,000 |
| Commercial pesticide applicators licensed .. | 3,600 | 4,500 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Dollar value of commodities distributed (in thousands) | \$106,500 | \$107,000 | \$108,350 | \$109,000 | \$110,000 | \$110,000 | \$110,000 |
| Consumer commodities inspected | 20,600 | 66,600 | 66,600 | 66,600 | 66,600 | 66,600 | 66,600 |
| Persons receiving donated or surplus foods (in thousands) | 5,280 | 5,100 | 5,100 | 5,100 | 5,100 | 5,100 | 5,100 |

Program Analysis:

The Department of Agriculture is committed through regulatory efforts to protect the health and safety of the consumer and assure the consumer of quality agriculture products.

Among the most significant of the department's protection activities is its efforts in food law compliance. An educational approach has been developed under which department personnel participate in training courses for food handlers. Food establishments which are inspected include

all licensed food stores, processing plants, warehouses, transportation facilities, bakeries, bottling plants, nurseries, seed dealers and certain restaurants and concession stands. Additional activities guarantee the quality of animal feeds, fertilizers, liming materials and pesticides.

During 1985-86 establishments requiring inspections totaled 48,500 and the incidence of consumer complaints was 879.

The decrease in the incidence of consumer complaints

Consumable Agricultural Products (continued)

Program Analysis: (continued)

when compared to those in the 1986-87 Budget is due to a re-assessment of the measure by departmental staff.

In 1986-87, it is estimated that inspection activities will result in increases in incidences of major food product discrepancies. These discrepancies represent significant violations of laws, regulations or production practices observed by inspection, product analysis or label review. An incidence includes all products removed at a given location; it is not a count of each individual product removed.

The measure for the number of consumer commodities inspected projects a threefold increase between the 1985-86 and 1986-87 fiscal years. This increase is attributed to United States Department of Agriculture (USDA) amendments to the Food Distribution program regulations which became effective on July 31, 1986. The regulations provide for increased audits of storage facilities and a management evaluation review of participants.

The bulk of food being removed from the market is from food vehicle accidents, although fires and floods also have an impact on the dollar value of the products removed. During 1985-86, floods in western Pennsylvania as well as incidences of tampering impacted on this measure. It is anticipated that \$3.4 million will be the annual value of products removed over the next few years.

In addition to inspection of food, the department regulates the sale of feed, fertilizer, lime and seeds by requiring certain label information to ensure that consumers receive quality seeds, and inspects plant samples to detect new plant pests or diseases and to monitor known plant pests and diseases. The ultimate goal of the latter effort is to develop pest and disease free propagation stock. As a result of regulatory and surveillance operations, approximately 10,000 plant samples will be tested in laboratories during 1987-88.

The Pesticide Control Law provides for the regulation of the use, handling, storage and transportation of pesticides. Regulation is achieved through the requirements of essential label information and through the certification of pesticide applicators, dealers and manufacturers. This program attempts to provide for the optimum use of pesticides, while

minimizing their adverse effects on human life and the environment.

An increase in the number of commercial pesticide applicators licensed is attributed to recent amendments to the Pesticide Control Law in Act 167 of 1986. Act 167 also established a restricted account in the General Fund, to be known as the Pesticide Regulatory Account. Fees are to be paid into this account and then used by the department in administering the act. As a result, a General Fund appropriation for Pennsylvania Pesticide Control is not requested for 1987-88; a General Fund appropriation of \$239,000 was provided in 1986-87 to operate the program until fees are collected in 1987.

Also included in this program are activities which regulate and maintain uniform standards of legal weights and measures of Commonwealth products. It is estimated that 37,000 weights and measure inspections will be performed during 1986-87 and in 1987-88.

The Bureau of Government Donated Foods is involved with distributing Federal surplus food to institutions—schools, prisons, hospitals, etc. It also administers the Federal Temporary Emergency Food Assistance Program (TEFAP) which involves distribution of surplus food to the needy in Pennsylvania who meet certain criteria.

The State funded Emergency Food Assistance Program provides grants to counties or a designated lead agency to purchase food to be provided to the needy. This budget recommends maintaining the current year funding level of \$8 million.

The dollar value of commodities distributed has remained level in 1986-87, as projected in prior year's estimates, due to the continuation of ongoing programs such as the distribution of cheese and butter. Schools have also continued to receive bonus commodities in addition to their normal allotments.

Inspection of amusement rides was a new program effective January 1, 1985. The enforcement program provides control over amusement ride design, maintenance and operation.

Program Costs by Appropriation:

| | 1985-86 | 1986-87 | (Dollar Amounts in Thousands) | | | | |
|--|------------------|------------------|-------------------------------|------------------|------------------|------------------|------------------|
| | | | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 7,050 | \$ 6,628 | \$ 6,669 | \$ 6,936 | \$ 7,213 | \$ 7,502 | \$ 7,802 |
| Emergency Food Assistance Program | 9,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 |
| Pennsylvania Pesticide Control Act ..... | ..... | 239 | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | \$ 16,050 | \$ 14,867 | \$ 14,669 | \$ 14,936 | \$ 15,213 | \$ 15,502 | \$ 15,802 |

Regulation of Horse Racing

OBJECTIVE: To prevent consumer fraud in the racing industry.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Special Funds | \$ 8,640 | \$ 7,573 | \$ 6,423 | \$ 6,969 | \$ 6,994 | \$ 6,959 | \$ 6,956 |
| Other Funds | 4,698 | 4,015 | 4,173 | 4,298 | 4,427 | 4,560 | 4,696 |
| TOTAL | \$ 13,338 | \$ 11,588 | \$ 10,596 | \$ 11,267 | \$ 11,421 | \$ 11,519 | \$ 11,652 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Investigations to insure compliance with established rules and regulations: | | | | | | | |
| Harness | 234 | 200 | 200 | 200 | 200 | 200 | 200 |
| Horse | 2,192 | 2,240 | 2,240 | 2,240 | 2,240 | 2,240 | 2,240 |
| Tests conducted by the Pennsylvania Race Horse Testing Laboratory(in thousands) | 1,904 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| Participant licenses issued: | | | | | | | |
| Harness | 7,454 | 7,000 | 12,000 | 7,000 | 7,000 | 7,000 | 7,000 |
| Horse | 20,443 | 20,443 | 20,443 | 20,443 | 20,443 | 20,443 | 20,443 |
| Racing days approved: | | | | | | | |
| Harness | 530 | 369 | 344 | 344 | 344 | 344 | 344 |
| Horse | 444 | 429 | 500 | 500 | 500 | 500 | 500 |

Program Analysis:

The activities of this program are aimed at insuring that racing events are fair and unbiased. Both the Horse and Harness Racing Commissions are administrative arms of the Department of Agriculture and maintain offices at each of the licensed tracks. Principal duties consist of photographing and fingerprinting new applicants for licenses and conducting interviews and investigations to assure that programs, rules and regulations approved by the commissions are being satisfactorily carried out by associations and participants.

Act 93 of 1983 merged the State Horse Racing Fund and the State Harness Racing Fund into a single State Racing Fund. The tax schedule was adjusted and the distribution of funds was revised in order to assist the racing industry by increasing the funds retained by the tracks.

The decrease in the number of approved racing days for

Harness Racing in 1986-87 is a result of a change in the type of racing at Erie Downs. In 1986-87 Erie Downs hosted horse races, while in 1985-86 it was used for harness races. This change impacted the number of racing days approved both for Horse and for Harness. Also, renovations begun in 1985-86 at the Philadelphia track were completed ahead of schedule and races were able to be held.

The change in the measure for participant licenses issued—Harness is due to the implementation of a new regulation whereby licenses are issued on a three-year cycle instead of annually, with 1987-88 expected to be the peak year.

The number of investigations to insure compliance with rules and regulations— Harness were below last year's estimates. This change is due to a decrease in the number of Harness tracks in operation, with Erie Downs having

Regulation of Horse Racing (continued)

Program Analysis: (continued)

changed over to a horse track. A slight increase occurred in 1985-86 and is projected for 1986-87 onward in Horse Racing. In 1985-86, Horse Racing implemented the telebet master account system for a trial period. During that time, investigators were sent in the field to audit locales where a bettor could utilize the telebet system. These audits are included within this program measure.

The telebet system allows individuals to set up an account at the track and place bets by telephone. Funds are placed

into the account by the bettor and the level is reduced when a bet is placed. Winnings are placed in the individual's account. Other increases are due to the addition of Eric Downs as a Horse track.

After stipulated racing expenses are paid, the remaining balance in the State Racing Fund is transferred to the General Fund in the subsequent fiscal year. For 1986-87, the transfer to the General Fund was \$1.8 million.

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|------------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| STATE RACING FUND | | | | | | | |
| Harness Racing Commission | \$ 1,775 | \$ 2,199 | \$ 1,579 | \$ 1,642 | \$ 1,708 | \$ 1,776 | \$ 1,847 |
| Horse Racing Commission | 2,676 | 2,785 | 2,869 | 2,984 | 3,103 | 3,227 | 3,356 |
| Race Horse Testing Lab | 810 | 764 | 764 | 795 | 858 | 892 | 928 |
| Transfer to the General Fund | 3,379 | 1,825 | 1,211 | 1,548 | 1,325 | 1,064 | 825 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| STATE RACING FUND | | | | | | | |
| TOTAL | \$ 8,640 | \$ 7,573 | \$ 6,423 | \$ 6,969 | \$ 6,994 | \$ 6,959 | \$ 6,956 |

Animal Health

OBJECTIVE: To improve the health and reduce the incidence of damage to and by animals.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 6,703 | \$ 6,011 | \$ 6,056 | \$ 6,258 | \$ 6,117 | \$ 6,308 | \$ 6,507 |
| Federal Funds | 235 | 338 | 230 | 230 | 230 | 230 | 230 |
| Other Funds | 3,320 | 3,489 | 3,596 | 3,768 | 3,956 | 4,154 | 4,362 |
| TOTAL | \$ 10,258 | \$ 9,838 | \$ 9,882 | \$ 10,256 | \$ 10,303 | \$ 10,692 | \$ 11,099 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Animals examined to determine disease (in thousands) | 1,600 | 1,650 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Animals quarantined | 428,000 | 20,000 | 15,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Animals destroyed | 390,350 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| Livestock herds and flocks under surveillance | 68,000 | 68,000 | 67,000 | 66,000 | 65,000 | 65,000 | 65,000 |
| Post-mortem examinations | 10,948 | 11,000 | 11,200 | 11,400 | 11,600 | 11,800 | 11,800 |
| Health charts issued | 91,000 | 94,000 | 95,000 | 95,000 | 95,000 | 95,000 | 95,000 |
| Dogs licensed (in thousands) | 985 | 900 | 900 | 900 | 900 | 900 | 900 |
| Citations issued to dog owners | 2,790 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| Dogs apprehended | 9,791 | 9,791 | 9,791 | 9,791 | 9,791 | 9,791 | 9,791 |
| Kennels licensed | 2,052 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |

Program Analysis:

This program supports a wide range of activities aimed at the prevention, control and eradication of transmissible diseases of domestic animals and poultry.

Surveillance to detect disease is accomplished by maintaining laboratory diagnostic services, inspecting and supervising livestock concentration points and promoting voluntary herd health certification programs. Regulatory activities include control of interstate and intrastate livestock movement and quarantine of diseased or exposed livestock.

Cooperative State-Federal programs to eradicate tuberculosis and brucellosis have resulted in a disease free status for Pennsylvania since the 1982-83 fiscal year, even though high levels of brucellosis exist in certain southern

states. Surveillance to detect these diseases in Pennsylvania will remain critical until they have been eradicated from the United States.

The livestock population of Pennsylvania has remained relatively constant during recent years, although intensive production practices have concentrated larger numbers of animals and birds on fewer farms. Integration of these production units has lead to complex interstate support and marketing systems, including animal health support systems.

As intensive livestock production practices concentrate larger numbers of animals and birds, contagious diseases occur more frequently and with greater financial impact.

An increase in pseudorabies in swine will cause an increase

Animal Health (continued)

Program Analysis: (continued)

in applicable measures over the next few years. Diagnostic services have been expanded and will need to be constantly updated to serve the needs of an increasingly sophisticated animal industry.

Rapid transit of livestock internationally as well as interstate and intrastate poses a constant threat to the spread of diseases. Identification of livestock, traceback of infected animals to farm of origin and control of the movement of infected or exposed animals is necessary to minimize the threat of disease to Pennsylvania herds and flocks. There are over forty foreign animal diseases considered exotic to the United States but a constant threat to domestic livestock.

Health certificates are required to qualify livestock and poultry for export as well as for interstate and intrastate movement.

Also included in this program is dog law enforcement. Primary functions include the control and regulation of the

sale and transportation of dogs, kennel inspections, reimbursement of law enforcement agencies for the detention and disposition of stray dogs, subsidization of qualified agencies for building or expanding shelters and the reimbursement of owners of livestock and poultry for damage caused by dogs. The measures pertaining to the number of citations issued and the number of dogs apprehended are below the estimates shown in last year's budget due to a revised interpretation of the pertinent section of the Dog Law, under which owners of unlicensed dogs would first receive a warning and have up to seven days to provide evidence to the dog warden that a license was purchased. If a license was not obtained, then a citation would be issued. Dog law enforcement activities are funded from a restricted account into which all dog related revenue is placed. Dog law expenditures are reflected in this subcategory as Other Funds.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 4,398 | \$ 4,395 | \$ 4,413 | \$ 4,590 | \$ 4,774 | \$ 4,965 | \$ 5,164 |
| Brucellosis Vaccination Program | 150 | 150 | 150 | 150 | 150 | 150 | 150 |
| Animal Indemnities | 1,425 | 350 | 350 | 350 | 350 | 350 | 350 |
| Rabies Virus Research | 110 | ..... | ..... | ..... | ..... | ..... | ..... |
| Rabies Research ..... | ..... | 273 | 300 | 325 | ..... | ..... | ..... |
| Livestock Diagnostic Contract | 153 | 189 | 189 | 189 | 189 | 189 | 189 |
| Poultry Laboratory Diagnostic Contract .. | 169 | 189 | 189 | 189 | 189 | 189 | 189 |
| Field Investigation Program | 183 | 200 | 200 | 200 | 200 | 200 | 200 |
| Poultry Surveillance Program ..... | ..... | 150 | 150 | 150 | 150 | 150 | 150 |
| Johne's Disease | 115 | 115 | 115 | 115 | 115 | 115 | 115 |
| GENERAL FUND TOTAL | <u>\$ 6,703</u> | <u>\$ 6,011</u> | <u>\$ 6,056</u> | <u>\$ 6,258</u> | <u>\$ 6,117</u> | <u>\$ 6,308</u> | <u>\$ 6,507</u> |

Development of Agricultural Industries

OBJECTIVE: To strengthen the agricultural economy and related enterprises.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 7,178 | \$ 7,477 | \$ 10,397 | \$ 7,480 | \$ 7,566 | \$ 10,656 | \$ 7,749 |
| Special Funds | 1,953 | 2,147 | 2,068 | 2,151 | 2,237 | 2,326 | 2,420 |
| Federal Funds | 155 | 182 | 159 | 159 | 159 | 159 | 159 |
| Other Funds | 1,466 | 2,640 | 753 | 780 | 808 | 837 | 868 |
| TOTAL | \$ 10,752 | \$ 12,446 | \$ 13,377 | \$ 10,570 | \$ 10,770 | \$ 13,978 | \$ 11,196 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Promotional activities for Pennsylvania products | 2,500 | 2,550 | 2,600 | 2,650 | 2,700 | 2,750 | 2,750 |
| Products registered under the Logo program | 223 | 250 | 275 | 300 | 325 | 350 | 350 |
| Agricultural exports (in thousands) | \$500,000 | \$600,000 | \$650,000 | \$700,000 | \$750,000 | \$800,000 | \$800,000 |
| Event days at Farm Show Complex | 503 | 485 | 485 | 485 | 485 | 485 | 485 |

Program Analysis:

In seeking to strengthen the agricultural economy, agribusiness development programs are designed to maintain the availability of agricultural lands and to promote Pennsylvania's crops and livestock, especially those products that significantly affect farm incomes.

Logo programs are an important element of the department's agricultural promotion efforts. Producers, packers, processors and growers participating in the "We're Growing Better" or "Keystone Pride" logo programs have incorporated one of the logos onto packaging, labels, master cartons, letterheads or invoices, advertising or point-of-sale materials. Qualifications for the programs include a high quality product, 30 or more percent of products grown or produced in Pennsylvania and firm location within the Commonwealth.

Logo programs are designed as a marketing strategy to assist firms to identify origin of their products and to increase consumer awareness of the abundance and diversity of local food and agricultural products in an attempt to increase sales in all segments of Pennsylvania agricultural industries.

Industry acceptance of logo programs as a viable means to promote Pennsylvania agricultural products has generated much support in agricultural support industries (grocery chains, wholesale distribution centers, and restaurants) for Pennsylvania Food Products Month. Approximately 223

products are currently registered in logo programs, with a slight increase expected for the budget and future years.

Another key program is the Product Information Exchange Line, which matches commodity buyer with commodity seller. The livestock industry relies on this service, especially in the area of product grading. The department, when requested by a distant buyer, will inspect and grade livestock offered for sale by a Pennsylvania producer. The findings are then forwarded to the prospective buyer. This service protects the purchaser against product misrepresentation and strengthens the credibility of the State's livestock industry.

Pennsylvania's Crop Reporting Service, working in conjunction with the Department of Agriculture, gathers data on the cost of producing and marketing milk. This data is then used to support requests for various pricing policies in hearings before the Milk Marketing Board.

Since the department's objective is to strengthen all markets, it also has programs designed to promote such commodities as apples, honey, cherries, grapes, maple syrup, beef, milk and dairy products. In most instances, the promotion of these products is coordinated with councils representing product interest. Members of some councils assess themselves a fee based on their productivity.

Other promotional activities for Pennsylvania products include appearances by the Pennsylvania Dairy Princess,

Development of Agricultural Industries (continued)

Program Analysis: (continued)

county dairy princesses and other statewide commodity queens at shopping centers and other public functions; and developing and displaying exhibits that depict agriculture's role in the economy of Pennsylvania as well as working with statewide commodity organizations. The measure for promotional activities for Pennsylvania products has decreased from the level shown in last years' budget due to a re-evaluation of the measure by departmental staff.

The department also utilizes the "Producer Buyers Guide" as a method to couple buyers and sellers in order to increase the sale of Pennsylvania Products. An additional activity in the marketing area is the stimulation of public interest in "tailgate" or "open air markets". These markets continue to link the consumer and the farmer.

Organized consumer cooperatives or buying clubs have also proliferated during the period of rising food prices and offer excellent marketing opportunities for Pennsylvania farmers. This mutually beneficial arrangement leads to better prices for farmers and lower prices and more wholesome products for consumers.

As part of the Pennsylvania Economic Revitalization Fund (PERF) programs, the Department has been operating an Agriculture loan program to assist farmers by providing low-interest loans. The demand for this program has been negligible, but this should not imply that the concept of low-

cost capital for the agriculture industry is not a good one. Given the importance of agricultural development to overall economic development, this administration intends to create a new program to assist this all important sector of Pennsylvania's economy. To this end, \$3,000,000 has been provided in the General Fund for initiatives to support and expand Agricultural industry in the Commonwealth.

Approximately \$500 million worth of agricultural products were exported in 1985 from Pennsylvania. A large part of this export total was corn, wheat, soybeans and candy. By increasing the existing markets for Pennsylvania products, exporting aids employment and stimulates our economy.

This budget recommends \$2.7 million for payments to Pennsylvania Fairs; these funds from the General Fund replace racing revenue lost as a result of Act 93 of 1983. The Fair Fund by law was no longer receiving racing monies and is now fully funded by the General Fund. The Fair Fund was abolished by Act 92 of 1986.

At the Farm Show Complex, event days rose above projections in 1985-86. In order to accommodate the scheduling of additional events, a reduction in the setup and teardown time was accomplished.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-----------------|------------------|-----------------|-----------------|------------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 2,226 | \$ 2,057 | \$ 2,077 | \$ 2,160 | \$ 2,246 | \$ 2,336 | \$ 2,429 |
| Agricultural Research | 732 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Agricultural Promotion | 60 | 360 | 360 | 360 | 360 | 360 | 360 |
| Acid Rain Research | 200 | 100 | ..... | ..... | ..... | ..... | ..... |
| Transfer to State Farm Products Show Fund | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Livestock Show | 83 | 83 | 83 | 83 | 83 | 83 | 83 |
| Open Dairy Show | 66 | 66 | 66 | 66 | 66 | 66 | 66 |
| Junior Dairy Show | 28 | 28 | 28 | 28 | 28 | 28 | 28 |
| 4-H Club Shows | 33 | 33 | 33 | 33 | 33 | 33 | 33 |
| Payments to Pennsylvania Fairs | 2,500 | 2,750 | 2,750 | 2,750 | 2,750 | 2,750 | 2,750 |
| Urban Farm Market Promotion | 250 | ..... | ..... | ..... | ..... | ..... | ..... |
| Agricultural Development ..... | ..... | ..... | 3,000 | ..... | ..... | 3,000 | ..... |
| GENERAL FUND TOTAL | \$ 7,178 | \$ 7,477 | \$ 10,397 | \$ 7,480 | \$ 7,566 | \$ 10,656 | \$ 7,749 |
| STATE FARM PRODUCTS SHOW FUND | | | | | | | |
| General Operations | \$ 1,735 | \$ 1,847 | \$ 1,852 | \$ 1,926 | \$ 2,003 | \$ 2,083 | \$ 2,167 |
| STATE RACING FUND | | | | | | | |
| Payments to Pennsylvania Fairs — Administration | \$ 228 | \$ 157 | \$ 216 | \$ 225 | \$ 234 | \$ 243 | \$ 253 |
| PENNSYLVANIA FAIR FUND | | | | | | | |
| General Operations | \$ -10 | \$ 143 | ..... | ..... | ..... | ..... | ..... |

Department of Banking

The Department of Banking protects the public through the examination of records, accounts and policies of State-chartered financial institutions.

BANKING

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Banking Department Fund | | | |
| General Government | | | |
| General Operations | \$ 6,854 | \$ 6,836 | \$ 7,035 |
| BANKING DEPARTMENT FUND TOTAL | <u>\$ 6,854</u> | <u>\$ 6,836</u> | <u>\$ 7,035</u> |

BANKING DEPARTMENT FUND

| | (Dollar Amounts in Thousands) | | |
|---------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Operations | | | |
| State Funds | \$ 6,854 | \$ 6,836 | \$ 7,035 |

Supervises and examines the records, accounts, and policies of State-chartered banking institutions, State-chartered savings associations, sales finance companies, installment sellers, money transmitters, consumer discount companies, collector-repossessors, pawnbrokers, and State-chartered credit unions. Examines business development credit corporations and conducts special investigations when warranted.

| | (Dollar Amounts in Thousands) | | |
|---------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Executive Authorization: | | | |
| General Operations | <u>\$ 6,854</u> | <u>\$ 6,836</u> | <u>\$ 7,035</u> |

BANKING

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Consumer Protection | \$ 6,854 | \$ 6,836 | \$ 7,035 | \$ 7,316 | \$ 7,609 | \$ 7,913 | \$ 8,230 |
| Regulation of Financial Institutions | 6,854 | 6,836 | 7,035 | 7,316 | 7,609 | 7,913 | 8,230 |
| DEPARTMENT TOTAL | <u>\$ 6,854</u> | <u>\$ 6,836</u> | <u>\$ 7,035</u> | <u>\$ 7,316</u> | <u>\$ 7,609</u> | <u>\$ 7,913</u> | <u>\$ 8,230</u> |

Regulation of Financial Institutions

OBJECTIVE: To insure the maintenance of an economically sound and competitive system of State-chartered financial institutions.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|----------|----------|----------|----------|----------|----------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Special Funds | \$ 6,854 | \$ 6,836 | \$ 7,035 | \$ 7,316 | \$ 7,609 | \$ 7,913 | \$ 8,230 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Total assets of consumer credit agencies (in millions) | \$53,700 | \$68,200 | \$86,614 | \$95,275 | \$100,039 | \$105,041 | \$110,293 |
| Total resources of State-chartered banks (in millions) | \$62,990 | \$66,140 | \$69,447 | \$72,919 | \$76,565 | \$80,393 | \$84,413 |
| Assets in State-chartered credit unions (in millions) | \$850 | \$1,003 | \$1,184 | \$1,421 | \$1,705 | \$2,046 | \$2,455 |
| Assets in State-chartered savings and loans institutions (in millions) | \$14,800 | \$15,900 | \$17,100 | \$18,400 | \$19,800 | \$21,200 | \$22,800 |
| Assets of State licensed money transmitters (in millions) | \$144,000 | \$151,200 | \$158,760 | \$166,698 | \$175,033 | \$183,785 | \$192,974 |

Program Analysis:

Recently enacted State financial legislation presented a number of challenges and responsibilities to the Department of Banking. Act 125 of 1984 provided for expanded investment powers for banks, including permitting the purchase of shares of stock of Pennsylvania bank holding companies and an increase in the amount an institution may deposit in a single depository. Act 128 of 1984 provided that institutions may acquire and maintain subsidiaries which are engaged in activities permissible under the Bank Service Corporation Act, expanded the legal lending limitation, expanded limits on the purchase of acceptances, eliminated the aggregate limit on the amount of real estate loans an institution may carry, expanded the limitations on loans to executive officers, required CPA audits of all private banks, and revised the requirement for the department to examine all institutions from annually to alternate calendar years.

Act 44 of 1982 provided for the formation of multi-bank holding companies, branching in counties bi-contiguous to counties in which a bank's headquarters is located, and by 1990 statewide branching will be effective. There is much activity in the branching and holding company areas because

of this act. Currently, eighty-two bank holding companies and twenty-four multi-bank holding companies are in operation.

The Regional Interstate Banking Act, Act 69 of 1986, became effective on August 25, 1986. This act includes a "trigger" to permit nationwide interstate banking on March 4, 1990 and gives the Banking Department broad supervisory authority and responsibility. The department must approve all interstate activity, which includes actions involving both state and national banks. Included in this budget are funds amounting to \$81,000 for increased staff to implement Act 69. On a daily basis, Banking has the responsibility of supervising any bank holding company that owns an institution in Pennsylvania regardless of where that holding company is located and examining it for safety and soundness as well as to ensure that the needs of Pennsylvania's communities are adequately serviced. This entails assuring that Pennsylvania residents have available to them the basic transaction accounts offered by the in-state institutions, and that the State's economy does not suffer through a lack of loans and those other services that

Regulation of Financial Institutions (continued)

Program Analysis: (continued)

are required to enhance and maintain the State's economy.

Beginning in 1983, a Savings and Loan industry which had seen four consecutive years of losses began to report profits; these profits have grown steadily both nationwide and statewide as interest rates dropped, with profits reaching a record of \$5.1 billion nationwide in 1985 and continuing to grow at a steady pace through 1986. Yet this very success presents a new dilemma, mainly how to survive prosperity. High interest rates are clearly bad for the industry, yet low rates are not necessarily always good. Low rates have clearly been of benefit to thrift institutions in that they have allowed the industry to recover from the havoc of the past; however, low rates carry a potential danger for savings institutions because of the nature of the business and the provisions of mortgage contracts. It is a challenge that requires much thought and careful judgement.

During 1986 a surge of mutual to stock association conversions affected the savings institution industry, nationwide as well as statewide. Regulatory agency demand for increased net worth prompted much of this trend in conversions among small and medium-size associations, along with a concurrent increase in community stock offerings. Community stock offerings appear to be popular because they alleviate fears about loss of control by spreading ownership among an increased number of shareholders.

Consumer buying and financing continued at a brisk pace during 1985-86. The continuing surge of consumer activity in the marketplace resulted in a 49 percent weighted average growth rate in holdings for the licensees and chartered financial institutions supervised by the Consumer Credit Bureau. At the end of 1985-86 combined assets of Consumer Credit agencies, credit unions and licensed money transmitters exceeded \$198 billion dollars; this is more than triple the originally projected annual growth rate of 13 percent, and is another indication that the Pennsylvania economy is improving.

Motor Vehicle Sales Finance Companies had the largest percentage of asset growth among regulated financial entities during 1985-86, as their combined assets grew by \$9 billion or 180 percent. This growth is attributed to the low-interest rates and huge cash discounts offered by the major automobile manufacturers throughout the year.

Consumer Credit Agencies, consisting of Consumer Discount Companies and Secondary Mortgage Loan Companies, grew by a more modest \$4.9 billion or 14 percent during 1985-86. This growth was only one-half of last year's growth rate, and suggests that consumers are shopping around to find the lowest rate. This continued upward trend in consumer borrowing can be attributed to constant advertising of low rates for mortgage and automobile financing, particularly by finance companies.

As of June 30, 1986, there were 149 banks under the department's supervision: 129 commercial banks, six savings banks, five private banks and nine trust companies. In addition there were eight foreign banks which established ten branch offices in Pennsylvania. The increase in total assets (\$7 billion) and earnings (\$5.2 million) in 1985-86 is another indication of both the positive performance of Pennsylvania State-chartered banks and improving economic conditions.

State-chartered credit unions continued to experience asset growth during 1985-86, with assets increasing by \$200 million or 30 percent. This growth was approximately double the previous year's growth and is due to Credit Unions continuing to pay approximately one to two percent above market interest rates for savings. This practice has been challenged by Federal and State Credit Union regulators, because it increases the credit union's cost of funds while their consumer loan rates remain subject to market forces that tend to lower rates, thus resulting in a loss of earnings and profits.

Money Transmitters increased their assets by approximately 55 percent, or \$51 billion during 1985-86. This growth is attributable to a healthy economy and a strong dollar, resulting in a substantial increase in domestic and foreign travel which increased the sales of money orders and travelers' checks. Money Transmitters also benefit by investing the money paid for money orders and travelers' checks until they are cashed. The securities markets provided very profitable investment areas for these funds during 1985-86.

In the current and future years, the Banking Department will continue its efforts to review and improve program areas in order to maintain an economically sound and competitive system of State-chartered financial institutions.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------------|-------------------------------|----------|----------|----------|----------|----------|----------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| BANKING DEPARTMENT FUND | | | | | | | |
| General Operations | \$ 6,854 | \$ 6,836 | \$ 7,035 | \$ 7,316 | \$ 7,609 | \$ 7,913 | \$ 8,230 |

Civil Service Commission

The Civil Service Commission administers the Commonwealth's merit system. The responsibilities of the commission include: recruitment of qualified personnel; evaluation of applicants' education and experience to determine if minimum requirements have been met; development and administration of examinations; and certification of eligibles to the appointing agencies.

CIVIL SERVICE COMMISSION

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| General Government Operations | \$ 1 | \$ 1 | \$ 1 |
| TOTAL STATE FUNDS | \$ 1 | \$ 1 | \$ 1 |
| | | | |
| Augmentations | \$ 7,574 | \$ 7,312 | \$ 7,815 |
| | | | |
| GENERAL FUND TOTAL | \$ 7,575 | \$ 7,313 | \$ 7,816 |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| State Funds | \$ 1 | \$ 1 | \$ 1 |
| Augmentations | 7,574 | 7,312 | 7,815 |
| TOTAL | \$ 7,575 | \$ 7,313 | \$ 7,816 |

Recruits qualified persons for Commonwealth employment and administers the merit system in agencies operating under Civil Service.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| General Government Operations | \$ 1 | \$ 1 | \$ 1 |
| Augmentations: | | | |
| Fees From Agencies | 7,162 | 6,868 | 7,356 |
| Special Merit System Services | 412 | 444 | 459 |
| TOTAL | \$ 7,575 | \$ 7,313 | \$ 7,816 |

CIVIL SERVICE COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 1 | \$ 1 | \$ 1 | \$ 1 | \$ 1 | \$ 1 | \$ 1 |
| Maintaining Commonwealth Merit System | | | | | | | |
| Selection ^a | | | | | | | |
| DEPARTMENT TOTAL | <u>\$ 1</u> | <u>\$ 1</u> | <u>\$ 1</u> | <u>\$ 1</u> | <u>\$ 1</u> | <u>\$ 1</u> | <u>\$ 1</u> |

^aAll funds are other than General Fund or Special Fund.

CIVIL SERVICE COMMISSION

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 1 | \$ 1 | \$ 1 | \$ 1 | \$ 1 | \$ 1 | \$ 1 |
| Other Funds | 3,597 | 3,450 | 3,788 | 3,940 | 4,098 | 4,262 | 4,432 |
| TOTAL | \$ 3,598 | \$ 3,451 | \$ 3,789 | \$ 3,941 | \$ 4,099 | \$ 4,263 | \$ 4,433 |

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs

of provided services. A high priority has been placed on expanded computerization and automated records processing. Additional significant efficiencies will be accomplished in the current year and next year through the projected increased mechanization and computerization. This effort will substantially modernize all clerical and support operations and should result in significant savings.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|---------|---------|---------|---------|---------|---------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 1 | \$ 1 | \$ 1 | \$ 1 | \$ 1 | \$ 1 | \$ 1 |

CIVIL SERVICE COMMISSION

Selection

OBJECTIVE: To provide a sufficient number of qualified, available persons to meet merit system manpower needs.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Other Funds | \$ 3,977 | \$ 3,862 | \$ 4,027 | \$ 4,188 | \$ 4,356 | \$ 4,530 | \$ 4,711 |
| TOTAL | \$ 3,977 | \$ 3,862 | \$ 4,027 | \$ 4,188 | \$ 4,356 | \$ 4,530 | \$ 4,711 |

Program Measures:

| | 1984-85 | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Total eligibles on lists | 157,660 | 165,000 | 175,000 | 175,000 | 175,000 | 175,000 | 175,000 |
| Persons scheduled for exams | 134,835 | 140,000 | 145,000 | 150,000 | 150,000 | 150,000 | 150,000 |
| Classes for which exams were made available at agencies' requests | 775 | 790 | 815 | 850 | 885 | 910 | 910 |
| Examinations with demonstrable and defensible validity evidence | 682 | 752 | 802 | 850 | 885 | 910 | 910 |
| Appeal requests received and processed | 1,007 | 1,100 | 1,125 | 1,150 | 1,175 | 1,200 | 1,200 |
| Certifications audited | 14,750 | 14,950 | 15,150 | 15,350 | 15,550 | 15,750 | 15,950 |
| Handicapped provided employment information ..... | ..... | ..... | 275 | 350 | 425 | 425 | 425 |
| Handicapped hired ..... | ..... | ..... | 40 | 55 | 65 | 65 | 65 |
| Employees referred to interested agencies for employment consideration ..... | ..... | ..... | 50 | 100 | 150 | 150 | 150 |

Program Analysis:

The objective of the Civil Service Commission is to provide a sufficient number of qualified, available persons to meet merit system staffing needs. To meet this objective the commission works to attract to State service persons who possess character and ability and to appoint and promote these persons on the basis of merit and fitness.

The commission has been working to bring the Commonwealth merit system into full compliance with all Federal and State laws and regulations concerning employee selection procedures. Extensive job analysis, test documentation and test analysis is mandated by the Federal Uniform Guidelines on Employee Selection Procedures. Also required is the development and implementation of an adverse im-

pact determination program. The development and use of suitable alternatives to traditional selection devices for which adverse impact has been identified and for which validity documentation is not sufficient to meet the guidelines must be pursued. These goals are identified directly with the following program activities; 1) the identification and elimination of adverse impact; 2) the development of more valid examinations; 3) the identification and elimination of unfair discrimination in other parts of the Commonwealth's personnel system; and 4) the increased efficiency of operations of the Civil Service Commission in meeting the personnel management needs of the other agencies of State government; or 5) the prompt and accurate resolution or

Selection (continued)**Program Analysis: (continued)**

adjudication of complaints, grievances, and appeals.

The most important indicator of successful accomplishment of missions is the number of examinations which are developed in compliance with the regulations on validity. The more valid the tests, the more productive and stable the workforce will be, and the less likely that the Commonwealth becomes involved in long, costly court cases. Commission staff expects to increase the number of demonstrably valid examinations being developed by approximately 10 percent a year. Eventually all merit system examinations will be fully defensible.

The program measures which are presented are indicative of the commission's workload. Eligible list activity, examinations available, validation requirements, and appeals have been maintained at very high levels for the past few years.

The commission must be able to provide a list of persons qualified to be considered for vacancies as they occur in the merit system; therefore, names of over 150,000 eligibles must be maintained on lists. To place, maintain, and update thousands of eligibles on lists represents a heavy workload in itself. The need to have enough, but not too many, eligibles on lists for the specific occupations at the exact locations where they are needed makes the commission's task highly complex. There is a continuing effort to limit the number of eligibles who are placed on lists without much likelihood of being considered for a particular occupation

in a certain location. This is accomplished by shortening the periods of time certain examination programs are open for application. This action, along with the recently tighter labor market, and other factors has contributed to a modest decrease in total eligibles on lists, compared to July, 1985. This is an indication that the lists are more viable than in previous fiscal periods.

A crucial part of an effective merit system is the prompt and objective review and adjudication of employe and management complaints concerning personnel actions. An important indicator of the commission's success in this regard is the number of appeal requests and hearings successfully consummated. This element of the commission's operations has seen an increase of more than 700 percent in the last ten years.

The funds supporting this subcategory are received from billing various General and Special Fund departments for merit system services and from Federal Funds. These billings are treated as Other Funds to avoid duplicate accounting.

The 1987-88 recommendation includes a \$29,000 initiative to support handicapped persons in their effort to secure employment within the Commonwealth's merit system. Through a Handicapped Employment and Employe Mobility program, the commission will provide for the testing, hiring and promotion of qualified handicapped candidates.

Department of Commerce

The Governor has proposed a major reorganization and strengthening of the Commonwealth's economic development programs. The complete program and financial details are contained in the "Spending Plan for an Economic Development Partnership" which is a separate presentation in the 1987-88 recommended budget.

DEPARTMENT OF COMMERCE

Summary by Fund and Appropriation

| | | (Dollar Amounts in Thousands) | | |
|---|-------------------|-------------------------------|-------------------|-------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | |
| General Fund | | | | |
| General Government | | | | |
| General Government Operations | \$ 7,107 | \$ 7,049 |  | ..... |
| Marketing | 5,097 | 7,100 |  | ..... |
| Subtotal | \$ 12,204 | \$ 14,149 |  | ..... |
| Grants and Subsidies | | | | |
| Industrial Development Assistance | \$ 500 | \$ 500 |  | ..... |
| Pennsylvania Industrial Development Authority | 12,000 | 15,000 |  | ..... |
| Site Development | 1,456 | 1,000 |  | ..... |
| Site Development—Copperweld | 600 |  |  | ..... |
| Site Development—Fuels Plant | 81 |  |  | ..... |
| Local Development District Grants | 650 | 850 |  | ..... |
| Appalachian Regional Commission | 386 | 400 |  | ..... |
| Minority Business Development Authority | 2,000 | 2,000 |  | ..... |
| Community Facilities | 5,498 | 6,500 |  | ..... |
| Minority Business Technical Assistance | 250 | 250 |  | ..... |
| International City Project | 100 | 100 |  | ..... |
| American Wind Symphony | 85 | 65 |  | ..... |
| Transfer to Pennsylvania Economic Revitalization Fund | 105,000 |  |  | ..... |
| Ben Franklin Partnership | 22,298 | 28,000 |  | ..... |
| Pennsylvania Energy Development Authority | 1,300 | 1,300 |  | ..... |
| Tourist Promotion Assistance | 4,497 | 5,000 |  | ..... |
| Port of Philadelphia | 4,000 | 4,000 |  | ..... |
| Port of Erie | 1,125 | 1,500 |  | ..... |
| Port of Pittsburgh | 750 | 1,000 |  | ..... |
| American Music Theatre Festival | 100 | 100 |  | ..... |
| U.S. Constitution Bicentennial | 140 | 1,250 |  | ..... |
| Beaver Valley Plant Closing Study | 250 |  |  | ..... |
| Metals Reuse Study | | 375 |  | ..... |
| Super Computer Center | | 1,750 |  | ..... |
| Pittsburgh Technology Development Center | 1,000 | 2,000 |  | ..... |
| J & L Site Development | 2,000 | 2,000 |  | ..... |
| Disaster Redevelopment Assistance | 1,150 |  |  | ..... |
| Rural Economic Development | | 2,750 |  | ..... |
| Bridgewater Planning Grant | | 50 |  | ..... |
| Site Development — Johnson Bronze | | 25 |  | ..... |
| Beaver Valley Industrial Study | | 100 |  | ..... |
| Subtotal | \$ 167,216 | \$ 77,865 |  | ..... |
| TOTAL STATE FUNDS | \$ 179,420 | \$ 92,014 |  | ..... |
| Federal Funds | \$ 509 | \$ 3,600 |  | ..... |
| Augmentations | 1,458 | 1,478 |  | ..... |
| GENERAL FUND TOTAL | \$ 181,387 | \$ 97,092 |  | ..... |

DEPARTMENT OF COMMERCE

Summary by Fund and Appropriation (continued)

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---|-------------------|---|-------------------|
| Other Funds | | | |
| Pennsylvania Economic Revitalization Fund* | | | |
| Engineering School Equipment | \$ 71 | ..... | ..... |
| Minority Business Assistance — Bid and Performance | 548 | \$ 1,212 | ..... |
| Minority Business Assistance — Loans | 515 | 985 | ..... |
| Minority Business Assistance — Technical/Managerial Assistance | 677 | 985 | ..... |
| Business Infrastructure Development | 1,096 | 24,417 | ..... |
| Small Business Incubators — Loans | 604 | 2,985 | ..... |
| Seed Capital Challenge Grants | 2,250 | 1,500 | ..... |
| Employee Ownership Assistance — Technical Assistance | 51 | 250 | ..... |
| Capital Loan Fund | 5,000 | 14,955 | ..... |
| Beaver Valley Revitalization ..... | ..... | 1,000 | ..... |
| Mon Valley Revitalization ..... | ..... | 2,000 | ..... |
| Shenango Valley Revitalization ..... | ..... | 1,000 | ..... |
| Community Economic Recovery Program ..... | ..... | 1,000 | ..... |
| Higher Education Industrial Resource Centers ..... | ..... | 4,000 | ..... |
| PENNSYLVANIA ECONOMIC REVITALIZATION FUND TOTAL | <u>\$ 10,812</u> | <u>\$ 56,289</u> | <u>.....</u> |
| Sunny Day Fund | | | |
| Genesis ..... | ..... | \$ 4,000 | ..... |
| Eastman Kodak ..... | ..... | 14,710 | ..... |
| SUNNY DAY FUND TOTAL | <u>.....</u> | <u>\$ 18,710</u> | <u>.....</u> |
| Other Funds Total | <u>\$ 10,812</u> | <u>\$ 74,999</u> | <u>.....</u> |
| TOTAL ALL FUNDS | <u>\$ 192,199</u> | <u>\$ 172,091</u> | <u>.....</u> |

The Governor has proposed a major reorganization and strengthening of the Commonwealth's economic development programs. The complete program and financial details are contained in the "Spending Plan for an Economic Development Partnership" which is a separate presentation in the 1987-88 recommended budget.

*Estimated expenditures from available appropriations.

Department of Community Affairs

The Department of Community Affairs provides a system of services and programs permitting the development and redevelopment of Pennsylvania's communities to enhance the total environment of citizens. The department seeks to improve the capabilities of local governments to meet critical social and economic problems and to develop human resources so each citizen will have an equal opportunity to achieve the full measure of the State's economic prosperity. It carries out these activities through technical consultation and assistance; grants for housing, redevelopment, flood plain management, planning and manpower training.

DEPARTMENT OF COMMUNITY AFFAIRS

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| General Government Operations | \$ 8,795 | \$ 11,061 | \$ 7,235 |
| Grants and Subsidies | | | |
| Community Conservation and Youth Employment | \$ 2,825 | \$ 2,736 | \$ 2,736 |
| Housing and Redevelopment Assistance | 10,000 | 20,000 | 25,000 |
| Enterprise Development | 5,000 | 6,250 | 6,250 |
| Regional Councils | 175 | 175 | 175 |
| Planning Assistance | 100 | 150 | 150 |
| Flood Plain Management | 75 | 75 | 75 |
| COGNET | 100 | ..... | ..... |
| United Social Services | 110 | 201 | ..... |
| New Castle Blight Removal | 100 | ..... | ..... |
| Disaster Redevelopment Assistance — Tornadoes (1985) | 1,500 | ..... | ..... |
| Single-room Occupancy/Low-income Housing | 3,500 | ..... | ..... |
| Distressed Community Emergency Aid ..... | ..... | 5,000 | ..... |
| Einstein Community Development ..... | ..... | 150 | ..... |
| Subtotal | <u>\$ 23,485</u> | <u>\$ 34,737</u> | <u>\$ 34,386</u> |
| TOTAL STATE FUNDS | <u>\$ 32,280</u> | <u>\$ 45,798</u> | <u>\$ 41,621</u> |
| | | | |
| Federal Funds | \$ 116,039 | \$ 139,126 | \$ 114,045 |
| Augmentations | 5,674 | 5,700 | 5,669 |
| GENERAL FUND TOTAL | <u>\$ 153,993</u> | <u>\$ 190,624</u> | <u>\$ 161,335</u> |
| | | | |
| Other Funds | \$ 11,920 | \$ 34,462 | \$ 739 |
| TOTAL ALL FUNDS | <u>\$ 165,913</u> | <u>\$ 225,086</u> | <u>\$ 162,074</u> |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| State Funds | \$ 8,795 | \$ 11,061 | \$ 7,235 |
| Federal Funds | 1,975 | 2,966 | 3,123 |
| Augmentations | 667 | 700 | 669 |
| TOTAL | \$ 11,434 | \$ 14,727 | \$ 11,027 |

Provides for the administration and operation of various programs designed to promote effective and economical delivery of municipal services by assisting communities and political subdivisions in the areas of economic opportunity to disadvantaged Pennsylvanians; housing, code enforcement and renewal; grant programs for the acquisition and development of recreational facilities; technical and financial assistance to regional planning agencies and councils of government; and regulation of industrialized housing.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| General Government Operations | \$ 8,795 | \$ 11,061 | \$ 7,235 |
| Federal Funds: | | | |
| Land and Water Conservation Fund — Project Administration | 89 | 125 | 50 |
| Operator Outreach Training | 19 | 50 | 11 |
| ARC — Planning Administration | 10 | 45 | 25 |
| Community Development Technical Assistance | 123 | ..... | ..... |
| Community Services Block Grant — Administration | 522 | 350 | 638 |
| Small Communities Block Grant — Administration | 865 | 887 | 909 |
| Folk Art Project | 10 | ..... | ..... |
| Low-Income Energy Assistance — Administration | 327 | ..... | 1,475 |
| Training—Road and Street Maintenance | 10 | 15 | 15 |
| Weatherization — State and Local Administration ..... | ..... | 1,494 | ..... |
| Augmentations: | | | |
| Mobile and Industrialized Housing Act | 142 | 127 | 119 |
| Training Course Registration | 300 | 280 | 305 |
| Disaster Relief Fund ..... | ..... | 50 | ..... |
| Energy Conservation Code Fees | 225 | 243 | 245 |
| TOTAL | \$ 11,437 | \$ 14,727 | \$ 11,027 |

^aActually appropriated as General Government Operations - \$10,927,000 and Legislative Liaison - \$134,000.

GRANTS AND SUBSIDIES

| Community Conservation and Youth Employment | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 2,935 | \$ 2,937 | \$ 2,736 |
| Federal Funds | 17,626 | 20,074 | 14,464 |
| Augmentations | 500 | ..... | ..... |
| TOTAL | \$ 21,560 | \$ 23,011 | \$ 17,200 |

Provides financial assistance to municipalities, community action agencies (CAA), Opportunities Industrialization Centers (OIC) and nonprofits to develop programs aimed at chronic unemployment and the social, physical and economic deterioration of communities. In addition, the Federal Community Services Block Grant monies are utilized and targeted toward Commonwealth priorities in the employment areas.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Community Conservation and Youth Employment | \$ 2,825 | \$ 2,736 | \$ 2,736 |
| United Social Services | 110 | 201 | ..... |
| Federal Funds: | | | |
| Community Services Block Grant | 17,626 | 20,074 | 14,464 |
| Augmentations: | | | |
| Summer Demonstration Project | 500 | ..... | ..... |
| TOTAL | \$ 21,560 | \$ 23,011 | \$ 17,200 |

| Community Revitalization Assistance | (Dollar Amounts in Thousands) | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 20,100 | \$ 31,400 | \$ 31,250 |
| Federal Funds | 95,871 | 115,511 | 96,283 |
| Augmentations | 4,507 | 5,000 | 5,000 |
| TOTAL | \$ 120,478 | \$ 151,911 | \$ 132,533 |

Provides grants to communities and redevelopment authorities to improve blighted neighborhoods through redevelopment, housing code enforcement, and the provision of low and moderate income housing through rehabilitation.

Provides grants to assist nonprofit sponsors in meeting the costs of building low and moderate income housing.

Provides grants to identified enterprise development areas to plan and implement proposals to create jobs.

Provides funds to weatherize existing housing stock through the installation of insulation, storm doors and windows in homes of persons who meet income standards developed by the Federal Government agency.

Also includes funds from the Small Communities Block Grant to upgrade the housing stock of low income individuals.

Provides Federal funds to assist in relocation of Centralia residents endangered by the underground mine fire.

GENERAL FUND

COMMUNITY AFFAIRS

| Source of Funds | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Housing and Redevelopment Assistance | \$ 10,000 | \$ 20,000 | \$ 25,000 |
| Enterprise Development | 5,000 | 6,250 | 6,250 |
| New Castle Blight Removal | 100 | ..... | ..... |
| Disaster Redevelopment Assistance—Tornadoes | 1,500 | ..... | ..... |
| Single-Room Occupancy/Low-Income Housing | 3,500 | ..... | ..... |
| Emergency Aid ..... | ..... | 5,000 | ..... |
| Einstein Community Development ..... | ..... | 150 | ..... |
| Federal Funds: | | | |
| Low Income Energy Assistance — Weatherization | 7,166 | ..... | 21,459 |
| DOE — Weatherization | 14,029 | 14,100 | 8,924 |
| ARC — Innovative Housing Program | 11 | 47 | 47 |
| Temporary Housing — Superfund Cleanup | 48 | 100 | 100 |
| Small Communities Block Grant | 48,426 | 85,000 | 59,200 |
| Small Communities Block Grant—Jobs ..... | ..... | 201 | ..... |
| Small Communities Block Grant — Emergency Jobs | 2,501 | 201 | ..... |
| Centralia Recovery | 21,543 | 11,030 | 6,553 |
| Rental Rehabilitation | 1,747 | 3,261 | ..... |
| Hydman Disaster | 400 | ..... | ..... |
| Small Communities Block Grant—Jobs Program ..... | ..... | 1,200 | ..... |
| Emergency Shelter for the Homeless ..... | ..... | 371 | ..... |
| Augmentations: | | | |
| Return of Unused Project Monies | 4,507 | 5,000 | 5,000 |
| TOTAL | <u>\$ 120,478</u> | <u>\$ 145,288</u> | <u>\$ 132,533</u> |

| Regional Councils | (Dollar Amounts in Thousands) | | |
|-------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 275 | \$ 175 | \$ 175 |

Provides financial assistance to regional councils of elected officials to promote efforts to overcome the effects of local government fragmentation.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|-------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Regional Councils | \$ 175 | \$ 175 | \$ 175 |
| COGNET | 100 | ..... | ..... |
| TOTAL | <u>\$ 275</u> | <u>\$ 175</u> | <u>\$ 175</u> |

GENERAL FUND

COMMUNITY AFFAIRS

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|----------------------------|-------------------|---|-------------------|
| Planning Assistance | | | |
| State Funds | \$ 100 | \$ 150 | \$ 150 |
| Federal Funds | 459 | 450 | 75 |
| TOTAL | <u>\$ 559</u> | <u>\$ 600</u> | <u>\$ 225</u> |

Provides planning grants to local planning agencies. The plans funded through this program are often prerequisites for receiving Federal funds.

Provides for planning grants and loans from the U.S. Department of Commerce to coastal communities to mitigate the impact of energy activities.

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| Planning Assistance | \$ 100 | \$ 150 | \$ 150 |
| Federal Funds | | | |
| ARC — Enterprise Development Planning Assistance | 252 | 300 | 75 |
| Coastal Zone Management — Administration | 207 | 150 | ..... |
| TOTAL | <u>\$ 559</u> | <u>\$ 600</u> | <u>\$ 225</u> |

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|-------------------------------|-------------------|---|-------------------|
| Flood Plain Management | | | |
| State Funds | \$ 75 | \$ 75 | \$ 75 |
| Federal Funds | 108 | 125 | 100 |
| TOTAL | <u>\$ 183</u> | <u>\$ 200</u> | <u>\$ 175</u> |

Provides financial assistance to municipalities to prepare and implement flood plain management plans.

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| Flood Plain Management Grants | \$ 75 | \$ 75 | \$ 75 |
| Federal Funds | | | |
| FEMA — Technical Assistance — Flood Plain Management ... | 108 | 125 | 100 |
| TOTAL | <u>\$ 183</u> | <u>\$ 200</u> | <u>\$ 175</u> |

OTHER FUNDS

COMMUNITY AFFAIRS

Amounts Not Previously Detailed

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| Industralized Housing | \$ 128 | \$ 127 | \$ 166 |
| Revolving Loan Fund | 478 | 400 | 400 |
| Building Energy Conservation | 220 | 243 | 173 |
| GENERAL FUND TOTAL | <u>\$ 826</u> | <u>\$ 770</u> | <u>\$ 739</u> |
| Energy Conservation and Assistance Fund | | | |
| Oil Overcharge — Weatherization | \$ 529 | \$ 20,257 | ..... |
| OIL OVERCHARGE FUND TOTAL | <u>\$ 529</u> | <u>\$ 20,257</u> | <u>.....</u> |
| Pennsylvania Economic Revitalization Fund | | | |
| Recreation Improvement and Rehabilitation | \$ 10,565 | \$ 7,435 | ..... |
| Enterprise Zones Tax Credits — LERTA ..... | ..... | 3,000 | ..... |
| Financially — Disadvantaged Communities — Reduction of State Match ..... | ..... | 3,000 | ..... |
| PENNSYLVANIA ECONOMIC REVITALIZATION FUND TOTAL | <u>\$ 10,565</u> | <u>\$ 13,435</u> | <u>.....</u> |
| DEPARTMENT TOTAL | <u>\$ 11,920</u> | <u>\$ 34,462</u> | <u>\$ 739</u> |

DEPARTMENT OF COMMUNITY AFFAIRS

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 3,804 | \$ 5,483 | \$ 1,696 | \$ 1,764 | \$ 1,835 | \$ 1,908 | \$ 1,985 |
| Community Physical Development | \$ 21,964 | \$ 28,470 | \$ 33,146 | \$ 18,222 | \$ 18,301 | \$ 18,383 | \$ 18,468 |
| Housing and Redevelopment | 21,554 | 28,030 | 32,701 | 17,759 | 17,819 | 17,882 | 17,947 |
| Community Park and Recreation Development | 410 | 440 | 445 | 463 | 482 | 501 | 521 |
| Economic Opportunity | \$ 3,561 | \$ 3,558 | \$ 3,366 | \$ 3,391 | \$ 3,417 | \$ 3,444 | \$ 3,472 |
| Community Conservation and Youth Employment | 3,561 | 3,558 | 3,366 | 3,391 | 3,417 | 3,444 | 3,472 |
| Local Government Management | \$ 2,951 | \$ 8,287 | \$ 3,413 | \$ 3,533 | \$ 3,658 | \$ 3,789 | \$ 3,925 |
| Areawide Intermunicipal Services | 275 | 175 | 175 | 175 | 175 | 175 | 175 |
| Municipal Administrative Support Capability | 1,784 | 7,188 | 2,305 | 2,397 | 2,493 | 2,593 | 2,697 |
| Community Development Planning | 892 | 924 | 933 | 961 | 990 | 1,021 | 1,053 |
| DEPARTMENT TOTAL | <u>\$ 32,280</u> | <u>\$ 45,798</u> | <u>\$ 41,621</u> | <u>\$ 26,910</u> | <u>\$ 27,211</u> | <u>\$ 27,524</u> | <u>\$ 27,850</u> |

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 3,804 | \$ 5,483 | \$ 1,696 | \$ 1,764 | \$ 1,835 | \$ 1,908 | \$ 1,985 |
| Federal Funds | 10 | | | | | | |
| TOTAL | <u>\$ 3,814</u> | <u>\$ 5,483</u> | <u>\$ 1,696</u> | <u>\$ 1,764</u> | <u>\$ 1,835</u> | <u>\$ 1,908</u> | <u>\$ 1,985</u> |

Program Analysis:

General Administration and Support provides the administrative overhead and management systems which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support.

Funds are also provided for the agency's policy planning and information program which provides publications and information to local governments as well as staff support for the department.

The Heritage Affairs Advisory Commission and Council on the Hispanic Community are also part of this subcategory. These organizations prepare and disseminate literature, public education material and publicity relating to ethnic and nationality groups and their programs and activities.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | <u>\$ 3,804</u> | <u>\$ 5,483</u> | <u>\$ 1,696</u> | <u>\$ 1,764</u> | <u>\$ 1,835</u> | <u>\$ 1,908</u> | <u>\$ 1,985</u> |

Housing and Redevelopment

OBJECTIVE: To reduce to an acceptable level the percentage of Pennsylvania families living in standard housing and blighted neighborhoods.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 21,554 | \$ 28,030 | \$ 32,701 | \$ 17,759 | \$ 17,819 | \$ 17,882 | \$ 17,947 |
| Federal Funds | 97,063 | 116,692 | 98,667 | 92,114 | 92,114 | 92,114 | 92,114 |
| Other Funds | 6,229 | 29,447 | 6,103 | 6,103 | 6,103 | 6,103 | 6,103 |
| TOTAL | \$ 124,846 | \$ 174,169 | \$ 137,471 | \$ 115,976 | \$ 116,036 | \$ 116,099 | \$ 116,164 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| State funded activities and programs: | | | | | | | |
| Construction of new units | 175 | 175 | 175 | 175 | 175 | 175 | 175 |
| Rehabilitation of existing units | 1,312 | 1,312 | 1,312 | 1,312 | 1,312 | 1,312 | 1,312 |
| Community Development projects | 44 | 60 | 65 | 44 | 44 | 44 | 44 |
| Industrial and mobile homes inspected | 2,688 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| Homes weatherized | 15,455 | 26,823 | 26,823 | 26,823 | 26,823 | 18,823 | 10,823 |
| Small Communities Block Grant: | | | | | | | |
| Jobs created and/or retained | 1,365 | 1,400 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Vacant commercial structures occupied | 2 | 6 | 5 | 5 | 5 | 5 | 5 |
| Community facilities projects | 121 | 160 | 140 | 140 | 140 | 140 | 140 |
| Housing units rehabilitated | 2,400 | 2,400 | 2,400 | 1,600 | 1,600 | 1,600 | 1,600 |
| Single Room Occupancy Units Renovated | 100 | 100 | ..... | ..... | ..... | ..... | ..... |

Program Analysis:

In furthering the goals of community conservation, the Commonwealth continues to pursue a series of initiatives that direct State funds to areas of greatest need. The Housing and Redevelopment Assistance Program continues to be a primary tool for revitalizing depressed and blighted neighborhoods and commercial districts, with its focus on ventures in public/private partnerships to leverage other private and public dollars for housing rehabilitation.

Projections for new housing construction and rehabilitation of existing units will remain fairly constant through 1991-92. Local grantees have anticipated reduced Federal funding for new construction and emphasized rehabilitation to conform with both Federal and State priorities.

An increase to \$25 million for Housing and Redevelopment is being provided for 1987-88 to encourage local development in the Commonwealth. As indicated in

the program measure above, it is estimated that this increased appropriation will be utilized entirely for community development projects but will not dramatically affect the number of projects funded, instead impacting more on the individual project size, scope and cost, which will create a greater impact per project.

The Enterprise Development Zone Program provides grants for locally-planned, innovative projects which have stimulated private investment and created jobs in State-designated enterprise zones. In 1986, there were 20 zones in 11 communities which have received grants for the purpose of developing and refining economic development strategies to enable them to compete for enterprise zone designation.

Progress of fully-designated zones, and their potential for further development and leveraging of private investment, will be reviewed to determine the viability of the program.

Housing and Redevelopment (continued)

Program Analysis: (continued)

A new Pennsylvania Economic Revitalization Fund (PERF) program initiated during 1986-87 is a tax credit program under the Local Economic Revitalization Tax Act (LERTA). A total of \$3 million was provided to bring about increased business development in enterprise zones by encouraging municipalities to establish exemptions from taxes on physical improvements made within these designated areas. This budget recommends making the 1986-87 LERTA appropriation continuing so that expenditures can be made in 1987-88, since the program has yet to start.

In 1984-85, the department assumed responsibility for the Federal Rental Rehabilitation Program. This program is designed to encourage private owners of rental property to undertake rehabilitation which will benefit rental tenants. Under the Rental Rehabilitation Program, landlords are required to match each dollar with an equal amount of private dollars. The maximum State Rental Rehabilitation grant may not exceed \$5,000 per unit. This program is aimed at communities which are neither Federal entitlement communities under the Community Development Block Grant nor served by the Farmer's Home Administration.

Twenty-seven communities are currently rehabilitating 914 units under this program. During the 1986-87 fiscal year, the department coordinated the transfer of the program to the Pennsylvania Housing Finance Agency (PHFA). The program will now be administered and funded directly by the U.S. Department of Housing and Urban Development with PHFA.

Another program protecting the quality of housing in Pennsylvania is the industrialized housing program. This is the only statewide building regulatory program pertaining to single-family industrialized housing products. Under the Industrialized Housing Act of 1972, factory-made homes and units are inspected at the factory. If approved, manufacturers pay for insignias indicating approval that are attached to the unit. Fees paid for the insignias support the administrative costs of the program.

The number of industrialized and mobile homes requiring inspection are projected to increase during the current year as the continued stabilization of mortgage rates spurred the building of more homes. It is anticipated that this measure will decrease slightly in future years because of the trend away from this type of housing.

The department also is the State Administrative Agency (SAA) under the terms of the National Mobile Home Construction and Safety Standards Act of 1974. The primary function of an SAA is to handle consumer-related problems involving the construction of mobile homes. A fee of twelve dollars is paid to the department by the U.S. Department of Housing and Urban Development for each new mobile home certified in Pennsylvania. These revenues

support program activities of the SAA.

The Building Energy Conservation Code (Act 222 of 1980) mandates the department to administer the provisions of the act for all one or two family dwelling units (R-3 Structures) including not more than five lodgers or boarders per family and all row houses, townhouses, and garden apartment construction not exceeding three stories. Prior to construction of any building classified as Use Group R-3, the builder must notify the department by certified mail of the intent to begin construction. Such notice includes a filing fee of \$10 and contains the name of the owner of the building and its location.

The department must also perform home energy audits upon request of the owner for a fee of \$35 as specified in Act 222. The fees are intended to offset the costs of administration of the program.

A major program administered by the department is the weatherization program, which provides for energy efficiency improvements in the homes of low-income persons of the Commonwealth.

The weatherization program distributes funds to non-profit and governmental service delivery agencies to identify and verify clients as well as to install or subcontract the installation of energy conservation materials and technologies in homes of clients.

Oil overcharge settlement monies, in the amount of \$20 million, were provided in the 1986-87 budget as a replacement for the weatherization funds previously received from the Federal Department of Health and Human Services' Low Income Energy Assistance program (LIHEAP). This caused a significant increase in the estimated volume of the weatherization program in 1986-87, but also caused programmatic problems since DOE regulations had to be used for the program, which eliminated furnace retrofits as a program use. To overcome this problem, this Budget proposes reversing the change made last year by once again using LIHEAP rather than oil overcharge funds for weatherization; total weatherization efforts will remain at 1986-87's increased levels. The 1986-87 oil overcharge funding is reflected in this subcategory as "Other Funds", while all other weatherization efforts are shown as Federal Funds.

In July 1982, the department assumed formal responsibility for administering the Small Communities Block Grant (SCBG) Program from the Federal government. The purpose of this program is to provide assistance to smaller municipalities (generally those under 50,000 population) for community development activities. These activities include housing rehabilitation, community revitalization, improvement of community facilities, and economic development.

With the enactment of Act 179 of 1984, funds are now

Housing and Redevelopment (continued)

Program Analysis: (continued)

distributed on a formula basis. Eighty-five percent of the funds to be used are for grants to eligible cities, boroughs, townships and counties. Within this 85 percent allocation, 24 percent is allocated to cities. There is a 13 percent setaside for discretionary projects, which the department plans to distribute according to economic development priorities. The remaining two percent is available to meet administrative costs. Under Act 179, it is estimated 250 grants annually will be approved.

The department combined two Federal year allocations for the Commonwealth in fiscal year 1986-87, which resulted in the higher contract level of \$85 million. In fiscal year 1987-88, expenditures are projected to fall to \$59.2 million as there should be less carryover money remaining to be placed under contract. The effect of this lower program level is reflected in the program measures shown above; the impact on housing units scheduled is delayed by one year because of time required to complete projects.

The Homeless Assistance Program currently consists of two program components: (1) Bridge Housing in the Homeless Assistance Program under the Department of Public Welfare (DPW) to address the short-term needs of the homeless; and (2) Single-room occupancy (SRO) housing

under the Department of Community Affairs to address the long-term needs of the homeless. Funding in the amount of \$3.5 million was provided to Community Affairs for the two-year period 1985-86 and 1986-87 to renovate existing vacant buildings for use as units for homeless or potentially homeless individuals. These programs are being continued in the 1987-88 budget within the Department of Public Welfare (DPW), so no measures are shown above beyond those generated by the original DCA program. See the Program Revision entitled Homeless Assistance, included as an appendix to DPW's Family Support Services Subcategory in this budget, for details of the DPW program.

The Housing and Redevelopment Bureau is also responsible for administering approximately \$40 million in funds made available over a five-year period by the U.S. Office of Surface Mining (OSM) for an acquisition/relocation program in Centralia. This effort was anticipated to be completed by March of 1987. However, unanticipated problems related to relocation and rehousing of residents has necessitated the extension of the program until December of 1987. The department now anticipates that \$11,030,000 will be expended in 1986-87 and \$6,553,000 in 1987-88 to complete its responsibilities for this program.

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|---------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 1,454 | \$ 1,630 | \$ 1,451 | \$ 1,509 | \$ 1,569 | \$ 1,632 | \$ 1,697 |
| Housing and Redevelopment | 10,000 | 20,000 | 25,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Enterprise Development Zones | 5,000 | 6,250 | 6,250 | 6,250 | 6,250 | 6,250 | 6,250 |
| New Castle Blight Removal | 100 | ..... | ..... | ..... | ..... | ..... | ..... |
| Single-Room Occupancy/Low-Income Housing | 3,500 | ..... | ..... | ..... | ..... | ..... | ..... |
| Disaster Redevelopment Assistance — Tornadoes 1985 | 1,500 | ..... | ..... | ..... | ..... | ..... | ..... |
| Einstein Community Development ..... | ..... | 150 | ..... | ..... | ..... | ..... | ..... |
| Enterprise Zone Tax Credits — LERTA ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | \$ 21,554 | 28,030 | \$ 32,701 | \$ 17,759 | \$ 17,819 | \$ 17,882 | \$ 17,947 |

Community Park and Recreation Development

OBJECTIVE: To develop recreational facilities accessible to urban, suburban and rural areas.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 410 | \$ 440 | \$ 445 | \$ 463 | \$ 482 | \$ 501 | \$ 521 |
| Federal Funds | 89 | 125 | 50 | 50 | 50 | 50 | 50 |
| Other Funds | 10,565 | 7,435 | ..... | ..... | ..... | ..... | ..... |
| TOTAL | \$ 11,064 | \$ 8,000 | \$ 495 | \$ 513 | \$ 532 | \$ 551 | \$ 571 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Land and Water Projects: | | | | | | | |
| Contracted | 60 | 30 | 30 | 30 | 30 | 30 | 30 |
| Completed | 54 | 66 | 35 | 35 | 35 | 35 | 35 |
| Technical assistance contacts | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Recreation Improvement and Rehabilitation Act (RIRA) Grants: | | | | | | | |
| Park Rehabilitation and Development ... | 52 | 55 | ..... | ..... | ..... | ..... | ..... |
| Acquisition | 8 | 15 | ..... | ..... | ..... | ..... | ..... |
| Community Center Rehabilitation | 26 | 25 | ..... | ..... | ..... | ..... | ..... |
| Study Project | 11 | 15 | ..... | ..... | ..... | ..... | ..... |
| Small Communities | 66 | 65 | ..... | ..... | ..... | ..... | ..... |
| Conservation Corp ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| RIRA Job Opportunities Created | 948 | 1,000 | ..... | ..... | ..... | ..... | ..... |

Program Analysis:

This program primarily provides financial assistance to municipalities for the acquisition and preservation of local park and open space land and rehabilitation of community center buildings. Technical assistance is also provided to local governments, quasi-public and non-profit community groups, park and recreation departments, boards and commissions, and other citizens in general concerning the management, operation and maintenance of park recreation and community center facilities, and the promotion of programs and services.

Financial assistance is provided through three grant programs: The Federal Land and Water Conservation Fund (LWCF) program, the State Land and Water Conservation Program (P-500) and the Recreation Improvement and Rehabilitation Act (RIRA) program.

The State P-500 Program is scheduled for closeout during fiscal year 1986-87. Current year activity reflects the

completion of the last State P-500 projects that were contracted in fiscal year 1984-85, in addition to project activity generated under the Federal LWCF Program.

This Federal support has averaged a little less than \$1.5 million annually over the past several years including the current year. A preliminary projection for the budget year 1987-88 is that the funding level may be slightly reduced and the program measures have been adjusted accordingly. The department also receives 50 percent reimbursement of its costs to administer the program. A reduction in the level of grant funds will also reduce the amount of the administrative costs projected for reimbursement in budget year 1987-88.

While the department has continued to monitor the Federal LWCF program and the closing of the State P-500 bond program, it has also been directing the third and final round of funding from the RIRA Program. Grant ac-

Community Park and Recreation Development (continued)

Program Analysis: (continued)

tivity for the RIRA program measures above reflects actual contracts signed during any given year and thus does not reflect the completion activity of closing-out the contracts during succeeding years.

The technical assistance program is utilized by local government officials, quasi-public and non-profit communi-

ty groups, park and recreation departments, boards and commissions. This program includes consultation, written correspondence, personnel job referrals, training and workshop sessions and publications. The level of technical assistance activity is projected to remain constant during the current year and future years.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | <u>\$ 410</u> | <u>\$ 440</u> | <u>\$ 445</u> | <u>\$ 463</u> | <u>\$ 482</u> | <u>\$ 501</u> | <u>\$ 521</u> |

Community Conservation and Youth Employment

OBJECTIVE: To provide individual economic opportunity assistance to disadvantaged Pennsylvanians by providing comprehensive services to stabilize the community.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 3,561 | \$ 3,558 | \$ 3,366 | \$ 3,391 | \$ 3,417 | \$ 3,444 | \$ 3,472 |
| Federal Funds | 18,148 | 21,624 | 15,102 | 13,337 | 13,337 | 13,337 | 13,337 |
| Other | 500 | | | | | | |
| TOTAL | \$ 22,209 | \$ 25,182 | \$ 18,468 | \$ 16,728 | \$ 16,754 | \$ 16,781 | \$ 16,809 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Persons participating: | | | | | | | |
| Community conservation and youth employment | 128,888 | 131,466 | 134,095 | 136,777 | 139,513 | 142,303 | 145,149 |
| Community services block grant program | 598,766 | 580,803 | 563,378 | 546,477 | 530,083 | 514,180 | 498,755 |
| Employment related services and training projects | 12,495 | 12,745 | 13,000 | 13,260 | 13,525 | 13,745 | 14,071 |
| Economically disadvantaged in need of employment related services | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Disadvantaged youth in grades 10 through 12 (summer jobs) | 4,011 | 4,100 | 4,100 | 4,100 | 4,100 | 4,100 | 4,100 |
| Job Placement: | | | | | | | |
| Persons completing training programs | 5,036 | 5,137 | 5,239 | 5,344 | 5,451 | 5,560 | 5,671 |
| Persons placed | 3,194 | 3,258 | 3,323 | 3,389 | 3,457 | 3,526 | 3,597 |
| Neighborhood Assistance Program: | | | | | | | |
| Tax credits allocated | 8,749,319 | 8,750,000 | 8,750,000 | 8,750,000 | 8,750,000 | 8,750,000 | 8,750,000 |
| Tax credits utilized | 4,159,495 | 4,575,440 | 5,032,988 | 5,536,287 | 6,089,916 | 6,698,908 | 7,368,798 |

Program Analysis:

This program is involved with improving the quality of life for the low-income and economically disadvantaged Pennsylvanians, especially minorities and youth. By providing financial and technical assistance to the public and private nonprofit organizations serving low-income persons, the Department of Community Affairs (DCA) attempts to forge partnerships of government, private industry and local citizens to foster the economic development of low-income communities and neighborhoods.

The department, as an advocate for Pennsylvania's low-income citizens, administers the following Federal and State programs to aid the economically disadvantaged: the Community Services Block Grant (CSBG) program, funded

by the U.S. Department of Health and Human Services; the Weatherization Assistance Program, funded by the U.S. Departments of Energy and Health and Human Services; the State Neighborhood Assistance Act Tax Credit program and the State Employment and Community Conservation program. Through these programs the department contracts with approximately 400 local organizations, which work to alleviate poverty in their respective communities.

The legislative mandates for the Community Conservation and Youth Employment Program are contained in three pieces of legislation: the Manpower Employment Assistance and Training Act (TEAM), the Community Action Act (Act 9), and the Urban Assistance Act. All three acts address the

Community Conservation and Youth Employment (continued)**Program Analysis: (continued)**

problems of the economically disadvantaged and/or depressed communities and neighborhoods. Despite their common focus, the three have different eligibility criteria and emphasize different service activities.

The Community Conservation and Youth Employment program is often used by local Community Action Agencies and other non-profits in conjunction with other funding to help solve the problems of unemployment and underemployment; elimination of social and economic conditions that result in individual dependency upon the aid and support of welfare agencies; and reduction of community and neighborhood deterioration.

The Community Services Block Grant (CSBG) program supports a variety of services and activities designed to have an impact upon the causes of poverty in Pennsylvania. Determination of local services and program priorities is set at the local level with consideration given to the statewide priorities established by the department. The statewide priorities for 1987-88 could include day care assistance for employed parents or parents enrolled in approved education or training programs; improvement of individual self-sufficiency; emergency shelter for the homeless; food and nutrition services; education programs for upgrading literacy skills; and economic development projects.

The Community Services Block Grant (CSBG) program is funded on a calendar year but the program measure data shown above have been adjusted for a State fiscal year basis for consistency. In fiscal year 1987-88, it is expected that community action programs will continue to service the greatest number of persons in nutrition, outreach and referral, weatherization/energy, and housing services. In total, during 1985-86, 986,000 low-income persons in 65 counties received CSBG funded services. This figure includes the number of persons directly serviced with CSBG funds and persons who are served by programs for which CSBG funds are used for administration only.

Ninety percent of the CSBG funds go to CAAs and Limited Purpose Agencies, up to five percent may be spent on administration and remainder may be used for discretionary projects. The latter include health care, transportation, employment and training, food banks, counseling, and outreach and referral services.

The Neighborhood Assistance Program, also administered

under this subcategory, serves as a vehicle to encourage private sector involvement in developing solutions to problems that are prevalent in low-income communities. The Neighborhood Assistance Program offers tax credits to corporations that contribute to organizations administering programs that provide community services, education, job training, crime prevention, and neighborhood revitalization for low-income residents of impoverished areas.

During Fiscal Year 1985-86 the Neighborhood Assistance Program approved 150 projects. These projects reported that they received over \$9.8 million in contributions of cash, real estate, equipment and service from businesses as a result of the availability of Neighborhood Assistance program tax credits. This represents an increase from the \$8.3 million in contributions reported during fiscal year 1984-85, and demonstrates the continued support of the corporate community to community-based initiative through the Neighborhood Assistance Program.

During fiscal year 1985-86, the amount of tax credits utilized or requested by businesses and corporations that contributed to approved projects increased. Since it is the contributor's option when to request and utilize approved tax credits, and they have five tax years to do so, fluctuation occurs in this measure due to tax considerations of the many businesses and corporations involved.

Act 109 of 1986 amended the Neighborhood Assistance Act to include community economic development activities for private nonprofit organizations. Program guidelines are being developed that would enable a private company to receive a 20 percent tax credit for investments that physically improve an enterprise zone area. These efforts will be approved by a community organization prior to submission of a plan to the department. Act 109 increased the amount of tax credits available under the Neighborhood Assistance Act to \$12,750,000.

Program measures shown above dealing with persons participating in the various job training programs, and job placements, reflect a reduction compared to previous projections due to a change in emphasis toward more individualized training (i.e., smaller class sizes) and change in curriculum content from a basic approach to an individualized tutoring and employment skills training approach, resulting in a more successful placement effort.

Community Conservation and Youth Employment (continued)

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 626 | \$ 621 | \$ 630 | \$ 655 | \$ 681 | \$ 708 | \$ 736 |
| Community Conservation and Youth | | | | | | | |
| Development | 2,825 | 2,736 | 2,736 | 2,736 | 2,736 | 2,736 | 2,736 |
| United Social Services | 110 | 201 | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | <u><u>\$ 3,561</u></u> | <u><u>\$ 3,558</u></u> | <u><u>\$ 3,366</u></u> | <u><u>\$ 3,391</u></u> | <u><u>\$ 3,417</u></u> | <u><u>\$ 3,444</u></u> | <u><u>\$ 3,472</u></u> |

COMMUNITY AFFAIRS

Areawide Intermunicipal Services

OBJECTIVE: To provide effective and economical municipal services through the development of regionally coordinated activities.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|---------|---------|---------|---------|---------|---------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 275 | \$ 175 | \$ 175 | \$ 175 | \$ 175 | \$ 175 | \$ 175 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Political subdivisions participating | 443 | 470 | 480 | 480 | 480 | 500 | 500 |
| Councils of government receiving assistance for action projects | 39 | 39 | 39 | 39 | 39 | 39 | 39 |

Program Analysis:

Due to escalating costs, local governing bodies have become aware of the pressing need to find more effective methods to work together for their mutual advantage. By cooperating and sharing responsibilities with neighboring municipalities, local governments can provide better and more economical services to citizens.

The Council of Governments (COG) program is used as both an aid to, and an incentive for, local governments undertaking intermunicipal cooperative efforts. Pennsylvania has more units of local government than all but one other state. Many services and activities have limited effectiveness because of this fragmentation. While local govern-

ment officials desire increased effectiveness, they do not wish to sacrifice any autonomy or "grass roots" control. The COG concept is ideally suited for the Pennsylvania environment because it does not supplant any authority or jurisdiction of its member governments. The department's program of financial assistance is designed to partially subsidize the cost of innovative projects, as well as administrative costs associated with the creation and establishment of a COG. Currently there are 50 COGs, with 470 member municipalities. Over two and a quarter million Pennsylvanians, or nearly 20 percent of the State's population, reside in COG member municipalities.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------------|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Regional Councils of Government | \$ 175 | \$ 175 | \$ 175 | \$ 175 | \$ 175 | \$ 175 | \$ 175 |
| COGNET | 100 | ..... | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | \$ 275 | \$ 175 | $ 175 | $ 175 | $ 175 | $ 175 | $ 175 |

COMMUNITY AFFAIRS

Municipal Administrative Support Capability

OBJECTIVE: To improve the administrative capability of local government.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 1,784 | \$ 7,188 | \$ 2,305 | \$ 2,397 | \$ 2,493 | \$ 2,593 | \$ 2,697 |
| Federal Funds | 152 | 65 | 26 | 26 | 26 | 26 | 26 |
| Other Funds | 300 | 3,280 | 305 | 305 | 305 | 305 | 305 |
| TOTAL | \$ 2,236 | \$ 10,533 | \$ 2,636 | \$ 2,728 | \$ 2,824 | \$ 2,924 | \$ 3,028 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Technical assistance requests responded to: | | | | | | | |
| Public works and community development | 650 | 650 | 650 | 650 | 650 | 650 | 650 |
| Personnel administration | 292 | 275 | 275 | 275 | 275 | 275 | 275 |
| Financial management | 1,162 | 1,350 | 1,350 | 1,350 | 1,350 | 1,350 | 1,350 |
| Local structure | 122 | 120 | 120 | 120 | 120 | 120 | 120 |
| Police administration | 638 | 625 | 625 | 625 | 625 | 625 | 625 |
| Management | 839 | 820 | 820 | 820 | 820 | 820 | 820 |
| Building code enforcement | 176 | 200 | 200 | 200 | 200 | 200 | 200 |
| Municipal employees and officials trained .. | 20,728 | 21,000 | 21,000 | 22,500 | 22,500 | 23,000 | 23,500 |
| Distressed Communities Assisted ..... | ..... | N/A | N/A | N/A | N/A | N/A | N/A |

Program Analysis:

Local government must provide basic municipal services to the citizens of Pennsylvania and also play a major role in implementing many important State and Federal programs in such areas as housing, recreation, human services, law enforcement, environmental control and flood plain management.

Pennsylvania has over 2,600 local governments, mostly small and generally governed by part-time officials who need assistance in the area of administration. These local governments are faced with increasingly complex decision-making requirements relating to such issues as environmental control, energy, increased legal liability, and new State and Federal regulations and procedures.

In order to achieve the department's overall objectives of community revitalization and economic development, a stable and fiscally viable municipal environment is required.

Departmental activities in this program are divided into two basic areas: consulting and training and municipal statistics and records.

Consulting and Training

This function is carried out by the Municipal Consulting Division, which assists municipal officials in solving problems, making choices, improving techniques, and generally improving the management of their resources. In this period of municipal fiscal stress, local governments are searching for ways to more fully utilize their resources and achieve the most from the public's financial investment; the Department of Community Affairs is in a unique position to provide assistance and advice.

The advice is provided both on-site at the municipal building and in Harrisburg. The depth of the assistance may vary among immediate advice over the telephone, short-term study, one-day contact, lengthy study and continuing assistance. The department's consulting division is the primary source of outside professional expertise for many communities.

Consulting is offered in eight functional areas: municipal

Municipal Administrative Support Capability (continued)

Program Analysis: (continued)

financial management; code enforcement; public personnel administration; police administration and recruitment; municipal government structure and intergovernmental cooperation; public works administration and management; and community and economic development. The department responded to 3,520 requests for assistance from local government officials in 1985-86.

In fiscal year 1986-87 emphasis will be on controlling municipal costs. Areas of special concentration will be: designing of pension ordinances; reviewing municipal insurance operations; and organization, staffing and operations of municipal police departments. The department is responding to the added emphasis municipalities are placing on infrastructure maintenance and improvement, and this emphasis is reflected under the measure for "Public Works and Community Development". Financial management is also an area of emphasis, as local governments attempt to gain more control of their resources.

While consulting focuses in on specific functional management problems, training deals directly with the managers who must solve these problems.

The overall goal of training, as carried out through the Municipal Training Division, is improving the administrative abilities of local governments and community development agencies and rendering them more capable of providing better municipal and public service through the vehicle of training programs and informational seminars.

The training division provides advice and assistance to large numbers of municipal officials through scheduled training programs and activities and publications. Programs are offered centrally, regionally, and on an on-site basis (at a municipal building). Instructors include college professors, top local government officials, employees and managers, departmental staff members and consultants. Extensive use is made of the department's municipal consultants, regional consultants and training division staff as instructors.

Training is provided in five major areas: Pennsylvania Local Government Structure and Operations; Municipal Finance; Community Conservation and Development; Management; and Environmental Protection (including Energy Conservation). Training programs which help local governments meet their responsibilities and needs in economic development, community conservation and fiscal management have been given top priority in response to the anticipated difficulties many of our communities will be facing in providing services with limited budgets.

In sponsoring training programs, the department works with State and county-based municipal associations, non-profit associations and organizations, State, local and Federal agencies, and colleges and universities.

In 1987-88 the department's training program will be

placing major emphasis on the following areas: training in application preparation; grant and financial management under the block grant programs; enterprise development training; developmental financing; housing and housing rehabilitation; financial management and cost reduction; and further development of the telecommunication training initiative including production of video tapes for the department's training courses, television, and interactive teleconferences for local and community officials. The Videotape Lending Library will be expanded gradually.

Municipal Statistics and Records

The Municipal Statistics and Records Division is assigned functions under several specific mandates of Pennsylvania law.

The Administrative Code of 1929 requires that the division prepare comparative statistics showing revenues, expenditures, taxation and indebtedness of local government units in Pennsylvania. The information contained in these statistics is used extensively by local government research-oriented groups in studies of local government finance, as well as by colleges and universities, local government units and major banks and municipal brokers.

The Administrative Code and the respective municipal codes require uniform reports of annual audits and budgets. For over a decade, the division has shared information contained in these reports with the United State Department of Commerce. The Municipal Statistics and Records Division also responds to requests of local officials for technical assistance in taxation and finance and, to some extent, assistance in general government operations.

As required by the Local Tax Enabling Act of 1965, the department produces and makes available annually a Register of Earned Income and Occupational Privilege Taxes. The Register shows rates of taxation and names and addresses of collectors of these taxes and is used extensively by major employers, both Statewide and nationwide, and locally in Pennsylvania by major tax collection agencies.

Audits of municipal authorities, such as water and sewer authorities, are received and analyzed within this program. Statistics and directories are produced from these reports and, in conjunction with local government financial statistics, are used by financial institutions and rating services in matters concerning bond issues and indebtedness of local governments.

Other mandates contained in the Municipality Authorities Act of 1945 and the Local Tax Enabling Act of 1965 require collecting of information from municipal authorities and school districts.

Municipal Administrative Support Capability (continued)

Program Analysis: (continued)

Distressed Community Assistance

The 1986-87 budget includes \$5 million for distressed communities. This program does not have substantive enabling legislation and is not included in the 1987-88 budget.

Finally, the 1986-87 budget contained a \$3 million ap-

propriation for Economically Distressed Communities-Reduction of State Match from the Pennsylvania Economic Revitalization Fund (PERF). This appropriation is recommended to be made continuing since the Department failed to initiate the program in the first half of 1986-87.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 1,784 | \$ 2,188 | \$ 2,305 | \$ 2,397 | \$ 2,493 | \$ 2,593 | \$ 2,697 |
| Distressed Community Emergency Aid .. | . . . . . | 5,000 | | | | | |
| GENERAL FUND TOTAL | <u><u>\$ 1,784</u></u> | <u><u>\$ 7,188</u></u> | <u><u>\$ 2,305</u></u> | <u><u>\$ 2,397</u></u> | <u><u>\$ 2,493</u></u> | <u><u>\$ 2,593</u></u> | <u><u>\$ 2,697</u></u> |

COMMUNITY AFFAIRS

Community Development Planning

OBJECTIVE: To provide technical planning assistance and guidance to enable development of regionally coordinated activities.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 892 | \$ 924 | \$ 933 | \$ 961 | \$ 990 | \$ 1,021 | \$ 1,053 |
| Federal Funds | 577 | 620 | 200 | 125 | 125 | 125 | 125 |
| TOTAL | <u>\$ 1,469</u> | <u>\$ 1,544</u> | <u>\$ 1,133</u> | <u>\$ 1,086</u> | <u>\$ 1,115</u> | <u>\$ 1,146</u> | <u>\$ 1,178</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| State Planning Assistance Grant: | | | | | | | |
| Total projects funded | 22 | 35 | 33 | 33 | 33 | 33 | 33 |
| Projects which have resulted in comprehensive development plans | 16 | 32 | 30 | 30 | 30 | 30 | 30 |
| Communities which have adopted comprehensive plans | 30 | 29 | 28 | 28 | 30 | 30 | 30 |
| Flood Plain Management Act: | | | | | | | |
| Communities without formally approved flood plain management regulations | 1,200 | 500 | 400 | 300 | 200 | 100 | ... |
| Communities receiving reimbursement for costs incurred in complying with the requirement of Act 166 | 314 | 300 | 300 | 300 | 300 | 300 | 300 |
| Municipalities receiving technical assistance | 75 | 75 | 75 | 75 | 75 | 75 | 75 |
| Coastal Energy Impact Program: | | | | | | | |
| Grant contracts completed | 2 | 1 | ... | ... | ... | ... | ... |
| Public environmental and recreational facilities acquired or constructed | 2 | 1 | ... | ... | ... | ... | ... |
| ARC Highway Related Planning Grant: | | | | | | | |
| Projects funded | 4 | 3 | ... | ... | ... | ... | ... |

Program Analysis:

This subcategory includes a variety of programs providing technical planning assistance and coordination of regional activities to individual local governments and groups of local governments.

The State Planning Assistance Grant Program (SPAG) provides direct grants on a 50-50 matching basis to municipalities throughout Pennsylvania for preparation, update and initial implementation of municipal development plans.

This program, aimed at communities preparing their first comprehensive plans, provides an opportunity for municipal leaders to take the important steps in developing strategies

for community conservation, revitalization and economic development. Since the inception of the program, 799 municipalities have been assisted.

Planning assistance is particularly important in light of the Small Communities Block Grant program. It enables local government officials to plan in advance for the use of these grants so they can be used in the most effective manner for the benefit of the entire municipality. But equally important is the opportunity for communities to prepare strategies that emphasize economic development, particularly new job creation strategies to build a firm base for community revitalization.

Community Development Planning (continued)

Program Analysis: (continued)

One method of maximizing the impact of these limited dollars is to encourage multi-municipal planning efforts. Such an approach to planning not only saves money but also fosters intergovernmental cooperation resulting in more economical and efficient services for the participating municipalities.

The Flood Plain Management Act of 1978 (Act 166) affects 2,400 Pennsylvania municipalities which have been identified as having flooding problems by the Federal Insurance Administration. The department's major responsibilities under the act include the provision of technical assistance, the review and approval of local flood plain management ordinances and regulations, grant administration and general enforcement of the act. The act requires each flood-prone municipality to gain eligibility for participation in the National Flood Insurance Program (NFIP), and to enact flood plain management regulations which meet the minimum requirements of the Federal and State programs. Failure to comply may result in withholding payment on all State grants to the municipality until such time as the municipality does comply. Due to this stipulation and a follow-up effort by departmental staff, an increased number of communities are expected to formally adopt flood plain regulations. This increased activity is also reflected in the number of communities eligible for reimbursement under Section 404 of the act.

Section 404 also provides for reimbursement to municipalities for allowable costs associated with local compliance such as the costs of preparing and adopting,

administering and enforcing the required flood area ordinances. The amount of reimbursement is limited to 50 percent of allowable costs, not including those costs which are offset by permit fees. Due to increased efforts targeted by bringing non-compliant municipalities into compliance with the act, the number of communities without formally approved floodplain management regulations decreased by 43 percent.

The department administers the Transportation Related Business Development Planning program (Section 201A-11) for the Appalachian Regional Commission (ARC). Approximately \$75,000 is expected to be available to the 52 designated Appalachian counties in 1987-88 on a 50/50 matching basis. Proposals funded must be directly related to economic development opportunities. The department reviews the project proposals, assists in preparation of the work programs and provides monitoring for which it receives \$25,000 in administrative funds from ARC.

Although the Appalachian Regional Commission's authorization of 201A-11 program has not expired, the Federal co-chairman's office has decided to discontinue funding approval of any additional 201A-11 applications. As a result, only projects which have been previously submitted for approval will be processed. Only three projects will be approved in 1986-87 and none thereafter.

Program measures only extend through 1986-87 for the Costal Energy Impact Program, since its funding has been terminated by the Federal government.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|----------------------|----------------------|----------------------|----------------------|------------------------|------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 717 | \$ 699 | \$ 708 | \$ 736 | \$ 765 | \$ 796 | \$ 828 |
| Planning Assistance | 100 | 150 | 150 | 150 | 150 | 150 | 150 |
| Flood Plain Management Grants | 75 | 75 | 75 | 75 | 75 | 75 | 75 |
| GENERAL FUND TOTAL | <u>\$ 892</u> | <u>\$ 924</u> | <u>\$ 933</u> | <u>\$ 961</u> | <u>\$ 990</u> | <u>\$ 1,021</u> | <u>\$ 1,053</u> |

Department of Corrections

The department maintains a State system for the custody and rehabilitation of convicted criminals. Included within this area are residential programs and pre-release programs to provide clients with supervision, counseling and treatment to enable them to satisfactorily adjust to society.

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revision:

| Appropriation | Title | 1987-88 State Funds (in thousands) |
|---------------------------------|--|---|
| General Fund | | |
| State Correctional Institutions | Expansion of State Correctional Institutions Housing Capacity | \$ 6,397 |

This Program Revision provides increased housing capacity through the opening of a new institution at Smithfield and a major expansion at Graterford.

| | |
|------------------|----------|
| DEPARTMENT TOTAL | \$ 6,397 |
|------------------|----------|

DEPARTMENT OF CORRECTIONS

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|---------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| Institutional | | | |
| State Correctional Institutions | \$ 185,268 | \$ 204,543 | \$ 241,071 |
| <i>TOTAL STATE FUNDS</i> | <u>\$ 185,268</u> | <u>\$ 204,543</u> | <u>\$ 241,071</u> |
| Federal Funds | \$ 266 | \$ 574 | \$ 430 |
| Augmentations | 695 | 710 | 716 |
| GENERAL FUND TOTAL | <u>\$ 186,229</u> | <u>\$ 205,827</u> | <u>\$ 242,217</u> |
| Other Funds | \$ 16,950 | \$ 19,000 | \$ 18,235 |
| TOTAL ALL FUNDS | <u>\$ 203,179</u> | <u>\$ 224,827</u> | <u>\$ 260,452</u> |

INSTITUTIONAL

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Correctional Institutions | | | |
| State Funds | \$ 185,268 | \$ 204,543 | \$ 241,071 |
| Federal Funds | 266 | 574 | 430 |
| Augmentations | 695 | 710 | 716 |
| TOTAL | <u>\$ 186,229</u> | <u>\$ 205,827</u> | <u>\$ 242,217</u> |

Maintains a system providing care, rehabilitation and custody for those individuals committed to the Department of Corrections by the courts. The Department of Corrections presently operates twelve State correctional institutions and one regional correctional facility. Additional institutions are currently under construction or renovation and certain operating expenses are being incurred but no inmates are presently held at these sites. The State Correctional Institution at Muncy is primarily for female offenders, while Waynesburg is entirely for female offenders.

Besides providing for the basic maintenance of the institutions' inmates, medical, surgical and psychiatric care is provided to correct physical and emotional problems that may hinder the rehabilitative process. Emphasis is placed on providing the vocational and educational training necessary to remedy the general lack of adequate education and skilled work experience that most inmates have when entering the institution. Part of this training is conducted through Correctional Industries, which is financed through the Manufacturing Fund. Additional opportunities for the inmates are provided through the community service centers. These facilities provide work release and special treatment programs to aid the individual in the crucial period that usually follows upon release.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Total Proposed Expenditures by Institution: | | | |
| Central Office | | | |
| State Funds | \$ 6,138 | \$ 7,965 | \$ 9,133 |
| Federal Funds | 206 | 530 | 395 |
| Augmentations | 9 | 47 | 12 |
| TOTAL | <u>\$ 6,353</u> | <u>\$ 8,542</u> | <u>\$ 9,540</u> |
| SCI Huntingdon | | | |
| State Funds | \$ 20,051 | \$ 20,432 | \$ 21,882 |
| Federal Funds ..... | ..... | 5 | ..... |
| Augmentations | 43 | 32 | 5 |
| TOTAL | <u>\$ 20,094</u> | <u>\$ 20,469</u> | <u>\$ 21,887</u> |
| SCI Muncy | | | |
| State Funds | \$ 9,993 | \$ 11,072 | \$ 12,070 |
| Federal Funds | 25 | 25 | 25 |
| Augmentations | 101 | 135 | 143 |
| TOTAL | <u>\$ 10,119</u> | <u>\$ 11,232</u> | <u>\$ 12,238</u> |

GENERAL FUND

CORRECTIONS

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Total Proposed Expenditures by Institution: | | | |
| (continued) | | | |
| SCI Pittsburgh | | | |
| State Funds | \$ 21,624 | \$ 21,513 | \$ 23,415 |
| Federal Funds | 20 | 4 | 5 |
| Augmentations | 14 | 1 | 5 |
| TOTAL | <u>\$ 21,658</u> | <u>\$ 21,518</u> | <u>\$ 23,420</u> |
| SCI Cresson | | | |
| State Funds | <u>\$ 544</u> | <u>\$ 4,810</u> | <u>\$ 9,173</u> |
| SCI Frackville | | | |
| State Funds | <u>\$ 75</u> | <u>\$ 5,268</u> | <u>\$ 8,932</u> |
| SCI Camp Hill | | | |
| State Funds | \$ 26,224 | \$ 26,136 | \$ 28,484 |
| Augmentations | 148 | 126 | 139 |
| TOTAL | <u>\$ 26,372</u> | <u>\$ 26,262</u> | <u>\$ 28,623</u> |
| SCI Rockview | | | |
| State Funds | \$ 19,317 | \$ 19,923 | \$ 21,001 |
| Augmentations | 61 | 56 | 42 |
| TOTAL | <u>\$ 19,378</u> | <u>\$ 19,979</u> | <u>\$ 21,043</u> |
| SCI Graterford | | | |
| State Funds | \$ 32,724 | \$ 34,197 | \$ 37,576 |
| Augmentations | 10 | 4 | 41 |
| TOTAL | <u>\$ 32,734</u> | <u>\$ 34,201</u> | <u>\$ 37,617</u> |
| SCI Dallas | | | |
| State Funds | \$ 21,722 | \$ 22,206 | \$ 23,574 |
| Augmentations | 74 | 63 | 72 |
| TOTAL | <u>\$ 21,796</u> | <u>\$ 22,269</u> | <u>\$ 23,646</u> |
| SCI Waynesburg | | | |
| State Funds | <u>\$ 3,603</u> | <u>\$ 3,922</u> | <u>\$ 4,586</u> |
| SCI Smithfield | | | |
| State Funds | <u>\$ 37</u> | <u>\$ 42</u> | <u>\$ 5,793</u> |

GENERAL FUND

CORRECTIONS

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Total Proposed Expenditures by Institution: | | | |
| (continued) | | | |
| SCI Greensburg | | | |
| State Funds | \$ 9,754 | \$ 10,205 | \$ 11,345 |
| Augmentations | 16 | 14 | 4 |
| TOTAL | <u>\$ 9,770</u> | <u>\$ 10,219</u> | <u>\$ 11,349</u> |
| SRCF Mercer | | | |
| State Funds | \$ 8,180 | \$ 8,953 | \$ 9,624 |
| Federal Funds | 15 | 10 | 10 |
| Augmentations | 13 | 12 | 23 |
| TOTAL | <u>\$ 8,208</u> | <u>\$ 8,975</u> | <u>\$ 9,657</u> |
| SCI Retreat | | | |
| State Funds | <u>\$ 340</u> | <u>\$ 2,480</u> | <u>\$ 8,690</u> |
| Community Service Centers | | | |
| State Funds | \$ 4,942 | \$ 5,419 | \$ 5,793 |
| Augmentations | 206 | 220 | 230 |
| TOTAL | <u>\$ 5,148</u> | <u>\$ 5,639</u> | <u>\$ 6,023</u> |

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| State Correctional Institutions | \$ 185,268 | \$ 204,543 | \$ 241,071 |
| Federal Funds: | | | |
| Maintenance of Federal Prisoners | 131 | 125 | 125 |
| Administration — Rehabilitation | 110 | 110 | 110 |
| Library Services | 5 | 9 | ..... |
| Maribel Cuban Inmates ..... | ..... | 250 | 95 |
| Spanish — American Collections | 20 | ..... | ..... |
| Veterans Training ..... | ..... | 80 | 100 |
| Augmentations: | | | |
| Community Treatment Centers — Room and Board | 205 | 231 | 230 |
| Sale of Institutional Scraps | 42 | 74 | 70 |
| Pre-Release Room and Board | 17 | 24 | 20 |
| Reimbursement for Educational Services | 356 | 340 | 355 |
| Inmate Wages — Educational | 75 | ..... | ..... |
| Project Impact ..... | ..... | 41 | 41 |
| TOTAL | <u>\$ 186,229</u> | <u>\$ 205,827</u> | <u>\$ 242,217</u> |

| | |
|--------------------|--------------------|
| OTHER FUNDS | CORRECTIONS |
|--------------------|--------------------|

Amounts Not Previously Detailed

| | (Dollar Amounts in Thousands) | | |
|---------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Manufacturing Fund | | | |
| General Operations | <u>\$ 16,950</u> | <u>\$ 19,000</u> | <u>\$ 18,235</u> |

DEPARTMENT OF CORRECTIONS

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Control and Reduction of Crime | \$ 185,268 | \$ 204,543 | \$ 241,071 | \$ 255,535 | \$ 268,374 | \$ 279,109 | \$ 290,273 |
| Institutionalization of Offenders | 185,268 | 204,543 | 241,071 | 255,535 | 268,374 | 279,109 | 290,273 |
| DEPARTMENT TOTAL | <u>\$ 185,268</u> | <u>\$ 204,543</u> | <u>\$ 241,071</u> | <u>\$ 255,535</u> | <u>\$ 268,374</u> | <u>\$ 279,109</u> | <u>\$ 290,273</u> |

Institutionalization of Offenders

OBJECTIVE: To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 185,268 | \$ 204,543 | \$ 241,071 | \$ 255,535 | \$ 268,374 | \$ 279,109 | \$ 290,273 |
| Federal Funds | 266 | 574 | 430 | 480 | 295 | 295 | 235 |
| Other Funds | 17,645 | 19,710 | 18,951 | 19,649 | 20,418 | 21,222 | 22,042 |
| TOTAL | \$ 203,179 | \$ 224,827 | \$ 260,452 | \$ 275,664 | \$ 289,087 | \$ 300,626 | \$ 312,550 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Inmates | 14,069 | 15,088 | 15,898 | 16,600 | 16,900 | 17,100 | 17,200 |
| Inmates double celled | 6,380 | 7,340 | 5,922 | 5,358 | 5,958 | 6,358 | 6,558 |
| Percentage of inmates enrolled in treatment programs | 37% | 37% | 37% | 37% | 37% | 37% | 37% |

Program Analysis:

As the program measures imply, the most pressing problem facing State correctional facilities is meeting the demands caused by an increasing inmate population. With next year's anticipated inmate growth rate projected at 5.4 percent, overpopulation will still pose a serious problem.

The Department of Corrections is in the midst of its largest statewide construction expansion project ever. By the end of 1988, the program will have provided approximately 3,000 permanent new cells. With the prison population exceeding the prison capacity by over 30 percent, the department is already double-celling 7,800 inmates. Double-celling, or the placing of two inmates into a cell designed for one, is one measure that correctional officials have used in coping with excess population. This practice is rapidly approaching its limit due to the number of inmates an institution can safely accommodate. Other measures used to relieve overcrowding include the use of prefabricated or modular housing, construction of cells in the basements of cell blocks, greater utilization of dormitory housing, the use of trailers on institutional grounds and increases in the number of community service centers.

Since the vast majority of inmates are expected to return to society at some point, the way in which inmates utilize their time in prison is considered vital to their rehabilitation.

This is especially important since studies indicate that the typical inmate has a sixth grade education, little or no job skills, and a desperate need to participate in therapeutic treatment programs.

In addition to providing the basic necessities of life, the Department of Corrections provides programs which enable the inmate to leave the prison better prepared to adjust in the community. Education programs are provided at all levels.

The department is expanding services in the areas of mental health and sex offender treatment. A contractual sex offender treatment program was opened at Graterford in 1985-86, and a similar program is being expanded at Pittsburgh in 1986-87. Provisional mental health units were opened at Graterford (18 inmates) and Muncy (12 inmates) during 1986-87. These units house inmates committed under provisions of the Mental Health Act on a voluntary or involuntary basis.

Leisure time activities are especially important when an institutional population exceeds its capacity. The lack of a sufficient number of meaningful jobs for inmates make leisure time activities increasingly important since they combat idleness and depression as well as providing the inmate with an outlet for time and energy. Varsity and

Institutionalization of Offenders (continued)

Program Analysis: (continued)

intramural athletic competition, arts and crafts, and talent and art competition are fully used as leisure time activities.

Correctional Industries, a program which operates at each of the major institutions, benefits both the individual inmate and the Commonwealth. Correctional Industries provides for the manufacture and sale of various items for use by government and nonprofit government-supported agencies. Approximately 1,600 inmates are employed through this program operating in 44 shops or farms. Inmates are paid a small hourly wage which varies according to the job skills required. The wages are placed in the inmate's individual account which can be then used for the purchase of personal items such as toiletries and tobacco products. The employment of inmates in meaningful work is considered a vital component of the prison expansion program. Correctional Industries is financed through the Manufacturing Fund for which a cash flow statement appears in the Special Fund Appendix at the end of Volume I of this budget.

Approximately 380 inmates participate in the community services program, which operates 15 community service centers statewide. This pre-release program permits highly screened inmates who meet established criteria to return to a community setting prior to their release. While living in a community service center, they receive 24 hour supervision and can utilize counseling services. Inmates return to the community while employed full or part-time, while pursuing academic or vocational studies, or when they utilize

treatment programs not found in the institutional setting.

The average cost of maintaining an inmate during fiscal year 1985-86 in an institution and a community service center was \$12,358 and \$15,070 respectively.

The department also provides valuable services to county prisons and jails. The Bureau of Special Services conducts mandated annual inspections for each county correctional facility, and the Staff Training Division provides a three week basic training course to county prison employees at the department's Central Training Academy in Camp Hill. Additionally, this division provides on-site in-service training in a variety of subjects for county prisons requesting such assistance. As an enhancement to this program, a new training academy was opened in 1986.

This budget recommends \$6.4 million to operate the new institution at Smithfield (502 cells) and the expansion of the Graterford institution (418 cells) which are scheduled to open in 1987-88. Details are provided in the Program Revision following this subcategory. An additional \$2.6 million is recommended for four new mental health units at Cresson, Retreat, and Frackville, and for the new institution at Smithfield. These licensed mental health units will treat mentally ill inmates while they are incarcerated. The inmates requiring treatment has increased in recent years. Also, \$100,000 is provided for a consultant to develop a comprehensive electronic data processing (EDP) plan for the department.

The institutional populations for the prior, current and upcoming year are:

| Institutions | Inmate Capacity Oct. 1986 | Inmate Capacity Oct. 1987 | Population Oct. 1985 | Population Oct. 1986 | Projected Population Oct. 1987 | Projected Percent of Capacity |
|---------------------------------|------------------------------|------------------------------|-------------------------|-------------------------|--------------------------------------|-------------------------------------|
| Huntingdon | 1,347 | 1,347 | 2,020 | 2,048 | 1,945 | 145% |
| Muncy | 464 | 464 | 552 | 529 | 520 | 112% |
| Pittsburgh | 1,140 | 1,140 | 1,580 | 1,591 | 1,464 | 128% |
| Cresson | 499 | 499 | ..... | ..... | 490 | 98% |
| Camp Hill | 1,826 | 1,826 | 2,231 | 2,441 | 2,319 | 127% |
| Rockview | 1,250 | 1,250 | 1,830 | 1,931 | 1,835 | 147% |
| Graterford | 2,144 | 2,144 | 2,494 | 2,599 | 2,469 | 115% |
| Dallas | 1,457 | 1,457 | 1,704 | 1,988 | 1,889 | 130% |
| Retreat ..... | ..... | 480 | ..... | ..... | 400 | 83% |
| Greensburg | 461 | 461 | 757 | 808 | 767 | 166% |
| Mercer | 464 | 464 | 524 | 665 | 740 | 160% |
| Waynesburg | 144 | 144 | 68 | 100 | 130 | 90% |
| Community Service Centers | 351 | 351 | 302 | 341 | 340 | 97% |
| Smithfield ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Frackville ..... | ..... | 540 | ..... | ..... | 530 | 98% |
| Group Homes ..... | ..... | N/A | 7 | 47 | 60 | N/A |
| TOTAL | <u>11,048</u> | <u>12,567</u> | <u>14,069</u> | <u>15,088</u> | <u>15,898</u> | <u>127%</u> |

Institutionalization of Offenders (continued)**Program Costs by Appropriation:**

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| State Correctional Institutions | <u>\$ 185,268</u> | <u>\$ 204,543</u> | <u>\$ 241,071</u> | <u>\$ 255,535</u> | <u>\$ 268,374</u> | <u>\$ 279,109</u> | <u>\$ 290,273</u> |

Institutionalization of Offenders

Program Revision: Expansion of State Correctional Institution Housing Capacity

Recommended Program Revision Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|--------------|-----------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>.....</u> | <u>.....</u> | <u>\$ 6,397</u> | <u>\$ 10,208</u> | <u>\$ 11,041</u> | <u>\$ 12,414</u> | <u>\$ 13,625</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|-------------------------------|---------|---------|---------------|---------------|---------------|---------------|---------------|
| Inmates over capacity | | | | | | | |
| Current | 3,483 | 4,041 | 3,331 | 4,033 | 4,333 | 4,533 | 4,633 |
| Program Revision ..... | ..... | ..... | 3,331 | 3,049 | 3,349 | 3,549 | 3,649 |
| Inmates living two in a cell | | | | | | | |
| Current | 6,380 | 7,340 | 5,922 | 7,326 | 7,926 | 8,326 | 8,526 |
| Program Revision ..... | ..... | ..... | 5,992 | 5,358 | 5,958 | 6,358 | 6,558 |
| Housing capacity | | | | | | | |
| Current | 10,586 | 11,048 | 12,567 | 12,567 | 12,567 | 12,567 | 12,567 |
| Program Revision ..... | ..... | ..... | 12,567 | 13,551 | 13,551 | 13,551 | 13,551 |

Program Analysis:

The inmate population continues to undergo tremendous growth and currently exceeds capacity by over 4,000 inmates.

Research has documented numerous problems related to overpopulation in prison systems including higher rates of illness, suicide, disciplinary problems and psychiatric commitments. Increases in inmate violence, employe absenteeism and staff turnover have also been attributed to overpopulation. Furthermore, as the population increases, educational and vocational programs must be expanded to

assist in rehabilitation of inmates.

To help alleviate the problems associated with overpopulation, the Commonwealth is presently constructing approximately 3,000 new permanent cells. The first 2,050 of these cells will be open by the end of the current fiscal year. This Program Revision provides operating funds to open a new institution at Smithfield (566 cells) and a major expansion at Graterford (418 cells).

Recommended Program Revision Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------------|-------------------------------|--------------|-----------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| State Correctional Institutions | <u>.....</u> | <u>.....</u> | <u>\$ 6,397</u> | <u>\$ 10,208</u> | <u>\$ 11,041</u> | <u>\$ 12,414</u> | <u>\$ 13,625</u> |

Crime Commission

The Crime Commission conducts investigations into organized crime activities. Through its investigations the commission seeks to determine and combat causes of organized crime as well as prevent such criminal activities.

CRIME COMMISSION

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| Crime Commission | \$ 2,234 | \$ 2,165 | \$ 2,230 |
| Berks County Narcotics Information Center ..... | . . . . | 75 | |
| TOTAL STATE FUNDS | <u>\$ 2,234</u> | <u>\$ 2,240</u> | <u>\$ 2,230</u> |
| | | | |
| Federal Funds | \$ 1,301 | \$ 1,800 | \$ 1,800 |
| | | | |
| GENERAL FUND TOTAL | <u>\$ 3,535</u> | <u>\$ 4,040</u> | <u>\$ 4,030</u> |

GENERAL GOVERNMENT

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--------------------------------------|-------------------|---|-------------------|
| Pennsylvania Crime Commission | | | |
| State Funds | \$ 2,234 | \$ 2,240 | \$ 2,230 |
| Federal Funds | 1,301 | 1,800 | 1,800 |
| TOTAL | <u>\$ 3,535</u> | <u>\$ 4,040</u> | <u>\$ 4,030</u> |

Conducts investigations into organized crime activities and into the causes of such crime.
Seeks to determine and combat causes of organized crime as well as prevent such criminal activities.

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| Pennsylvania Crime Commission | \$ 2,234 | \$ 2,165 | \$ 2,230 |
| Berks County Narcotics Information Center ..... | ..... | 75 | ..... |
| Federal Funds: | | | |
| Leviticus Project | 124 | 300 | 300 |
| LEAA — MAGLOCLLEN | 1,177 | 1,500 | 1,500 |
| TOTAL | <u>\$ 3,535</u> | <u>\$ 4,040</u> | <u>\$ 4,030</u> |

CRIME COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Control and Reduction of Crime | \$ 2,234 | \$ 2,240 | \$ 2,230 | \$ 2,319 | \$ 2,412 | \$ 2,508 | \$ 2,609 |
| Criminal Law Enforcement | 2,234 | 2,240 | 2,230 | 2,319 | 2,412 | 2,508 | 2,609 |
| DEPARTMENT TOTAL | <u>\$ 2,234</u> | <u>\$ 2,240</u> | <u>\$ 2,230</u> | <u>\$ 2,319</u> | <u>\$ 2,412</u> | <u>\$ 2,508</u> | <u>\$ 2,609</u> |

CRIME COMMISSION

Criminal Law Enforcement

OBJECTIVE: To inquire into organized crime, public corruption and the activities of persons engaged in or associated with them.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 2,234 | \$ 2,240 | \$ 2,230 | \$ 2,319 | \$ 2,412 | \$ 2,508 | \$ 2,609 |
| Federal Funds | 1,301 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 |
| TOTAL | \$ 3,535 | \$ 4,040 | \$ 4,030 | \$ 4,119 | \$ 4,212 | \$ 4,308 | \$ 4,409 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Investigations completed (yearly)..... | 138 | 200 | 220 | 220 | 220 | 220 | 220 |
| Investigations referred to prosecutors, law enforcement or regulatory agencies..... | 78 | 85 | 90 | 90 | 90 | 90 | 90 |
| Intelligence inquiries from other law enforcement agencies..... | 4,414 | 5,000 | 5,800 | 5,800 | 5,800 | 5,800 | 5,800 |
| Positive responses to intelligence inquiries.. | 881 | 1,000 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 |

Program Analysis:

The Pennsylvania Crime Commission's basic function is to inquire into organized crime, public corruption and the activities of persons engaged in or associated with such activities.

The commission functions as an independent agency. It is managed by a five member commission, with one member appointed by each of the following: The Governor, the President Pro Tempore of the Senate, the Speaker of the House, the Minority Leader of the Senate, and the Minority Leader of the House. The commission members may not hold elected office nor may more than three of them be of the same political party.

In conducting its activities, the commission utilizes subpoena power, surveillances and other investigative techniques, and conducts private and public hearings. Cooperation with and information exchange among other law enforcement agencies are cornerstones of the commission's commitment to fulfilling its mandate.

The Crime Commission completed fewer investigations in 1985-86 than anticipated primarily due to redirecting substantial resources to a Strategic Intelligence Collection and Analysis Program (SICAP). More emphasis has been placed on analysis of the total criminal environment rather than concentrating on individual case activity. The strategic approach will enable the commission to identify crime trends and areas of increased criminal activity on a more timely basis. The number of investigations referred to other agencies increased by 73 percent above projections because of the effectiveness of SICAP.

Inquiries from other law enforcement and regulatory agencies increased substantially over projections for 1985-86

due to an increased awareness of the commission's capabilities. A direct positive relationship exists between intelligence inquiries and positive responses to those inquiries. In 1985-86 positive responses to intelligence inquiries were also significantly above projections.

The commission is continuing to participate in the Leviticus Project, a Federal grant aimed at energy related crimes. This project is a consortium of six states that cooperate in the investigation and analysis of such acts. To date, the project has been very successful. As of June 30, 1986, criminal charges stemming from Leviticus sponsored probes within the six participating states have been brought against 256 defendants. Civil charges have been brought against 182 individuals and businesses. Also, as of October, 1986, over \$332 million in suspect investments have been referred to the Internal Revenue Service, resulting to date in \$4.3 million in fines, \$1.7 million in restitution, and \$1.8 million from the sale/use of recovered stolen equipment.

In addition, the Commission is the grantee for MAGLOCLN, an eight state congressionally sponsored association of law enforcement agencies which provides technical services and facilitates the exchange of criminal information on a real time basis among its members.

The MAGLOCLN project is a response to the growing problem of transient criminals, individuals who traverse jurisdictional boundaries to commit sophisticated crimes. Since most criminal activity records are locally based, it is extremely difficult for enforcement agencies to associate one of these criminals with a particular set of crimes. This program makes such tasks easier and more effective.

| |
|-------------------------|
| CRIME COMMISSION |
|-------------------------|

Criminal Law Enforcement (continued)

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Crime Commission | \$ 2,234 | \$ 2,165 | \$ 2,230 | \$ 2,319 | \$ 2,412 | \$ 2,508 | \$ 2,609 |
| Berks County Narcotics Information Center ..... | ..... | 75 | ..... | ..... | ..... | ..... | ..... |
| | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> |

Economic Development Partnership

The Governor has proposed a major reorganization and strengthening of the Commonwealth's economic development programs. The complete program and financial details are contained in the "Spending Plan for an Economic Development Partnership" which is a separate presentation in the 1987-88 recommended budget.

ECONOMIC DEVELOPMENT PARTNERSHIP

Funding Summary

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|--------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | | | \$ 100,056 | \$ 103,103 | \$ 101,921 | \$ 105,511 | \$ 103,125 |
| Federal Funds | | | 3,600 | 3,600 | 3,600 | 3,600 | 3,600 |
| Other Funds | | | 22,023 | 1,568 | 1,614 | 1,664 | 1,713 |
| TOTAL | <u>.....</u> | <u>.....</u> | <u>\$ 125,679</u> | <u>\$ 108,271</u> | <u>\$ 107,135</u> | <u>\$ 110,775</u> | <u>\$ 108,438</u> |

The Governor has proposed a major reorganization and strengthening of the Commonwealth's economic development programs. The complete program and financial details are contained in the "Spending Plan for an Economic Development Partnership" which is a separate presentation in the 1987-88 recommended budget.

Department of Education

The Department of Education promotes and encourages desirable educational change based upon research and development so that all Pennsylvanians may benefit from a continuous quality educational program which gives the greatest promise of developing each individual to his fullest potential as a contributing member of society.

The department conducts programs to assist the local school districts in improving educational and administrative techniques, curricula and guidance services; and provides consultant and data collection services on higher education. The bulk of the department's budget consists of subsidies for basic and higher education.

| |
|------------------|
| EDUCATION |
|------------------|

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

| Appropriation | Title | 1987-88 State Funds (in thousands) |
|-----------------------|--|---|
| | General Fund | |
| Corrections Education | Education in Correctional Institutions | \$ 2,073 |

This Program Revision will provide for educational programs in the four new correctional institutions and for the expanded program at Graterford.

DEPARTMENT OF EDUCATION

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|--------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| General Government Operations | \$ 16,576 | \$ 16,243 | \$ 15,872 |
| State Library | 2,675 | 2,591 | 2,433 |
| Total—General Government | <u>\$ 19,251</u> | <u>\$ 18,834</u> | <u>\$ 18,305</u> |
| Debt Service Requirements | | | |
| General State Authority Rentals — State-Aided Institutions | <u>\$ 3,679</u> | <u>\$ 3,779</u> | <u>\$ 3,745</u> |
| Institutional | | | |
| Youth Development Centers Education | \$ 3,291 | \$ 3,400 | \$ 4,317 |
| Correctional Institutions Education | 3,328 | 4,595 | 6,604 |
| Scranton State School for the Deaf | 3,000 | 3,122 | 3,432 |
| Scotland School for Veterans' Children | 6,025 | 6,276 | 7,042 |
| Thaddeus Stevens State School | 3,036 | 3,049 | 3,388 |
| Total—Institutional | <u>\$ 18,680</u> | <u>\$ 20,442</u> | <u>\$ 24,783</u> |
| Grants and Subsidies | | | |
| <i>Support of Public Schools</i> | | | |
| Equalized Subsidy for Basic Education | \$2,046,856 | \$2,210,883 | \$2,351,000 |
| Agenda for Excellence | 28,000 | 28,000 | 28,000 |
| School Based Professional Development | 4,000 | 7,000 | 7,000 |
| Adult Literacy ..... | . . . . . | 2,000 | 5,000 |
| Vocational Education | 33,172 | 34,716 | 36,531 |
| Authority Rentals and Sinking Fund Requirements | 141,967 | 136,000 | 131,000 |
| Pupil Transportation | 194,500 | 206,850 | 215,124 |
| Nonpublic Pupil Transportation | 12,665 | 13,200 | 12,500 |
| Special Education | 259,245 | 272,207 | 288,539 |
| Early Intervention—Handicapped Children | 7,100 | 7,672 | 10,706 |
| Homebound Instruction | 525 | 490 | 495 |
| Tuition for Orphans and Children Placed in Private Homes | 12,869 | 13,600 | 14,280 |
| Payments in Lieu of Taxes | 60 | 72 | 65 |
| Education of Migrant Laborers' Children | 165 | 172 | 183 |
| Education of the Disadvantaged | 1,000 | 1,000 | 1,000 |
| Special Education—Approved Private Schools | 42,500 | 44,500 | 47,170 |
| Higher Education of Blind or Deaf Students | 50 | 50 | 50 |
| Intermediate Units | 10,644 | 13,400 | 13,400 |
| School Food Services | 10,844 | 10,844 | 10,844 |
| School Employees' Social Security | 147,788 | 154,500 | 170,120 |
| School Employees' Retirement Fund: | | | |
| Contingent Reserve and Supplemental Accounts | 414,943 | 440,993 | 465,661 |
| State Schools and Hospitals—Education | 17,754 | 18,303 | 19,403 |
| School District Payments—Racing | 3,500 | 3,500 | 3,500 |
| Birdville — Mine Subsidence | 100 | | |
| Peter's Township — Mine Subsidence | 285 | | |
| Dropout Prevention ..... | . . . . . | . . . . . | 500 |
| Youth Employment and Education ..... | . . . . . | . . . . . | 500 |
| Education of Indigent Children | 114 | 114 | 100 |
| Subtotal—Support of Public Schools | <u>\$3,390,646</u> | <u>\$3,620,066</u> | <u>\$3,832,671</u> |

DEPARTMENT OF EDUCATION
Summary by Fund and Appropriation
(continued)

| Grants and Subsidies (continued) | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| <i>Other Grants and Subsidies:</i> | | | |
| Customized Job Training | \$ 12,000 | \$ 13,500 | \$ 13,500 |
| JTPA - Matching Funds | 6,991 | 8,000 | 7,000 |
| Services to Nonpublic Schools | 38,490 | 40,838 | 43,411 |
| Textbooks for Nonpublic Schools | 7,387 | 7,865 | 7,000 |
| Student Supplies for Nonpublic Schools | 4,348 | 4,637 | 3,500 |
| Teen Pregnancy and Parenthood | 473 | 710 | 710 |
| Improvement of Library Services | 18,349 | 19,500 | 20,475 |
| Library Services for Blind and Handicapped | 1,504 | 1,549 | 1,626 |
| Library Access ..... | ..... | 1,000 | 1,000 |
| School Library Catalog ..... | ..... | 200 | 350 |
| College of Physicians | 100 | 100 | ..... |
| Educational Radio and Television Grants | 300 | 175 | ..... |
| Conservatory Leadership School | 30 | 30 | 30 |
| Ethnic Heritage | 100 | 100 | 100 |
| Governor's School for the Sciences | 157 | 175 | 180 |
| Governor's School for the Arts | 279 | 295 | 310 |
| Governor's School for International Studies | 75 | 115 | 121 |
| Governor's School for Agriculture ..... | ..... | 130 | 137 |
| Governor's School for Business ..... | ..... | ..... | 137 |
| Subtotal—Other Grants and Subsidies | <u>\$ 90,583</u> | <u>\$ 98,919</u> | <u>\$ 99,587</u> |
| <i>Higher Education—Other Grants and Subsidies:</i> | | | |
| Community Colleges | \$ 102,392 | \$ 102,000 | \$ 103,160 |
| Higher Education of the Disadvantaged | 5,686 | 5,860 | 6,153 |
| Lincoln—Cheyney Urban Center ..... | ..... | 300 | ..... |
| Rural Initiatives | 700 | 900 | 150 |
| Psychiatric Education | 650 | 1,000 | ..... |
| Higher Education Equipment | 16,500 | ..... | ..... |
| Differential Technology Grants ..... | ..... | 20,300 | ..... |
| Subtotal—Higher Education - Other Grants and Subsidies | <u>\$ 125,928</u> | <u>\$ 130,360</u> | <u>\$ 109,463</u> |
| <i>State System of Higher Education:</i> | | | |
| State System of Higher Education (SSHE) | \$ 263,803 | \$ 279,381 | \$ 293,350 |
| SSHE—Recruitment of the Disadvantaged | 200 | 200 | 200 |
| SSHE—Deferred Maintenance | 2,500 | 2,500 | ..... |
| SSHE—Desegregation Compliance | 1,653 | 1,656 | 1,630 |
| SSHE—McKeever Center ..... | ..... | 250 | ..... |
| Subtotal—State System of Higher Education | <u>\$ 268,156</u> | <u>\$ 283,987</u> | <u>\$ 295,180</u> |
| <i>State-Related Universities:</i> | | | |
| Pennsylvania State University—Educational and General | \$ 128,269 | \$ 135,965 | \$ 142,763 |
| Pennsylvania State University—Research | 11,211 | 11,884 | 12,478 |
| Pennsylvania State University—Medical Programs | 3,567 | 3,781 | 3,970 |
| Pennsylvania State University—Agricultural Research | 13,343 | 14,144 | 14,851 |
| Pennsylvania State University—Agricultural Extension Services | 11,291 | 11,968 | 16,968 |
| Pennsylvania State University—Recruitment of Disadvantaged | 200 | 200 | 200 |
| Pennsylvania State University—Elizabethtown Hospital | 3,757 | 3,982 | 4,181 |
| Subtotal Pennsylvania State University | <u>\$ 171,638</u> | <u>\$ 181,924</u> | <u>\$ 195,411</u> |

DEPARTMENT OF EDUCATION

Summary by Fund and Appropriation (continued)

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Grants and Subsidies (continued) | | | |
| <i>State-Related Universities: (continued)</i> | | | |
| University of Pittsburgh—Educational and General | \$ 87,902 | \$ 93,176 | \$ 97,835 |
| University of Pittsburgh—Medical Programs | 5,030 | 5,332 | 5,599 |
| University of Pittsburgh—Dental Clinics | 849 | 900 | 945 |
| University of Pittsburgh—Titusville Campus | 675 | 716 | 752 |
| University of Pittsburgh—Recruitment of Disadvantaged | 200 | 200 | 200 |
| Subtotal University of Pittsburgh | <u>\$ 94,656</u> | <u>\$ 100,324</u> | <u>\$ 105,331</u> |
| Temple University—Educational and General | \$ 93,948 | \$ 102,085 | \$ 107,189 |
| Temple University—Medical Programs | 6,696 | 7,098 | 7,453 |
| Temple University—Dental Clinics | 849 | 900 | 945 |
| Temple University—Hospital | 2,500 | ..... | ..... |
| Temple University—Recruitment of Disadvantaged | 200 | 200 | 200 |
| Subtotal Temple University | <u>\$ 104,193</u> | <u>\$ 110,283</u> | <u>\$ 115,787</u> |
| Lincoln University—Educational and General | \$ 5,822 | \$ 6,363 | \$ 6,681 |
| Lincoln University—Recruitment of Disadvantaged | 200 | 200 | 200 |
| Lincoln University—Desegregation | 1,000 | 1,000 | 1,000 |
| Subtotal Lincoln University | <u>\$ 7,022</u> | <u>\$ 7,563</u> | <u>\$ 7,881</u> |
| <i>Non-State-Related Universities and Colleges:</i> | | | |
| Delaware Valley College of Science and Agriculture | \$ 337 | \$ 357 | \$ 375 |
| Drexel University | 4,655 | 4,934 | 5,181 |
| Hahnemann Medical College—Medical Programs | 4,146 | 4,395 | 4,615 |
| Hahnemann Medical College—Allied Health Programs | 192 | 454 | 477 |
| Thomas Jefferson University—Medical Programs | 4,937 | 5,233 | 5,495 |
| Thomas Jefferson University—Allied Health Programs | 2,069 | 2,193 | 2,303 |
| The Medical College of Pennsylvania—Medical Programs | 2,454 | 2,601 | 2,731 |
| The Medical College of Pennsylvania—Allied Health Programs | 779 | 826 | 867 |
| University of Pennsylvania—Instruction | 13,239 | 14,033 | 14,735 |
| University of Pennsylvania—Dental Clinics | 849 | 900 | 945 |
| University of Pennsylvania—Medical Programs | 3,658 | 3,877 | 4,071 |
| University of Pennsylvania—School of Veterinary Medicine | 6,371 | 6,753 | 7,091 |
| University of Pennsylvania—New Bolton | 2,842 | 3,013 | 3,164 |
| University of Pennsylvania—New Bolton Computer Center ..... | ..... | 290 | ..... |
| University of Pennsylvania—Renovation ..... | ..... | 541 | ..... |
| University of Pennsylvania—Poultry Biohazard ..... | ..... | 142 | ..... |
| University of Pennsylvania—Food and Animal Clinics | 1,580 | 1,675 | 1,759 |
| Pennsylvania College of Podiatric Medicine | 837 | 987 | 1,036 |
| Pennsylvania College of Optometry | 1,223 | 1,402 | 1,472 |
| Eye Institute | 100 | ..... | ..... |
| Philadelphia College of Art | 505 | 635 | 667 |
| Philadelphia College of Textiles and Science | 444 | 471 | 495 |
| Philadelphia College of Performing Arts | 117 | 124 | 130 |
| Philadelphia College of Osteopathic Medicine | 4,462 | 4,730 | 4,967 |
| Subtotal Non-State-Related Universities and Colleges | <u>\$ 55,796</u> | <u>\$ 60,566</u> | <u>\$ 62,576</u> |

DEPARTMENT OF EDUCATION
Summary by Fund and Appropriation
(continued)

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|--------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Grants and Subsidies (continued) | | | |
| <i>Non-State-Related Institutions:</i> | | | |
| Berean Training and Industrial School—Maintenance | \$ 682 | \$ 723 | \$ 759 |
| Berean Training and Industrial School—Rental Payments | 102 | 102 | 102 |
| Downingtown Industrial and Agricultural School—Maintenance | 754 | 799 | 839 |
| Downingtown Industrial and Agricultural School—Rental | 81 | 81 | 81 |
| Downingtown Special Projects ..... | . . . . | 50 | 52 |
| Johnson Technical Institute | 162 | 172 | 181 |
| Williamson Free School of Mechanical Trades | 60 | 64 | 67 |
| Subtotal Non-State-Related Institutions | <u>\$ 1,841</u> | <u>\$ 1,991</u> | <u>\$ 2,081</u> |
| Subtotal Higher Education Subsidies | <u>\$ 829,230</u> | <u>\$ 876,998</u> | <u>\$ 893,710</u> |
| Total—Grants and Subsidies | <u>\$4,310,459</u> | <u>\$4,595,983</u> | <u>\$4,825,968</u> |
| TOTAL STATE FUNDS—GENERAL FUND | <u>\$4,352,069</u> | <u>\$4,639,038</u> | <u>\$4,872,801</u> |
| Federal Funds | \$ 48,668 | \$ 54,877 | \$ 51,972 |
| Augmentations | <u>1,969</u> | <u>1,761</u> | <u>1,760</u> |
| GENERAL FUND TOTAL | <u>\$4,402,706</u> | <u>\$4,695,676</u> | <u>\$4,926,533</u> |
| Motor License Fund | | | |
| Grants and Subsidies | | | |
| Safe Driving Course | \$ 2,069 | \$ 2,598 | \$ 2,300 |
| MOTOR LICENSE FUND TOTAL | <u>\$ 2,069</u> | <u>\$ 2,598</u> | <u>\$ 2,300</u> |
| DEPARTMENT TOTAL — ALL FUNDS | | | |
| General Fund | \$4,352,069 | \$4,639,038 | \$4,872,801 |
| Special Funds | 2,069 | 2,598 | 2,300 |
| Federal Funds | 48,668 | 54,877 | 51,972 |
| Augmentations | <u>1,969</u> | <u>1,761</u> | <u>1,760</u> |
| SUBTOTAL ALL FUNDS | <u>\$4,404,775</u> | <u>\$4,698,274</u> | <u>\$4,928,833</u> |
| Other Funds | \$ 397,743 | \$ 430,684 | \$ 453,446 |
| TOTAL ALL FUNDS | <u>\$4,802,518</u> | <u>\$5,128,958</u> | <u>\$5,382,279</u> |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| State Funds | \$ 16,576 | \$ 16,243 | \$ 15,872 |
| Federal Funds | 14,992 | 18,842 | 18,812 |
| Augmentations | 460 | 237 | 234 |
| TOTAL | \$ 32,028 | \$ 35,322 | \$ 34,918 |

Provides the overall planning, policy guidance and coordination functions for agency programs. Supplies administrative, legal, public information, planning, research, personnel, budget and supply services to the various educational programs.

Conducts research projects for the benefit of basic and higher education, prepares statistical data for State school district subsidy calculations, the Federal elementary and secondary grant program, and others as needed.

Provides consultation to the school districts on budget, accounting, and procurement services and leadership for the improvement of basic education, including monitoring and evaluation of special education. Administers and distributes Support of Public Schools, Support of Nonpublic Schools, and distributes Federal grants to school districts. See "Grants and Subsidies" for details.

Coordinates the development of higher education in order to promote implementation of the Commonwealth's policies on higher education in accordance with the needs of students and colleges within the guidelines established by the Governor, the Legislature, the State Board of Education, and Pennsylvania law. Accounting and fiscal reviews are performed for compliance with the Auditor General and the Federal Government. Provides matching State funds to qualify for Federal funds for administration of vocational education programs.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| General Government Operations | \$ 16,576 | \$ 16,243 | \$ 15,872 |
| Federal Funds: | | | |
| Adult Basic Education — Administration | 248 | 302 | 604 |
| Education of Exceptional Children | 2,270 | 2,780 | 3,180 |
| ECIA Title I Programs — Administration | 1,636 | 2,205 | 1,823 |
| State Approving Agency (VA) | 548 | 650 | 595 |
| Food and Nutrition Service | 1,729 | 2,366 | 2,150 |
| Bilingual Education | 9 | 50 | ..... |
| Migrant Education Administration | 295 | 350 | 385 |
| Common Core Data Survey | 18 | 18 | 12 |
| Civil Rights Technical Training | 424 | 371 | 400 |
| National Origin Desegregation | 123 | 123 | 130 |

GENERAL FUND

EDUCATION

Source of Funds (continued)

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Federal Funds: (continued) | | | |
| Adult Basic Education Evaluation | \$ 178 | \$ 285 | ..... |
| Vocational Education | 3,085 | 3,740 | \$ 4,042 |
| Transition Program for Refugee Children | 6 | 12 | 7 |
| Migrant Education | 135 | 180 | 281 |
| Educationally Deprived Children — Migrant | 99 | 29 | ..... |
| LEAA — School Climate Improvement | 25 | 30 | ..... |
| Parent Education Partnerships | 78 | 177 | 80 |
| Preventive Health Maintenance | 75 | 35 | ..... |
| Job Training Partnership Administration — Linkage | 721 | 464 | 490 |
| Education Block Grant—Administration | 2,206 | 2,500 | 2,351 |
| Highway Safety | 172 | 258 | 250 |
| Project Excellence | 1 | 25 | ..... |
| Early Childhood | 109 | 181 | 168 |
| Remove Architectural Barriers ..... | ..... | 100 | ..... |
| Emergency Immigrant Assistance | 4 | 5 | 3 |
| Community Awareness | 45 | 147 | 200 |
| Math and Science Training | 183 | 400 | 498 |
| Migrant Self Esteem | 168 | 250 | ..... |
| Addiction Prevention | 357 | 360 | 325 |
| Developmental Disabilities Public Relations | 23 | 31 | 30 |
| NOICC | 4 | 49 | 20 |
| Recruitment of Migrants ..... | ..... | 350 | 338 |
| Longitudinal Study | 18 | 19 | ..... |
| Parental Involvement ..... | ..... | ..... | 200 |
| Health Curriculum ..... | ..... | ..... | 250 |
| Augmentations: | | | |
| Reimbursement for EDP Services | 69 | 64 | 61 |
| Conference Fees | 116 | 98 | 98 |
| Reimbursement from SERA | 1 | ..... | ..... |
| Services to SSHE | 222 | ..... | ..... |
| Environmental Education | 52 | 75 | 75 |
| TOTAL | \$ 32,028 | \$ 35,322 | \$ 34,918 |

| | (Dollar Amounts in Thousands) | | |
|----------------------|-------------------------------|----------------------|-------------------|
| State Library | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 2,675 | \$ 2,591 | \$ 2,433 |
| Federal Funds | 1,005 | 1,216 | 1,340 |
| Augmentations | 12 | 14 | 14 |
| TOTAL | \$ 3,692 | \$ 3,821 | \$ 3,787 |

Promotes the improvement of library services throughout the Commonwealth by administration of a local support-incentive aid program and by conducting research and innovative programs. Operates the State Library in Harrisburg, which serves as a major reference library for State Government as well as an information base for all public libraries.

GENERAL FUND

EDUCATION

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| State Library | \$ 2,675 | \$ 2,591 | \$ 2,433 |
| Federal Funds: | | | |
| Library Services — Administration | 779 | 914 | 923 |
| Nuclear Regulatory Commission Documents | 13 | 16 | 17 |
| National Endowment for Humanities | 213 | 286 | 400 |
| Augmentations | | | |
| Book Penalties and Reimbursement for Lost Books | 11 | 12 | 12 |
| LEXIS | 1 | 2 | 2 |
| TOTAL | <u>\$ 3,692</u> | <u>\$ 3,821</u> | <u>\$ 3,787</u> |

DEBT SERVICE REQUIREMENTS

| General State Authority Rentals — State-aided Institutions | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 3,679 | \$ 3,779 | \$ 3,745 |
| Augmentations | 554 | 547 | 547 |
| TOTAL | <u>\$ 4,233</u> | <u>\$ 4,326</u> | <u>\$ 4,292</u> |

Provides funds for payments to the General State Authority on behalf of certain State-aided educational institutions for capital improvements projects. Act 451 approved August 14, 1963 requires General State Authority rentals at State-aided institutions for capital improvements designed, constructed and occupied subsequent to August 1963 to be paid by the institutions themselves.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| General State Authority Rentals — State-aided Institutions | \$ 3,679 | \$ 3,779 | \$ 3,745 |
| Augmentations: | | | |
| Sublease Rentals | 554 | 547 | 547 |
| TOTAL | <u>\$ 4,233</u> | <u>\$ 4,326</u> | <u>\$ 4,292</u> |

INSTITUTIONAL

| Youth Development Centers — Education | (Dollar Amounts in Thousands) | | |
|---------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 3,291 | \$ 3,400 | \$ 4,317 |

Provides for administration and operation of educational programs for children assigned to youth development centers.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Youth Development Centers—Education | <u>\$ 3,291</u> | <u>\$ 3,400</u> | <u>\$ 4,317</u> |

| Correctional Institutions — Education | (Dollar Amounts in Thousands) | | |
|---------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 3,328 | \$ 4,595 | \$ 6,604 |
| Federal Funds | 2,309 | 1,533 | 1,263 |
| TOTAL | <u>\$ 5,637</u> | <u>\$ 6,128</u> | <u>\$ 7,867</u> |

Provides administration and subsidies for the operation of educational programs for inmates of State correctional institutions.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Correctional Institutions Education | \$ 3,328 | \$ 4,595 | \$ 6,604 |
| Federal Funds | | | |
| Correction Education | 1,826 | 627 | 647 |
| JTPA — Correctional Education | 478 | 750 | 524 |
| Individual Diagnostic Systems | 5 | 32 | ..... |
| Computer Assisted Instruction ..... | ..... | 60 | ..... |
| Interactive Video Discs ..... | ..... | 42 | 58 |
| Training Modules ..... | ..... | 22 | 34 |
| TOTAL | <u>\$ 5,637</u> | <u>\$ 6,128</u> | <u>\$ 7,867</u> |

GENERAL FUND

EDUCATION

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Special and Vocational Education Services | | | |
| State Funds | \$ 12,061 | \$ 12,447 | \$ 13,862 |
| Federal Funds | 731 | 1,237 | 1,226 |
| Augmentations | 943 | 963 | 965 |
| TOTAL | \$ 13,735 | \$ 14,647 | \$ 16,053 |

The Scranton State School for the Deaf provides instruction for children from the nursery school level through high school.

Scotland School for Veterans' Children was established to provide a home life and elementary and secondary school education for sons and daughters of soldiers, sailors and marines who served in World Wars I and II and the Korean and Vietnam conflicts.

Thaddeus Stevens State School of Technology provides residence and vocational instruction for students, often orphaned or disadvantaged, ranging from 16 to 18 years of age.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Special and Vocational Educational Institutions Funds by Institution | | | |
| Scranton State School for the Deaf | | | |
| State Funds | \$ 3,000 | \$ 3,122 | \$ 3,432 |
| Federal Funds | 132 | 147 | 136 |
| Augmentations | 33 | 35 | 35 |
| TOTAL | \$ 3,165 | \$ 3,304 | \$ 3,603 |
| Scotland School for Veterans' Children | | | |
| State Funds | \$ 6,025 | \$ 6,276 | \$ 7,042 |
| Federal Funds | 532 | 740 | 740 |
| Augmentations | 68 | 68 | 70 |
| TOTAL | \$ 6,625 | \$ 7,084 | \$ 7,852 |
| Thaddeus Stevens State School of Technology | | | |
| State Funds | \$ 3,036 | \$ 3,049 | \$ 3,388 |
| Federal Funds | 67 | 350 | 350 |
| Augmentations | 842 | 860 | 860 |
| TOTAL | \$ 3,945 | \$ 4,259 | \$ 4,598 |

GENERAL FUND

EDUCATION

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Scranton State School for the Deaf | \$ 3,000 | \$ 2,986 | \$ 3,432 |
| Scranton School — Recommended Supplemental ..... | ..... | 136 | ..... |
| Scotland School for Veterans' Children | 6,025 | 6,276 | 7,042 |
| Thaddeus Stevens State School of Technology | 3,036 | 3,049 | 3,388 |
| Federal Funds: | | | |
| Education for the Handicapped — Scranton | 87 | 97 | 97 |
| National School Milk Lunch — Scranton | 30 | 30 | 30 |
| Life Long Learning — Scranton ..... | ..... | 10 | 9 |
| Exceptional Children — Scranton | 15 | ..... | ..... |
| Adult Basic Education — Scranton ..... | ..... | 10 | ..... |
| ESEA Title I — Education of Children from Low-Income Families — Scotland | 324 | 500 | 500 |
| National School Milk Lunch — Scotland | 208 | 240 | 240 |
| Project Growth — Thaddeus Stevens | 67 | 350 | 350 |
| Augmentations: | | | |
| Cafeteria Reimbursement and Rentals (Scranton) | 33 | 35 | 35 |
| Cafeteria Reimbursement (Scotland) | 68 | 68 | 70 |
| Tuition and Fees (Thaddeus Stevens) | 842 | 860 | 860 |
| TOTAL | <u>\$ 13,735</u> | <u>\$ 14,647</u> | <u>\$ 16,053</u> |

GRANTS AND SUBSIDIES

| Support of Public Schools | (Dollar Amounts in Thousands) | | |
|----------------------------------|-------------------------------|----------------------|--------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$3,390,646 | \$3,620,066 | \$3,832,671 |
| Federal Funds | 21,481 | 22,549 | 20,766 |
| TOTAL | <u>\$3,412,127</u> | <u>\$3,642,615</u> | <u>\$3,853,437</u> |

Provides State support to school districts. Subsidy payments are made for basic instruction, vocational education, rentals and sinking fund requirements, pupil transportation, special education, instruction of students unable to attend school, financially handicapped districts, tuition for orphans and children placed in private homes, payments in lieu of taxes, education of deaf, blind, and cerebral palsied, and other handicapped children at approved private schools, education of the disadvantaged, intermediate units, school employe benefits, school food programs, and education of school-age individuals in State institutions for the handicapped.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|--------------------------|--------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Equalized Subsidy for Basic Education | \$2,046,856 | \$2,210,883 ^a | \$2,351,000 |
| Agenda for Excellence | 28,000 | 28,000 | 28,000 |
| Instruction Improvement | 4,000 | 7,000 | 7,000 |
| Adult Literacy ..... | . . . . | 2,000 | 5,000 |
| Vocational Education | 33,172 | 34,716 ^b | 36,531 |
| Authority Rentals and Sinking Fund Requirements | 141,967 | 136,000 | 131,000 |
| Pupil Transportation | 194,500 | 206,850 | 215,124 |
| Non-Public Pupil Transportation | 12,665 | 13,200 | 12,500 |
| Special Education | 259,245 | 272,207 | 288,539 |
| Early Intervention—Handicapped Children | 7,100 ^c | 7,672 ^c | 10,706 |
| Homebound Instruction | 525 | 490 | 495 |
| Tuition for Orphans and Children Placed in Private Homes | 12,869 | 13,600 | 14,280 |
| Payments in Lieu of Taxes | 60 | 72 | 65 |
| Education of Migrant Laborers' Children | 165 | 172 | 183 |
| Education of the Disadvantaged | 1,000 | 1,000 | 1,000 |
| Special Education — Approved Private Schools | 42,500 | 44,500 | 47,170 |
| Higher Education of Blind or Deaf Students | 50 | 50 | 50 |
| Intermediate Units | 10,644 | 13,400 | 13,400 |
| School Food Services | 10,844 | 10,844 | 10,844 |
| School Employes' Social Security | 147,788 | 152,000 | 170,120 |
| School Employes' Social Security—Recommended Supplemental School Employers' Retirement Fund: | | 2,500 | |
| Contingent Reserve Account and Supplemental Accounts | 414,943 | 440,993 | 465,661 |
| State Schools and Hospitals—Education | 17,754 | 18,303 | 19,403 |
| School District Payments Racing | 3,500 | 3,500 | 3,500 |
| Birdville — Mine Subsidence | 100 | | |
| Peter's Township—Mine Subsidence | 285 | | |
| Dropout Prevention ..... | . . . . | . . . . | 500 |
| Youth Employment and Education ..... | . . . . | . . . . | 500 |
| Education of Indigent Children | 114 | 114 | 100 |
| Federal Funds: | | | |
| Education Block Grant—School District | 19,104 | 19,593 | 18,872 |
| Education Block Grant—Technology Initiative | 2,377 | 2,956 | 1,894 |
| TOTAL | <u>\$3,412,127</u> | <u>\$3,642,615</u> | <u>\$3,853,437</u> |

^aActually appropriated in 1986-87 as \$2,172,257 for the Equalized Subsidy for Basic Education and \$38,626,000 for Basic Education—Supplemental Aid.

^bActually appropriated as \$34,831. Excludes \$115,000 for Governor's School for Agriculture which is detailed elsewhere in the budget.

^cFor 1985-86 and 1986-87 this appropriation was reflected as an augmentation entitled "Reimbursement—Early Intervention".

GENERAL FUND

EDUCATION

| | (Dollar Amounts in Thousands) | | |
|---------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Job Training | | | |
| State Funds | \$ 18,991 | \$ 21,500 | \$ 20,500 |
| Federal Funds | 8,150 | 9,500 | 8,565 |
| TOTAL | <u>\$ 27,141</u> | <u>\$ 31,000</u> | <u>\$ 29,065</u> |

Supports the Customized Job Training Program which provides training relevant to the specific employment needs of a firm in return for the firm's pledge to hire or promote the people that were trained.

Also provides State funds necessary to match the education portion of the Federal Job Training Partnership Act funds. Job training programs are developed through this appropriation in the areas of health occupations, adult literacy and training programs for the economically disadvantaged.

| | (Dollar Amounts in Thousands) | | |
|-----------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Customized Job Training | \$ 12,000 | \$ 13,500 | \$ 13,500 |
| JTPA — Matching Funds | 6,991 | 8,000 | 7,000 |
| Federal Funds: | | | |
| JTPA — Educational Training | 8,150 | 9,500 | 8,565 |
| TOTAL | <u>\$ 27,141</u> | <u>\$ 31,000</u> | <u>\$ 29,065</u> |

| | (Dollar Amounts in Thousands) | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Support of Nonpublic Schools | | | |
| State Funds | \$ 50,225 | \$ 53,340 | \$ 53,911 |

Provides, through the intermediate units, services such as guidance counseling, psychological services, and other auxiliary services to nonpublic schools. Also lends textbooks and instructional supplies to children who are attending nonpublic schools in the Commonwealth.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| Services to Nonpublic Schools | \$ 38,490 | \$ 40,838 | \$ 43,411 |
| Textbooks for Nonpublic Schools | 7,387 | 7,865 | 7,000 |
| Student Supplies for Nonpublic Schools | 4,348 | 4,637 | 3,500 |
| TOTAL | <u>\$ 50,225</u> | <u>\$ 53,340</u> | <u>\$ 53,911</u> |

GENERAL FUND

EDUCATION

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Teen Pregnancy and Parenthood | | | |
| State Funds | \$ 473 | \$ 710 | \$ 710 |

To assist local education agencies in creating new programs and/or expanding existing ones to meet the comprehensive needs of pregnant and parenting teenagers.

| | (Dollar Amounts in Thousands) | | |
|------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Teen Pregnancy and Parenthood..... | <u>\$ 473</u> | <u>\$ 710</u> | <u>\$ 710</u> |

| | (Dollar Amounts in Thousands) | | |
|-------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Library Services | | | |
| State Funds | \$ 19,953 | \$ 22,349 | \$ 23,451 |

Provides aid to public libraries for the development of a statewide system of libraries and library services in Pennsylvania. The categories of aid are as follows: State Aid to Local Libraries, State Aid to County Libraries, State Aid to District Library Centers, State Aid to Regional Library Resource Centers, and Equalization Aid. Also provides State funds to the Free Library of Philadelphia and to the Carnegie Library of Pittsburgh to meet the costs of serving as regional libraries in the distribution of reading materials and talking books to the blind and for services to persons with other physical handicaps. Includes the equalization aid and interlibrary cooperation portion of the Library Access program revision.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| Improvement of Library Services | \$ 18,349 | \$ 19,500 | \$ 20,475 |
| Library Services for the Blind and the Handicapped | 1,504 | 1,549 | 1,626 |
| Library Access ..... | ..... | 1,000 | 1,000 |
| School Library Catalogs ..... | ..... | 200 | 350 |
| College of Physicians | 100 | 100 | ..... |
| TOTAL | <u>\$ 19,953</u> | <u>\$ 22,349</u> | <u>\$ 23,451</u> |

GENERAL FUND

EDUCATION

| | (Dollar Amounts in Thousands) | | |
|-------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 300 | \$ 175 | ..... |

Purchases, produces, records, and distributes programming, and provides and procures auxiliary services for educational broadcasting. Services provided by this activity are for the support of daytime educational broadcasting for instructional purposes.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Educational Radio and Television Grants | <u>\$ 300</u> | <u>\$ 175</u> | <u>.....</u> |

| | (Dollar Amounts in Thousands) | | |
|---------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Conservatory Leadership School | | | |
| State Funds | \$ 30 | \$ 30 | \$ 30 |

Provides funds to support the operation of the Conservatory Leadership School.

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Conservatory Leadership School | <u>\$ 30</u> | <u>\$ 30</u> | <u>\$ 30</u> |

GENERAL FUND

EDUCATION

| | (Dollar Amounts in Thousands) | | |
|--------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Ethnic Heritage Studies | | | |
| State Funds | \$ 100 | \$ 100 | \$ 100 |

Provides grants for support of ethnic heritage studies centers at the University of Pittsburgh and Balch Institute.

| | (Dollar Amounts in Thousands) | | |
|-------------------------------|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Ethnic Heritage Studies | <u>\$ 100</u> | <u>\$ 100</u> | <u>\$ 100</u> |

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Schools for Talented Students | | | |
| State Funds | \$ 511 | \$ 715 | \$ 885 |

Provides funds to support summer schools for exceptionally talented high school students.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Governor's School for the Sciences | \$ 157 | \$ 175 ^a | \$ 180 |
| Governor's School for the Arts | 279 | 295 ^a | 310 |
| Governor's School for International Studies | 75 | 115 ^a | 121 |
| Governor's School for Agriculture ..... | ..... | 130 ^a | 137 |
| Governor's School for Business ..... | ..... | ..... | 137 |
| TOTAL | <u>\$ 511</u> | <u>\$ 715</u> | <u>\$ 885</u> |

^aFor 1986-87 these funds were appropriated as follows: \$600,000 in the appropriation Governor's Schools for the Gifted and \$115,000 in the appropriation for Vocational Education.

GENERAL FUND

EDUCATION

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Aid to Community Colleges and Technical Institutes | | | |
| State Funds | \$ 102,392 | \$ 102,000 | \$ 103,160 |

Provides aid to community colleges in order to achieve the purpose of extending educational opportunity in response to community or area need. The Commonwealth pays one-third of each college's approved operating expenses to a maximum of \$800 per full-time equivalent student. In addition the community colleges are reimbursed a variable stipend for each student enrolled in an occupational program. The Commonwealth also pays one-half of each college's approved capital expenses.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Community Colleges—Capital and Operating | <u>\$ 102,392</u> | <u>\$ 102,000</u> | <u>\$ 103,160</u> |

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Higher Education of the Disadvantaged | | | |
| State Funds | \$ 5,686 | \$ 5,860 | \$ 6,153 |

Provides grants to institutions of higher education for special programs for disadvantaged students.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Higher Education of the Disadvantaged | <u>\$ 5,686</u> | <u>\$ 5,860</u> | <u>\$ 6,153</u> |

GENERAL FUND

EDUCATION

| | 1985-86 | (Dollar Amounts in Thousands) 1986-87 | 1987-88 |
|--------------------------|---------|--|---------|
| | Actual | Available | Budget |
| Rural Initiatives | | | |
| State Funds | \$ 700 | \$ 900 | \$ 150 |

Provides funds to the Department of Education to provide funding for higher education in rural areas of the Commonwealth.

| | 1985-86 | (Dollar Amounts in Thousands) 1986-87 | 1987-88 |
|-------------------------|---------------|--|---------------|
| | Actual | Available | Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Rural Initiatives | <u>\$ 700</u> | <u>\$ 900</u> | <u>\$ 150</u> |

| | 1985-86 | (Dollar Amounts in Thousands) 1986-87 | 1987-88 |
|------------------------------|---------|--|---------|
| | Actual | Available | Budget |
| Psychiatric Education | | | |
| State Funds | \$ 650 | \$ 1,000 | ..... |

Provides funds for the development of community based consultation, training, and research programs for the chronically mentally ill, emotionally disturbed children, and psychiatrically impaired elderly.

| | 1985-86 | (Dollar Amounts in Thousands) 1986-87 | 1987-88 |
|-----------------------------|---------------|--|--------------|
| | Actual | Available | Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Psychiatric Education | <u>\$ 650</u> | <u>\$ 1,000</u> | <u>.....</u> |

| | 1985-86 | (Dollar Amounts in Thousands) 1986-87 | 1987-88 |
|-----------------------------------|-----------|--|---------|
| | Actual | Available | Budget |
| Higher Education Equipment | | | |
| State Funds | \$ 16,500 | ..... | ..... |

Provided for a one-time grant program to public and private colleges and universities for the purchase of instructional equipment.

| | 1985-86 | (Dollar Amounts in Thousands) 1986-87 | 1987-88 |
|----------------------------------|------------------|--|--------------|
| | Actual | Available | Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Higher Education Equipment | <u>\$ 16,500</u> | <u>.....</u> | <u>.....</u> |

GENERAL FUND

EDUCATION

| | | | |
|---------------------------------------|---------|-------------------------------|---------|
| | | (Dollar Amounts in Thousands) | |
| Lincoln — Cheyney Urban Center | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |

| | | | |
|-------------------|--|--------|--|
| State Funds | | \$ 300 | |
|-------------------|--|--------|--|

Provides funds for a job training program at the center.

| | | | |
|------------------------|---------|-------------------------------|---------|
| | | (Dollar Amounts in Thousands) | |
| Source of Funds | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |

Appropriation:

| | | | |
|--------------------------------------|-------|--------|-------|
| Lincoln — Cheyney Urban Center | | \$ 300 | |
|--------------------------------------|-------|--------|-------|

| | | | |
|---------------------------------------|---------|-------------------------------|---------|
| | | (Dollar Amounts in Thousands) | |
| Differential Technology Grants | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |

| | | | |
|-------------------|--|-----------|--|
| State Funds | | \$ 20,300 | |
|-------------------|--|-----------|--|

Provides grants to institutions of higher education for technology upgrade and acquisition.

| | | | |
|------------------------|---------|-------------------------------|---------|
| | | (Dollar Amounts in Thousands) | |
| Source of Funds | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |

Appropriation:

| | | | |
|--------------------------------------|-------|-----------|-------|
| Differential Technology Grants | | \$ 20,300 | |
|--------------------------------------|-------|-----------|-------|

| | | | |
|---|---------|-------------------------------|---------|
| | | (Dollar Amounts in Thousands) | |
| State System of Higher Education | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |

| | | | |
|-------------------|------------|------------|------------|
| State Funds | \$ 268,156 | \$ 283,987 | \$ 295,180 |
|-------------------|------------|------------|------------|

Provides support for the fourteen institutions of the State System of Higher Education. The system was created by Act 188 of 1982 and joins the former thirteen State Colleges and Indiana University into a university system designed to serve as centers for higher education offering a wide range of curricula at all degree levels. The system is governed by a Board of Governors nominated by the Governor and a Chancellor appointed by the board.

| | | | |
|------------------------|---------|-------------------------------|---------|
| | | (Dollar Amounts in Thousands) | |
| Source of Funds | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |

Appropriation:

| | | | |
|--|------------|------------|------------|
| State System of Higher Education | \$ 263,803 | \$ 279,381 | \$ 293,350 |
| SSHE—Recruitment of Disadvantaged Students | 200 | 200 | 200 |
| SSHE—Deferred Maintenance | 2,500 | 2,500 | ..... |
| Desegregation Compliance — Cheyney | 1,653 | 1,656 | 1,630 |
| SSHE—McKeever Center ..... | ..... | 250 | ..... |

| | | | |
|-------------|-------------------|-------------------|-------------------|
| TOTAL | <u>\$ 268,156</u> | <u>\$ 283,987</u> | <u>\$ 295,180</u> |
|-------------|-------------------|-------------------|-------------------|

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Aid to Universities, Colleges and Other Institutions | | | |
| State Funds | \$ 435,146 | \$ 462,651 | \$ 489,067 |

Provides aid to the State-related universities: Pennsylvania State University, University of Pittsburgh, Temple University and Lincoln University and to non-State-related universities, colleges and other institutions of learning for maintenance, instructional programs, research and extension services.

Pennsylvania State University

The Pennsylvania State University receives aid for academic services which provide resident education at the undergraduate and graduate levels leading to associate, baccalaureate, masters, doctors and certain professional degrees; for continuing and extension education for research activities at University Park; for medical education programs at the Hershey Medical Center, for twenty Commonwealth campuses and graduate centers throughout the State.

University of Pittsburgh

Receives aid for academic services which provide resident education at the undergraduate and graduate levels leading to associate, baccalaureate, masters, doctors and certain professional degrees including medicine and dentistry; for continuing education; and for research activities.

Temple University

Receives aid for academic services which provide resident education at the undergraduate and graduate levels leading to associate, baccalaureate, masters, doctors and certain professional degrees including medicine, for extension services, and for research activities.

Lincoln University

The Commonwealth provides aid to Lincoln University to maintain resident instruction in liberal arts programs and certain professional degree programs.

Non-State Related Universities and Colleges

The non-State-related colleges and universities currently receive aid from this program. These institutions offer degree and professional programs in the arts and sciences, technology, agriculture, law, medicine, allied health, optometry and podiatry.

Other Non-State-Related Institutions of Learning

Provides assistance to four institutions of secondary and postsecondary education conducting programs in manual training, industrial arts and agricultural science.

GENERAL FUND

EDUCATION

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State-Related Universities | | | |
| Pennsylvania State University | \$ 171,638 | \$ 181,924 | \$ 195,411 |
| University of Pittsburgh | 94,656 | 100,324 | 105,331 |
| Temple University | 104,193 | 110,283 | 115,787 |
| Lincoln University | 7,022 | 7,563 | 7,881 |
| | <hr/> | <hr/> | <hr/> |
| Total-State-Related University | \$ 377,509 | \$ 400,094 | \$ 424,410 |

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Non-State-Related Universities and Colleges | | | |
| Delaware Valley College of Science and Agriculture | \$ 337 | \$ 357 | \$ 375 |
| Drexel University | 4,655 | 4,934 | 5,181 |
| Hahnemann Medical College | 4,338 | 4,849 | 5,092 |
| Thomas Jefferson University | 7,006 | 7,426 | 7,798 |
| The Medical College of Pennsylvania | 3,233 | 3,427 | 3,598 |
| University of Pennsylvania | 28,539 | 31,224 | 31,765 |
| Pennsylvania College of Podiatric Medicine | 837 | 987 | 1,036 |
| Pennsylvania College of Optometry | 1,323 | 1,402 | 1,472 |
| Philadelphia College of Art | 505 | 635 | 667 |
| Philadelphia College of Textiles and Science | 444 | 471 | 495 |
| Philadelphia College of Performing Arts | 117 | 124 | 130 |
| Philadelphia College of Osteopathic Medicine | 4,462 | 4,730 | 4,967 |
| | <hr/> | <hr/> | <hr/> |
| Total — Non-State-Related Universities and Colleges | \$ 55,796 | \$ 60,566 | \$ 62,576 |

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Non-State-Related Institutions | | | |
| Berean Training and Industrial School | \$ 784 | \$ 825 | \$ 861 |
| Dowington Industrial and Agricultural School | 835 | 930 | 972 |
| Johnson Technical Institute | 162 | 172 | 181 |
| Williamson Free School of Mechanical Trades | 60 | 64 | 67 |
| | <hr/> | <hr/> | <hr/> |
| Total — Non-State-Related Institutions | \$ 1,841 | \$ 1,991 | \$ 2,081 |

GENERAL FUND

EDUCATION

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| State-Related Universities | | | |
| Pennsylvania State University—Educational and General | \$ 128,269 | \$ 135,965 | \$ 142,763 |
| Pennsylvania State University—Research | 11,211 | 11,884 | 12,478 |
| Pennsylvania State University—Medical Program | 3,567 | 3,781 | 3,970 |
| Pennsylvania State University—Agricultural Research | 13,343 | 14,144 | 14,851 |
| Pennsylvania State University—Agricultural Extension Services | 11,291 | 11,968 | 16,968 |
| Pennsylvania State University—Recruitment of Disadvantaged Students | 200 | 200 | 200 |
| Pennsylvania State University—Elizabethtown Children's Hospital | 3,757 | 3,982 | 4,181 |
| Subtotal — Pennsylvania State University | <u>\$ 171,638</u> | <u>\$ 181,924</u> | <u>\$ 195,411</u> |
| University of Pittsburgh—Educational and General | \$ 87,902 | \$ 93,176 | \$ 97,835 |
| University of Pittsburgh—Medical Program | 5,030 | 5,332 | 5,599 |
| University of Pittsburgh—Dental Clinic | 849 | 900 | 945 |
| University of Pittsburgh—Titusville Campus | 675 | 716 | 752 |
| University of Pittsburgh—Recruitment of Disadvantaged Students | 200 | 200 | 200 |
| Subtotal — University of Pittsburgh | <u>\$ 94,656</u> | <u>\$ 100,324</u> | <u>\$ 105,331</u> |
| Temple University—Educational and General | \$ 93,948 | \$ 102,085 | \$ 107,189 |
| Temple University—Medical Program | 6,696 | 7,098 | 7,453 |
| Temple University—Dental Clinic | 849 | 900 | 945 |
| Temple University—Hospital | 2,500 | | |
| Temple University—Recruitment of Disadvantaged Students | 200 | 200 | 200 |
| Subtotal | <u>\$ 104,193</u> | <u>\$ 110,283</u> | <u>\$ 115,787</u> |
| Lincoln University—Education and General | \$ 5,822 ^a | \$ 6,363 | \$ 6,681 |
| Lincoln University—Recruitment of Disadvantaged Students | 200 | 200 | 200 |
| Lincoln University—Enhanced Opportunity | 1,000 | 1,000 | 1,000 |
| Subtotal | <u>\$ 7,022</u> | <u>\$ 7,563</u> | <u>\$ 7,881</u> |

^aFor 1985-86 actually appropriated as \$5,608,000 for Education and General and \$214,000 for Human Services.

GENERAL FUND

EDUCATION

| Source of Funds (continued) | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|--------------------------|--------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: (continued) | | | |
| Non-State-Related Universities and Colleges | | | |
| Delaware Valley College of Science and Agriculture | \$ 337 | \$ 357 | \$ 375 |
| Drexel University | 4,655 | 4,934 | 5,181 |
| Hahnemann Medical College—Medical Programs | 4,146 | 4,395 | 4,615 |
| Hahnemann Medical College—Allied Health Program | 192 | 454 | 477 |
| The Thomas Jefferson University—Medical Programs | 4,937 | 5,233 | 5,495 |
| The Thomas Jefferson University—Allied Health Programs .. | 2,069 | 2,193 | 2,303 |
| The Medical College of Pennsylvania—Medical Programs ... | 2,454 | 2,601 | 2,731 |
| The Medical College of Pennsylvania—Allied Health Programs | 779 | 826 | 867 |
| University of Pennsylvania—Instruction | 13,239 | 14,033 | 14,735 |
| University of Pennsylvania—Dental Clinics | 849 | 900 | 945 |
| University of Pennsylvania—Medical Programs | 3,658 | 3,877 | 4,071 |
| University of Pennsylvania—School of Veterinary Medicine .. | 6,371 | 6,753 | 7,091 |
| University of Pennsylvania—New Bolton | 2,842 | 3,013 | 3,164 |
| University of Pennsylvania—New Bolton Computer Center .. | ..... | 290 | ..... |
| University of Pennsylvania—New Bolton Renovations ..... | ..... | 541 | ..... |
| University of Pennsylvania—Poultry Hazard ..... | ..... | 142 | ..... |
| University of Pennsylvania—Food and Animal Clinics | 1,580 | 1,675 | 1,759 |
| Pennsylvania College of Podiatric Medicine | 837 | 987 | 1,036 |
| Pennsylvania College of Optometry | 1,223 | 1,402 | 1,472 |
| Eye Institute | 100 | ..... | ..... |
| Philadelphia College of Art | 505 | 635 | 667 |
| Philadelphia College of Textiles Science | 444 | 471 | 495 |
| Philadelphia College of Performing Arts | 117 | 124 | 130 |
| Philadelphia College of Osteopathic Medicine | 4,462 | 4,730 | 4,967 |
| Subtotal | <u>\$ 55,796</u> | <u>\$ 60,566</u> | <u>\$ 62,576</u> |
| Non-State-Related Institutions | | | |
| Berean Training and Industrial School—Maintenance | \$ 682 | \$ 723 | \$ 759 |
| Berean Training and Industrial School—Rental Payments | 102 | 102 | 102 |
| Downingtown Industrial and Agricultural School— Maintenance | 754 | 799 | 839 |
| Downingtown Industrial and Agricultural School—Rentals ... | 81 | 81 | 81 |
| Downingtown—Special Projects ..... | ..... | 50 | 52 |
| Johnson Technical Institute | 162 | 172 | 181 |
| Williamson Free School of Mechanical Trades | 60 | 64 | 67 |
| Subtotal | <u>\$ 1,841</u> | <u>\$ 1,991</u> | <u>\$ 2,081</u> |
| TOTAL | <u><u>\$ 435,146</u></u> | <u><u>\$ 462,651</u></u> | <u><u>\$ 489,067</u></u> |

GRANTS AND SUBSIDIES

| | (Dollar Amounts in Thousands) | | |
|----------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Safe Driving Course | | | |
| State Funds | \$ 2,069 | \$ 2,598 | \$ 2,300 |

Through financial and technical aid, assists school districts in the establishment and operation of a standardized driver education program; examines, inspects and licenses private training schools and instructors. Grants are made to public high schools in the amount of \$35 for each student completing a standard driver education program.

Promotes various highway safety programs through the elementary schools and through publication of bulletins and other materials. Activities include bicycle safety, safety education for school bus drivers, and the training and maintenance of school patrols. Also analyzes and improves driver education courses of study for secondary school pupils and adults.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|---------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Safe Driving Course | <u>\$ 2,069</u> | <u>\$ 2,598</u> | <u>\$ 2,300</u> |

OTHER FUNDS

EDUCATION

Amounts Not Previously Detailed

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| Vocational Education Act..... | \$ 28,983 | \$ 40,878 | \$ 40,190 |
| Education Innovation and Support..... | -4 ^a | ..... | ..... |
| Education Consolidation and Improvement Act: | | | |
| Education of Children of Low-Income Families — Title I ... | 165,360 | 158,000 | 191,300 |
| Education of the Handicapped — Title VI..... | 200 | 250 | ..... |
| Adult Basic Education..... | 4,403 | 4,961 | 4,599 |
| Education of Handicapped..... | 45,310 | 60,000 | 66,639 |
| Food Nutrition Services..... | 124,223 | 135,106 | 130,765 |
| Library Services — Extension, Development, and Improvement | 3,513 | 5,370 | 4,400 |
| Library Services and Construction Act..... | 94 | ..... | ..... |
| Career Education Incentive..... | ..... | ..... | ..... |
| Pennsylvania State University—Land Grant Aid..... | 50 | 50 | 50 |
| Transition Programs — Refugee Children..... | ..... | 512 | 500 |
| Emergency Immigrant Assistance..... | ..... | 200 | 177 |
| Math and Science Teacher Training..... | 1,164 | 3,804 | 3,926 |
| Removal of Architectural Barriers..... | ..... | 1,900 | ..... |
| Education of Handicapped—Personnel Preparation..... | ..... | 12 | 120 |
| Surety Bond Proceeds..... | 30 | 25 | 25 |
| Tax Sheltered Annuities..... | 547 | ..... | ..... |
| GENERAL FUND TOTAL..... | <u>\$ 373,873</u> | <u>\$ 411,068</u> | <u>\$ 442,691</u> |
| Pennsylvania Economic Revitalization Fund | | | |
| Education..... | \$ 15,078 | \$ 9,254 | ..... |
| PENNSYLVANIA ECONOMIC REVITALIZATION FUND TOTAL..... | <u>\$ 15,078</u> | <u>\$ 9,254</u> | <u>.....</u> |
| School Employes Retirement Fund | | | |
| Administration..... | \$ 8,792 | \$ 10,362 | \$ 10,755 |
| SCHOOL EMPLOYES RETIREMENT FUND TOTAL.... | <u>\$ 8,792</u> | <u>\$ 10,362</u> | <u>\$ 10,755</u> |
| DEPARTMENT TOTAL..... ¹ | <u>\$ 397,743</u> | <u>\$ 430,684</u> | <u>\$ 453,446</u> |

^aNegative amount occurs due to a refund of expenditure.

DEPARTMENT OF EDUCATION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 8,997 | \$ 8,817 | \$ 8,559 | \$ 8,901 | \$ 9,257 | \$ 9,627 | \$ 10,012 |
| General Instruction | \$1,911,912 | \$2,069,103 | \$2,189,771 | \$2,287,499 | \$2,385,807 | \$2,586,902 | \$2,802,755 |
| General Preschool Education | 128,731 | 141,092 | 150,957 | 157,725 | 164,857 | 180,198 | 193,574 |
| General Elementary and Secondary Education | 1,783,181 | 1,928,011 | 2,038,814 | 2,129,774 | 2,220,950 | 2,406,704 | 2,609,179 |
| Special Education | \$ 809,376 | \$ 849,399 | \$ 901,821 | \$ 940,632 | \$ 977,476 | \$1,047,301 | \$1,111,226 |
| Mentally Handicapped Education | 257,500 | 268,800 | 285,827 | 298,128 | 310,851 | 328,852 | 347,478 |
| Physically Handicapped Education | 388,667 | 409,571 | 434,881 | 453,654 | 473,332 | 506,207 | 540,090 |
| Gifted and Talented Education | 163,209 | 171,028 | 181,113 | 188,850 | 193,293 | 212,242 | 223,658 |
| Compensatory Programs | \$ 391,233 | \$ 417,292 | \$ 448,055 | \$ 470,294 | \$ 497,569 | \$ 538,169 | \$ 579,848 |
| Compensatory Preschool Education | 19,149 | 20,416 | 21,547 | 22,453 | 23,397 | 25,292 | 27,240 |
| Compensatory Elementary and Secondary Education | 372,084 | 396,876 | 426,508 | 447,841 | 474,172 | 512,877 | 552,608 |
| Vocational Education | \$ 349,005 | \$ 360,415 | \$ 374,026 | \$ 380,768 | \$ 391,922 | \$ 413,571 | \$ 434,362 |
| Vocational Education | 343,589 | 351,659 | 360,364 | 366,836 | 377,708 | 399,064 | 419,551 |
| Community Education | 5,416 | 8,756 | 13,662 | 13,932 | 14,214 | 14,507 | 14,811 |
| Higher Education | \$ 835,454 | \$ 883,252 | \$ 899,861 | \$ 935,662 | \$ 972,896 | \$1,011,621 | \$1,051,896 |
| Higher Education | 835,454 | 883,252 | 899,861 | 935,662 | 972,896 | 1,011,621 | 1,051,896 |
| Protection of Persons and Property | \$ 2,069 | \$ 2,598 | \$ 2,300 | \$ 2,300 | \$ 2,300 | \$ 2,300 | \$ 2,300 |
| Highway Safety Education | 2,069 | 2,598 | 2,300 | 2,300 | 2,300 | 2,300 | 2,300 |
| Economic Development and Income Maintenance | \$ 23,464 | \$ 25,820 | \$ 24,824 | \$ 25,083 | \$ 25,338 | \$ 25,604 | \$ 25,880 |
| Adult Employment Training Services .. | 23,464 | 25,820 | 24,824 | 25,083 | 25,338 | 25,604 | 25,880 |
| Recreation and Cultural Enrichment | \$ 22,628 | \$ 24,940 | \$ 25,884 | \$ 27,086 | \$ 28,347 | \$ 29,671 | \$ 31,059 |
| State Library Services | 22,628 | 24,940 | 25,884 | 27,086 | 28,347 | 29,671 | 31,059 |
| DEPARTMENT TOTAL | <u>\$4,354,138</u> | <u>\$4,641,636</u> | <u>\$4,875,101</u> | <u>\$5,078,225</u> | <u>\$5,290,912</u> | <u>\$5,664,766</u> | <u>\$6,049,336</u> |

Summary of Enrollments in Pennsylvania Elementary and Secondary and Vocational Education 1985-86 to 1991-92

| Program Category | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| General Instruction | | | | | | | |
| General Preschool Education | 142,431 | 143,299 | 144,689 | 141,009 | 140,049 | 143,529 | 145,429 |
| General Elementary and Secondary Education | 1,274,980 | 1,260,407 | 1,248,548 | 1,233,988 | 1,220,980 | 1,216,942 | 1,225,689 |
| PROGRAM CATEGORY TOTAL ... | <u>1,417,411</u> | <u>1,403,706</u> | <u>1,393,237</u> | <u>1,374,997</u> | <u>1,361,029</u> | <u>1,360,471</u> | <u>1,371,118</u> |
| Special Education | | | | | | | |
| Mentally Handicapped Education | 55,147 | 54,388 | 54,022 | 53,381 | 52,869 | 52,747 | 52,670 |
| Physically Handicapped Education | 140,489 | 136,464 | 134,978 | 133,212 | 131,433 | 131,413 | 131,413 |
| Gifted and Talented Education | 76,804 | 74,031 | 73,232 | 72,289 | 71,328 | 71,328 | 71,328 |
| PROGRAM CATEGORY TOTAL ... | <u>272,440</u> | <u>264,883</u> | <u>262,232</u> | <u>258,882</u> | <u>255,630</u> | <u>255,488</u> | <u>255,411</u> |
| Compensatory Programs | | | | | | | |
| Compensatory Preschool Education | 11,532 | 11,031 | 11,031 | 11,031 | 11,031 | 11,031 | 11,031 |
| Compensatory Elementary and Secondary Education | 213,836 | 212,250 | 212,250 | 212,250 | 212,250 | 212,250 | 212,250 |
| PROGRAM CATEGORY TOTAL ... | <u>225,368</u> | <u>223,281</u> | <u>223,281</u> | <u>223,281</u> | <u>223,281</u> | <u>223,281</u> | <u>223,281</u> |
| Vocational Education | | | | | | | |
| Vocational Education | 142,400 | 133,900 | 127,200 | 123,400 | 119,700 | 116,100 | 112,600 |
| Community Education | 31,550 | 31,700 | 33,500 | 33,700 | 33,900 | 34,100 | 34,300 |
| PROGRAM CATEGORY TOTAL ... | <u>173,950</u> | <u>165,600</u> | <u>160,700</u> | <u>157,100</u> | <u>153,600</u> | <u>150,200</u> | <u>146,900</u> |

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 8,997 | \$ 8,817 | \$ 8,559 | \$ 8,901 | \$ 9,257 | \$ 9,627 | \$ 10,012 |
| Federal Funds | 4,581 | 6,548 | 5,749 | 5,724 | 5,724 | 5,724 | 5,724 |
| Other Funds | 9,084 | 10,426 | 10,816 | 11,246 | 11,693 | 12,158 | 12,642 |
| TOTAL | \$ 22,662 | \$ 25,791 | \$ 25,124 | \$ 25,871 | \$ 26,674 | \$ 27,509 | \$ 28,378 |

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

In addition to including the executive offices of the Department of Education, 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 included in the other funds listed above. Administration of the School Employees Retirement System includes provision of benefits for retired school employees, counseling and information services for active employees, and legal services for all three public employe retirement systems.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | <u>\$ 8,997</u> | <u>\$ 8,817</u> | <u>\$ 8,559</u> | <u>\$ 8,901</u> | <u>\$ 9,257</u> | <u>\$ 9,627</u> | <u>\$ 10,012</u> |

General Preschool Education

OBJECTIVE: To prepare four and five year old children with the social, physical and communication skills necessary to learn effectively in their ensuing years of school.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 128,731 | \$ 141,092 | \$ 150,957 | \$ 157,725 | \$ 164,857 | \$ 180,198 | \$ 193,574 |
| Federal Funds | 78 | 108 | 98 | 97 | 97 | 97 | 97 |
| TOTAL | \$ 128,809 | \$ 141,200 | \$ 151,055 | \$ 157,822 | \$ 164,954 | \$ 180,295 | \$ 193,671 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Enrollments | 142,431 | 143,299 | 144,689 | 141,009 | 140,049 | 143,529 | 145,429 |
| Percentage of school districts offering preschool education: | | | | | | | |
| Public | 99.8% | 99.8% | 100% | 100% | 100% | 100% | 100% |
| Nonpublic | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Percentage of five year olds enrolled in preschool education: | | | | | | | |
| Public | 71.8% | 72.7% | 72.8% | 72.6% | 72.6% | 72.4% | 71.9% |
| Nonpublic | 19.9% | 19.5% | 19.5% | 19.5% | 19.5% | 20.1% | 20.7% |
| Enrollments in the Alternative Day Kindergarten Program | 2,583 | 2,498 | 2,474 | 2,450 | 2,426 | 2,403 | 2,380 |
| Transition class enrollments | 2,341 | 2,364 | 2,388 | 2,412 | 2,436 | 2,460 | 2,510 |

Program Analysis:

A kindergarten program is currently available in all but one school district in the Commonwealth and is by far the largest of the preschool programs. The classes are designed for five year olds and some four year olds. Attendance is not compulsory.

To provide school districts with as much program flexibility as possible, Alternative Day Kindergarten was developed. This permits school districts to initiate a kindergarten program that is an exception to the law requiring 180 days of school. Beginning in September of 1986, one district that had been offering an Alternative Day Kindergarten reverted to a full day every day program which accounts for the decline in the measure reflecting enrollments in Alternative Day programs.

Pre-school programs have been very successful in preparing children for first grade with many districts reporting substantial improvement in first grade reading achievement after pre-school programs were initiated.

The role that early educational experiences play in increasing a child's potential for learning cannot be overestimated. This is especially true of the educational experiences that take place both in the home and the school.

The parents' role in the early years of their child's educational development is being given increased recognition with educators developing pre-school programs involving both parents and children.

Upon completion of kindergarten, some children are not quite ready for first grade and are instead enrolled in a transition class which combines aspects of kindergarten and first grade.

The Agenda for Excellence program which tests reading and mathematics knowledge for the first time in the third grade has caused teachers to more closely monitor the progress of children in preschool programs. This is reflected in the increase in the measure enrollments in transition classes compared to previous projections.

General Preschool Education (continued)

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 68 | \$ 67 | \$ 65 | \$ 68 | \$ 71 | \$ 74 | \$ 77 |
| Equalized Subsidy for Basic Education .. | 67,546 | 75,170 | 81,110 | 84,354 | 87,728 | 97,809 | 106,762 |
| Authority Rentals and Sinking Fund | | | | | | | |
| Requirements | 9,370 | 9,248 | 9,039 | 8,901 | 8,763 | 8,820 | 8,750 |
| Pupil Transportation | 12,837 | 14,066 | 14,844 | 15,437 | 16,055 | 16,939 | 17,616 |
| Nonpublic Pupil Transportation | 836 | 898 | 863 | 858 | 848 | 853 | 852 |
| Intermediate Units | 703 | 911 | 925 | 925 | 925 | 938 | 938 |
| School Employees' Social Security | 9,754 | 10,506 | 11,738 | 12,560 | 13,439 | 14,588 | 15,609 |
| School Employees' Retirement Fund: | | | | | | | |
| Contingent Reserve and Supplemental | | | | | | | |
| Accounts | 27,386 | 29,988 | 32,131 | 34,380 | 36,786 | 39,932 | 42,725 |
| School District Payments—Racing | 231 | 238 | 242 | 242 | 242 | 245 | 245 |
| GENERAL FUND TOTAL | <u>\$ 128,731</u> | <u>\$ 141,092</u> | <u>\$ 150,957</u> | <u>\$ 157,725</u> | <u>\$ 164,857</u> | <u>\$ 180,198</u> | <u>\$ 193,574</u> |

General Elementary and Secondary Education

OBJECTIVE: To provide general population students with the skills, attitudes and abilities needed for effective living in our complex society.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$1,783,181 | \$1,928,011 | \$2,038,011 | \$2,129,774 | \$2,220,950 | \$2,406,704 | \$2,609,179 |
| Federal Funds | 24,029 | 25,365 | 24,036 | 23,935 | 23,940 | 23,945 | 23,950 |
| Other Funds | 1,426 | 4,070 | 4,194 | 4,194 | 4,197 | 4,198 | 4,200 |
| TOTAL | <u>\$1,808,636</u> | <u>\$1,957,446</u> | <u>\$2,067,044</u> | <u>\$2,157,903</u> | <u>\$2,249,087</u> | <u>\$2,434,847</u> | <u>\$2,637,329</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Public school enrollments | 956,319 | 949,128 | 939,608 | 928,523 | 918,580 | 916,442 | 924,529 |
| Nonpublic school enrollments | 318,661 | 311,279 | 308,940 | 305,465 | 302,430 | 300,500 | 301,160 |
| Median instructional cost per public school pupil | \$2,397 | \$2,564 | \$2,768 | \$2,990 | \$3,230 | \$3,488 | \$3,732 |
| High school graduates | 99,650 | 100,300 | 105,700 | 102,750 | 92,200 | 85,500 | 78,470 |
| Graduates enrolling in business, technical or college programs | 56,375 | 56,576 | 59,640 | 57,934 | 52,008 | 48,264 | 44,234 |
| Teachers enrolled in math/science in-service program: | | | | | | | |
| Elementary teachers | 1,500 | 500 | 1,100 | 1,150 | 1,200 | 1,250 | 1,250 |
| Secondary teachers | 350 | 350 | 500 | 550 | 600 | 600 | 600 |
| Public/private partnerships in math/science programs | 67 | 67 | 67 | 67 | 67 | 67 | 67 |
| Scotland School for Veterans' Children— Enrollment | 380 | 380 | 380 | 380 | 380 | 380 | 380 |

Program Analysis:

This program deals with the majority of basic education activities and serves those students who are not disadvantaged, handicapped or enrolled in a vocational education curriculum.

Of considerable concern to the Commonwealth is the quality of education being offered in school districts. In addressing this concern, the Commonwealth instituted a series of proposals to strengthen the overall educational system.

Specific proposals included, a revision in the curriculum offered in schools with a emphasis in mathematics and science courses, competency testing and remediation in reading and mathematics and a program to recognize outstanding teachers.

In response to national reports indicating a shortage of teachers in the areas of mathematics and science, increased emphasis has been placed on an Intern program. Under this program, individuals with degrees in either mathematics or science but who are not certified teachers are able to teach while participating in special college programs to earn the requisite certification.

The measure reflecting public/private partnerships in math/science shows an increase from previous projections as a survey of school districts indicated that prior estimates had been too low.

Teen pregnancy continues to be a serious problem and accordingly this budget includes a request for funds to deal with this problem.

General Elementary and Secondary Education (continued)

Program Analysis: (continued)

The primary emphasis is to assist local education agencies create programs or expand existing ones to meet the comprehensive needs of pregnant and parenting children.

Unfortunately, many students drop out of school prior to graduation because of a lack of interest or ability to compete academically. While Pennsylvania is well above the national average in the proportion of students who ultimately graduate, it is also true that over 20 percent of ninth graders in the Commonwealth do not complete high school. Such individuals are likely to become chronically unemployed and exacerbate the problems of adult literacy and unemployment.

In response to this problem, the budget includes \$500,000 to develop and/or expand activities dealing with dropouts and chronic absenteeism. Grants will be given to school districts to fund programs which are targeted to students who have a high probability of leaving school before finishing their education. Proposals will be solicited from all districts and will be evaluated with one year grants awarded for promising programs.

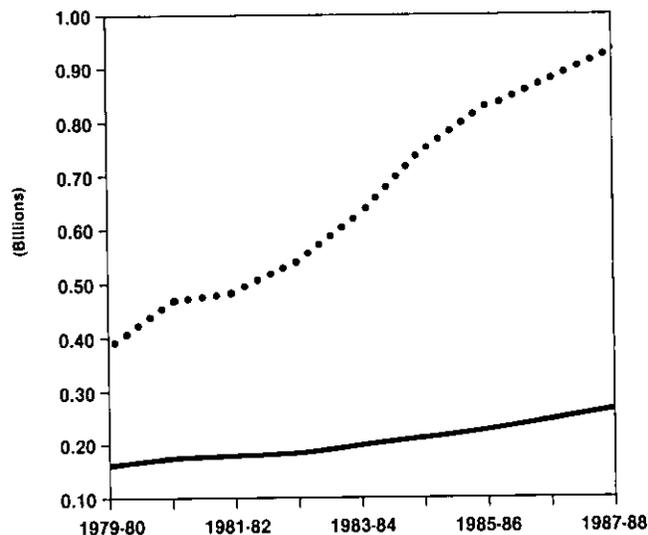
Funding is included for the Scotland School for Veteran's Children which provides a residential education program for children in elementary and secondary grades. Included in the recommendation for the budget year is \$176,000 for purchase of an automated boiler system which will result in savings in the costs of energy and personnel for the School.

The Commonwealth, as a part of its system of subsidies to school districts, funds one half of the employer cost of the Public School Employees Retirement System. The employer cost is 19.54 percent of payroll; the Commonwealth share of the cost at 9.77 percent of payroll is estimated at \$466 million for 1987-88.

The change in employee and employer retirement costs for the eight year period ending with this budget year are shown in the chart.

The School Employees retirement Fund statement showing school retirement costs is presented in the Special Funds Appendix to Volume 1.

SCHOOL EMPLOYES RETIREMENT COSTS



..... STATE/DISTRICTS ————— TEACHERS

General Elementary and Secondary Education (continued)

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 2,457 | \$ 2,407 | \$ 2,333 | \$ 2,426 | \$ 2,523 | \$ 2,624 | \$ 2,729 |
| Scotland School for Veterans Children .. | 6,025 | 6,276 | 7,042 | 7,324 | 7,617 | 7,922 | 8,239 |
| Equalized Subsidy for Basic Education .. | 1,166,299 | 1,276,122 | 1,360,759 | 1,419,346 | 1,477,137 | 1,626,711 | 1,786,888 |
| Agenda for Excellence | 28,000 | 28,000 | 28,000 | 28,000 | 28,000 | 28,000 | 28,000 |
| School Based Professional Development .. | 4,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 |
| Authority Rentals and Sinking Fund Requirements | 80,495 | 77,792 | 74,932 | 73,917 | 72,771 | 72,198 | 72,000 |
| Pupil Transportation | 110,282 | 118,318 | 123,050 | 128,197 | 133,324 | 138,657 | 144,958 |
| Nonpublic Pupil Transportation | 7,181 | 7,550 | 7,149 | 7,125 | 7,046 | 6,985 | 7,014 |
| Payments in Lieu of Taxes | 60 | 72 | 65 | 66 | 67 | 68 | 69 |
| Intermediate Units | 6,035 | 7,665 | 7,665 | 7,678 | 7,678 | 7,678 | 7,718 |
| School Employes' Social Security | 83,796 | 88,374 | 97,309 | 104,302 | 111,603 | 119,415 | 128,443 |
| School Employes' Retirement Fund: Contingent Reserve and Supplemental Accounts | 235,273 | 252,248 | 266,358 | 285,501 | 305,486 | 326,870 | 351,582 |
| School District Payments — Racing | 1,985 | 2,002 | 2,001 | 2,005 | 2,005 | 2,005 | 2,015 |
| Birdville—Mine Subsidence | 100 | ..... | ..... | ..... | ..... | ..... | ..... |
| Peters Township—Mine Subsidence | 285 | ..... | ..... | ..... | ..... | ..... | ..... |
| Dropout Prevention ..... | ..... | ..... | 500 | 500 | 500 | 500 | 500 |
| Services to Nonpublic Schools | 38,490 | 40,838 | 43,411 | 45,147 | 46,953 | 48,831 | 50,784 |
| Textbooks for Nonpublic Schools | 7,387 | 7,865 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 |
| Student Supplies for Nonpublic Schools .. | 4,348 | 4,637 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 |
| Teen Pregnancy and Parenthood | 473 | 710 | 710 | 710 | 710 | 710 | 710 |
| Education Radio and Television Grants .. | 180 | 105 | ..... | ..... | ..... | ..... | ..... |
| Conservatory Leadership School | 30 | 30 | 30 | 30 | 30 | 30 | 30 |
| GENERAL FUND TOTAL | \$1,783,181 | \$1,928,011 | \$2,038,814 | \$2,129,774 | \$2,220,950 | \$2,406,704 | \$2,609,179 |

SPECIAL EDUCATION CATEGORY ANALYSIS

Special education, in partnership with basic education, is serving about 250,000 school aged students in Pennsylvania school districts, intermediate units, approved schools, private residential facilities and state schools and hospitals.

According to the concept of least restrictive environment for handicapped students, placement in approved private schools is done only when the public system has exhausted all options to appropriately provide for the educational needs of the student. The Department of Education requires prior approval of such placements by public school officials and the Bureau of Special Education. Currently, there are 36 approved private schools serving the blind, the deaf, the brain damaged, the cerebral palsied, the muscular dystrophic, the mentally retarded, and the emotionally disturbed. The majority of these schools are day programs, but 16 offer residential facilities in lieu of transportation costs to those moderately to severely handicapped individuals coming from areas beyond reasonable daily bus service.

The Bureau of Special Education, as a part of the Department of Education's obligation to oversee all school programs and in compliance with the State Plan filed with the Federal government, is initiating the second cycle of public school special education program and service audits. By June, 1987 every intermediate unit in the Commonwealth and its encompassing school districts will have undergone a thorough program and service on-site audit to determine compliance with State and Federal mandates. If areas of noncompliance are cited in the audit reports, a corrective action plan will be agreed upon by the local education agency (LEA) and monitored by the Bureau of Special Education until full compliance is achieved. The basis for these audits are the State and Federal mandates affecting special education and the intermediate unit/school district special education plan. Increasing emphasis on the importance of plan accuracy has been stressed through a refined amendment process and a growing relationship between plan content, budget content, and child tracking information. Such cross checking during an audit allows the Department of Education to point out problem areas and earmark them for attention and correction.

The planning process is on-going and requires school districts and intermediate units to maintain their Special Education Plans with department approval. Such approval is given through plan updates and amendments when program and service changes are made at the local level. Copies of intermediate unit/school district plans are maintained at the local district, the intermediate unit and the Pennsylvania Bureau of Special Education.

A computer program has been developed that enables school districts and intermediate units to use microcomputers in formulating individualized education programs and curriculum requirements. The program dealing with curriculum is comprised of sixteen subject areas with these broken down into over three million individual instructional objective statements.

Use of this system should provide for more relevant individual educational programs and thus better enable special education students to achieve their full potential.

A further activity will be continued emphasis on the Commonwealth's programs for children who are in need of special education courses but are of preschool age. Guidelines for development and operation of these programs have been disseminated to intermediate units.

Finally, special education programs and services to minorities will be assessed in an effort to improve evaluative and programmatic skills in this area. After data collection has been completed, the Bureau of Special Education will concentrate on those local educational agencies which show overenrollment of minority students in classes for the handicapped and underenrollment of minorities in classes for the mentally gifted. Over and underenrollments will be determined by comparing the percentage of each minority in the total school district/intermediate unit school age population with the percentage of each minority in special education categories. Technical assistance in the areas of referral, evaluation, curricula, and achievement assessment will be offered where problems appear to exist.

Mentally Handicapped Education

OBJECTIVE: To identify school-aged students having mental handicaps and to provide educational opportunities which will assist them to develop according to their interests and abilities and, when possible, become assimilated into regular instructional programs.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 257,500 | \$ 268,800 | \$ 285,827 | \$ 298,128 | \$ 310,851 | \$ 328,852 | \$ 347,478 |
| Federal Funds | 835 | 949 | 1,048 | 1,043 | 1,043 | 1,043 | 1,043 |
| Other Funds | 28,503 | 36,012 | 39,940 | 39,940 | 39,940 | 39,940 | 39,940 |
| TOTAL | \$ 286,838 | \$ 305,761 | \$ 326,815 | \$ 339,111 | \$ 351,834 | \$ 369,835 | \$ 388,461 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Pupils enrolled in programs for the mentally handicapped | 55,147 | 54,388 | 54,022 | 53,381 | 52,869 | 52,747 | 52,670 |
| Full-time equivalent enrollment | 35,655 | 35,700 | 35,400 | 34,900 | 34,400 | 34,000 | 33,500 |
| Special education program audits | 9 | 10 | 10 | 9 | 10 | 10 | 9 |
| Approved private school evaluations | 10 | 13 | 13 | 13 | 13 | 13 | 13 |
| Budget reviews conducted | 21 | 21 | 21 | 21 | 21 | 21 | 21 |
| Special education plans amended | 1,342 | 1,380 | 1,350 | 1,359 | 1,360 | 1,364 | 1,372 |

Program Analysis:

Students in this program fall into one of two classifications. They are either socially and emotionally disturbed or they are mentally handicapped.

Mentally handicapped students are further classified into one of three subdivisions: educable mentally handicapped people who have less than average IQ's but who are able to cope with everyday life, the trainable mentally handicapped who can be taught to deal with the demands of everyday life and the severely and profoundly handicapped who are unable to cope with everyday life and are entirely dependant on others.

Socially and emotionally disturbed students have at least average IQ but function at below average level academically due to their emotional problems.

A computerized child tracking system has been developed so that the department can be aware of services to children as they move from program to program or district to district. The system has permitted the reporting of more detail information on the education of mentally handicapped in terms of full and part-time students and resource room and itinerant room enrollments. As the system has become fully

implemented it has also provided a more accurate count of students in mentally handicapped programs through the elimination of double counting and other data errors inherent in manual data systems.

The revisions from previous projections in the measures reflecting enrollment is apparently due to reporting entities classifying as mentally handicapped, students that had previously been classified as physically handicapped. This underscores an ever present problem in special education which is the consistently proper classification of multiple handicapped students.

Mentally handicapped students in approved private schools are primarily students that are socially and emotionally disturbed. Mainstreaming of students with emphasis on public rather than private education should reduce the reliance of less severely handicapped students on private schools.

In addition to public and private schools, programs for the mentally handicapped are conducted in nine State schools and hospitals. These children are, in most cases, severely mentally retarded and there are no standardized

Mentally Handicapped Education (continued)

Program Analysis: (continued)

criteria for determination of the effectiveness of their educational program.

Program audits of all special education programs being offered in the Commonwealth are conducted at least once every three years and are primarily used to assess the quality and effectiveness of the programs. Recently, however, the audits have also been used to address the issue of overrepresentation of minorities in classes for educable mentally retarded and socially and emotionally disturbed.

During the normal audit process, determinations will be made on disproportionate representation of minorities in intermediate unit and school district special education programs. Screening/identification, evaluation, reevaluation and placement procedures will be analyzed to assure fairness and objectivity in placement of students.

Special education plans are operational descriptions of programs and services provided to exceptional children. Since funding is based to a large extent on the plans, local educational agencies keep their plans current through the

amendment process. Department of Education approval is necessary for any plan amendment in areas involving either funding or compliance with law.

This program also includes funding for early intervention which is the identification of problems facing mentally and/or physically handicapped children and the attempt to remediate them before the child's development is seriously affected. This program is more fully discussed in the Physically Handicapped Education subcategory. Funding for continuation of the program is included in the recommended amount for this subcategory.

The measures concerning budget reviews conducted and special education plans amended show increases from previous projections as these measures are now reflective of the Commonwealth's entire special education program rather than just the mentally handicapped portion.

Prior budgets attempted to allocate program measures among the three exceptionalities but it is now believed that the results were too imprecise.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 108 | \$ 106 | \$ 104 | \$ 108 | \$ 112 | \$ 116 | \$ 121 |
| Equalized Subsidy For Basic Education .. | 65,499 | 68,537 | 72,881 | 75,796 | 78,828 | 86,631 | 94,560 |
| Authority Rentals and Sinking Fund | | | | | | | |
| Requirements | 4,543 | 4,216 | 4,061 | 3,999 | 3,937 | 3,906 | 3,875 |
| Pupil Transportation | 6,224 | 6,412 | 6,669 | 6,936 | 7,213 | 7,502 | 7,802 |
| Nonpublic Pupil Transportation | 405 | 409 | 388 | 386 | 381 | 378 | 377 |
| Special Education | 129,622 | 136,103 | 144,270 | 150,041 | 156,043 | 162,285 | 168,776 |
| Early Intervention—Handicapped | | | | | | | |
| Children | 3,550 | 3,836 | 5,353 | 5,353 | 5,353 | 5,353 | 5,353 |
| Homebound Instruction | 32 | 29 | 30 | 30 | 30 | 30 | 30 |
| Tuition for Orphans and Children Placed in Private Homes | 2,803 | 2,964 | 3,001 | 3,299 | 3,464 | 3,637 | 3,818 |
| Special Education—Approved Private | | | | | | | |
| Schools | 8,500 | 8,900 | 9,434 | 10,000 | 10,600 | 11,236 | 11,910 |
| Intermediate Units | 341 | 415 | 415 | 415 | 415 | 415 | 415 |
| School Employees' Social Security | 4,729 | 4,790 | 5,274 | 5,643 | 6,038 | 6,461 | 6,914 |
| School Employees' Retirement Fund: | | | | | | | |
| Contingent Reserve and Supplemental | | | | | | | |
| Accounts | 13,278 | 13,671 | 14,435 | 15,446 | 16,527 | 17,684 | 18,922 |
| State Schools and Hospitals—Education . | 17,754 | 18,303 | 19,403 | 20,567 | 21,801 | 23,109 | 24,496 |
| School District Payments—Racing | 112 | 109 | 109 | 109 | 109 | 109 | 109 |
| GENERAL FUND TOTAL | \$ 257,500 | \$ 268,800 | \$ 285,827 | \$ 298,128 | \$ 310,851 | \$ 328,852 | \$ 347,478 |

Physically Handicapped Education

OBJECTIVE: To identify those children having physical handicaps and to provide educational opportunities which will help them to develop according to their abilities and, when possible, become assimilated into regular instructional programs.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 388,667 | \$ 409,571 | \$ 434,881 | \$ 453,654 | \$ 473,332 | \$ 506,207 | \$ 540,090 |
| Federal Funds | 967 | 1,096 | 1,184 | 1,179 | 1,179 | 1,179 | 1,179 |
| Other Funds | 28,736 | 38,185 | 39,854 | 39,854 | 39,854 | 39,854 | 39,854 |
| TOTAL | \$ 418,370 | \$ 448,852 | \$ 475,919 | \$ 494,687 | \$ 514,365 | \$ 547,240 | \$ 581,123 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Pupils enrolled in programs | 140,489 | 136,464 | 134,978 | 133,212 | 131,433 | 131,433 | 131,433 |
| Full-time equivalent enrollment | 41,867 | 40,000 | 38,500 | 37,500 | 36,000 | 36,000 | 36,000 |
| Special education program audits | 9 | 10 | 10 | 9 | 10 | 10 | 9 |
| Approved private school evaluations | 10 | 13 | 13 | 13 | 13 | 13 | 13 |
| Budget reviews conducted | 21 | 21 | 21 | 21 | 21 | 21 | 21 |
| Special education plans amended | 1,342 | 1,380 | 1,350 | 1,359 | 1,360 | 1,364 | 1,372 |
| Scranton School for the Deaf—enrollment . | 180 | 180 | 180 | 180 | 180 | 180 | 180 |

Program Analysis:

The educational needs of children having orthopedic disabilities, brain injuries and learning disabilities, and impairments in speech, hearing or vision are met through the efforts of this program.

The slight decrease in the measure reflecting enrollment is a result of continued refinement of the computerized child tracking system and the subsequent elimination of double counting multiple handicapped students.

In addition to double counting, misclassification is another inherent problem in special education. There continues to be some concern that educable mentally retarded students are being classified as learning disabled and thus are not receiving the proper treatment for their particular disability.

The concept of integration (mainstreaming) will assist the approved private schools to maintain their status on the educational continuum by reducing the number of mildly handicapped enrolled and changing the role of these schools so that they serve the multihandicapped or the severely

handicapped who cannot be appropriately placed in the public school sector. The mainstreaming concept may stabilize some escalating costs in special education at the State and local levels.

The measure "Special Education Program Audits" refers to an in-depth audit conducted at least once every three years for each Intermediate Unit and its school districts. The audits provide an analysis of the number and quality of the special education programs being offered and their compliance with pertinent Federal and Commonwealth statutes.

An evaluation of an approved private school is used to determine the school's compliance with Federal and Commonwealth mandates regarding the provision of special education programs to severely involved exceptional children. Federal regulations require these evaluations to be held once every two years.

This program also conducts reviews of each Intermediate Unit's proposed budget for special education programs to

Physically Handicapped Education (continued)

Program Analysis: (continued)

ensure the proposed budget coincides with mandated programs and approved special education plans.

Special education plans are operational descriptions of programs and services provided to exceptional children. Since funding is based to a large extent on the plans, local educational agencies keep their plans current through the amendment process. Department of Education approval is necessary for any plan amendment in areas involving either funding or compliance with law.

The measures concerning budget reviews conducted and special education plans amended show increases from previous projections as these measures are now reflective of the Commonwealth's entire special education program rather than just the physically handicapped portion.

Prior budgets had attempted to allocate program measures among the three exceptionalities, mentally handicapped, physically handicapped and gifted and talented, but it is now believed that the results were too imprecise to be of any programmatic value.

The first five years of life are critical for all children and take on even greater importance for those youngsters with handicaps. A tremendous amount of growth and development takes place during this important stage. Research done on children who receive early intervention services shows that the children experience significant developmental improvements and often require fewer specialized services later in life.

In recognition of the special needs of both mentally and physically handicapped preschool children, this budget continues and increases State funding for the Commonwealth's Early Intervention Program. Early intervention is the identification of problems facing mentally

and/or physically handicapped children and the attempt to remediate them before a child's development is seriously affected. Early intervention includes a broad range of services depending on each child's needs. Services may include infant stimulation, developmental motor skills therapy educational programs, psychological testing and treatment.

The State funds spent on early intervention services have been transferred to the Department of Education from the Department of Public Welfare's appropriation for early intervention services. In 1985-86 these funds permitted the Department to expand services to 5,560 previously unserved and underserved children, in Intermediate Unit or private provider programs.

During fiscal year 1984-85, the department signed an interdepartmental Cooperative Agreement with the Departments of Public Welfare and Health to coordinate the delivery of services to handicapped infants and preschool children and establish clear responsibilities for both State and local agencies. Under this agreement, the department will insure the provision of services to all handicapped children and the Department of Public Welfare will have primary responsibility for serving mentally disabled children. The agreement also commits the Department of Health to assist in identifying and referring disabled children to appropriate service programs in the Departments of Education and Public Welfare. During 1985, local agencies (Intermediate Units, County Mental Health/Mental Retardation Offices, and local Health agencies) developed interagency agreements to improve coordination and delivery of services to handicapped infants and preschool children.

**1985-86 ENROLLMENTS FOR
PHYSICALLY HANDICAPPED PROGRAMS**

| Type of Handicap | Total Enrollment |
|---|------------------|
| Physically disabled | 1,657 |
| Brain injured and learning disabled | 56,702 |
| Hearing impaired | 2,983 |
| Visually impaired | 1,231 |
| Speech and language impaired | 62,648 |
| Mixed handicapped category | 15,268 |
| TOTAL | 140,489 |

Physically Handicapped Education (continued)

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 86 | \$ 84 | \$ 83 | \$ 86 | \$ 89 | \$ 93 | \$ 97 |
| Scranton State School for the Deaf | 3,000 | 3,122 | 3,432 | 3,569 | 3,712 | 3,860 | 4,014 |
| Equalized Subsidy for Basic Education .. | 167,842 | 179,082 | 190,431 | 198,048 | 205,970 | 226,359 | 247,077 |
| Authority Rentals and Sinking Fund | | | | | | | |
| Requirements | 11,641 | 11,016 | 10,611 | 10,449 | 10,287 | 10,206 | 10,125 |
| Pupil Transportation | 15,949 | 16,755 | 17,425 | 18,122 | 18,847 | 19,601 | 20,385 |
| Nonpublic Pupil Transportation | 1,039 | 1,069 | 1,012 | 1,007 | 996 | 987 | 986 |
| Special Education | 103,698 | 108,883 | 115,416 | 120,033 | 124,834 | 129,827 | 135,020 |
| Early Intervention — Handicapped | | | | | | | |
| Children | 3,550 | 3,836 | 5,353 | 5,353 | 5,353 | 5,353 | 5,353 |
| Homebound Instruction | 493 | 461 | 465 | 465 | 465 | 470 | 470 |
| Special Education—Approved Private | | | | | | | |
| Schools | 34,000 | 35,600 | 37,736 | 40,000 | 42,400 | 44,944 | 47,641 |
| Higher Education of Blind or Deaf | | | | | | | |
| Students | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Intermediate Units | 873 | 1,085 | 1,085 | 1,085 | 1,085 | 1,085 | 1,085 |
| School Employees' Social Security | 12,119 | 12,515 | 13,780 | 14,744 | 15,776 | 16,881 | 18,062 |
| School Employees' Retirement Fund: | | | | | | | |
| Contingent Reserve and Supplemental | | | | | | | |
| Accounts | 34,025 | 35,720 | 37,719 | 40,360 | 43,184 | 46,207 | 49,441 |
| School District Payments—Racing | 287 | 284 | 283 | 283 | 284 | 284 | 284 |
| Educational Radio and Television Grants | 15 | 9 | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | <u>\$ 388,667</u> | <u>\$ 409,571</u> | <u>\$ 434,881</u> | <u>\$ 453,654</u> | <u>\$ 473,332</u> | <u>\$ 506,207</u> | <u>\$ 540,090</u> |

Gifted and Talented Education

OBJECTIVE: To provide quality educational programs to exceptional pupils to develop their fullest potential.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>\$ 163,209</u> | <u>\$ 171,028</u> | <u>\$ 181,113</u> | <u>\$ 188,850</u> | <u>\$ 193,293</u> | <u>\$ 212,242</u> | <u>\$ 223,658</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Pupils enrolled in programs for the gifted . | 76,804 | 74,031 | 73,232 | 72,289 | 71,328 | 71,328 | 71,328 |
| Special Education Program Audits | 9 | 10 | 10 | 9 | 10 | 10 | 9 |
| Budget Reviews Conducted | 21 | 21 | 21 | 21 | 21 | 21 | 21 |
| Special Education Plans Amended | 1,342 | 1,380 | 1,350 | 1,359 | 1,360 | 1,364 | 1,372 |

Program Analysis:

This program, as operated by twenty-nine intermediate units and 501 school districts, develops learning environments to challenge the Commonwealth's most academically gifted students.

The program is based on the department's special education plan which gives general structure to areas such as student identification, screening and evaluation, facilities, curriculum, instructional materials, and program evaluation while allowing for local decisions in areas such as program scope and depth, personnel selection and training and organizational patterns. In some cases, full-time programs are provided, but most often regular education with peers is supplemented with part-time special programs, resource rooms, seminars, itinerant teachers and independent study. Each program is geared to meet the particular student learning levels, rates and styles.

The law, as interpreted through the courts, requires that an individualized education plan be prepared for each child and reviewed annually. The State has developed procedures for parents to negotiate with school staff on an appropriate program for their child.

An additional segment of the program consists of five special programs for exceptionally talented high school students. The Governor's School for the Arts will bring together approximately 210 students and a highly qualified staff from across the State in 1987-88 for an intensive five

week summer program in the arts. The Pennsylvania School for the Sciences is a program designed to bring together students who have been identified as outstandingly talented in the sciences. The School for the Sciences will serve approximately 90 students in 1987-88. The Governor's School for International Studies provides an educational program for talented high school students in the fields of social studies, history and foreign languages. The Governor's School for International Studies will provide intensive training for 75 students during 1987-88. Students attend a five week course of study. The Governor's School for Agriculture began operations in the summer of 1986 and in 1987-88 will serve approximately 75 students while the Governor's School for Business is anticipated to begin operations in the summer of 1987 and serve approximately 75 students.

The measure "Special Education Program Audits" refers to an in-depth audit conducted at least once every three years for each Intermediate Unit and its school districts. The audits provide an analysis of the number and quality of the special education programs being offered and their compliance with pertinent Federal and Commonwealth statutes.

This program also conducts reviews of each Intermediate Unit's proposed budget for special education programs to ensure the proposed budget coincides with mandated

Gifted and Talented Education (continued)

Program Analysis: (continued)

programs and approved special education plans.

The measures concerning budget reviews conducted and special education plans amended show increases from previous projections as these measures are now reflective of the Commonwealth's entire special education program rather than just the gifted and talented portion.

Prior budgets had attempted to allocate program measures among the three exceptionalities, mentally handicapped, physically handicapped and gifted and talented; but it is now believed that the results were too imprecise to be of any programmatic value.

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 22 | \$ 21 | \$ 71 | \$ 74 | \$ 77 | \$ 80 | \$ 83 |
| Equalized Subsidy for Basic Education .. | 94,155 | 99,940 | 105,795 | 110,027 | 111,885 | 125,755 | 134,215 |
| Authority Rentals and Sinking Fund | | | | | | | |
| Requirements | 6,530 | 6,120 | 5,895 | 5,805 | 5,588 | 5,670 | 5,500 |
| Pupil Transportation | 8,947 | 9,308 | 9,680 | 10,068 | 10,238 | 10,889 | 11,073 |
| Nonpublic Pupil Transportation | 583 | 594 | 563 | 560 | 541 | 549 | 536 |
| Special Education | 25,925 | 27,221 | 28,853 | 30,007 | 31,207 | 32,455 | 33,753 |
| Intermediate Units | 490 | 603 | 603 | 603 | 590 | 603 | 590 |
| School Employee's Social Security | 6,798 | 6,953 | 7,655 | 8,191 | 8,570 | 9,378 | 9,812 |
| School Employees' Retirement Fund: | | | | | | | |
| Contingent Reserve and | | | | | | | |
| Supplemental Accounts | 19,087 | 19,845 | 20,955 | 22,422 | 23,458 | 25,670 | 26,857 |
| School District Payments — Racing | 161 | 158 | 158 | 158 | 154 | 158 | 154 |
| Governor's School for the Sciences | 157 | 175 | 180 | 190 | 200 | 210 | 220 |
| Governor's School for the Arts | 279 | 295 | 310 | 320 | 330 | 340 | 350 |
| Governor's School for International | | | | | | | |
| Studies | 75 | 115 | 121 | 131 | 141 | 151 | 161 |
| Governor's School for Agricultural ..... | ..... | 130 | 137 | 147 | 157 | 167 | 177 |
| Governor's School for Business ..... | ..... | ..... | 137 | 147 | 157 | 167 | 177 |
| GENERAL FUND TOTAL | <u>\$ 163,209</u> | <u>\$ 171,028</u> | <u>\$ 181,113</u> | <u>\$ 188,850</u> | <u>\$ 193,293</u> | <u>\$ 212,242</u> | <u>\$ 223,658</u> |

Compensatory Preschool Education

OBJECTIVE: To assure that children under eight years of age from culturally and economically deprived families are able to learn effectively in the elementary school environment.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 19,149 | \$ 20,416 | \$ 21,547 | \$ 22,453 | \$ 23,397 | \$ 25,292 | \$ 27,240 |
| Other Funds | 7,683 | 7,300 | 8,915 | 8,915 | 8,915 | 8,915 | 8,915 |
| TOTAL | \$ 26,832 | \$ 27,716 | \$ 30,462 | \$ 31,368 | \$ 32,312 | \$ 34,207 | \$ 36,155 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---------------------------------------|---------|---------|---------|---------|---------|---------|---------|
| Eligible disadvantaged children | 19,000 | 19,000 | 19,000 | 19,000 | 19,000 | 19,000 | 19,000 |
| Enrollments | 11,532 | 11,031 | 11,031 | 11,031 | 11,031 | 11,031 | 11,031 |
| Programs reviewed | 20 | 20 | 20 | 20 | 20 | 20 | 20 |
| Programs evaluated | 20 | 20 | 20 | 20 | 20 | 20 | 20 |

Program Analysis:

Students who come from economically and/or educationally disadvantaged environments generally have a more difficult time in school.

In recognition of this problem, the Federal government provides funding to support remedial programs to help these children overcome any educational handicap they may encounter. This program is involved with programs for preschool age children.

More than one half of the children are enrolled in activities under Chapter I of the Federal Education Consolidation and Improvement Act (ECIA). Acceptance into this program is based solely on measures of educational deprivation. Distribution of ECIA funding among the Commonwealth's various school districts is, by Federal law, based on the result of the United States census information. The remainder of the children are in programs for children from low income families who may or may not be educationally deprived.

Preschool activities in nearly all the programs contain a

concentration of activities designed to improve basic skills in reading and mathematics. The Commonwealth reviews all programs to ensure compliance with all statutory requirements and also evaluates selected programs to measure their effectiveness.

All analyses continue to indicate these programs have a positive effect on the educational experience of the children involved. One of the largest programs in the Commonwealth, the Philadelphia preschool program, continues to show that its children perform somewhat better than similar children who are not in the program. Of particular interest is that when parents are involved in decisions about the program, their children show greater gains than children whose parents were not involved.

The measure reflecting enrollments shows a decrease from previous projections since fewer economically disadvantaged students are failing the basic tests given to determine enrollment for this program.

Compensatory Preschool Education (continued)

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Equalized Subsidy for Basic Education .. | \$ 12,281 | \$ 13,265 | \$ 14,106 | \$ 14,670 | \$ 15,257 | \$ 16,767 | \$ 18,302 |
| Authority Rentals and Sinking Fund | | | | | | | |
| Requirments | 852 | 816 | 786 | 774 | 762 | 756 | 750 |
| Pupil Transportation | 1,167 | 1,241 | 1,291 | 1,342 | 1,396 | 1,452 | 1,511 |
| Nonpublic Pupil Transportation | 76 | 79 | 75 | 75 | 74 | 73 | 73 |
| Tuition for Orphans and Children Placed in Private Homes | 503 | 532 | 564 | 600 | 630 | 661 | 694 |
| Education of Migrant Laborers' Children | 8 | 9 | 9 | 9 | 9 | 9 | 9 |
| Education of the Disadvantaged | 800 | 800 | 800 | 800 | 800 | 800 | 800 |
| Intermediate Units | 64 | 80 | 80 | 80 | 80 | 80 | 80 |
| School Employes' Social Security | 887 | 927 | 1,021 | 1,092 | 1,169 | 1,250 | 1,338 |
| School Employes' Retirement Fund: | | | | | | | |
| Contingent Reserve and Supplemental Accounts | 2,490 | 2,646 | 2,794 | 2,990 | 3,199 | 3,423 | 3,662 |
| School District Payments—Racing | 21 | 21 | 21 | 21 | 21 | 21 | 21 |
| GENERAL FUND TOTAL | <u>\$ 19,149</u> | <u>\$ 20,416</u> | <u>\$ 21,547</u> | <u>\$ 22,453</u> | <u>\$ 23,397</u> | <u>\$ 25,292</u> | <u>\$ 27,240</u> |

Compensatory Elementary and Secondary Education

OBJECTIVE: To insure that economically and socially disadvantaged students attain an educational level commensurate with their ability.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 372,084 | \$ 396,876 | \$ 426,508 | \$ 447,841 | \$ 474,172 | \$ 512,877 | \$ 552,608 |
| Federal Funds | 2,083 | 2,866 | 2,613 | 2,602 | 2,602 | 2,602 | 2,602 |
| Other Funds | 270,204 | 274,518 | 300,827 | 300,827 | 300,827 | 300,827 | 300,827 |
| TOTAL | \$ 644,371 | \$ 674,260 | \$ 729,948 | \$ 751,270 | \$ 777,601 | \$ 816,306 | \$ 856,037 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---------------------------------------|---------|---------|---------|---------|---------|---------|---------|
| Eligible disadvantaged children | 413,280 | 410,000 | 410,000 | 410,000 | 410,000 | 410,000 | 410,000 |
| Enrollments | 213,836 | 212,250 | 212,250 | 212,250 | 212,250 | 212,250 | 212,250 |
| Programs reviewed | 500 | 500 | 500 | 500 | 500 | 500 | 500 |
| Programs evaluated | 167 | 167 | 166 | 167 | 167 | 166 | 166 |

Program Analysis:

Children who are economically and/or socially disadvantaged often perform under the achievement level of non-disadvantaged children. This program, through the use of Federal funds received under the Education Consolidation and Improvement Act (ECIA), is designed to shorten the educational gap between these two groups of children. The program operates at all levels from pre-school through high school.

School districts provide a complete concentration of services on the basic skills of reading and mathematics. The State supports the districts by providing technical assistance in preparing applications, reviewing and monitoring activities on-site and in analyzing the district test results. This evaluation of test results for participants is a complete report grade by grade, building by building. Other technical assistance is offered in the proper selection of participants and the dissemination of test results.

ECIA compensatory education has three major components: supplementary education for educationally disadvantaged children in a regular school environment, public and private; education for children of migrant workers, both summer and regular term; and the education programs in state-operated youth development centers, youth forestry

camp, youth under age 21 in adult correctional institutions and youth in private residential rehabilitative institutions.

Remedial instruction in the regular school environment serves children in small groups for less than a hour a day for intensive instruction in the basic skills. Small districts are able to provide only this intensive instruction; large districts with larger funding provide some psychological guidance, counselling, and medical and dental care.

The evaluation of the regular school situation program is reported on a normal curve equivalent (NCE) scale as required by the Federal Government. NCEs are used because of the position of the Federal Government that scores from most nationally normed tests can be translated into NCEs that are comparable. In this way local districts can decide which tests they prefer locally yet the results of that testing can be compared with test scores of children across the country from many other tests.

The results of such testing in Pennsylvania continue to show that Pennsylvania's compensatory programs are more successful than other such programs across the country. This means that many of Pennsylvania's participants catch up to average children more quickly than the National average.

The second portion of the compensatory program involves

Compensatory Elementary and Secondary Education (continued)

Program Analysis: (continued)

children of migrant workers. These children have the unique problem of their continually mobile state which results in very brief periods of schooling in each area and the fact that for a large number, English is a second language.

The summer educational programs conducted by the Commonwealth deal with the social, emotional and educational needs of the migrant child. For example, offerings might include personal health and hygiene instruction in support of diagnostic and prescriptive instruction in the basic skills. The programs are provided by contract with local agencies such as state universities. The educational and medical history of each child is available through the National Migrant Student Record Transfer System. This information is utilized by specifically trained teachers who must improve student self-esteem and self-confidence while offering an appropriate educational program for their

students. The uniqueness of this educational program is required due to the transient way of life of the migrant child.

The third part of the program is education in the Commonwealth's youth development centers, youth forestry camps and private residential rehabilitative institutions (PRRIs). The instruction in these institutions is compensatory because an ongoing needs assessment continues to indicate that on the average students are functioning three or more years below normal based on their chronological age. As a result, additional programs are designed to provide remedial instruction on an individual or small group basis.

The Commonwealth reviews programs to ensure compliance with all statutory requirements and evaluates selected programs to determine their effectiveness.

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 45 | \$ 44 | \$ 43 | \$ 45 | \$ 47 | \$ 49 | \$ 51 |
| Youth Development Centers Education .. | 3,291 | 3,400 | 4,317 | 4,490 | 4,670 | 4,857 | 5,051 |
| Equalized Subsidy for Basic Education .. | 239,482 | 258,673 | 279,769 | 293,405 | 310,227 | 340,936 | 372,141 |
| Authority Rentals and Sinking Fund | | | | | | | |
| Requirements | 16,610 | 15,912 | 15,589 | 15,480 | 15,494 | 15,372 | 15,250 |
| Pupil Transportation | 22,757 | 24,201 | 25,600 | 26,847 | 28,387 | 29,522 | 30,703 |
| Nonpublic Pupil Transportation | 1,482 | 1,544 | 1,487 | 1,492 | 1,500 | 1,487 | 1,485 |
| Tuition for Orphans and Children Placed in Private Homes | 9,563 | 10,104 | 10,715 | 11,095 | 11,650 | 12,233 | 12,845 |
| Education of Migrant Laborers' Children | 157 | 163 | 174 | 181 | 188 | 196 | 204 |
| Education of the Disadvantaged | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| Intermediate Units | 1,245 | 1,568 | 1,595 | 1,608 | 1,635 | 1,635 | 1,635 |
| School Food Services | 10,844 | 10,844 | 10,844 | 10,844 | 10,844 | 10,844 | 10,844 |
| School Employes' Social Security | 17,291 | 18,077 | 20,244 | 21,843 | 23,762 | 25,425 | 27,205 |
| School Employes' Retirement Fund: | | | | | | | |
| Contingent Reserve and Supplemental | | | | | | | |
| Accounts | 48,548 | 51,596 | 55,414 | 59,791 | 65,042 | 69,595 | 74,467 |
| School District Payments — Racing | 410 | 410 | 417 | 420 | 426 | 426 | 427 |
| Education of Indigent Children | 114 | 114 | 100 | 100 | 100 | 100 | 100 |
| Education Radio and Television Grants .. | 45 | 26 | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | \$ 372,084 | \$ 396,876 | \$ 426,508 | \$ 447,841 | \$ 474,172 | \$ 512,877 | \$ 552,608 |

Vocational Education

OBJECTIVE: To prepare high school students for vocation occupations which have opportunities for gainful employment in Pennsylvania's economy.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 343,589 | \$ 351,659 | \$ 360,364 | \$ 366,836 | \$ 377,708 | \$ 399,064 | \$ 419,551 |
| Federal Funds | 2,964 | 3,937 | 3,984 | 3,720 | 3,720 | 3,720 | 3,720 |
| Other Funds | 38,234 | 46,997 | 41,050 | 41,050 | 41,050 | 41,050 | 41,050 |
| TOTAL | \$ 384,787 | \$ 402,593 | \$ 405,398 | \$ 411,606 | \$ 422,478 | \$ 443,834 | \$ 464,321 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Enrollments in occupational programs | 142,400 | 133,900 | 127,200 | 123,400 | 119,700 | 116,100 | 112,600 |
| Graduates from occupational programs | 44,700 | 42,000 | 39,900 | 38,700 | 37,600 | 36,500 | 35,400 |
| Graduates available for employment | 29,000 | 27,300 | 25,900 | 25,200 | 24,400 | 23,700 | 23,000 |
| Graduates available for employment employed within one year | 25,000 | 23,500 | 22,300 | 21,700 | 21,000 | 20,400 | 19,800 |
| Area Vocational Technical Schools (AVTS) audits | 16 | 18 | 13 | 15 | 18 | 16 | 18 |
| AVTS audit exceptions | 643 | 700 | 650 | 600 | 500 | 400 | 300 |
| Thaddeus Stevenson School of Technology- Enrollment | 434 | 437 | 437 | 437 | 437 | 437 | 437 |

Program Analysis:

High school students not planning to attend college may opt for a vocational curriculum and receive instruction in specific occupational skills.

In addition to the normal vocational education curriculum which includes courses in agriculture, health occupations, wholesale and retail services and technical and industrial occupations, there are special programs for disadvantaged and/or handicapped students, cooperative and work study programs which provide on the job training and programs designed to eliminate sex bias and stereotyping in the work force.

Act 115 of 1982 changed the method of funding vocational education to a weighted system compared to the previous law which specified that payments would be made on average daily membership and cost differentials.

Just as the weighting factors for secondary and kindergarten students recognize educational cost differentials in the basic instruction subsidy, weighting factors in

the vocational education subsidy recognize the inherent cost differentials in educating various classes of students.

Each area vocational technical school under goes a comprehensive compliance audit every five years. The audit review evaluates the procedures and practices of the school relative to Chapter Six of the Pennsylvania State Board Regulations, Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972 and Section 504 of the Rehabilitation Act of 1973.

The number of specific areas addressed by the audits have increased significantly and this is the reason for the increase in the measure reflecting audit exceptions from the projections previously detailed. This measure will decline as the Area Vocational Technical Schools become more conversant with the revised regulations but the decrease will not occur as soon as was originally estimated.

The first four measures have been adjusted downward from previous projections to reflect a decrease in enrollment

Vocational Education (continued)

Program Analysis: (continued)

of 7 percent, the decrease between 1984-85 and 1985-86. Current enrollment estimates are based on a similar decrease. This decrease results from a general decline in secondary enrollment as well as more students remaining in a academic oriented curriculum.

Currently, Federal funds available to educational agencies for vocational education programs for the disadvantaged are being lost because the educational entities cannot provide the required matching funds.

This budget recommends \$500,000 to be allocated to

educational agencies to aid them in meeting the matching requirement. This money in conjunction with the Federal funds will allow disadvantaged students in a vocational education curriculum to receive a complete assessment of their needs. Such an assessment is necessary in order to develop a course of study that is designed to be of maximum benefit to the student. In addition counseling services will be provided to the student to ease the transition from a school environment to employment.

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 2,129 | \$ 2,087 | \$ 2,050 | \$ 2,132 | \$ 2,217 | \$ 2,306 | \$ 2,398 |
| Thaddeus Stevens Trade School | 3,036 | 3,049 | 3,388 | 3,524 | 3,665 | 3,812 | 3,964 |
| Equalized Subsidy for Basic Education .. | 233,752 | 240,544 | 246,149 | 249,394 | 255,810 | 273,588 | 290,393 |
| Vocational Education | 26,875 | 28,496 | 30,407 | 31,609 | 32,873 | 34,188 | 35,556 |
| Authority Rentals and Sinking Fund | | | | | | | |
| Requirements | 11,926 | 10,880 | 10,087 | 9,675 | 9,398 | 9,072 | 8,750 |
| Pupil Transportation | 16,337 | 16,549 | 16,565 | 16,780 | 17,218 | 17,423 | 17,616 |
| Nonpublic Pupil Transportation | 1,063 | 1,057 | 963 | 933 | 910 | 878 | 852 |
| Intermediate Units | 893 | 1,073 | 1,032 | 1,006 | 992 | 966 | 939 |
| School Employes' Social Security | 12,414 | 12,358 | 13,099 | 13,653 | 14,413 | 15,006 | 15,610 |
| School Employes' Retirement Fund: | | | | | | | |
| Contingent Reserved and | | | | | | | |
| Supplemental Accounts | 34,856 | 35,279 | 35,855 | 37,368 | 39,453 | 41,073 | 42,728 |
| School District Payments — Racing | 293 | 278 | 269 | 262 | 259 | 252 | 245 |
| Youth Employment and Education ..... | ..... | ..... | 500 | 500 | 500 | 500 | 500 |
| Educational Radio and Television Grants | 15 | 9 | ..... | ..... | ..... | ..... | ..... |
| GENERAL TOTAL | <u>\$ 343,589</u> | <u>\$ 351,659</u> | <u>\$ 360,364</u> | <u>\$ 366,836</u> | <u>\$ 377,708</u> | <u>\$ 399,064</u> | <u>\$ 419,551</u> |

Community Education

OBJECTIVE: To provide educational opportunities for citizens 16 years of age and over whose lack of basic educational skills or English language limitations constitute a substantial impairment of their ability to adapt to and function successfully within contemporary society.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 5,416 | \$ 8,756 | \$ 13,662 | \$ 13,932 | \$ 14,214 | \$ 14,507 | \$ 14,811 |
| Federal Funds | 4,382 | 3,776 | 3,375 | 3,346 | 3,316 | 3,352 | 3,352 |
| Other Funds | 4,403 | 4,961 | 4,599 | 4,599 | 4,599 | 4,599 | 4,599 |
| TOTAL | \$ 14,201 | \$ 17,493 | \$ 21,636 | \$ 21,877 | \$ 22,129 | \$ 22,458 | \$ 22,762 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Enrollment in Adult Basic Education Programs | 28,532 | 28,000 | 28,000 | 28,000 | 28,000 | 28,000 | 28,000 |
| Adult education classes under contract | 1,020 | 1,020 | 1,020 | 1,020 | 1,020 | 1,020 | 1,020 |
| Corrections Education: | | | | | | | |
| Enrollments in programs in correctional institutions | 4,550 | 4,700 | 5,500 | 5,700 | 5,900 | 6,100 | 6,300 |
| Classes presented | 160 | 180 | 224 | 249 | 261 | 278 | 290 |
| General Educational Development Diplomas (GED's) issued | 16,163 | 18,000 | 18,500 | 18,500 | 18,500 | 18,500 | 18,500 |

Program Analysis:

There are a number of adults who for a myriad of reasons do not possess basic skills in reading, mathematics and the English language. Within our society, these adults compete at a distinct disadvantage for jobs and promotions.

This budget recommends \$5 million to expand the current efforts of literacy councils and other non-profit organizations. In addition, efforts will be made to enlist the resources of the business community in this important program. Companies will be encouraged to develop in-house literacy programs for their employees and to provide incentives to employees who enroll in literacy programs.

Another activity of this program involves supporting adult basic education programs which lead to a General Educational Development (GED) diploma. The measure reflecting GED's issued shows a reduction from previous years because, in theory, the Commonwealth's unemployment rate has decreased significantly compared to previous levels. Such

a situation causes a decline in the number of diplomas issued since people with jobs are less likely to seek a GED.

A substantial basic education program is provided to adults at the Commonwealth's ten correctional institutions. Adults who are incarcerated in the institutions are provided the opportunity to participate in an education program which includes: an assessment component that diagnoses the academic achievement levels of each inmate entering an educational program; a basic education curriculum with instruction geared to preparation for the General Education Development diploma; remedial instruction in reading and mathematics; and vocational education and training with the emphasis on providing entry level employment skills. There are also opportunities to obtain college level instruction and job placement services throughout the State system.

The population of the ten State operated correctional institutions has expanded to over 15,000 adults. The educa-

Community Education. (continued)

Program Analysis: (continued)

tion programs throughout the State system serve approximately 32 percent of this population. Educational involvement is on a voluntary basis with each prison within the system developing an education program unique to the physical environment and the specific needs of its clients. The student inmates are provided a monetary incentive to attend classes based on the Bureau of Correction's statewide Inmate Compensation Plan. This is an indexed plan based on the minimum wage received for the work assignment.

SCI—Camp Hill has an education program that has over 26 different programs, an assessment counselor, and a job placement specialist. College courses are available at the institution through Harrisburg Area Community College. The vocational component has eight full-time programs including computer operations, carpentry, drafting, electronics, printing, barbering, and small gas engine repair.

SCI—Dallas has an education program that includes an assessment unit and 24 full and part-time programs. The vocational component operates 4 full-time programs: auto body repair, barbering, bookkeeping, carpet installation, and welding. There are also part-time vocational offerings in a variety of trades and industrial areas. College courses are offered through Luzerne Community College.

SCI—Graterford—This is the largest correctional facility in Pennsylvania. The vocational offerings of the institution include full-time courses in carpentry, barbering, dental technology, air conditioning/refrigeration and small gas engine repairs, welding, and business practice. A job placement specialist has been hired to help inmates in finding post-release employment. College courses are available through contract with Montgomery County Community College.

SRF—Greensburg—This institution is a medium security, short-term institution. Vocational courses offered at the prison include commercial art, automotive repair, carpentry and plumbing. An academic component includes remedial reading, math, basic skills and GED instruction. College courses are available through the Westmoreland Area Community College.

SCI—Huntingdon—Opened in 1889, this institution is the second oldest in the State system. The vocational offerings at this institution include full-time programs in auto-mechanics, office practice, and printing and a building trades program is planned. College courses are made available through a contract with St. Francis College.

SRF—Mercer—Serves a 14 county area in Northwest Pennsylvania. The Education Department has vocational offerings in auto-mechanics, office practice, construction trades, and electronics. College courses are available through a contract with the Pennsylvania State University.

SCI—Muncy—The Education Department has vocational offerings in both traditional and non-traditional areas such as auto-mechanics, micro-computers, driver training, home economics, office practice and home maintenance. Academic instruction leading to a GED diploma is available and a job placement specialist has been hired. College courses are available through a contract with Bloomsburg University.

SCI—Pittsburgh—Opened in 1882, this is the oldest operating State institution. The Education Department has full-time vocational offerings in: welding, auto-mechanics and an auto body repair program. An academic component offering career awareness courses, basic instruction, and GED classes is available. The University of Pittsburgh offers college courses leading to a bachelor degree.

SCI—Rockview—The education program at Rockview offers full-time vocational training in drafting, masonry, and shoe-repair. A forestry and agricultural program is also operating in cooperation with Penn State and Centre County Vocational Technical School. Postsecondary courses are offered in conjunction with Penn State.

SCI—Waynesburg—The newest State correctional institution came into being July 1, 1984. Educational offerings now include basic skills, and vocational component includes cosmetology and business practice program.

Funding for educational programs in the new correctional facilities is discussed in the Program Revision following this subcategory.

The enrollments in corrections education classes shown in the program measures differs somewhat from that predicted last year. In part that is because more inmates than expected enrolled in programs in the 1985-86 year. For the current fiscal year and beyond the estimate of enrollment is somewhat less than had previously been estimated because the opening of the new institutions did not occur as quickly as had been anticipated and because estimates of inmates choosing to enroll in programs in those institutions has been revised.

Community Education (continued)

Program Analysis: (continued)

The Governor's Office of Budget has completed a study of the corrections education program. The study was designed to measure the effects of this education on post release behavior and adjustment.

The results of the study indicate that education, by itself, is probably not an effective instrument for reducing recidivism, although it might be effective if combined with some other treatment such as job placement. In response to those findings, the department has established several job

placement programs in the prison system.

The Commonwealth's commitment to this program, regardless of its effect on recidivism, is based on the intrinsic value of education and the fact that the prison population in general is severely educationally disadvantaged.

Also included in this program is the Pennsylvania Ethnic Heritage Studies Center, which became operational at the University of Pittsburgh in April, 1975 and now includes a program at the Balch Institute in Philadelphia.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-----------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 164 | \$ 161 | \$ 158 | \$ 164 | \$ 171 | \$ 178 | \$ 185 |
| Correctional Institutions Education | 3,328 | 4,595 | 6,604 | 6,868 | 7,143 | 7,429 | 7,726 |
| Adult Literacy | | 2,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Job Training Partnership | 1,824 | 1,900 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 |
| Ethnic Heritage | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| GENERAL FUND TOTAL | <u>\$ 5,416</u> | <u>\$ 8,756</u> | <u>\$ 13,662</u> | <u>\$ 13,932</u> | <u>\$ 14,214</u> | <u>\$ 14,507</u> | <u>\$ 14,811</u> |

EDUCATION

**Community Education
Program Revision: Corrections Institutions Education**

Recommended Program Revision Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|--------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>.....</u> | <u>.....</u> | <u>\$ 2,000</u> | <u>\$ 2,089</u> | <u>\$ 2,173</u> | <u>\$ 2,260</u> | <u>\$ 2,350</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|----------------------------|---------|---------|---------|---------|---------|---------|---------|
| Enrollments in educational | | | | | | | |
| Current | | | 4,700 | 4,700 | 4,700 | 4,700 | 4,700 |
| Program Revision | | | 5,500 | 5,700 | 5,900 | 6,100 | 6,300 |
| Number of class offerings | | | | | | | |
| Current | | | 180 | 180 | 180 | 180 | 180 |
| Program Revision | | | 224 | 249 | 261 | 278 | 290 |

Program Analysis:

In 1987 the Commonwealth will open four new correctional facilities at Cresson, Frackville, Retreat, and Smithfield and will expand the facility at Graterford. Educational programs must be offered to the inmates of these facilities; experience has shown that more than 30 percent of the population elects to participate in these programs. The population increase is projected at over 2,300 and will result in educational programs for almost 800 inmates.

The budgeted funds will provide an expanded program at Graterford and for the new institutions will provide an instructional staff, operating and classroom supplies and the equipment for the programs including vocational shop equipment at each facility. Some expenditures are budgeted in the 1986-87 year for Frackville and Cresson which will be open before the end of the fiscal year.

Recommended Program Revision Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-----------------------------|-------------------------------|--------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Corrections Education | <u>.....</u> | <u>.....</u> | <u>\$ 2,009</u> | <u>\$ 2,089</u> | <u>\$ 2,173</u> | <u>\$ 2,260</u> | <u>\$ 2,350</u> |

Higher Education

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.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 835,454 | \$ 883,252 | \$ 899,861 | \$ 935,662 | \$ 972,896 | \$1,011,621 | \$1,051,896 |
| Federal Funds | 324 | 446 | 406 | 405 | 405 | 405 | 405 |
| Other Funds | 7,820 | 4,592 | 597 | 597 | 597 | 597 | 597 |
| TOTAL | \$ 843,598 | \$ 888,290 | \$ 900,864 | \$ 936,664 | \$ 973,898 | \$1,012,623 | \$1,052,898 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Capitol Semester Interns | 104 | 128 | 130 | 130 | 130 | 130 | 130 |
| Programs evaluated | 2,092 | 2,112 | 2,135 | 2,160 | 2,185 | 2,210 | 2,250 |
| Special studies conducted | 26 | 30 | 30 | 30 | 30 | 30 | 30 |
| Higher Education Equal Opportunity Grants (Act 101 Grants) | 73 | 73 | 78 | 73 | 77 | 93 | 93 |
| Enrollment in state supported institutions .. | 290,094 | 290,592 | 291,671 | 292,278 | 292,619 | 292,812 | 293,462 |
| Office of Civil Rights reviews | 32 | 32 | 32 | 32 | 32 | 32 | 32 |
| Teacher certifications | 21,911 | 22,000 | 24,000 | 24,000 | 25,000 | 25,000 | 25,000 |
| LEAs with apprenticeship programs | 17 | 200 | 618 | 618 | 618 | 618 | 618 |
| Tests administered to candidates for certification ..... | ..... | 1,000 | 10,5000 | 11,000 | 11,000 | 11,000 | 11,000 |

Program Analysis:

Higher education in Pennsylvania is provided through 242 degree-granting institutions which include the 14 universities of the State System of Higher Education (SSHE), four state-related universities, 12 state-aided colleges and universities, 14 community colleges, and over 198 independent colleges, universities, and specialized degree-granting institutions. Because these institutions offer a significant spectrum of programs and services throughout the state, they are an important asset to the Commonwealth and to its citizens, businesses and industries.

The growth in the number and size of these institutions has been promoted not only by individual perceptions of the worth of a college education but also through the State government's recognition of the value of an educated

populace as evidenced in the appropriations to higher education institutions. The Commonwealth's funding of higher education supports a wide variety of academic curricula, at both public and private institutions, to satisfy educational needs of individuals as well as those of the State for specialized manpower, an educated populace, a research capability, and the intangible inspiration and creativity generated by the learning process and the association of scholars. The economic return on the Commonwealth's investment in higher education is many-faceted. It includes direct institutional expenditures of economic significance, heightened citizen expectation for goods and quality of life, and a training and research capability which attracts new businesses and industries to the State.

Higher Education (continued)

Program Analysis: (continued)

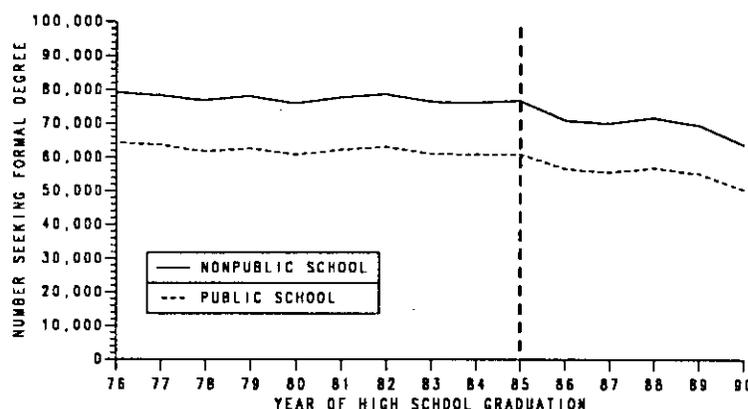
Funding for 1987-88

The State Board of Education has adopted major changes in the regulations for certifying professional school personnel. To prepare better trained educators to meet the learning needs of students, the Department of Education has begun the implementation of activities to improve the quality and content of teacher education programs and to provide an induction program for first-year teachers. The program includes development and implementation of a testing program, coordination of the apprenticeship program in school districts, discussion with the higher education community on an increased emphasis on academic preparation for certification, and establishment of a continuing professional development program for teachers and administrators. Competency tests will be required of persons seeking a first time Pennsylvania teaching certificate after June 1, 1987 with the initial testing to be conducted on 23 college and university campus testing sites. The measure shows a revised estimate of the number of teachers to be tested in the first two years of the program, increasing to 11,000 annually when it is fully implemented.

Enrollment Projections

In Pennsylvania total Full Time Equivalent (FTE) enrollment projections indicate only a slight decline over the next five years. The projected decline in enrollments in Pennsylvania has two basic components. First, the 18 to 24 year-old age group in Pennsylvania is declining. Population projections indicate that the 18 year-old age group peaked in 1979 and in the 1980s this traditional college student pool will decline by 20 to 25 percent. This decline in college-age students is one of the most severe in the nation. The effect of this decline in Pennsylvania is currently being partially offset by a marked rise in the number of older students, increases in the proportion of graduates attending postsecondary education, and greater part-time attendance.

Figure 1
High School Graduates Continuing Study in a Degree-Granting Institution With Projections For 1986 Through 1990



Higher Education (continued)

Program Analysis: (continued)

However, enrollment at State supported institutions is projected to show a slight increase.

Table 1 indicates that these institutions are projecting a 1.16 percent increase in overall FTE enrollments between 1985-86 and 1991-92. The state-related universities have projected a 0.2 percent decline in enrollment over the projection period. The State System of Higher Education projects the largest increase of only 2.5 percent over the entire period.

The state-aided institutions have projected a small increase of 1.1 percent over the same period. Community College enrollments have been found to be less for the actual and available year than were previously estimated and are shown at the revised level on Table 1. The Community Colleges are anticipating a relatively large enrollment increase of 2 percent for the projection period.

Table 1

Full-Time Equivalent Enrollments at State-Supported Institutions of Higher Education, Actual and Projected

| Institutional Category | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| State System of Higher Education | 78,625 | 79,268 | 79,996 | 80,099 | 80,318 | 80,507 | 80,631 |
| State-Related Universities | 113,311 | 113,052 | 113,215 | 113,306 | 113,297 | 113,178 | 113,063 |
| Community Colleges | 60,653 | 60,825 | 60,922 | 61,202 | 61,232 | 61,272 | 61,842 |
| State-Aided Institutions | 37,505 | 37,447 | 37,568 | 37,671 | 37,772 | 37,855 | 37,926 |
| TOTAL | 290,094 | 290,592 | 291,701 | 292,278 | 292,619 | 292,812 | 293,462 |

Projections of College Graduate Supply

Along with higher education enrollment size, the mix of enrollments by discipline will shape the future of higher education.

Students have, in recent years, become more aware of the job market and economic realities. For that reason they are choosing job-oriented disciplines with good employment rates such as the health professions, engineering, computer

sciences, and business. Particularly impressive is the growth in related technologies in these fields.

Table 2 shows current projections of degrees to be awarded by the State supported degree-granting institutions of higher education in Pennsylvania through 1991-92. The charts following show the Department of Education's degree projections for all institutions including the private sector.

Higher Education (continued)
Program Analysis: (continued)

Table 2
Higher Education Degrees Awarded by State-Supported Institutions of Higher Education, Actual and Projected

| Institutional Category | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| State System of Higher Education | 14,915 | 15,037 | 15,309 | 15,279 | 15,472 | 15,439 | 15,472 |
| State-Related Universities..... | 23,219 | 23,239 | 23,187 | 23,150 | 23,155 | 23,151 | 23,155 |
| Community Colleges | 6,742 | 6,880 | 6,897 | 6,960 | 6,989 | 7,003 | 7,056 |
| State-Aided Institutions..... | 10,106 | 10,240 | 10,285 | 10,354 | 10,421 | 10,471 | 10,490 |
| TOTAL | 54,982 | 55,396 | 55,678 | 55,743 | 56,037 | 56,064 | 56,173 |

Figure 2

Associate And Baccalaureate Degrees Awarded By Higher Education Institutions With Projections For 1985-86 To 1989-90

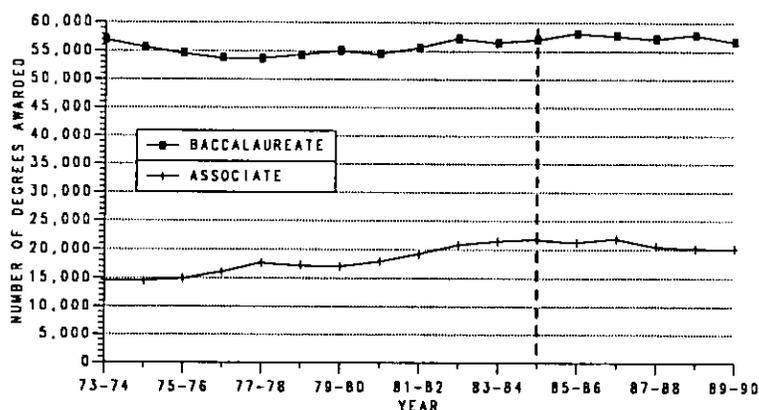
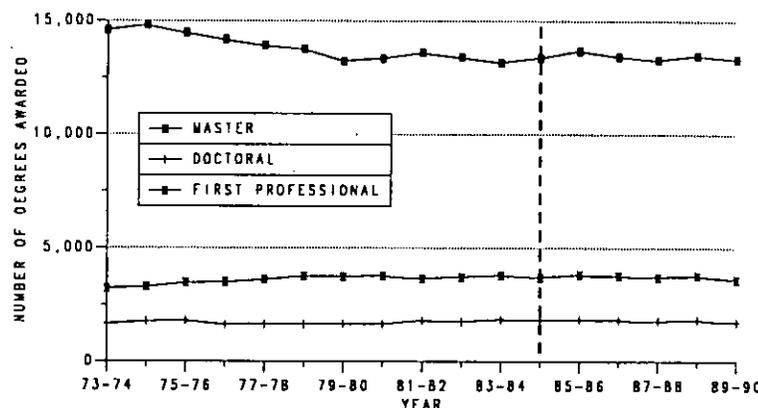


Figure 3

Degrees Awarded Above the Baccalaureate By Higher Education Institutions With Projections For 1985-86 To 1989-90



Employment Trends

The Department of Education's annual follow-up studies of graduates can be used as a measure of the success that recent graduates at every level and in each discipline have had in finding employment that is related to their field of study. The department prepares a yearly report based on a survey of the graduates of the previous spring. The most recent report indicates that the rate of employment of 1985 baccalaureate degree recipients has increased from 52 percent in 1984 to 56 percent. By program area, however, there were substantial differences in degree-related employment for baccalaureate graduates. For graduates in engineering, for example, the rate of degree-related employment dropped from 71 to 58 percent in 1983, rose in 1985 to 65 percent. In contrast, degree-related employment rose from 58.5

to 79.6 percent for baccalaureate graduates in the field of agriculture and decreased from 77 percent to 57 percent for those graduates in library science.

While associate degree and doctoral degree graduates fared better in 1985, the general pattern is still one of decline in degree-related employment at all levels compared with the graduates of 1981 who were not affected by the recent recession. Recent information on the recruiting of college graduates in 1986, however, indicates that no increases in hiring will take place.

The postgraduate activities of 1985 graduates at various degree levels are shown in Figure 4, while Figure 5 gives similar data for baccalaureate degree recipients in selected program areas.

Higher Education (continued)
Program Analysis: (continued)

Figure 4

Proportion Of Postgraduate Activity For Each Degree Level As Of 1985

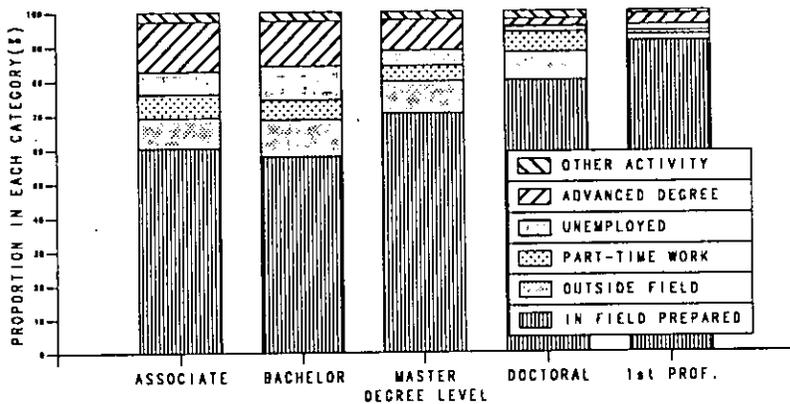
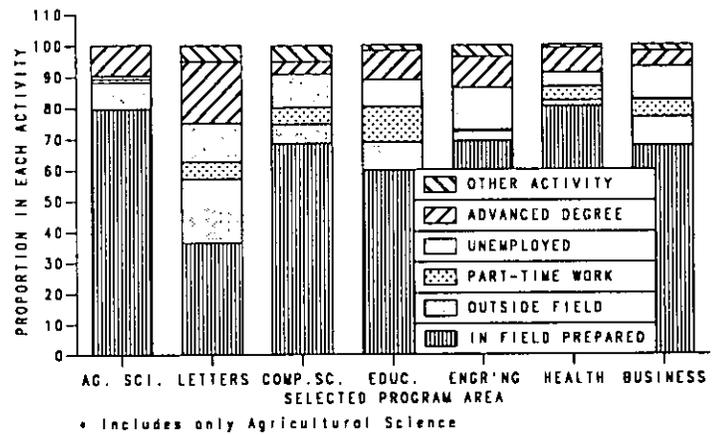


Figure 5

Baccalaureate Patterns Of 1985 Postgraduate Activity By Selected Program Area



While specific fields of study do vary widely in the degree to which their graduates find it easy to obtain related employment at the time of graduation, it should also be remembered that liberal arts and sciences graduates, for example, do not obtain directly relevant employment as often as most graduates. This does not mean that they find their education to be valueless. They may, in fact, be more likely to be successful in the long run because of the intellectual skills they have developed than will the more narrowly specialized graduates in a field such as engineering who, initially, easily obtain a relatively high salaried position. The more specialized graduates may find it difficult to rise beyond a certain point in their careers when more generalized management skills become important.

Program Budget Considerations

As priorities of the State of Pennsylvania have changed in recent years, the importance of certain academic disciplines has increased. While the overall mission of Pennsylvania's higher education institutions is to provide a broad

and liberal education to all graduates within the limitations of a particular program and degree level, certain programs are of strategic concern because they play a crucial role in meeting the economic and social needs of the Commonwealth by providing trained and skilled professionals to help meet those needs.

Figure 6 provides a pie diagram of 1985-86 FTE enrollments by major program area in state-supported institutions of higher education. Actual and projected FTE enrollments, as provided by these institutions for the program areas, are presented in Table 3. The thrust to develop high technology industry in Pennsylvania has resulted in increased attention to engineering, the physical sciences, and computer science. In addition, mounting concern over the need for individuals who are skilled in languages other than English and are familiar with other cultures has resulted in greater concern about area studies/foreign languages. The importance of education in realizing Pennsylvania's goals is seen as also requiring a detailed look at the need for teachers in certain specialties. Selected program categories which reflect these concerns are emphasized in the narrative.

Higher Education (continued)

Program Analysis: (continued)

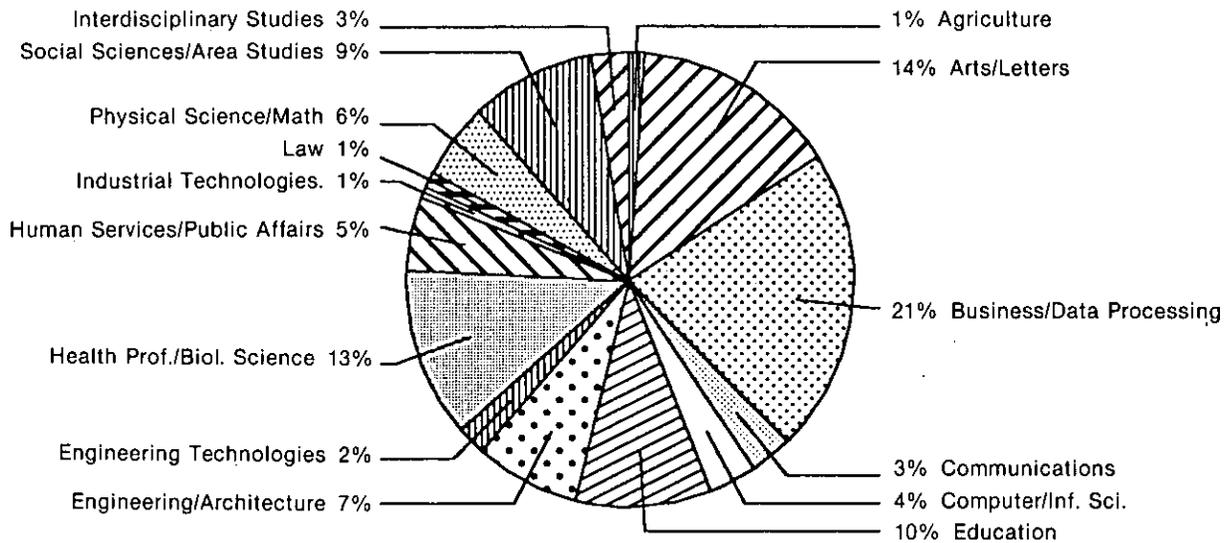
Table 3
Actual 1985-86 and Projected 1986-87 to 1991-92
State-Supported Institution FTE Enrollments by Subject Area

| Subject Area | Number and Percent of Total | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 | Percent Change |
|--|--------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| Agricultural and Renewable Natural Resources | # % | 3,263 1.13 | 3,217 1.11 | 3,190 1.09 | 3,135 1.07 | 3,085 1.05 | 2,998 1.02 | 2,984 1.02 | -8.55 |
| Arts and Letters | # % | 42,719 14.73 | 42,961 14.78 | 42,655 14.63 | 42,753 14.63 | 42,807 14.63 | 42,818 14.62 | 43,000 14.65 | 0.66 |
| Business, Management, Data Processing | # % | 62,978 21.71 | 63,237 21.76 | 63,415 21.74 | 63,613 21.76 | 63,681 21.76 | 63,723 21.76 | 63,870 21.76 | 1.42 |
| Communications and Related Technologies | # % | 8,847 3.05 | 8,850 3.04 | 8,973 3.08 | 9,034 3.09 | 9,064 3.10 | 9,089 3.10 | 9,109 3.10 | 2.96 |
| Computer and Information Sciences | # % | 10,119 3.49 | 9,928 3.42 | 10,021 3.44 | 9,767 3.34 | 9,821 3.36 | 9,862 3.37 | 9,909 3.38 | -2.07 |
| Education | # % | 28,289 9.75 | 28,374 9.76 | 28,495 9.77 | 28,600 9.79 | 28,694 9.81 | 28,773 9.83 | 28,800 9.81 | 1.81 |
| Engineering, Architecture and Environmental Design | # % | 22,028 7.59 | 22,062 7.59 | 21,991 7.54 | 22,103 7.56 | 22,149 7.57 | 22,202 7.58 | 22,225 7.57 | 0.89 |
| Engineering and Related Technologies | # % | 6,125 2.11 | 6,322 2.18 | 6,376 2.19 | 6,466 2.21 | 6,502 2.22 | 6,543 2.23 | 6,619 2.26 | 8.06 |
| Health Professions, Health Sciences, and Biological Sciences | # % | 35,445 12.22 | 35,389 12.18 | 35,735 12.25 | 35,860 12.27 | 35,989 12.30 | 36,124 12.34 | 36,198 12.34 | 2.12 |
| Home Economics, Human Services and Public Affairs | # % | 15,121 5.21 | 15,195 5.23 | 15,320 5.25 | 15,288 5.23 | 15,242 5.21 | 15,217 5.20 | 15,227 5.19 | 0.70 |
| Industrial, Repair, Construction and Transport Technologies | # % | 2,205 0.76 | 2,213 0.76 | 2,304 0.79 | 2,342 0.80 | 2,392 0.82 | 2,453 0.84 | 2,522 0.86 | 14.38 |
| Law | # % | 3,372 1.16 | 3,338 1.15 | 3,321 1.14 | 3,322 1.14 | 3,320 1.13 | 3,316 1.13 | 3,317 1.13 | -1.63 |
| Physical Sciences, Mathematics and Related Technologies | # % | 15,493 5.34 | 15,483 5.33 | 15,645 5.36 | 15,725 5.38 | 15,786 5.39 | 15,804 5.40 | 15,812 5.39 | 2.06 |
| Social Sciences, Psychology, Area Studies and Foreign Languages | # % | 26,180 9.02 | 26,181 9.01 | 26,379 9.04 | 26,434 9.05 | 26,403 9.02 | 26,350 9.00 | 26,331 8.97 | 0.58 |
| Multi-Interdisciplinary Studies | # % | 7,910 2.73 | 7,842 2.70 | 7,851 2.69 | 7,836 2.68 | 7,864 2.63 | 7,540 2.58 | 7,539 2.57 | -4.69 |
| TOTAL | # % | 290,094 100.0 | 290,592 100.0 | 291,671 100.0 | 292,278 100.0 | 292,620 100.0 | 292,812 100.0 | 293,462 100.0 | 1.16 |

Higher Education (continued)
Program Analysis: (continued)

Figure 6

FTE Enrollments In State-supported Institutions Of Higher Education



Agriculture

Educational programs in agriculture and natural resources are currently being offered at two state-supported institutions: The Pennsylvania State University and Delaware Valley College of Science and Agriculture.

About 21 percent of Pennsylvania's work force is employed in agribusiness, making it the state's leading industry employing almost 1.2 million people. Pennsylvania ranks fourth nationally in the number of people employed in agriculture and agribusiness adding about \$35 million annually to the state's economy. About one third of Pennsylvania's total land area is in farmland.

Full-time equivalent enrollment in this program area is projected to decline from 3,263 in 1985-86 to 2,984 in 1991-92 (see Table 3). The decline is partly the result of the recent poor farm economy; but a survey has shown that it may also reflect the effect of lower tuitions at out-of-state land-grant institutions and a preference of potential students

for main campus rather than branch campus matriculation. Enrollments are, therefore, expected to continue to decrease throughout this decade.

While there has been an overall leveling of basic farm-worker employment, other employment opportunities show great promise for future graduates. Agricultural business management and agricultural engineering are by far in the greatest demand. There is also a projected need for college-trained educators, agronomists, environmentalists, nutritionists, plant scientists, economists and computer specialists. These individual disciplines are important to insure an increase in agricultural productivity.

As students continue to react to the job market, the enrollment in colleges of agriculture will drift to the more specialized skill areas such as management, marketing and system analysis within the agriculture discipline. At present, placement at the bachelor's degree level is good nationwide; the latest statistics from the U.S. Department of Agriculture

Higher Education (continued)

Program Analysis: (continued)

show that the overall job market is being satisfied. However, shortages currently exist in terms of those with advanced degrees in agricultural business management, agricultural engineering, animal science, food science, natural resources, plant science and soil science.

Teacher Education

A disparity currently exists between the number of teachers prepared each year and the number that find teaching employment. However, the size of the disparity appears to be decreasing over that which existed during the period of the early and mid-seventies (see Figures 7 and 8).

The oversupply has been caused primarily by an earlier dramatic increase in the number of teachers prepared, which stabilized in the late sixties and early seventies, followed by a marked decline in the number prepared coupled with a decline in elementary and secondary enrollments during the same period. Although it is true that basic education enrollments have continued to decline with a concurrent overall decline in demand for elementary and secondary education teachers, the demand for certain specialty areas such as vocational education and special education has nevertheless persisted. This situation is seen as continuing in the immediate future although shortages may eventually ensue as an aging teacher work force begins to reach retirement age.

Until recently fewer students have been seeking to become teachers and many institutions have been making internal program shifts to other curricular areas such as business, computer science, the health sciences and the health professions. The extent to which the institutions of higher education need to make further program shifts is not yet fully known. The trends in this area must be carefully watched for the next few years in order to avoid oversupply, or future undersupply of teachers in the state.

The Department of Education projects that the decrease in total students in grades 6 through 12 will continue for a few years but will begin to increase in the 1990s as the students now entering elementary education are ready for the secondary grades. Enrollments in kindergarten through grade 5 are increasing and have impacted on the demand for teachers at that level in the current year. The demand for teachers at all elementary and secondary levels will be impacted by enrollment increases over the next decade.

Newly certificated graduates in education are projected to increase from 5,961 in 1984-85 to 6,050 in 1990-91. The increase in numbers will occur in elementary education (2,384 to 2,600), in secondary education (1,372 to 1,600) but a decrease will occur in special education. Of the students receiving teaching certificates in 1984-85, 42.4 percent reported employment as teachers.

Figure 7
Postgraduate Teaching Activity Of Certificated Graduates
In Elementary Education

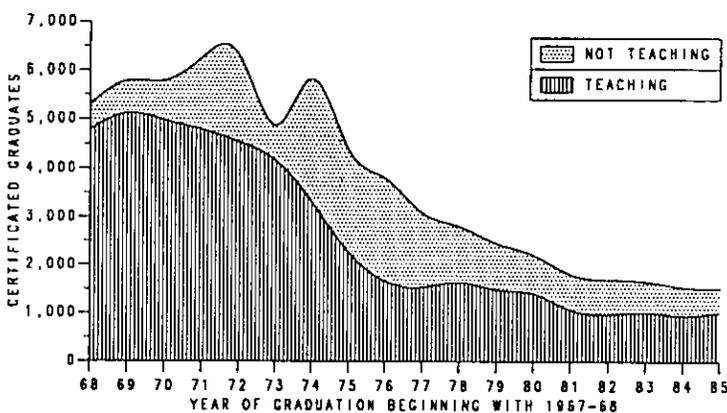
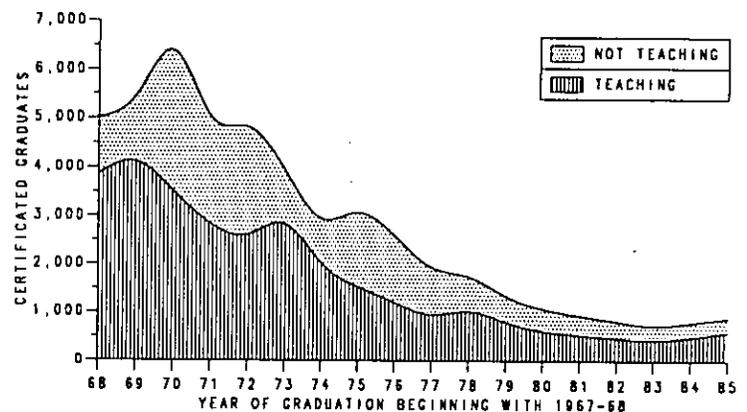


Figure 8
Postgraduate Teaching Activity Of Certificated Graduates
In Secondary Education



Higher Education (continued)**Program Analysis: (continued)***Mathematics and Physical Science Teachers*

The current awareness of the importance of high technology in the future economic growth of industry in the United States and the Commonwealth has also called attention to the science curricula of the public schools. It has been a matter of growing concern to the Commonwealth that there may be, to some degree, a shortage of trained teachers in the areas of mathematics and the physical sciences. A recent examination of the data concerning employment of mathematics and science teachers made by the Department of Education has indicated that when the current pool of previously certificated graduates is exhausted, there may be a temporary shortage situation (see Figures 9 through 14). It is hoped, however, that the current effort to encourage more students to become teachers of mathematics and science by offering PHEAA grants to them will begin to pay off in three to four years when shortages may be expected. In the 1990s further efforts may be needed as secondary school enrollments begin to increase rather than decrease.

Business, Management, Commerce and Data Processing

Full-time equivalent enrollment in this area is projected to increase by approximately 1.42 percent between 1985-86 and 1991-92. For the seventh consecutive year, growth in enrollments in this area has occurred. Enrollments for 1986-87 are up slightly over 1985-86. In the State System of Higher Education, where business has until now been a fast growing "new mission" curriculum, it is now estimated that enrollments will increase only slightly from 17,298 FTEs in 1985-86 to 17,700 in 1991-92.

Students with master's degrees in any of these fields will have especially good job opportunities. The growth in graduate and baccalaureate degree business opportunities is the result of changes in job requirements. More complex computers and other technological advances and the need for familiarity with government regulations have resulted in demand for college graduates in positions traditionally held by those less well educated. Student response to this growing job market is projected to increase the total number of degrees conferred between 1985-86 and 1991-92 by .4 percent for associate degrees, 3.5 percent for bachelor's degrees and 4.9 percent for graduate degrees. Business graduates were a little more successful in obtaining degree-related employment in 1985, when the rate for baccalaureate graduates was 67 percent in contrast to a 1984 rate of 65 percent.

Computer Science

Department of Education graduate follow-up data on 1985 graduates indicates that computer science baccalaureate degree recipients had full-time related employment of 67 percent (see Figure 5).

A continued and deepening shortage of computer-related specialists is foreseen as business and industry increase their demand for such specialists and continue to lure away those who would otherwise go on to graduate work. This trend will also have a negative long-term effect since it limits the number of graduates who would otherwise teach the needed specialists of the future. There are currently not enough specialists being produced to meet the needs of rapidly growing microcomputer and other computer-related industries.

Engineering/Architecture

Programs in engineering and architecture are supported by the Commonwealth through grants and subsidies to the State-related universities, State-aided colleges and universities and community colleges. Although fluctuations resulting from changes in government policy, availability of research funds, and technological advancements are characteristic of this field, the trend for the next several years will be an increase in job opportunities.

Given the demand for engineers and the high salaries currently being offered, many higher education institutions are finding it difficult to find and maintain quality faculty in most engineering fields. This is particularly true in the area of petroleum engineering. This problem could become worse in the next few years because the high rate of employment of baccalaureate degree recipients will, in turn, limit graduate school enrollments. This problem is national in scope and will require innovative approaches at the national level in order to resolve the resulting competition between employers and the graduate schools. Community colleges, however, are now training paraprofessionals in engineering. These people can fill a great many of the needs for manpower and would add to the productivity of professional engineers.

Of the students receiving bachelor's degrees in engineering in 1985 roughly 10 percent sought advanced degrees on either a full- or part-time basis. Employment success of those with bachelor's degrees in engineering was 64 percent finding full-time discipline-related employment.

Higher Education (continued)
Program Analysis: (continued)

Figure 9
Postgraduate Teaching Activity Of Certificated Graduates
In Mathematics

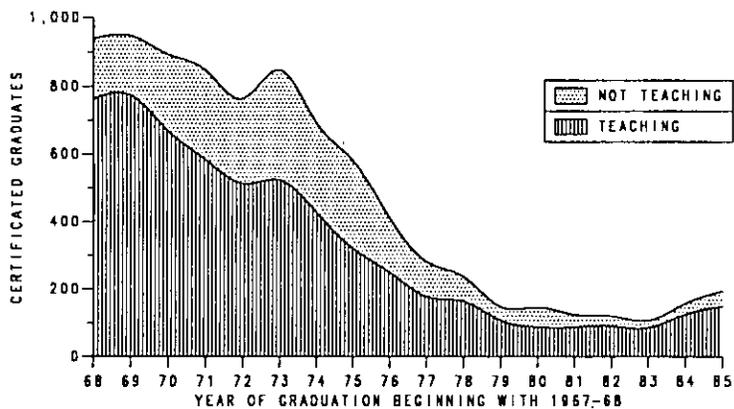


Figure 10
Postgraduate Teaching Activity Of Certificated Graduates
In General Science

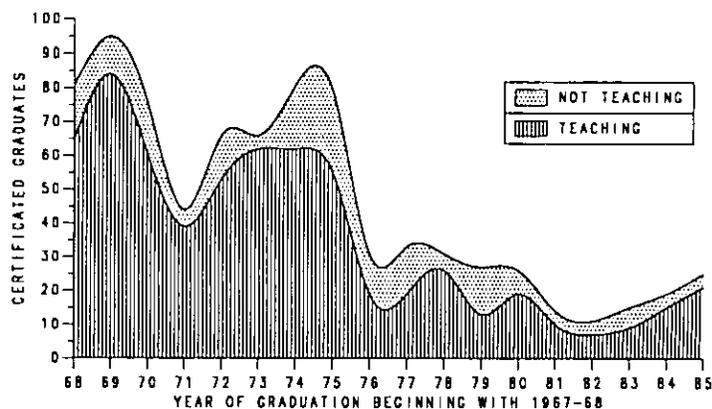


Figure 11
Postgraduate Teaching Activity Of Certificad Graduates
In Biological Science

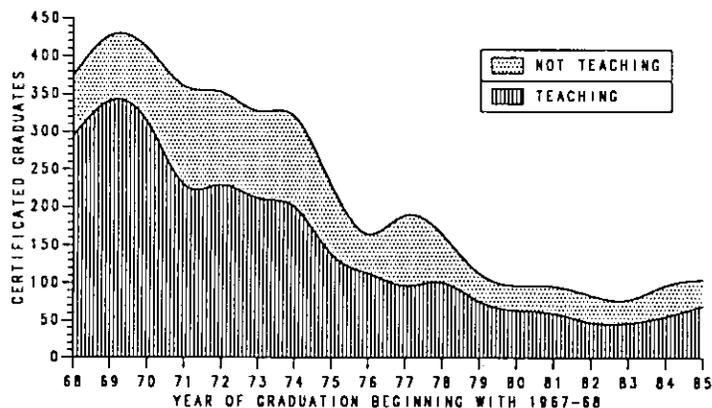


Figure 12
Postgraduate Teaching Activity Of Certificated Graduates
In Chemistry

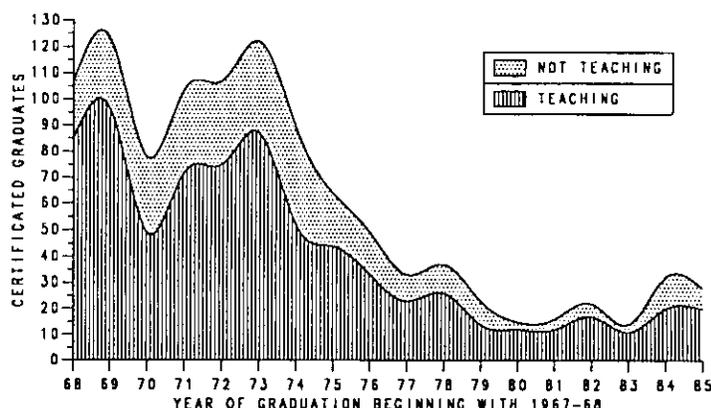


Figure 13
Postgraduate Teaching Activity Of Certificated Graduates
In Physics

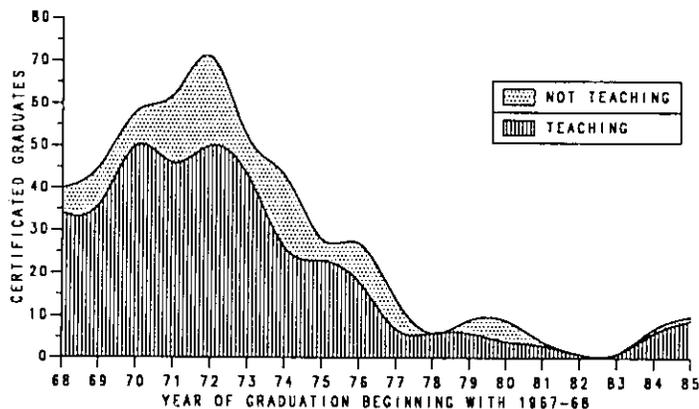
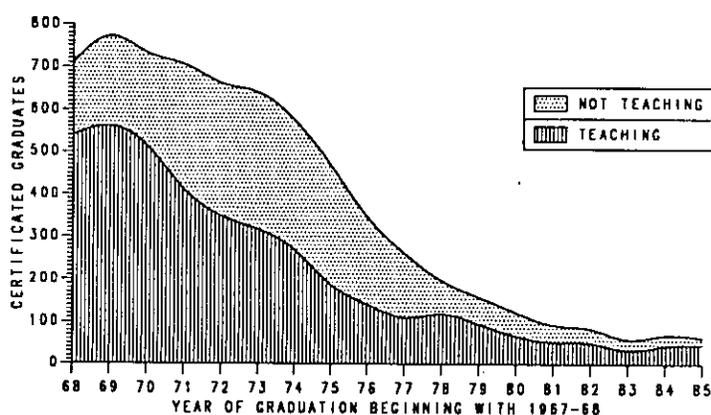


Figure 14
Postgraduate Teaching Activity Of Certificated Graduates
In Foreign Language Education



Higher Education (continued)

Program Analysis: (continued)

High Technology

There can be no doubt that the continued, constantly accelerating development of high technology and high technology products will have an important role in the daily life of Pennsylvania's citizens and in the economy of Pennsylvania as a whole. The field of medicine has already experienced dramatic changes in the ability of physicians to diagnose and treat illnesses and the promise of the more recent technologies such as those in the field of genetic manipulation promise even more dramatic change.

As the use of technological advances such as computers, electronic networking and robotics enters into the marketplace, there is a correspondingly greater demand for higher education institutions to provide training for those who must utilize, repair or maintain the products of technology. Furthermore, the firm of Deutch, Shea, and Evans, publishers of the High Technology Index, indicate that they anticipate a shortage of technologists by 1987 due primarily to the impact of a marked increase in the needs of the defense industry in conjunction with the nation's developing economy.

Higher education institutions will be required to continue their efforts to upgrade their equipment and laboratories; to recruit capable faculty despite competition from business and industry; and to develop curricula designed to train those who create high technology, as well as those who use the products of high technology in their work and those who repair and maintain the products of high technology. Increasingly, workers who have been displaced by the products of the nation's technology will have to be trained by the institutions of higher education to be users and/or maintainers of that technology.

Health Care Professionals

The Commonwealth is a major national producer of trained health care personnel, particularly of physicians and registered nurses; and this area is, therefore, of perennial concern. Programs to train health care professionals are expensive and careful monitoring is required to see that such programs are not producing substantially more health personnel than the Commonwealth's needs would warrant. Currently graduates are, as a whole, finding work related to their training with very little difficulty (see Figure 5).

The State System of Higher Education and the community colleges are major suppliers of people trained in the health technologies. Although programs in these areas are presently expanding at these institutions and in vocational schools, there remains a shortage of trained personnel such as dental hygienist, dental assistants, medical assistants and laboratory technicians.

Until recently the labor market for nursing, nationwide and in the State, was expanding. The reasons included adoption of new techniques, more intense inpatient care, new providers and approaches as well as a growing elderly population which consumed a great share of nursing services in hospitals and nursing homes. Studies on both the State and Federal levels indicated that acute shortages or maldistributions of registered nurses existed in many types of health facilities.

Recent observations indicate that, in general, the problem of professional nursing shortages may be somewhat lessened because of economy measures implemented by many hospitals to reduce health care costs. However, in some nurse specialties, such as intensive care services, shortages will continue to exist. Furthermore, spot shortages in some inner city hospitals and in rural health facilities may continue to be a problem because of the difficulties in recruiting or attracting nurses to accept positions in these areas.

In general the outlook for employment in the health technologies, para-medical and nursing fields appears to be good. This is especially true in light of the mounting concern over rapidly increasing costs of health care, and of proposals to use paraprofessionals more extensively in many facets of health care in an attempt to control costs. Many of these paraprofessionals would come from the curriculum areas mentioned above. It would appear, therefore, that these programs should be selectively encouraged.

Research as a State Resource

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.

A significant part of the mission of higher education in Pennsylvania is that of furthering man's knowledge through research which in turn has direct benefits with respect to Pennsylvania's economy.

The Pennsylvania State University is the primary recipient of the 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 other fields. Historically, line item appropriations devoted to agricultural research and other organized research have been provided to Penn State because it is the Commonwealth's Land-Grant university. As early as 1901, funds were provided for specific research purposes.

The investment of State funds in research helps to attract

Higher Education (continued)

Program Analysis: (continued)

substantial additional dollars to the Commonwealth from external sources such as the Federal government, industry, and foundations. For 1985-86, for example, Penn State's total research expenditures exceeded \$151 million, including the State appropriation of \$24.5 million.

Penn State's interdisciplinary research in biotechnology will contribute significantly to educational training and employment opportunities and to the overall economic development of the Commonwealth. Recent advances in molecular biology have caused a revolution in the commercial use of biological systems. Scientific breakthroughs in this area provide the ability to make totally new products that will impact agricultural production, chemical and food processing, and the types of health care available. Biotechnology will permit vastly improved plant breeding, increased growth rate and productivity of animals, and vaccines and new drugs for disease detection and control.

The Penn State heart, which was created through a collaborative effort by faculty members in engineering and medicine, was only the second artificial heart approved for implementation by the Food and Drug Administration. Pennsylvania's mining industry will benefit from research on the use of coal slurries as well as mine safety improvements. Research on avian influenza viruses will help to find ways to halt the disease responsible for destroying entire poultry flocks. A new solid polymer electrolyte being developed at Penn State may break the dependency on current, heavy, low efficiency batteries.

Penn State's Materials Research Laboratory has been a leader in the production of diamond films, which have significant applications in electronic and other industrial materials. In agriculture and food sciences, research at Penn State has led to discoveries which have reduced the cost and increased the productivity of agriculture — the state's largest industry.

Although immediate measurable benefits are sometimes realized from research efforts, research support more typically represents an investment in the future. Recognition is given to the longer-range social and economic impacts of research when making decisions on the allocation of resources. The continued increase in State support for organized research is a means of promoting a long-term, responsive position on the ever changing needs of the Com-

monwealth and the nation. 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.

Public and Community Services

Public and community services are provided throughout the Commonwealth by institutional departments, extension centers, branch campuses, and cooperative arrangements with public schools and other institutions. These programs are offered by the State System of Higher Education, the State-related universities and the community colleges. The bulk of this program, however, is related to activities of the Pennsylvania State University.

Steady increases are expected in both enrollments in non-degree programs and in attendance at conferences, institutes and workshops. These increases will be generated by all sectors of higher education. Increased participation in conferences and workshops is particularly anticipated at the State-related institutions.

The Cooperative Extension Service offers informational services, including an environmental newsletter, without charge to any Commonwealth resident.

The appropriations to Penn State include funds for the operations of the Agricultural Extension Computer Network. The program, which includes microcomputers in every county extension office, provides a statewide network of information for the benefit of the county agents and their clients; because of its link with the main campus it has also expanded the information base available to clients of the extension services.

The second aspect of the program of public and community services, short-term instructional courses or workshops, includes activities of the Cooperative Extension Service as well as the programs of the State System of Higher Education and the community colleges. These short-term instructional courses usually take the form of conferences or workshops of less than a week's duration and concern specific topics; often they are sponsored by an industry or business for the benefit of their employees.

Higher Education (continued)

Program Analysis: (continued)

The third facet of this program is the area of non-degree or noncredit education. Enrollments in these programs are expected to expand rapidly in the State System of Higher Education, State-related universities and the community colleges. The trend of increased participation in adult education in Pennsylvania follows that of the nation.

As the program grows in popularity, more institutions will increase their involvement; in fact, many Pennsylvania educators believe this will be the most rapidly increasing program for higher education.

Institutional Support Services

Institutions of higher education carry on activities which are not tied directly to instruction, public and community services, financial assistance or research. These activities include library and learning center services, guidance counseling, placement services, provision of audio visual materials, operation and maintenance of physical plants, computer support and general administration, all of which are essential to the operation of educational programs. The Commonwealth provides financial support for the cost of these institutional support services; some of which are variable and can be made responsive to enrollment and internal efficiencies.

The Downingtown Industrial and Trade School is a residential institution providing secondary education to students who are underachievers and in need of an educational and living experience away from home. The school is in fiscal difficulties which include an operating deficit, nonpayment of tax obligations, a deteriorated physical plant, unpaid rentals on Commonwealth owned buildings, and inadequate sources of income. The administration will review the needs of the school over the next several months and the Governor will make a recommendation on solutions to the school's fiscal and administrative difficulties.

The Higher Education Equal Opportunity Act provides State grants to colleges for tutorial and counseling services

for the economically and educationally disadvantaged. Participating students are given the opportunity to achieve their educational goals through specialized tutorial, counseling and study skills services, regardless of race, sex, creed, handicap or national origin. Approximately one-half of the students served are minority students.

The 1983 agreement between the Department of Education and the U.S. Office for Civil Rights provided a five year plan for the enhancement of Cheyney University which includes an annual appropriation, administered by the Department of Education, to ensure that academic programs, equipment, and support services will be comparable to those at similar institutions. The five year total for enhancement in those areas is \$8,710,000; the 1987-88 mandate is for \$1,630,000. In addition, the agreement calls for improvements and renovations to campus buildings and grounds.

The agreement also includes funds for the enhancement of Lincoln University which total \$5,000,000 in appropriated funds and two capital projects.

The budget assumes continued support for these enhancement programs.

Department of Education Support

The Department of Education provides leadership and support for State initiatives and coordination services involving all the sectors of postsecondary education. Responsibilities include liaison with the Pennsylvania Higher Education Assistance Agency, the Chancellor's Office of the State System of Higher Education, national accrediting agencies, the State Board's Council of Higher Education, and other governing boards; policy review and development based on comprehensive planning and research; and implementation of a postsecondary education master planning process and the Commonwealth of Pennsylvania Plan for Equal Opportunity in the State-Supported Institutions of Higher Education.

Higher Education (continued)

Program Analysis: (continued)

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 2,500 | \$ 2,449 | \$ 2,406 | \$ 2,502 | \$ 2,602 | \$ 2,706 | \$ 2,814 |
| General State Authority Rentals | 3,679 | 3,779 | 3,745 | 3,754 | 3,764 | 3,775 | 3,787 |
| Educational Radio and Television Grants | 45 | 26 | ..... | ..... | ..... | ..... | ..... |
| Community Colleges | 102,392 | 102,000 | 103,160 | 107,286 | 111,577 | 116,040 | 120,682 |
| Higher Education of the Disadvantaged | 5,686 | 5,860 | 6,153 | 6,399 | 6,655 | 6,921 | 7,199 |
| Lincoln Urban Center ..... | ..... | 300 | ..... | ..... | ..... | ..... | ..... |
| Rural Initiatives | 700 | 900 | 150 | 150 | 150 | 150 | 150 |
| Psychiatric Education | 650 | 1,000 | ..... | ..... | ..... | ..... | ..... |
| Higher Education Equipment | 16,500 | ..... | ..... | ..... | ..... | ..... | ..... |
| Differential Technology Grants ..... | ..... | 20,300 | ..... | ..... | ..... | ..... | ..... |
| State System of Higher Education (SSHE) | 263,803 | 279,381 | 293,350 | 305,084 | 317,287 | 329,978 | 343,177 |
| SSHE Disadvantaged Students | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| SSHE Deferred Maintenance | 2,500 | 2,500 | ..... | ..... | ..... | ..... | ..... |
| SSHE Desegregation | 1,653 | 1,656 | 1,630 | 1,695 | 1,763 | 1,834 | 1,907 |
| SSHE McKeever ..... | ..... | 250 | ..... | ..... | ..... | ..... | ..... |
| Pennsylvania State University | 171,638 | 181,924 | 195,411 | 203,220 | 211,341 | 219,788 | 228,571 |
| University of Pittsburgh | 94,656 | 100,324 | 105,331 | 109,536 | 113,909 | 118,458 | 123,189 |
| Temple University | 104,193 | 110,283 | 115,787 | 120,411 | 125,219 | 130,219 | 135,420 |
| Lincoln University | 7,022 | 7,563 | 7,881 | 8,188 | 8,507 | 8,839 | 9,186 |
| State Aided Colleges and Universities | 55,796 | 60,566 | 62,576 | 65,080 | 67,685 | 70,394 | 73,210 |
| State Aided Institutions | 1,841 | 1,991 | 2,081 | 2,157 | 2,237 | 2,319 | 2,404 |
| GENERAL FUND TOTAL | \$ 835,454 | \$ 883,252 | \$ 899,861 | \$ 935,662 | \$ 972,896 | \$1,011,621 | \$1,051,896 |

Highway Safety Education

OBJECTIVE: To minimize traffic accidents through the promotion of highway safety programs.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Special Funds | <u>\$ 2,069</u> | <u>\$ 2,598</u> | $ 2,300 | $ 2,300 | $ 2,300 | $ 2,300 | <u>\$ 2,300</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Eligible pupils | 166,225 | 164,265 | 155,435 | 144,785 | 137,885 | 134,935 | 133,110 |
| Enrollments in school driving courses | 89,000 | 91,000 | 93,000 | 95,000 | 97,000 | 99,000 | 101,000 |
| Classroom instruction enrollment | 88,500 | 89,500 | 90,500 | 91,500 | 92,500 | 93,500 | 94,500 |
| Practice driving enrollments | 53,000 | 54,000 | 55,000 | 56,000 | 57,000 | 58,000 | 59,000 |
| Police trained in DUI enforcement | 675 | 900 | 1,100 | 1,250 | 1,400 | 1,550 | 1,600 |
| Driver education instructors certified | 418 | 500 | 600 | 700 | 800 | 900 | 1,000 |
| Driver education courses certified | 446 | 456 | 466 | 476 | 486 | 496 | 501 |

Program Analysis:

School districts that offered an approved driver education program are reimbursed \$35 per student. The rate of reimbursement has not changed since 1965 and as a result a number of districts are declining to offer an approved program or dropping the program altogether.

In the 1985-86 school year, 440 districts of 501 received reimbursement. Of the remaining 61 districts, six negated their eligibility by charging students an instruction fee, fifteen did not offer a full program and forty districts dropped the program.

This program also provides instruction to law enforcement officers in the skills of detection, apprehension, testing and prosecution of persons operating motor vehicles under the influence of alcohol or drugs. Two courses are offered: one involves teaching officers to recognize and process drunken drivers while the other entails instruction in the

maintenance of equipment used in testing.

The measure reflecting police trained in DUI enforcement shows a significant increase from previous projections, and it is believed this is due to increased emphasis by law enforcement agencies to the problem of drunken driving.

The change in the measure showing driver education instructors certified is a result of only reflecting certified instructors who are involved with a school program. Previous estimates included all certified instructors.

During 1987-88, the Department of Transportation will undertake a comprehensive highway safety initiative. As part of this initiative, the department will contract to critically evaluate and redirect the secondary driver education program. For additional information on this initiative see the Safety Administration and Licensing Subcategory in the Department of Transportation.

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| MOTOR LICENSE FUND | | | | | | | |
| Safe Driving Course | <u>\$ 2,069</u> | <u>\$ 2,598</u> | $ 2,300 | $ 2,300 | $ 2,300 | $ 2,300 | <u>\$ 2,300</u> |

Adult Employment Training Service

OBJECTIVE: To improve the employment capabilities of those persons in the Commonwealth who are unemployed or underemployed.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 23,464 | \$ 25,820 | \$ 24,824 | \$ 25,083 | \$ 25,338 | \$ 25,604 | \$ 25,880 |
| Federal Funds | 7,420 | 8,570 | 8,139 | 8,133 | 8,133 | 8,133 | 8,133 |
| TOTAL | \$ 30,884 | \$ 34,390 | \$ 32,963 | \$ 33,216 | \$ 33,471 | \$ 33,737 | \$ 34,013 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Adult extension enrollment | 63,000 | 62,500 | 62,000 | 61,500 | 61,500 | 61,500 | 62,000 |
| Providers prepared to offer economic development training programs | 265 | 275 | 275 | 275 | 275 | 275 | 275 |
| Trainees enrolled in economic development training programs | 23,160 | 27,800 | 29,200 | 30,100 | 31,400 | 32,900 | 32,900 |
| Trainees completing instruction during the year | 14,600 | 18,100 | 19,200 | 19,900 | 20,900 | 22,000 | 22,000 |
| Trainees placed in jobs after completing instruction | 9,700 | 13,200 | 14,800 | 15,700 | 16,800 | 18,100 | 18,100 |

Program Analysis:

This program's main priority is to provide training to adults to help them obtain a job or help them enhance their employment status.

The Customized Job Training Program is the major component of this program. By supplying firms with workers specifically trained for the jobs that are available as well as training current employes in the use of new technologies, Customized Job Training plays an important role in creating and fostering an environment suitable to economic growth.

During the 1985-86 fiscal year, 58 educational agencies provided training that enabled 2,972 people to secure employment and 14,193 employes to enhance their employment situation. A total of 164 firms benefited from the training efforts of this program.

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 the funds under Title II-A of the act are earmarked for the involvement of the education community in providing vocational skills training, counseling and remedial services to participants with the matching funds provided from State and local sources. Up to 20 percent of the education funds can be used for coordination and linkage activities between education institutions and entities responsible for the local administration of employment and training services.

Adult Employment Training Service (continued)

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Vocational Education | \$ 6,297 | \$ 6,220 | \$ 6,124 | \$ 6,383 | \$ 6,638 | \$ 6,904 | \$ 7,180 |
| Customized Job Training | 12,000 | 13,500 | 13,500 | 13,500 | 13,500 | 13,500 | 13,500 |
| JTPA Matching Funds | 5,167 | 6,100 | 5,200 | 5,200 | 5,200 | 5,200 | 5,200 |
| | | | | | | | |
| GENERAL FUND TOTAL | <u>\$ 23,464</u> | <u>\$ 25,820</u> | <u>\$ 24,824</u> | <u>\$ 25,083</u> | <u>\$ 25,338</u> | <u>\$ 25,604</u> | <u>\$ 25,880</u> |

State Library Services

OBJECTIVE: To provide and improve library services to citizens of the Commonwealth, to special libraries and to agencies and employes of government.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 22,628 | \$ 24,940 | \$ 25,884 | \$ 27,086 | \$ 28,347 | \$ 29,671 | \$ 31,059 |
| Federal Funds | 1,005 | 1,216 | 1,340 | 1,178 | 961 | 970 | 980 |
| Other Funds | 3,619 | 5,384 | 4,414 | 4,417 | 4,417 | 4,418 | 4,419 |
| TOTAL | \$ 27,252 | \$ 31,540 | \$ 31,638 | \$ 32,681 | \$ 33,725 | \$ 35,059 | \$ 36,458 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Percentage of State population served by State-aided libraries | 97% | 97.5% | 98% | 98% | 98.3% | 98.5% | 98.6% |
| Items lent (in thousands)..... | 42,380 | 43,080 | 44,080 | 45,580 | 47,580 | 50,080 | 53,080 |
| Libraries receiving State aid | 567 | 568 | 570 | 573 | 575 | 577 | 581 |
| Titles in State library collection listed in machine readable catalog data base | 298,735 | 480,000 | 508,000 | 536,000 | 564,000 | 592,000 | 620,000 |
| Reference questions handled by State library staff | 71,173 | 74,000 | 74,000 | 74,000 | 74,000 | 74,000 | 74,000 |
| Interlibrary loan requests handled by State library staff | 21,190 | 25,000 | 26,000 | 27,000 | 28,000 | 29,000 | 30,000 |

Program Analysis:

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 the educational, cultural and economic well being of Pennsylvania's communities.

State Library Services

The library in the Forum Building in Harrisburg is the major research library serving Commonwealth government as well as a major resource library serving all residents of the Commonwealth through local libraries and directly to individuals who visit the library. Its strengths include an extensive general and legal reference collection, and comprehensive collections of Pennsylvania newspapers, Pennsylvania State Government publications, and U.S. government publications. Computer search services provide reference and research assistance to State Government personnel: DIALOG and MEDLINE provide access to more than 250 data bases in government, science, business, statistics, education, health and other fields of concern to

the State Government, and enable library staff to identify documents, journal articles and technical reports appropriate to a user's specific needs. LEXIS enables staff to conduct a full text search in order to provide answers to detailed legal questions.

The State Library has in the past three years increased its focus on its role as a resource to the State government complex in Harrisburg. Monthly orientation for State government staff and the microfiche catalog have increased use of the library and, as reflected in the measure, have greatly increased the use of the library's reference services.

In 1985-86 the library introduced a new computer based catalog, with terminals for public use in each reading room, to give users more rapid and comprehensive access to information about the collection. Certain terminals in the Department of Education and in the Historical and Museum Commission share this access; their collections will eventually be a part of the data base. Almost one half million titles will be available in this base at the end of the 1986-87 fiscal year.

The number of titles listed in the data base is less than was estimated last year. Experience with the program has

State Library Services (continued)

Program Analysis: (continued)

shown that fewer titles can be listed annually than had been assumed; therefore the measure shows that implementation will be spread over a longer period of time.

The catalog is the central focus of data development and interchange both within the library and among other libraries. It provides the mechanics for using the library, monitoring circulation and acquisitions, and interlibrary loan. A security system for the Law Library will be acquired in 1986-87 to provide greater protection for the collection which is also becoming a part of the machine readable data base.

School Libraries

The school library function provides the necessary organizational structure to make the connection between those who have information resources and those who need them in the school community. One component provides field advisory services and activities related to planning and administering school library media programs and leadership for school library media specialists throughout the State as they fulfill their roles as teachers and librarians in the dissemination of educational information. During 1986-87 the high school catalog component of ACCESS produced the first laser compact disc catalog for use in Pennsylvania's school libraries. Students and teachers, using microcomputers, are able to search over one half million records in a few seconds. The search provides access to their own holdings and those of other academic libraries.

The Resource Center provides information and resources on educational problems and concerns to school districts, intermediate units and Department of Education staff through the use of automated information retrieval systems.

Public Libraries

The library development function 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 affect-

ing libraries statewide. Pennsylvanians are served by 476 public libraries located throughout the State; these 476 public libraries include approximately 639 outlets, including branches and reading rooms in such places as Philadelphia (one library with 50 branches), Pittsburgh (one library with 18 branches, and Bucks County (one library with five branches). In addition to branches and reading rooms, the city and county libraries operate approximately 35 bookmobiles, serving several hundred places in the State by periodic visits of one or more hours duration on cycles ranging from one week to one month.

Public libraries throughout the Commonwealth are using technology services to provide speedy access to information. More and more libraries, such as Allentown, are converting to computerized on-line catalogs that are easier to use than the traditional card catalog. Electronic mail and telefacsimile speed the transmission of information from one library to another.

The library ACCESS program is in its first year of implementation. The Statewide Library Card system allows people to use any participating public library no matter where they live; the libraries are reimbursed for the cost of lending books to people living outside their service area.

Funds are also provided in ACCESS to support the interlibrary delivery service used for shipping books among library districts, funding is shared by State, local and Federal funds.

Library services to the handicapped are provided by specially designated Regional Libraries for the Blind and Physically Handicapped, operated by the public libraries of Pittsburgh and Philadelphia. These libraries maintain computerized selection and circulation systems in order to provide users of records, braille and large-type materials their books and periodicals more rapidly and without duplicating previously-read materials. The Regional Libraries work closely with local public libraries and other agencies in identifying and providing service to persons with visual or physical handicaps which prevent their using conventional printed material.

State Library Services (continued)

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| State Library | \$ 2,675 | \$ 2,591 | \$ 2,433 | \$ 2,530 | \$ 2,631 | \$ 2,736 | \$ 2,845 |
| Improvement of Library Services | 18,349 | 19,500 | 20,475 | 21,499 | 22,574 | 23,703 | 24,888 |
| Library Access | | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| School Library Catalogs | | 200 | 350 | 350 | 350 | 350 | 350 |
| Library Services for the Blind and Handicapped | 1,504 | 1,549 | 1,626 | 1,707 | 1,792 | 1,882 | 1,976 |
| College of Physicians | 100 | 100 | | | | | |
| TOTAL | <u>\$ 22,628</u> | <u>\$ 24,940</u> | <u>\$ 25,884</u> | <u>\$ 27,086</u> | <u>\$ 28,347</u> | <u>\$ 29,671</u> | <u>\$ 31,059</u> |

Emergency Management Agency

The Pennsylvania Emergency Management Agency develops and maintains a comprehensive plan and program for the civil defense of the Commonwealth. Primarily, the plan calls for the protection of life and property both under enemy attack and in the event of natural disasters and man-made disasters. The agency also provides loans to volunteer fire, ambulance and rescue companies, and coordinates State fire services.

EMERGENCY MANAGEMENT AGENCY

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| General Government Operations | \$ 1,505 | \$ 1,518 | \$ 1,598 |
| Office of Fire Safety | 861 | 844 | 869 |
| Subtotal | <u>\$ 2,366</u> | <u>\$ 2,362</u> | <u>\$ 2,467</u> |
| Grants and Subsidies | | | |
| Emergency Grid Pilot | \$ 24 | ..... | ..... |
| Emergency Grid Pilot — Schuylkill County ..... | ..... | \$ 100 | ..... |
| Forrest County—Disaster Relief | 33 | ..... | ..... |
| Emergency and Disaster Relief (1985)—Tornadoes and November Flood | 2,600 | ..... | ..... |
| Hurricane Gloria—September 1985 | 2,000 | ..... | ..... |
| Disaster Relief — Flood (November, 1985) | 2,400 | ..... | ..... |
| Disaster Relief — Flood (May, 1986) | 350 | ..... | ..... |
| Transfer to Volunteer Companies Loan Fund | 10,000 | ..... | ..... |
| Subtotal | <u>\$ 17,407</u> | <u>\$ 100</u> | <u>.....</u> |
| TOTAL STATE FUNDS | <u>\$ 19,773</u> | <u>\$ 2,462</u> | <u>\$ 2,467</u> |
| Federal Funds | \$ 2,725 | \$ 3,676 | \$ 4,019 |
| Augmentations | 12 | 100 | 100 |
| GENERAL FUND TOTAL | <u>\$ 22,510</u> | <u>\$ 6,238</u> | <u>\$ 6,586</u> |
| Other Funds | \$ 13,873 | \$ 10,747 | \$ 4,836 |
| TOTAL ALL FUNDS | <u>\$ 36,383</u> | <u>\$ 16,985</u> | <u>\$ 11,422</u> |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| State Funds | \$ 1,505 | \$ 1,518 | \$ 1,598 |
| Federal Funds | 2,723 | 3,659 | 4,009 |
| Augmentations | 12 | 100 | 100 |
| TOTAL | <u>\$ 4,240</u> | <u>\$ 5,277</u> | <u>\$ 5,707</u> |

Provides essential services and facilities during periods of emergency. Coordinates State, county and local activities associated with emergency services. Coordinates Pennsylvania's civil defense operations with those of other states through the Federal Emergency Management Program.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| General Government Operations | \$ 1,505 | \$ 1,518 | \$ 1,598 |
| Federal Funds: | | | |
| Civil Preparedness Reimbursements | 2,671 | 2,584 | 3,209 |
| Flash Flood Project — Warning System | 52 | 1,040 | 800 |
| Rescue Training ..... | ..... | 35 | ..... |
| Augmentation: | | | |
| Reimbursements — Nuclear Facility | 12 | 100 | 100 |
| TOTAL | <u>\$ 4,240</u> | <u>\$ 5,277</u> | <u>\$ 5,707</u> |

GENERAL FUND

EMERGENCY MANAGEMENT

| | (Dollar Amounts in Thousands) | | |
|-----------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Fire Prevention and Safety | | | |
| State Funds | \$ 861 | \$ 844 | \$ 869 |
| Federal Funds | 2 | 17 | 10 |
| TOTAL | <u>\$ 863</u> | <u>\$ 861</u> | <u>\$ 879</u> |

Provides for the administration and operation of the Volunteer Loan Company Program which provides low interest loans to rescue and fire companies and units; the administration and operation of the Lewistown Fire School which provides training classes to professional as well as volunteer fire and ambulance personnel; and operating funds for the Fire Commissioner to coordinate and organize all fire functions.

| | (Dollar Amounts in Thousands) | | |
|-----------------------------|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Office of Fire Safety | \$ 861 | \$ 844 | \$ 869 |
| Federal Funds: | | | |
| Fire Prevention | 2 | 17 | 10 |
| TOTAL | <u>\$ 863</u> | <u>\$ 861</u> | <u>\$ 879</u> |

GRANTS AND SUBSIDIES

| | (Dollar Amounts in Thousands) | | |
|-----------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Fire Prevention and Safety | | | |
| State Funds | \$ 10,000 | ..... | ..... |

Provides funds to the Volunteer Companies Loan Fund for low interest loans to rescue and fire companies and units.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Transfer to Volunteer Companies Loan Fund | <u>\$ 10,000</u> | <u>.....</u> | <u>.....</u> |

GENERAL FUND

EMERGENCY MANAGEMENT

| | (Dollar Amounts in Thousands) | | |
|------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Disaster Relief | | | |
| State Funds | \$ 7,407 | \$ 100 | ..... |

Provides financial assistance to localities in Pennsylvania for storm and flood damage.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Emergency Grid Pilot | \$ 24 | ..... | ..... |
| Emergency Grid Pilot — Schuylkill County ..... | ..... | \$ 100 | ..... |
| Forrest County — Disaster Relief | 33 | ..... | ..... |
| Emergency and Disaster Relief (1985) — Tornadoes and November Flood..... | 2,600 | ..... | ..... |
| Hurricane Gloria — September, 1985 | 2,000 | ..... | ..... |
| Disaster Relief — Flood (November, 1985)..... | 2,400 | ..... | ..... |
| Disaster Relief — Flood (May, 1986)..... | 350 | ..... | ..... |
| TOTAL | <u>\$ 7,407</u> | <u>\$ 100</u> | <u>.....</u> |

OTHER FUNDS**EMERGENCY MANAGEMENT****Amounts Not Previously Detailed**

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| Disaster Relief Assistance ..... | ..... | \$ 100 | ..... |
| Receipts from Federal Government—Contributions for Civil Defense | \$ 98 | 250 | \$ 50 |
| Emergency Management and Disaster Assistance | 12,647 | 9,000 | 4,200 |
| Radiation Emergency Response Fund | 935 | 1,321 | 548 |
| Radiation Transportation Emergency Response Fund ..... | ..... | 76 | 38 |
| Metropolitan Edison — TMI Plea Agreement | 193 | ..... | ..... |
| DEPARTMENT TOTAL | <u>\$ 13,873</u> | <u>\$ 10,747</u> | <u>\$ 4,836</u> |

EMERGENCY MANAGEMENT AGENCY

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|----------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Emergency Services | \$ 19,773 | \$ 2,462 | \$ 2,467 | \$ 2,566 | \$ 2,668 | \$ 2,775 | \$ 2,886 |
| Emergency Management | 8,912 | 1,618 | 1,598 | 1,662 | 1,728 | 1,797 | 1,869 |
| Fire Prevention and Safety | 10,861 | 844 | 869 | 904 | 940 | 978 | 1,017 |
| DEPARTMENT TOTAL | <u>\$ 19,773</u> | <u>\$ 2,462</u> | <u>\$ 2,467</u> | <u>\$ 2,566</u> | <u>\$ 2,668</u> | <u>\$ 2,775</u> | <u>\$ 2,886</u> |

EMERGENCY MANAGEMENT

Emergency Management

OBJECTIVE: To develop and maintain a statewide emergency force capable of immediate and effective action in event of natural disasters and rapid expansion to effectively cope with nuclear disasters.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 8,912 | \$ 1,618 | \$ 1,598 | \$ 1,662 | \$ 1,728 | \$ 1,797 | \$ 1,869 |
| Federal Funds | 2,723 | 3,659 | 4,009 | 2,810 | 2,888 | 2,969 | 3,052 |
| Other Funds | 13,885 | 10,847 | 4,936 | 4,656 | 4,638 | 4,638 | 4,638 |
| TOTAL | \$ 25,520 | \$ 16,124 | \$ 10,543 | \$ 9,128 | \$ 9,254 | \$ 9,404 | \$ 9,559 |

Program Analysis:

This program has seen increased activity in the past year, as the Commonwealth and the Pennsylvania Emergency Management Agency (PEMA) have reacted swiftly to a series of natural disasters affecting the State. Four major disaster declarations required immediate response efforts, administration of various recovery programs and a State financial commitment in excess of \$11.8 million dollars. Federal contributions toward recovery efforts and financial assistance programs are estimated to be in excess of \$30 million dollars.

For the third year, PEMA has been involved in emergency grid system projects. The goal of these individual projects is the development of an emergency route and a response guide for management services personnel in various rural municipalities throughout the Commonwealth.

The route and response guide is a map of rural areas that pinpoints buildings, residences, etc. located in remote, outlying areas. Use of guides by emergency personnel would improve response time if a disaster occurred in those areas.

Since its creation in 1951, PEMA has conducted a basic and continuing organization and training program designed to develop and maintain a Statewide emergency force composed of State, county and local units jointly capable of: (a) prompt and effective action aimed at the protection of life and property and the alleviation of human suffering and hardship resulting from natural and man-made disasters and (b) rapid organizational expansion required for civil defense.

The Commonwealth's civil preparedness and response capability in the event of emergencies is provided through the maintenance of a Statewide assessment, planning, warning, training and education, communications and radiation-monitoring network and the nucleus of an organization to facilitate employment of resources to protect life and property. Federal, State, county and local emergency management activities and training are coordinated through this program.

Counties are required to have an approved emergency management program consisting of: (1) a statement of accomplishments; (2) required financial needs; (3) hazard vulnerability; and (4) goals indicating projected activity. The Federal Emergency Management Agency (FEMA) now requires an annual review and update of these plans. All 67 counties now have approved emergency management programs.

The Federal Government provides matching funds for a portion of the cost of PEMA's operations as long as PEMA meets Federal requirements.

The relative degree of emphasis placed on various aspects of the basic PEMA program has been and will continue to be shifted, as warranted, by changing conditions. For example, during past years major emphasis has been moved from basic measures (fallout shelters, radiological defense, etc.) to natural and other than war-time disaster preparations. The necessity for this was demonstrated by the catastrophic floods of the seventies, the Three Mile

Emergency Management (continued)

Program Analysis: (continued)

Island Nuclear Facility incident of 1979 and the 1985 Tornado.

One particular area of increasing emphasis is that of readiness training, as measured through a comprehensive exercise program. With the development of a much more extensive and integrated program of training, exercises and tests, resulting both from specific Federal requirements and PEMA's own determination of the necessity for capability building within all of the counties of the Commonwealth, the agency's practical focus on preparedness has been greatly strengthened at relatively low cost. This effort is directed at the ability of the county and local levels to provide a comprehensive and coordinated first line response to emergency conditions.

In 1986-87, PEMA will implement the first phase of a Statewide satellite communication system. This system will enable State and local emergency management response agencies to pass essential data during emergency operations. The first phase, using both State and Federal funding, will

provide for data communications among the State emergency operations center, State/area emergency operations centers and six of the 67 county emergency operation centers.

In 1986-87, with anticipated Federal funding, it is expected that radio communications will be extended to and from all 67 counties. It is also intended to maximize mobile communications within the Commonwealth.

Long-term objectives of the program include the reduction of system cost through shared usage.

Fiscal year 1987-88 marks the fourth year of implementation of a multi-year Federal program titled "Integrated Emergency Management System (IEMS)" at all levels of government nationwide. The concept of this program is to consolidate the development of required response plans which have common and unique capabilities across the full spectrum of hazards, rather than focusing on the requirements of specific hazards. It is the concept the Commonwealth has followed for many years.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 1,505 | \$ 1,518 | \$ 1,598 | \$ 1,662 | \$ 1,728 | \$ 1,797 | \$ 1,869 |
| Emergency Grid Pilot | 24 | | | | | | |
| Emergency Grid Pilot—Schuylkill County Forrest County — Disaster Relief | | 100 | | | | | |
| Emergency and Disaster Relief (1985) — Tornadoes and November Flood | 33 | | | | | | |
| Hurricane Gloria — September, 1985 | 2,600 | | | | | | |
| Disaster Relief — Flood (November, 1985) | 2,000 | | | | | | |
| Flood — May, 1986 | 2,400 | | | | | | |
| | 350 | | | | | | |
| GENERAL FUND TOTAL | <u>\$ 8,912</u> | <u>\$ 1,618</u> | <u>\$ 1,598</u> | <u>\$ 1,662</u> | <u>\$ 1,728</u> | <u>\$ 1,797</u> | <u>\$ 1,869</u> |

EMERGENCY MANAGEMENT

Fire Prevention and Safety

OBJECTIVE: To minimize the loss of life and property due to fire.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|---------------|---------------|---------------|---------------|---------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 10,861 | \$ 844 | \$ 869 | \$ 904 | \$ 940 | \$ 978 | \$ 1,017 |
| Federal Funds | 2 | 17 | 10 | ..... | ..... | ..... | ..... |
| TOTAL | \$ 10,863 | \$ 861 | \$ 879 | \$ 904 | \$ 940 | \$ 978 | \$ 1,017 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Local fire training graduates | 23,376 | 26,410 | 28,277 | 30,513 | 32,750 | 34,986 | 37,222 |
| Fire school graduates | 870 | 1,089 | 856 | 623 | 390 | 156 | 76 |
| Volunteer loans granted (in thousands) | \$7,360 | \$9,734 | \$8,000 | \$8,000 | \$8,000 | \$8,000 | \$8,000 |

Program Analysis:

The State Fire Commissioner is responsible for coordinating Federal, State and private fire safety funds in Pennsylvania; assisting State agencies in the development of any 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 total fire community.

The State Fire Academy at Lewistown is the main fire training delivery mechanism. The school includes a fire training facility which has five floors of 15 different model compartments which simulate apartment and housing units and can be fired and used to train fire fighters in actual interior house fires. A six floor drill tower for training activities is also part of this complex. Special areas include fire pits and steel fuel tanks, outdoor simulation of street areas with hydrants and water supplies. A control building adjacent to this outside training area is equipped with regulatory controls which provide water, fuel and fire intensities to the fire building or pit areas.

The academy provides advanced professional development of fire service officers, command personnel, instructors, and other specialists engaged in fire prevention and suppression activities; acts as educational hub for all other fire and emergency services training in Pennsylvania; serves the Commonwealth's fire community; and coordinates the activities of the Pennsylvania Fire Service Professional Qualifications Board, which is responsible for administering a voluntary certification program for fire service personnel in the Commonwealth. A new program being undertaken is the voluntary certification of fire service personnel. This program establishes, for the first time, minimum standards for firefighters. It is anticipated that quarterly tests will be administered to implement the voluntary certification procedure for Firefighter I. A minimum of thirty evaluators are required to administer the various skills evaluations as required by the National Joint Council of Fire Service Organizations. A minimum goal of 150 certifications per year has been set with the voluntary certification of additional fire service personnel expected to follow.

The academy will graduate over 28,000 local fire personnel in 1987-88. The measure for number of fire school graduates is lower than projected in the preceding budget. This is attributed to the deterioration of the Burn Building, which resulted in restricting activity in certain areas of the building. This in turn, limited participation in fire suppression

Fire Prevention and Safety (continued)

Program Analysis: (continued)

sion classes. Estimates for future years have been reduced to reflect a lower base figure while repairs are being made.

In addition to training provided at the academy, a local outreach program (organized and coordinated by two field supervisors) provides training to local fire personnel annually through both safety, fire prevention/detection, and fire suppression programs.

Another area of assistance to the fire fighting and prevention community is the fiscal assistance of the Volunteer Company Loan Fund. The purpose of the fund is to improve the capabilities of volunteer fire companies, ambulance services and rescue squads through the provision of low interest loans for the purpose of establishing or modernizing facilities to house fire fighting apparatus, purchasing new apparatus or equipment (protective and communication as well as fire fighting) and purchasing any other accessory equipment. Priority is given to replacement of outmoded or unsafe equipment and provision of additional equipment needed to meet unusual demand. Interest is at two percent per annum for a maximum of ten years. Loans of \$10,000 or less are limited to five years.

There have been three amendments since the enactment of this program. Act 145 of 1978 authorized refinancing of private loans incurred by volunteer agencies between

November 4, 1975 and April 30, 1978. It also authorized loans for repair or rehabilitation of apparatus and equipment. Act 65 of 1980 contained the following changes: 1) authorized the Commonwealth of Pennsylvania to make loans to volunteer agencies for the purpose of purchasing used equipment and vehicles and purchasing utility or special service vehicles; 2) reduced the minimum amount of a loan to \$1,000; 3) permitted a political subdivision to pledge the credit of the political subdivision in the amount necessary to meet the loan requirement; and 4) removed the final date for the refinancing of debt, thereby eliminating the need for periodic amendments to the original act to extend the refinancing authorization.

Finally, on May 11, 1982, Act 118 was signed into law. This law provides changes in the maximum amounts of eligible funding. In the November 1981 election, the voters approved a referendum establishing a bond issue in the amount of \$15,000,000. Of the \$15,000,000, seven million dollars was made available in July 1982 and eight million in April 1983.

Included in the 1985-86 budget was a \$10 million transfer from the General Fund. As the program approached its tenth anniversary, a total in excess of \$55 million was loaned to volunteer fire and ambulance services.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|---------------|---------------|---------------|---------------|---------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Office of Fire Safety | \$ 861 | \$ 844 | \$ 869 | \$ 904 | \$ 940 | \$ 978 | \$ 1,017 |
| Transfer to Volunteer Companies Loan Fund | 10,000 | ..... | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | <u>\$ 10,861</u> | <u>\$ 844</u> | <u>\$ 869</u> | <u>\$ 904</u> | <u>\$ 940</u> | <u>\$ 978</u> | <u>\$ 1,017</u> |

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 includes the Citizens Advisory Council, the Environmental Hearing Board, the Environmental Quality Board, the State Conservation Commission, the State Board for Certification of Sewage Enforcement Officers, the State Board for Certification of Sewage Treatment and Waterworks Operators and the Water Facilities Loan Board.

ENVIRONMENTAL RESOURCES

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

| Appropriation | Title | 1987-88 State Funds (in thousands) |
|---|-------------------------------------|---|
| General Fund | | |
| Hazardous Waste Control | Hazardous Waste Sites Cleanup | \$ 25,000 |
| This Program Revision will speed the identification of dangerous sites and the rate of remedial actions. | | |
| DEPARTMENT TOTAL | | <u>\$ 25,000</u> |

DEPARTMENT OF ENVIRONMENTAL RESOURCES

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| General Fund | | | |
| General Government | | | |
| General Government Operations | \$ 7,289 | \$ 7,078 | \$ 8,117 |
| Electronic Data Processing Support | 899 | 900 | 900 |
| Economic Revitalization Administration | 145 | ..... | ..... |
| Office of Resources Management | 13,679 | 14,957 | 15,331 |
| Chesapeake Bay Agricultural Source Abatement | 1,161 | 1,193 | 1,640 |
| Deep Mine Safety | 2,945 | 3,022 | 3,117 |
| Office of Protection | 32,533 | 35,604 | 40,196 |
| Seasonal Farm Worker Camp Inspection ..... | ..... | 210 | 268 |
| Laboratory and Regional Office Equipment ..... | ..... | 1,500 | ..... |
| Radon Testing | 868 | 1,366 | 1,407 |
| Radon Gas Demonstration Project ..... | ..... | 1,000 | ..... |
| Low Level Radioactive Waste ..... | ..... | ..... | 1,329 |
| Hazardous Waste Control | 7,834 | 8,684 | 33,684 |
| Canonsburg Remedial Action | 996 | 500 | 40 |
| Black Fly Control | 1,500 | 2,498 | 2,100 |
| Water Quality Testing Laboratory | 305 | 307 | 317 |
| State Forestry Operations | 10,007 | 10,224 | 10,930 |
| Gypsy Moth and Other Insect Control | 2,191 | 2,718 | 3,177 |
| State Parks | 28,064 | 28,007 | 28,902 |
| Fabridam | 794 | ..... | ..... |
| Conservation Corps ..... | ..... | ..... | 4,050 |
| Recreation Improvement and Rehabilitation ..... | ..... | ..... | 4,950 |
| Subtotal | <u>\$ 111,210</u> | <u>\$ 119,768</u> | <u>\$ 160,455</u> |
| Grants and Subsidies | | | |
| Flood Control Projects | \$ 150 | \$ 1,065 | \$ 1,000 |
| Storm Water Management Grants | 169 | 500 | 550 |
| Sewage Facilities Planning Grants | 500 | 500 | 500 |
| Sewage Facilities Enforcement Grants | 1,470 | 1,650 | 1,900 |
| Sewage Treatment Plant Operations Grants | 18,183 | 19,000 | 20,300 |
| Solid Waste Disposal Planning Grants | 981 | 386 | 1,000 |
| Resource Recovery Grants | 2,500 | ..... | ..... |
| Delaware River Master | 47 | 61 | 47 |
| Ohio River Basin Commission | 16 | 5 | 5 |
| Susquehanna River Basin Commission | 235 | 240 | 249 |
| Interstate Commission on the Potomac River Basin | 22 | 22 | 22 |
| Delaware River Basin Commission | 707 | 742 | 807 |
| Ohio River Valley Water Sanitation Commission | 90 | 97 | 97 |
| Chesapeake Bay Commission | 75 | 100 | 100 |
| Small Watershed Projects | 100 | 100 | 100 |
| Local Soil and Water District Assistants | 800 | 1,000 | 1,000 |
| Interstate Mining Commission | 10 | 10 | 10 |
| Emergency Mine Subsidence Relief | 94 | ..... | ..... |
| Abandoned Surface Mine Reclamation ..... | ..... | 2,000 | 2,000 |
| Anthracite Bond Fund ..... | ..... | 50 | ..... |
| Annual Fixed Charges — Flood Lands | 12 | 17 | 17 |
| Annual Fixed Charges — Project 70 | 11 | 12 | 12 |
| Annual Fixed Charges — Forest Lands | 1,190 | 1,225 | 1,225 |
| Huntingdon Correctional Institution Utilities | 2,000 | 381 | ..... |
| Vector Control | 500 | 500 | 500 |

DEPARTMENT OF ENVIRONMENTAL RESOURCES

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

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Grants and Subsidies (continued) | | | |
| Clearfield County — Water Project | \$ 400 | ..... | ..... |
| Hempfield Township — Water Project | 300 | ..... | ..... |
| Castle Shannon — Water Project | 50 | ..... | ..... |
| Ferguson Township — Water Project | 50 | ..... | ..... |
| Hatboro Borough — Water Project | 350 | ..... | ..... |
| Catasauqua Borough — Water Project | 400 | ..... | ..... |
| Appalachian States Low-Level Waste Compact ..... | ..... | \$ 200 | \$ 200 |
| Lansdown Super Fund Cleanup ..... | ..... | 150 | ..... |
| Water, Sewer and Stream Improvement ..... | ..... | 1,222 | ..... |
| Three Mile Island Clean-Up | 5,000 | 5,000 | 5,000 |
| Subtotal | <u>\$ 36,412</u> | <u>\$ 36,235</u> | <u>\$ 36,641</u> |
| TOTAL STATE FUNDS | <u>\$ 147,622</u> | <u>\$ 156,003</u> | <u>\$ 197,096</u> |
| Federal Funds | \$ 60,437 | \$ 104,586 | \$ 101,266 |
| Augmentations | 16,457 | 16,977 | 17,396 |
| GENERAL FUND TOTAL | <u>\$ 224,516</u> | <u>\$ 277,566</u> | <u>\$ 315,758</u> |
| Other Funds | \$ 26,470 | \$ 46,687 | \$ 13,317 |
| TOTAL ALL FUNDS | <u>\$ 250,986</u> | <u>\$ 324,253</u> | <u>\$ 329,075</u> |

GENERAL FUND

ENVIRONMENTAL RESOURCES

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| State Funds | \$ 8,333 | \$ 7,978 | \$ 9,017 |
| Federal Funds | 1,277 | 1,856 | 1,956 |
| Augmentations | 495 | 515 | 533 |
| TOTAL | <u>\$ 10,105</u> | <u>\$ 10,349</u> | <u>\$ 11,506</u> |

Provides for the overall executive direction and administration of the department including personnel, fiscal management, systems management, office services, public information and planning and research. Conducts all legal matters of the department including enforcement actions. Provides for the expenses of the department's boards, councils and commissions.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| General Government Operations | \$ 7,289 | \$ 7,078 | \$ 8,117 |
| Electronic Data Processing Support | 899 | 900 | 900 |
| Economic Revitalization Administration | 145 | | |
| Federal Funds: | | | |
| Surface Mine Conservation | 740 | 980 | 1,029 |
| Environmental Protection Agency — Planning Grant | 211 | 271 | 266 |
| Construction Management Assistance Grants — Administration | 277 | 539 | 586 |
| Safe Drinking Water — Administration | 49 | 66 | 75 |
| Augmentations: | | | |
| Reimbursement Payment for Department Services | 1 | | |
| Reimbursement — Computer Services | 31 | 35 | 35 |
| Reimbursement — Clean Air Fund | 45 | 48 | 41 |
| Reimbursement — Solid Waste Abatement Fund | 108 | 112 | 112 |
| Reimbursement — Clean Water Fund | 51 | 56 | 50 |
| Reimbursement — Water Facilities Loan Fund | 258 | 264 | 295 |
| Reimbursement — Wild Resources Conservation Fund | 1 | | |
| TOTAL | <u>\$ 10,105</u> | <u>\$ 10,349</u> | <u>\$ 11,519</u> |

GENERAL FUND

ENVIRONMENTAL RESOURCES

| | (Dollar Amounts in Thousands) | | |
|---------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Office of Resources Management | | | |
| State Funds | \$ 14,840 | \$ 16,150 | \$ 16,971 |
| Federal Funds | 29,518 | 56,490 | 53,102 |
| Augmentations | 246 | 339 | 334 |
| TOTAL | <u>\$ 44,604</u> | <u>\$ 72,979</u> | <u>\$ 70,407</u> |

Provides for engineering services relevant to all department operations. Also constructs water structure, stream clearance, channel improvements and minor mine reclamation projects. Also provides detailed surveys of the Commonwealth's geologic, mineral and ground-water resources and prepares topographic maps for every area of the Commonwealth.

This program also is responsible for administering efforts to control stormwater run off in order to protect property and control erosion as well as providing for the Commonwealth's involvement in the National Dam Inspection Program. This requires periodic inspections of existing dams and detailed review of the designs of proposed dams. Finally this program controls the drilling and abandonment of oil and gas wells.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Office of Resources Management | \$ 13,679 | \$ 14,957 | \$ 15,331 |
| Chesapeake Bay Agricultural Source Abatement | 1,161 | 1,193 | 1,640 |
| Federal Funds: | | | |
| Chesapeake Bay Pollution Abatement | 1,195 | 2,960 | 3,315 |
| Coastal Zone Management | 755 | 1,700 | 1,200 |
| Water Resources Planning Act | 32 | 60 | 60 |
| National Water Use Data System | 13 | 35 | 40 |
| Bituminous Demonstration Project | . | 101 | 101 |
| Surface Mine Conservation | 169 | 280 | 280 |
| Emergency and Disaster Assistance | 159 | 200 | 200 |
| Land and Water Conservation Fund | 1,007 | 4,000 | 1,000 |
| ARC — Abandoned Mine Restoration Research | . | 126 | 126 |
| Upper Delaware National Scenic River | 2 | 20 | 20 |
| Abandoned Mine Reclamation | 25,371 | 45,000 | 45,000 |
| Centralia Mine Fire Recovery | 1 | 150 | 15 |
| Topographic and Geologic Survey Grants | . | 50 | . |
| Bituminous Coal Resources | 38 | 80 | 20 |
| Dam Safety Program | . | 33 | 20 |
| Federal Surface Mine Control and Reclamation | 239 | 290 | 300 |
| State 404 Program Assumption Study | 37 | . | . |
| Bond Forfeiture Bounty Program | 500 | 1,405 | 1,405 |
| Augmentations: | | | |
| Topographic and Geologic Survey — Water Well Drillers Act Receipts | 41 | 40 | 45 |
| Topographic and Geologic Survey — Services Rendered | 1 | 1 | 1 |
| Reimbursement — Wild Resources Conservation Fund | 129 | 225 | 250 |
| Payments for Departmental Services | 74 | 70 | 35 |
| Sale of Vehicles | 1 | 3 | 3 |
| TOTAL | <u>\$ 44,604</u> | <u>\$ 72,979</u> | <u>\$ 70,407</u> |

GENERAL FUND

ENVIRONMENTAL RESOURCES

| | (Dollar Amounts in Thousands) | | |
|-------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Deep Mine Safety | | | |
| State Funds | \$ 2,945 | \$ 3,022 | \$ 3,117 |
| Federal Funds | 690 | 967 | 827 |
| TOTAL | <u>\$ 3,635</u> | <u>\$ 3,989</u> | <u>\$ 3,944</u> |

Conducts safety inspections of all deep coal mines, cleaning and preparation plants, breakers, washeries and all metal and nonmetallic deep mines. Issues various permits relative to underground coal mining. Develops qualification examinations for the certification of miners, machine runners, shot-fires, and mine officials together with assisting in the development of qualification examinations for the certification of mine inspectors and electricians. Coordinates program to provide for training in mine rescue and first aid. Maintains statistics on all fatal and nonfatal accidents, natural deaths, roof fall accidents and accidents which occur in or around coal mines resulting in serious injuries. Investigates complaints submitted by the general public on hazardous mining conditions caused by deep mining.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Deep Mine Safety | \$ 2,945 | \$ 3,022 | \$ 3,117 |
| Federal Funds: | | | |
| Training and Education of Underground Coal Miners | 559 | 700 | 600 |
| Surface Mine Control and Reclamation — Deep Mine Safety .. | 49 | 160 | 120 |
| Office of Surface Mining — Deep Mine Safety | 82 | 107 | 107 |
| TOTAL | <u>\$ 3,635</u> | <u>\$ 3,989</u> | <u>\$ 3,944</u> |

| | (Dollar Amounts in Thousands) | | |
|-----------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Office of Protection | | | |
| State Funds | \$ 44,036 | \$ 51,669 | \$ 79,341 |
| Federal Funds | 27,120 | 43,465 | 42,893 |
| Augmentations | 3,625 | 2,934 | 2,755 |
| TOTAL | <u>\$ 74,781</u> | <u>\$ 98,068</u> | <u>\$ 124,989</u> |

Provides for safeguarding the health and welfare of the Commonwealth's inhabitants by monitoring and evaluating environmental conditions and quickly acting to eliminate environmental hazards which would be detrimental to the health and safety of people.

Includes controlling all aspects of surface mining including the use of explosives, administering a mine subsidence insurance program, regulating the disposal of solid waste, establishing and maintaining air and water quality standards, assisting local governments in financing sewage treatment plants, enforcing sanitary regulations in public places and institutions, and inspecting and licensing users of ionizing radiation sources. Also includes funds from the Preventive Health and Health Services Block Grant for a rat control program.

GENERAL FUND

ENVIRONMENTAL RESOURCES

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Office of Protection | \$ 32,533 ^a | \$ 35,604 | \$ 40,196 |
| Seasonal Farm Worker Camp Inspection ..... | ..... | 210 | 268 |
| Laboratory and Regional Office Equipment ..... | ..... | 1,500 | ..... |
| Radon Testing | 868 | 1,366 | 1,407 |
| Radon Gas Demonstration Project ..... | ..... | 1,000 | ..... |
| Low Level Radioactive Waste Disposal ..... | ..... | ..... | 1,329 |
| Hazardous Waste Control | 7,834 | 8,684 | 33,684 |
| Canonsburg Remedial Action | 996 | 500 | 40 |
| Black Fly Control | 1,500 | 1,998 | 2,100 |
| Black Fly Control—Recommended Supplemental ..... | ..... | 500 | ..... |
| Water Quality Testing Laboratory | 305 | 307 | 317 |
| Federal Funds: | | | |
| Surface Mine Control and Reclamation | 7,676 | 8,495 | 8,802 |
| E.P.A. — Planning Grant — Administration | 2,590 | 3,400 | 3,592 |
| Water Pollution Control Grants | 2,415 | 3,558 | 3,329 |
| Air Pollution Control Grants | 4,179 | 4,291 | 4,628 |
| Radiation Regulation and Monitoring | 118 | 118 | 118 |
| Diagnostic X-Ray Equipment — Testing | 33 | 33 | 33 |
| Preventive Health and Health Services Block Grant | 1,234 | 1,500 | 1,500 |
| Preventive Health and Health Services Block Grant — Administration | 72 | 128 | 128 |
| Uranium Mill Tailings ..... | ..... | 1,350 | 45 |
| Water Quality Management Planning | 394 | ..... | ..... |
| Surface Mine Control and Reclamation — Laboratories | 348 | 471 | 516 |
| Rural Clean Water | 134 | 297 | 216 |
| Construction Management Assistance Grants | 2,654 | 3,121 | 2,943 |
| NPDES ..... | ..... | 350 | 312 |
| Water Quality Outreach Operator Training Grant | 72 | 90 | 120 |
| Water Quality Management Planning Grants | 710 | 1,039 | 1,166 |
| Super Fund Projects | 1,224 | 9,500 | 9,500 |
| Safe Drinking Water Act | 1,460 | 2,100 | 1,559 |
| Underground Storage Tanks | 1,076 | 2,124 | 2,386 |
| Small Operators Assistance Program | 731 | 1,200 | 1,200 |
| Augmentations: | | | |
| Automobile/Vehicle | 5 | ..... | ..... |
| Clean Air Fund | 700 | 800 | 850 |
| Clean Water Fund | 475 | 850 | 881 |
| Payments for Departmental Services | 144 | 116 | 116 |
| Natural Gas Policy Act Filing Fees | 155 | 150 | 150 |
| Conservation Well Permit Fees | 1 | ..... | ..... |
| Solid Waste Abatement Fund | 220 | 220 | 320 |
| Food Site Inspection Services — Department of Education | 9 | 38 | 38 |
| Reimbursement — Well Plugging Account | 171 | 360 | ..... |
| Black Fly Program | 137 | 400 | 400 |
| Hazardous Waste Reimbursement — Waste Site | 1,608 | ..... | ..... |
| TOTAL | <u>\$ 74,781</u> | <u>\$ 97,768</u> | <u>\$ 124,189</u> |

^aAppropriated as: Office of Protection — \$31,068,000; Municipal/Residual Waste — \$599,000; Oil and Gas Regulatory Expansion — \$873,000; Water Quality Expansion — \$265,000; and Groundwater Quality Monitoring — \$328,000.

GENERAL FUND

ENVIRONMENTAL RESOURCES

| | (Dollar Amounts in Thousands) | | |
|----------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Forestry Operations | | | |
| State Funds | \$ 12,198 | \$ 12,942 | \$ 14,107 |
| Federal Funds | 1,832 | 1,808 | 2,488 |
| Augmentations | 6,677 | 7,012 | 7,779 |
| TOTAL | \$ 20,707 | \$ 21,762 | \$ 24,374 |

Manages State forest lands and prevents and controls forest fires on all forested lands throughout the State. Conducts annual programs to protect forest lands from insect damage. Produces tree seedlings for reforestation of idle land and provides technical forest management assistance to owners of forest land.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| State Forestry Operations | \$ 10,007 | \$ 10,224 | \$ 10,930 |
| Gypsy Moth and Other Insect Control | 2,191 | 2,243 | 3,177 |
| Gypsy Moth and Other Insect Control Recommended Supplemental ..... | ..... | 475 | ..... |
| Federal Funds: | | | |
| Renewable Resources Evaluation ..... | ..... | 25 | 25 |
| Forest Fire Protection and Control | 259 | 315 | 315 |
| Forestry Incentives and Agricultural Conservation | 27 | 30 | 30 |
| Cooperative Forest Insect and Disease Control | 580 | 500 | 500 |
| Watershed Protection and Flood Prevention — Technical Assistance ..... | ..... | 10 | 10 |
| Resource Conservation and Development ..... | ..... | 8 | 8 |
| Forest Management and Processing | 96 | 320 | 320 |
| Forest Insect and Disease Control | 870 | 600 | 1,280 |
| Augmentations: | | | |
| Reimbursement for Services to State Parks | 150 | 100 | 150 |
| Reimbursement From Counties for Gypsy Moth Spraying | 227 | 390 | 915 |
| Sale of Forest Products | 6,162 | 6,392 | 6,584 |
| Reimbursement for Forest Fire Control | 65 | 25 | 25 |
| Sale of Vehicles | 35 | ..... | ..... |
| Payments for Departmental Services | 21 | 105 | 105 |
| Private Donations | 17 | ..... | ..... |
| TOTAL | \$ 20,707 | \$ 21,762 | \$ 24,374 |

GENERAL FUND

ENVIRONMENTAL RESOURCES

| | (Dollar Amounts in Thousands) | | |
|---------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Parks | | | |
| State Funds | \$ 28,858 | \$ 28,007 | \$ 28,902 |
| Augmentations | 5,414 | 6,177 | 5,995 |
| TOTAL | <u>\$ 34,272</u> | <u>\$ 34,184</u> | <u>\$ 34,897</u> |

Administers the operation, maintenance and protection of the State Park System. Maintains a comprehensive outdoor recreational program, cooperates with other agencies (Federal, State and local) associated with outdoor recreational development or grants-in-aid and encourages private enterprise to provide related services. Participates in nature interpretation and environmental education activities.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| State Parks | \$ 28,064 | \$ 28,007 | \$ 28,902 |
| Fabridam | 794 | ..... | ..... |
| Augmentations: | | | |
| Reimbursement for Sewerage Systems Use | 73 | 100 | 100 |
| Reimbursement for Use of King's Gap | 21 | 20 | 20 |
| State Park User Fees | 4,566 | 6,032 | 5,850 |
| Private Donations | 24 | 25 | 25 |
| Sale of Vehicles | 11 | ..... | ..... |
| Concessions | 3 | ..... | ..... |
| Prior Year Revenue | 716 | ..... | ..... |
| TOTAL | <u>\$ 34,272</u> | <u>\$ 34,184</u> | <u>\$ 34,897</u> |

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Conservation Corps and Recreation Improvement and Rehabilitation | | | |
| State Funds | | | \$ 9,000 |

Employs young men and women in projects that provide job training, increasing their abilities to obtain full-time employment. Projects are selected for environmental and natural resource benefits as well as the opportunity for use by the public.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Conservation Corps | | | \$ 4,050 |
| Recreation Improvement and Rehabilitation | | | 4,950 |
| TOTAL | <u>.....</u> | <u>.....</u> | <u>\$ 9,000</u> |

GRANTS AND SUBSIDIES

| | (Dollar Amounts in Thousands) | | |
|----------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Storm Water Control | | | |
| State Funds | \$ 319 | \$ 1,565 | \$ 1,550 |

Provides the State's share of the costs of building major flood control structures through Federal, State and local cooperation and also provides funding for rebuilding decaying stream walls. Also provides funds to counties to develop flood warning systems and storm water management plans.

| | (Dollar Amounts in Thousands) | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Flood Control Projects | \$ 150 | \$ 1,065 | \$ 1,000 |
| Storm Water Management Grants | 169 | 500 | 550 |
| TOTAL | <u>\$ 319</u> | <u>\$ 1,565</u> | <u>\$ 1,550</u> |

| | (Dollar Amounts in Thousands) | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Sewage Facilities Assistance | | | |
| State Funds | \$ 20,153 | \$ 21,150 | \$ 22,700 |

Provides grants to municipalities for planning and enforcing sewage facilities programs and provides payments to municipalities, school districts and institutional districts for operation and maintenance of sewage treatment facilities. Also, makes available grants to municipalities for constructing and upgrading sewage treatment facilities.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Sewage Facilities Planning Grants | \$ 500 | \$ 500 | \$ 500 |
| Sewage Facilities Enforcement Grants | 1,470 | 1,650 | 1,900 |
| Sewage Treatment Plant Operations Grants | 18,183 | 19,000 | 20,300 |
| TOTAL | <u>\$ 20,153</u> | <u>\$ 21,150</u> | <u>\$ 22,700</u> |

GENERAL FUND

ENVIRONMENTAL RESOURCES

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Solid Waste — Resource Recovery Assistance | | | |
| State Funds | \$ 3,481 | \$ 386 | \$ 1,000 |

Provides grants to municipalities for aid in developing plans for solid waste management systems and for construction of resource recovery facilities.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Solid Waste Disposal Planning Grants | \$ 981 | \$ 386 | \$ 1,000 |
| Resource Recovery Grants | 2,500 | | |
| TOTAL | <u>\$ 3,481</u> | <u>\$ 386</u> | <u>\$ 1,000</u> |

| | (Dollar Amounts in Thousands) | | |
|----------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Interstate Water Compacts | | | |
| State Funds | \$ 1,192 | \$ 1,267 | \$ 1,327 |

Provides for Pennsylvania's contribution to various interstate compacts designed to oversee development of several water basins. Provides the State's share of the expenses of the Delaware River Master who allocates the water of the Delaware River in accordance with a United States Supreme Court decree.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Delaware River Master | \$ 47 | \$ 61 | \$ 47 |
| Ohio River Basin Commission | 16 | 5 | 5 |
| Susquehanna River Basin Commission | 235 | 240 | 249 |
| Interstate Commission on the Potomac River Basin | 22 | 22 | 22 |
| Delaware River Basin Commission | 707 | 742 | 807 |
| Ohio River Valley Water Sanitation Commission | 90 | 97 | 97 |
| Chesapeake Bay Commission | 75 | 100 | 100 |
| TOTAL | <u>\$ 1,192</u> | <u>\$ 1,267</u> | <u>\$ 1,327</u> |

GENERAL FUND

ENVIRONMENTAL RESOURCES

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Conservation Districts Assistance | | | |
| State Funds | \$ 900 | \$ 1,100 | \$ 1,100 |

Offers aid to county conservation districts to enable them to hire full-time executive assistants and to qualify for Federal small watershed projects.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Small Watershed Projects | \$ 100 | \$ 100 | \$ 100 |
| Local Soil and Water District Assistance | 800 | 1,000 | 1,000 |
| TOTAL | <u>\$ 900</u> | <u>\$ 1,100</u> | <u>\$ 1,100</u> |

| | (Dollar Amounts in Thousands) | | |
|------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Mine Activities | | | |
| State Funds | \$ 104 | \$ 2,060 | \$ 2,010 |

Provides for Pennsylvania's share of the Interstate Mining Commission. Also provides the General Fund contribution to surface mine reclamation projects and loans to homeowners for emergency mine subsidence relief.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Interstate Mining Commission | \$ 10 | \$ 10 | \$ 10 |
| Emergency Mine Subsidence Relief | 94 | | |
| Abandoned Surface Mine Reclamation ..... | . . . . | 2,000 | 2,000 |
| Anthracite Bond Fund ..... | . . . . | 50 | |
| TOTAL | <u>\$ 104</u> | <u>\$ 2,060</u> | <u>\$ 2,010</u> |

GENERAL FUND

ENVIRONMENTAL RESOURCES

| | (Dollar Amounts in Thousands) | | |
|----------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Payments in Lieu of Taxes | | | |
| State Funds | \$ 1,213 | \$ 1,254 | \$ 1,254 |

Makes payments in lieu of taxes to political subdivisions and school districts for lands acquired by the Commonwealth for various purposes.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| Annual Fixed Charges — Flood Lands | \$ 12 | \$ 17 | \$ 17 |
| Annual Fixed Charges — Project 70 | 11 | 12 | 12 |
| Annual Fixed Charges — Forest Lands | 1,190 | 1,225 | 1,225 |
| TOTAL | <u>\$ 1,213</u> | <u>\$ 1,254</u> | <u>\$ 1,254</u> |

| | (Dollar Amounts in Thousands) | | |
|---------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Utility Expansion Grants | | | |
| State Funds | \$ 2,000 | \$ 381 | |

Provides the State's share of the cost of improving utility services involving State institutional facilities.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| Huntingdon Correctional Institution Utilities | \$ 2,000 | | |
| Huntingdon Correctional Institution Utilities—Recommended Supplemental ..... | . . . . | 381 | |
| TOTAL | <u>\$ 2,000</u> | <u>\$ 381</u> | <u>. . . .</u> |

GENERAL FUND

ENVIRONMENTAL RESOURCES

| | (Dollar Amounts in Thousands) | | |
|-----------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Vector Control | | | |
| State Funds | \$ 500 | \$ 500 | \$ 500 |

Provides grants to municipalities for establishing and maintaining rat control programs.

| | (Dollar Amounts in Thousands) | | |
|------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Vector Control | <u>\$ 500</u> | <u>\$ 500</u> | <u>\$ 500</u> |

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Water and Other Community Projects | | | |
| State Funds | \$ 1,550 | \$ 1,372 | |

Provided a contribution to various local projects.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Clearfield County — Water Project | 400 | | |
| Hempfield Township — Water Project | 300 | | |
| Castle Shannon — Water Project | 50 | | |
| Ferguson Township — Water Project | 50 | | |
| Hatboro Borough — Water Project | 350 | | |
| Catasauqua Borough — Water Project | 400 | | |
| Lansdowne Super Fund Cleanup ..... | . . . . | 150 | |
| Water, Sewer and Stream Improvement ..... | . . . . | 1,222 | |
| TOTAL | <u>\$ 1,550</u> | <u>\$ 1,372</u> | <u>. . . .</u> |

| | |
|---------------------|--------------------------------|
| GENERAL FUND | ENVIRONMENTAL RESOURCES |
|---------------------|--------------------------------|

| | (Dollar Amounts in Thousands) | | |
|-----------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Radiation Protection | | | |
| State Funds | \$ 5,000 | \$ 5,200 | \$ 5,200 |

Provides for Pennsylvania's contributions to interstate radiation compacts and a share of Three Mile Island cleanup.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Appalachian States Low-Level Waste Compact ..... | ..... | \$ 200 | \$ 200 |
| Three Mile Island Clean-Up | \$ 5,000 | 5,000 | 5,000 |
| TOTAL | \$ 5,000 | \$ 5,200 | \$ 5,200 |

OTHER FUNDS

ENVIRONMENTAL RESOURCES

Amounts Not Previously Detailed

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| Radiation Protection Fund | \$ 1,219 | \$ 2,162 | \$ 2,209 |
| Clean Water Fund | 1,398 | 3,479 | 1,817 |
| Snowmobile Regulation | 286 | 379 | 420 |
| Clean Air Act | 1,231 | 3,376 | 1,110 |
| Solid Waste Abatement Fund | 612 | 886 | 786 |
| Mine Drainage Treatment Fees | 37 | 60 | 50 |
| Well Plugging Account | 223 | 723 | 350 |
| GENERAL FUND TOTAL | <u>\$ 5,006</u> | <u>\$ 11,065</u> | <u>\$ 6,742</u> |
| Oil and Gas Lease Fund | | | |
| General Operations | \$ 4,748 | \$ 13,289 | \$ 3,500 |
| OIL AND GAS LEAS FUND TOTAL | <u>\$ 4,748</u> | <u>\$ 13,289</u> | <u>\$ 3,500</u> |
| Pennsylvania Economic Revitalization Fund | | | |
| Pennsylvania Conservation Corps | \$ 8,304 | \$ 6,018 | ..... |
| Recreational Improvement and Rehabilitation Act | 5,612 | 7,790 | ..... |
| PENNSYLVANIA ECONOMIC REVITALIZATION FUND TOTAL | <u>\$ 13,916</u> | <u>\$ 13,808</u> | <u>.....</u> |
| Surface Mining Conservation and Reclamation Fund | | | |
| General Operations | \$ 2,302 | \$ 2,000 | \$ 2,000 |
| SURFACE MINING CONSERVATION AND RECLAMATION FUND TOTAL | <u>\$ 2,302</u> | <u>\$ 2,000</u> | <u>\$ 2,000</u> |
| Non-Coal Surface Mining Conservation and Reclamation Fund | | | |
| General Operations | \$ 37 | \$ 800 | \$ 350 |
| NON-COAL SURFACE MINING CONSERVATION AND RECLAMATION FUND TOTAL | <u>\$ 37</u> | <u>\$ 800</u> | <u>\$ 350</u> |
| Wild Resource Conservation Fund | | | |
| General Operations | \$ 461 | \$ 725 | \$ 725 |
| WILD RESOURCE CONSERVATION FUND TOTAL | <u>\$ 461</u> | <u>\$ 725</u> | <u>\$ 725</u> |
| Energy Conservation and Assistance Fund | | | |
| Solid Waste Resource Recovery ..... | ..... | \$ 5,000 | ..... |
| ENERGY CONSERVATION AND ASSISTANCE FUND ..... | ..... | \$ 5,000 | ..... |
| DEPARTMENT TOTAL | <u>\$ 26,470</u> | <u>\$ 46,687</u> | <u>\$ 13,317</u> |

DEPARTMENT OF ENVIRONMENTAL RESOURCES

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 8,333 | \$ 7,978 | \$ 9,017 | \$ 9,342 | \$ 9,279 | \$ 9,131 | \$ 9,496 |
| Natural Resource Development and Management | \$ 30,549 | \$ 36,152 | \$ 39,983 | \$ 41,298 | \$ 42,666 | \$ 44,089 | \$ 45,569 |
| Management of Forest Resources | 13,388 | 14,167 | 17,132 | 17,768 | 18,430 | 19,119 | 19,835 |
| Management of Water and Mineral Resources | 17,161 | 21,985 | 22,851 | 23,530 | 24,236 | 24,970 | 25,734 |
| Protection from Health and Safety Hazards | \$ 79,859 | \$ 83,837 | \$ 111,965 | \$ 110,523 | \$ 112,615 | \$ 114,793 | \$ 93,383 |
| Air Pollution Control | 2,946 | 2,766 | 2,899 | 3,015 | 3,136 | 3,261 | 3,391 |
| Water Quality Management | 28,660 | 27,143 | 28,986 | 29,328 | 29,589 | 29,861 | 30,143 |
| Community Environmental Management | 7,916 | 9,853 | 9,419 | 10,273 | 10,663 | 11,070 | 11,504 |
| Solid Waste Management | 15,365 | 14,084 | 39,964 | 40,175 | 40,395 | 40,623 | 17,177 |
| Regulation of Mining | 8,456 | 10,674 | 11,791 | 12,263 | 12,752 | 13,262 | 13,792 |
| Environmental Support Services | 9,364 | 11,251 | 10,930 | 12,424 | 12,921 | 13,438 | 13,975 |
| Radiation Protection | 7,152 | 8,066 | 7,976 | 3,045 | 3,159 | 3,278 | 3,401 |
| Recreation | \$ 28,881 | \$ 28,036 | \$ 36,131 | \$ 37,575 | \$ 39,076 | \$ 40,639 | \$ 42,263 |
| Management of Recreation Areas and Facilities | 28,881 | 28,036 | 36,131 | 37,575 | 39,076 | 40,639 | 42,263 |
| DEPARTMENT TOTAL | <u>\$ 147,622</u> | <u>\$ 156,003</u> | <u>\$ 197,096</u> | <u>\$ 198,738</u> | <u>\$ 203,636</u> | <u>\$ 208,652</u> | <u>\$ 190,711</u> |

ENVIRONMENTAL RESOURCES

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 8,333 | \$ 7,978 | \$ 9,017 | \$ 9,342 | \$ 9,279 | \$ 9,131 | \$ 9,496 |
| Federal Funds | 1,278 | 1,856 | 1,956 | 1,956 | 1,956 | 1,956 | 1,956 |
| Other Funds | 495 | 515 | 533 | 533 | 533 | 533 | 533 |
| TOTAL | \$ 10,106 | \$ 10,349 | \$ 11,506 | \$ 11,831 | \$ 11,768 | \$ 11,620 | \$ 11,985 |

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services. Included are the operations of the Citizens Advisory Council, the Environmental Hearing Board, the Environmental Quality Board, the Water Facilities Loan Board as well as the administration of the Pennsylvania Conservation Corps Act and the Recreation

Improvement and Rehabilitation Act programs of the Economic Revitalization Fund.

The recommended program costs for 1987-88 include \$900,000 for the fourth year of leasing and acquiring new computer equipment and software. This will continue the modernization of the department's data processing capability.

Also included is \$163,000 to increase the staff of the Environmental Hearing Board and to acquire a computerized system to track and manage its case load. This is an important step in eliminating the critical backlog of cases before the board.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 7,289 | \$ 7,078 | \$ 8,117 | \$ 8,442 | \$ 8,779 | \$ 9,131 | \$ 9,496 |
| Electronic Data Processing Support | 899 | 900 | 900 | 900 | 500 | ..... | ..... |
| Economic Revitalization Administration | 145 | ..... | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | \$ 8,333 | \$ 7,978 | \$ 9,017 | \$ 9,342 | \$ 9,279 | \$ 9,131 | \$ 9,496 |

ENVIRONMENTAL RESOURCES

Management of Forest Resources

OBJECTIVE: To provide or assist in effective management of forest lands and to reduce plant loss and damage caused by insects, disease, and forest fires.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 13,388 | \$ 14,167 | \$ 17,132 | \$ 17,768 | \$ 18,430 | \$ 19,119 | \$ 19,835 |
| Federal Funds | 1,832 | 1,808 | 2,488 | 3,928 | 3,928 | 3,928 | 3,928 |
| Other Funds | 7,138 | 7,737 | 8,504 | 8,355 | 8,680 | 8,705 | 8,705 |
| TOTAL | \$ 22,358 | \$ 23,712 | \$ 28,124 | \$ 30,051 | \$ 31,038 | \$ 31,752 | \$ 32,468 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Forest fires | 1,728 | 1,250 | 1,250 | 1,250 | 1,250 | 1,250 | 1,250 |
| Acres burned per fire | 9.9 | 5.2 | 5.2 | 5.2 | 5.2 | 5.2 | 5.2 |
| Acres of private timber land affected by professional assistance | 96,000 | 95,000 | 95,000 | 95,000 | 95,000 | 95,000 | 95,000 |
| Acres reforested | 8,900 | 8,900 | 8,900 | 8,900 | 8,900 | 8,900 | 8,900 |
| Miles of safety strip maintained | 125 | 130 | 130 | 130 | 130 | 130 | 130 |
| Acres receiving insect suppression treatment . | 212,603 | 300,000 | 450,000 | 400,000 | 250,000 | 250,000 | 250,000 |
| Acres receiving silvicultural treatment | 20,000 | 20,000 | 18,500 | 18,500 | 18,500 | 18,500 | 18,500 |

Program Analysis:

This program has the overall responsibility for the protection and enhancement of Pennsylvania's vast forest reserves. Specifically, the program is responsible for the management of two million acres of State forest lands; for providing management assistance to the more than 490,000 owners of private forest lands; and for overseeing fire, insect and disease control activities. These millions of acres of forest lands represent a variety of resources such as timber, watersheds, wildlife habitat and recreation areas to the citizens of the Commonwealth.

Through the application of multiple-use management the two million acres of State forest land provide both economic and social benefits to the Commonwealth. While they are difficult to measure in economic terms, the social benefits and recreational opportunities provided by State forests are significant. State forest lands are managed for municipal water use, natural gas production and underground storage as well as for a wide variety of activities such as hiking,

camping, hunting, fishing, cross-country skiing, canoeing, snowmobiling and other nature activities. The harvest of timber from State forests generated over \$5.8 million in revenues in 1985-86. The program measures showing the acres of forest land receiving silvicultural treatment reflects this level of timber harvest as well as the salvage of insect or fire damaged trees.

Since 1984, the Pennsylvania Conservation Corps has undertaken many maintenance and construction projects in forests across the Commonwealth. These forest lands are predominantly State owned, however, some forests owned by municipalities and counties have benefitted through grants to their governments. In previous years, funding was provided for these programs from the Pennsylvania Economic Revitalization Fund. It is proposed that in 1987-88 funding be shifted to the General Fund, assuring a more permanent program for youth in economically depressed areas. This budget request \$810,000 for the Conservation Corps

Management of Forest Resources (continued)

Program Analysis: (continued)

and \$990,000 for its companion appropriation, Recreational Improvement and Rehabilitation, for projects in forest lands.

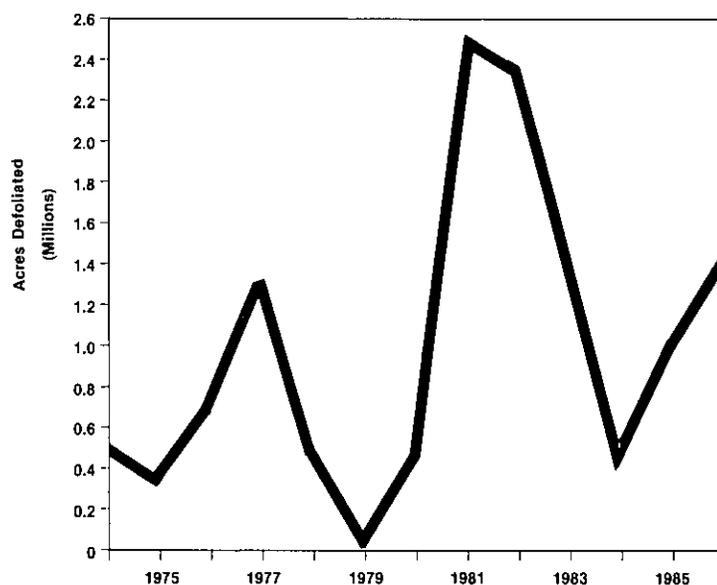
The main threats to the Commonwealth's forest are fires, insects and disease. Forest fires, most of which are caused by humans, burn an average of 6,000 to 9,000 acres per year. While many fires start accidentally, about one-third are maliciously set. The department continues its enforcement and educational efforts to reduce this destruction.

The gypsy moth continues to be the major forest pest problem in Pennsylvania as well as the northeastern United States. As shown in the graph below serious infestation was confined to less than 500,000 acres in 1984. However the infestation cycle has evidently turned upward and is expected to peak in 1987. The program measure showing the acres of forest receiving insect suppression treatment reflects the traditional gypsy moth cycle and availability of Federal funds. The pest remains a serious problem in eastern Pennsylvania, defoliating areas for a second, third and fourth year and causing high mortality on State and privately-owned forest lands. With the westward spread and the continuing problem in the east, it is still likely that the pest will be established State-wide within 4 years.

To combat the increased infestation, a supplemental appropriation of \$475,000 has been requested in 1986-87; an additional \$375,000 has been added for spraying in 1987-88. With this, the department will continue to provide, with the cooperation of county governments, a gypsy moth suppression program aimed at reducing the impact of the pest on private residential and recreational landowners. The approach in this program remains one of integrated pest management with principal reliance on a biological spray

material, *Bacillus thuringiensis* (Bt). Uninhabited privately-owned lands are not treated because of the enormous costs involved. However, personnel are available to advise private landowners with regard to the need for treating their land. Non-inhabited high-value State-owned forest lands will be treated as necessary with an EPA-approved gypsy moth growth inhibitor, Dimilin, because of its effectiveness and lower cost per acre. New insecticides and methods of application will continue to be tested and evaluated in the continuing effort to reduce costs and improve efficiency.

**GYPSY MOTH DEFOLIATION
IN PENNSYLVANIA**



Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| State Forestry Operations | \$ 10,007 | \$ 10,224 | \$ 10,930 | \$ 11,367 | \$ 11,822 | \$ 12,295 | \$ 12,787 |
| Gypsy Moth and Other Insect Control .. | 2,191 | 2,718 | 3,177 | 3,304 | 3,436 | 3,574 | 3,717 |
| Annual Fixed Charges — Forest Lands .. | 1,190 | 1,225 | 1,225 | 1,225 | 1,225 | 1,225 | 1,225 |
| Conservation Corps ..... | ..... | ..... | 810 | 842 | 876 | 911 | 948 |
| Recreation Improvement and Rehabilitation ..... | ..... | ..... | 990 | 1,030 | 1,071 | 1,114 | 1,158 |
| GENERAL FUND TOTAL | \$ 13,388 | \$ 14,167 | \$ 17,132 | \$ 17,768 | \$ 18,430 | \$ 19,119 | \$ 19,835 |

ENVIRONMENTAL RESOURCES

Management of Water and Mineral Resources

OBJECTIVE: To provide effective management of water and mineral resources in order to maximize economic benefits from the utilization of these resources to insure against their undue destruction and depletion.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 17,161 | \$ 21,985 | \$ 22,851 | \$ 23,530 | \$ 24,236 | \$ 24,970 | \$ 25,734 |
| Federal Funds | 29,515 | 56,490 | 53,102 | 51,375 | 51,370 | 51,385 | 51,400 |
| Other Funds | 7,333 | 16,428 | 6,184 | 6,194 | 6,219 | 6,250 | 6,285 |
| TOTAL | \$ 54,009 | \$ 94,903 | \$ 82,137 | \$ 81,099 | \$ 81,825 | \$ 82,605 | \$ 83,419 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Total abandoned mine restoration projects . | 133 | 150 | 170 | 170 | 170 | 170 | 170 |
| Abandoned mine sites designated as potential safety problems | 1,065 | 990 | 895 | 800 | 705 | 610 | 515 |
| Erosion control plans and permits received . | 112 | 120 | 135 | 140 | 140 | 140 | 140 |
| Major geologic, mineral and groundwater resource mapping projects completed . . . | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Obstruction and encroachment permits approved | 1,728 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 |
| Dam inspections | 1,715 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 |
| Acres of forfeited abandoned land reclaimed | 461 | 729 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |

Program Analysis:

Pennsylvania's vast water and mineral resources are managed through comprehensive planning, regulatory activities and project development.

The planning process develops long-range programs for multi-purpose water uses and insures adequate supplies for drinking as well as industrial, agricultural and commercial uses. Programs are also developed for acid mine drainage, pollution abatement and for mine reclamation.

Planning and design work to resolve environmental degradation problems resulting from past coal mining practices is another aspect of this program. Work done under Project 500 deals with the abatement of acid mine drainage, the control and extinguishment of underground mine fires and refuse bank mine fires and the control of surface sub-

sidence from abandoned deep mines. Planning and design work is also performed for projects covered by the Federal Surface Mine Control and Reclamation Act which addresses abandoned mine problems affecting the public health and safety. With the assumption of primacy, that is the responsibility for administering Federal programs, the Commonwealth has been granted substantially more funds.

Following planning and design, this program is responsible for the construction of flood control, recreational and mine drainage restoration projects. It is also responsible for stream improvement functions which restore and rehabilitate flood damaged stream channels to provide protection from more frequent flooding. In 1986-87, \$750,000 was added to the stream improvement program, bringing the total

Management of Water and Mineral Resources(continued)

Program Analysis: (continued)

available for small flood abatement projects to \$1,000,000. In 1987-88, \$34,000 is included to increase the staff which administers this program. The Commonwealth continues to be involved in a cooperative flood control effort with local governments, with the municipality sustaining the flood damage funding land acquisition and utility relocation and the Commonwealth paying for the design and construction of the facility.

To manage and administer water resources regulatory programs, three acts were passed in 1978 which provided for the regulation of the construction, maintenance and operation of dams, water obstructions and encroachments on streams and lakes in Pennsylvania and their contingent flood plains. These same acts also provide for the administration of a Storm Water Management Program.

The Dam Safety and Encroachment Act authorizes the regulation of dams and reservoirs throughout the Commonwealth in order to protect the health, safety and welfare of the citizens and their properties. This act also provides for a statewide program for regulation of construction, operation and maintenance of obstructions, encroachments and changes to the course, current, cross sections or the relocation of any streams and their related 100-year floodway to protect life, property, safety and the riparian rights of the public. The Commonwealth has compiled an inventory of high risk dams and begun an accelerated inspection program of those dams.

Flood plain management is authorized by the Flood Plain Management Act. More active involvement in this program area is anticipated in order to decrease the loss of life and property damage resulting from floods similar to the Agnes,

Eloise, and Johnstown Floods.

The Storm Water Management Program is authorized by the Storm Water Management Act. This act is oriented towards managing and controlling storm water runoff to protect public and private property, decrease flooding along waterways, control erosion and sedimentation, minimize the cost of public facilities to carry and control stormwater and protect and conserve groundwater and groundwater recharge areas.

Closely tied to water resources is the management of the Commonwealth's soil resources. Sedimentation from erosion is one aspect of non-point source pollution of streams and rivers. The preservation of valuable food producing topsoil as well as the problem of non-point pollution caused by nutrients eroded with farmland topsoil, particularly into the Chesapeake Bay are also important concerns in the management of soil resources Bay. For 1987-88, the landowner assistance program which provides grants to farmers is increased by \$400,000.

The Clean Streams Law and the associated rules and regulations of the Erosion Control Program affect every soil-disturbing activity of landowners and developers. Required are surface water controls, soil stabilization measures and sedimentation facilities at every site. Soil conservation districts are used throughout the Commonwealth with training and assistance provided by the department.

The management of Pennsylvania's mineral resources, including the need to find new mineral resources, is carried out through this program. Currently emphasis is placed on energy resources and geologic hazards.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Office of Resources Management | \$ 13,679 | \$ 14,957 | \$ 15,331 | \$ 15,944 | \$ 16,582 | \$ 17,245 | \$ 17,935 |
| Chesapeake Bay Agricultural Source | | | | | | | |
| Abatement | 1,161 | 1,193 | 1,640 | 1,706 | 1,774 | 1,845 | 1,919 |
| Abandoned Mine Reclamation | | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Flood Control Projects | 150 | 1,065 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Delaware River Master | 47 | 61 | 47 | 47 | 47 | 47 | 47 |
| Ohio River Basin Commission | 16 | 5 | 5 | 5 | 5 | 5 | 5 |
| Susquehanna River Basin Commission | 235 | 240 | 249 | 249 | 249 | 249 | 249 |
| Interstate Commission on the Potomac | | | | | | | |
| River Basin | 22 | 22 | 22 | 22 | 22 | 22 | 22 |
| Delaware River Basin Commission | 707 | 742 | 807 | 807 | 807 | 807 | 807 |
| Small Watershed Projects | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Local Soil and Water District Assistants | 800 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Storm Water Management Grants | 169 | 500 | 550 | 550 | 550 | 550 | 550 |
| Chesapeake Bay Commission | 75 | 100 | 100 | 100 | 100 | 100 | 100 |
| GENERAL FUND TOTAL | \$ 17,161 | \$ 21,985 | \$ 22,851 | \$ 23,530 | \$ 24,236 | \$ 24,970 | \$ 25,734 |

ENVIRONMENTAL RESOURCES

Air Pollution Control

OBJECTIVE: To prevent and control emissions from existing and future sources of air contaminants in order to bring existing abnormal concentrations to acceptable levels and to insure continuance of currently acceptable air quality levels.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 2,946 | \$ 2,766 | \$ 2,899 | \$ 3,015 | \$ 3,136 | \$ 3,261 | \$ 3,391 |
| Federal Funds | 4,179 | 4,291 | 4,628 | 4,300 | 4,300 | 4,300 | 4,300 |
| Other Funds | 1,731 | 3,876 | 1,760 | 1,760 | 1,760 | 1,760 | 1,760 |
| TOTAL | \$ 8,856 | \$ 10,933 | \$ 9,287 | \$ 9,075 | \$ 9,196 | \$ 9,321 | \$ 9,451 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Percent of time air basins contamination concentrations exceed acceptable standards | 1% | 3% | 4% | 4% | 4% | 4% | 4% |
| Inspections | 8,507 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 |
| Abatement orders issued | 168 | 150 | 150 | 150 | 150 | 150 | 150 |
| Plan approvals issued | 646 | 650 | 675 | 675 | 675 | 675 | 675 |
| Operating permits in effect | 5,106 | 5,750 | 6,425 | 7,100 | 7,715 | 8,450 | 9,125 |

Program Analysis:

The Commonwealth's efforts to combat air pollution began in 1960. Major program expansion came as a result of the Federal Clean Air Act of 1970. The 1977 amendments to this Federal act increased involvement below the Federal level. The overall statewide program is committed to review, revise, and update control requirements in a manner that will achieve satisfactory air quality, meet State implementation requirements, and provide for industrial growth and environmentally sound energy utilization.

It is important to note that Philadelphia and Allegheny Counties maintain quasi-independent programs that are not reflected in either subcategory financial or program measure data.

The program measure, Percent of Time Air Basin Contaminations Exceed Acceptable Standards, represents long-term annual air quality information relative only to total suspended particulates, settleable particulates, sulfur oxides, and nitrogen oxides. This measure is impacted by program effectiveness, economic conditions, long distance

transports and meteorological conditions in the thirteen air basins in the Commonwealth. While Philadelphia and Allegheny Counties are excluded from this measure, these areas have been very successful in reducing most pollutants.

While ambient monitoring is the best measure of overall air quality, source monitoring is the focus of the compliance effort. The department maintains a computerized emission inventory system that includes approximately 800 facilities with approximately 7,500 individual air contaminant sources. Nearly 600 of these facilities have significant actual emission of one or more of the five Federal criteria pollutants or the potential for emission of hazardous substances and source owners or operators are required by law to provide data to the department. Outputs from this system are used for regulatory planning, modeling of emissions, background for permitting activity, and for fulfilling requests from the public for information on emissions and types of sources.

Continuous emission monitoring (CEM) is another type

Air Pollution Control (continued)

Program Analysis: (continued)

of source monitoring. CEM is performed with in-stack equipment that must be operated by owners of certain large facilities and is used primarily to measure sulfur oxides and opacity. CEM has assumed an increasing role in compliance efforts as well as providing industry with additional flexibility, such as emission averaging, to achieve compliance.

A third source monitoring technique involves stack testing performed by mobile teams. Mobile stack testing provides the ability and flexibility to move equipment to any facility that may be emitting unacceptable levels of pollutants. Approximately 200 such tests are performed each year.

The compliance aspect of the program has several important elements:

Plan Approvals

This item reflects the technical review effort that must be expended as part of the permit process. As existing sources are brought into compliance, the permit program assures that any new source is initially constructed with the best available control technology. This permitting program provides a vital planning tool to assure attainment and maintenance of ambient air quality standards. A moderate increase in plan approval was noted in 1985-86. This is expected to continue as new hazardous waste regulations for incinerators and the burning of waste fuels cause new equipment to be added.

Operating Permits

This indicator is a measure of the inspection and enforcement efforts necessary to assure that sources and control equipment are installed as proposed and that they are maintained and operated as designed. The base estimates for this measure have been changed to reflect permit consolidation. Previously each piece of source

equipment at a given site was permitted. These are now being consolidated so that a site permit is being utilized to cover multiple pieces of source equipment.

Abatement Orders

These are various types of legal documents issued to or negotiated with firms that are in violation of emission standards or other regulatory requirements. Rather than use criminal citations, the department, and often the courts, negotiate letter agreements, compliance orders and consent decrees with firms in violation of air emission standards, especially in those cases where time is needed to abate the problems. As a result of using these alternatives, abatement orders are expected to be used less than in the past.

Inspections

Various types of inspections are conducted by field personnel. Compliance monitoring inspections are conducted once or twice a year at facilities with significant actual or potential emissions to determine if sources are being maintained in compliance with the air quality regulations. Initial operating permit inspections are conducted to assure the installation of new and modified air contamination sources and air cleaning devices as approved by the department. Permit renewal inspections involve all sources with operating permits and are conducted either annually or bi-annually depending on the significance of the source and its emissions. Complaint/emergency investigations constitute a fourth type of inspection.

Supporting the monitoring and compliance efforts is control strategy development, a continuous process of program evaluation and planning providing a mechanism for ensuring that acceptable levels of air quality are achieved and maintained.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Office of Protection..... | <u>\$ 2,946</u> | <u>\$ 2,766</u> | <u>\$ 2,899</u> | <u>\$ 3,015</u> | <u>\$ 3,136</u> | <u>\$ 3,261</u> | <u>\$ 3,391</u> |

ENVIRONMENTAL RESOURCES

Water Quality Management

OBJECTIVE: To maintain and improve the quality of Pennsylvania's water resources for the support of planned and probable water uses and to protect public health by assuring adequate and safe water supplies.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 28,660 | \$ 27,143 | \$ 28,986 | \$ 29,328 | \$ 29,589 | \$ 29,861 | \$ 30,143 |
| Federal Funds | 7,456 | 10,579 | 10,472 | 10,620 | 10,620 | 10,620 | 10,620 |
| Other Funds | 1,435 | 3,539 | 1,867 | 1,144 | 1,117 | 1,117 | 1,117 |
| TOTAL | \$ 37,551 | \$ 41,261 | \$ 41,325 | \$ 41,092 | \$ 41,326 | \$ 41,598 | \$ 41,880 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Sewage and other point source inspections . | 6,520 | 3,200 | 3,200 | 3,200 | 3,200 | 3,200 | 3,200 |
| Enforcement actions | 228 | 200 | 200 | 200 | 200 | 200 | 200 |
| Permits issued for new or improved water pollution control facilities | 216 | 200 | 200 | 200 | 200 | 200 | 200 |
| Approvals of flammable liquid tank installation ..... | . . . . | 600 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 |

Program Analysis:

Chronic surface and groundwater pollution problems in Pennsylvania originate from a variety of sources and are classified into two general categories: point and non-point sources. Point sources are those in which the polluting substances are conveyed into a body of water by a pipe or channel, most commonly sewage discharges, industrial waste discharges, and storm or combined sewage drainage. Non-point sources are generally diffused discharges, such as polluted groundwater, drainage from abandoned mines, and agricultural runoff. A third, more acute, source of water pollution are the spills and accidents most often related to the storage and transportation of various materials, nonhazardous as well as hazardous.

The threat to water quality varies somewhat according to the area within the Commonwealth. In heavy industrial and population centers, sewage and industrial wastes, as well as storm and combined sewer runoff, are the major pollution problems. In the bituminous coal mining regions of western and central Pennsylvania, drainage from abandoned mines create serious water quality problems. Active mines are also potential sources of pollution. The anthracite areas of northeastern Pennsylvania face the same situation. Oil and

gas well operations are sources of pollution in northwestern Pennsylvania. More widespread potential pollution problems include: malfunctioning on-lot sewage disposal facilities; erosion and sedimentation caused by agricultural, construction and other earth-moving operations; and the discharge of heated water from any of the nuclear or fossil-fueled generating facilities located across the Commonwealth.

Pollution means more than dumping wastes into a body of water. Water treatment plants are very effective in preventing infectious water-borne diseases caused by normal waste production, but they are less effective in dealing with toxic chemicals that were released into the environment in accelerated amounts during the post-war industrial boom. The scientific community has begun to realize the consequences of these toxic materials and that some of them are carcinogenic.

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

Water Quality Management (continued)

Program Analysis: (continued)

facilities, and maintaining a statewide surface and groundwater quality monitoring program. This budget contains a \$271,000 expansion. Part of this is the last year of a three year upgrade of the water quality permitting and compliance functions. 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 which reviews facilities planning and assists local governments in accommodating growth and development is also to be expanded; \$108,000 is included to fund this expansion.

Overall, this program has resulted in the investment of over 10 billion dollars by industries, municipalities, and others in water pollution control facilities in Pennsylvania.

Approximately 79 percent of the State's 13,000 miles of major streams comply with State/Federal water quality standards.

In January, 1987, the responsibility for inspecting underground storage tanks (primarily gasoline) was transferred from the State Police Fire Marshal to the department, underscoring the threat to the groundwater by thousands potentially leaking tanks. The program measure showing the approvals of flammable liquid tank installations reflect this mid-year transfer.

The program measure for sewage and other point source inspections decreases because of revisions in the enforcement program required by the U.S. Environmental Protection Agency. The emphasis for inspection has shifted from inspection of most wastewater discharges, regardless of size or impact, to more intense inspection of selected major dischargers.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Office of Protection | \$ 4,867 | \$ 5,515 | \$ 6,189 | \$ 6,531 | \$ 6,792 | \$ 7,064 | \$ 7,346 |
| Sewage Facilities Planning Grants | 500 | 500 | 500 | 500 | 500 | 500 | 500 |
| Sewage Facilities Enforcement Grants ... | 1,470 | 1,650 | 1,900 | 1,900 | 1,900 | 1,900 | 1,900 |
| Sewage Treatment Plant Operations Grants | 18,183 | 19,000 | 20,300 | 20,300 | 20,300 | 20,300 | 20,300 |
| Ohio River Valley Water Sanitation Commission | 90 | 97 | 97 | 97 | 97 | 97 | 97 |
| Huntingdon State Correctional Institu- tion Utilities | 2,000 | 381 | ..... | ..... | ..... | ..... | ..... |
| Clearfield Company Water Projects | 400 | ..... | ..... | ..... | ..... | ..... | ..... |
| Hempfield Township Water Projects | 300 | ..... | ..... | ..... | ..... | ..... | ..... |
| Castle Shannon Water Project | 50 | ..... | ..... | ..... | ..... | ..... | ..... |
| Ferguson Township Water Project | 50 | ..... | ..... | ..... | ..... | ..... | ..... |
| Hatboro Boro Water Project | 350 | ..... | ..... | ..... | ..... | ..... | ..... |
| Catasauqua Boro Water Project | 400 | ..... | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | \$ 28,660 | \$ 27,143 | \$ 28,986 | \$ 29,328 | \$ 29,589 | \$ 29,861 | \$ 30,143 |

ENVIRONMENTAL RESOURCES

Community Environmental Management

OBJECTIVE: To minimize the incidence of diseases associated with home and community environment.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 7,916 | \$ 9,853 | \$ 9,419 | \$ 10,273 | \$ 10,663 | \$ 11,070 | \$ 11,504 |
| Federal Funds | 2,767 | 3,728 | 3,187 | 3,234 | 3,282 | 3,332 | 3,383 |
| Other Funds | 147 | 438 | 438 | 438 | 438 | 438 | 438 |
| TOTAL | \$ 10,830 | \$ 14,019 | \$ 13,044 | \$ 13,945 | \$ 14,383 | \$ 14,840 | \$ 15,325 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Inspections of food establishments | 13,864 | 15,500 | 16,500 | 17,500 | 18,500 | 18,500 | 18,500 |
| Inspections of public bathing places, and schools | 3,298 | 2,500 | 2,600 | 2,700 | 2,800 | 2,900 | 3,000 |
| Communities receiving State grants for rat and other vector control | 48 | 45 | 45 | 45 | 45 | 45 | 45 |
| Inspections of public drinking water supplies | 6,000 | 4,750 | 5,000 | 5,500 | 5,500 | 5,500 | 5,500 |
| Sanitary surveys of public drinking water supplies | 764 | 800 | 825 | 825 | 825 | 825 | 825 |
| Annual Permits Issues — Seasonal Farm Labor Camps | 205 | 250 | 300 | 350 | 350 | 350 | 350 |
| Residents of areas in Blackfly Suppression program | 1,850,000 | 1,920,000 | 1,920,000 | 1,920,000 | 2,351,000 | 2,351,000 | 2,351,000 |

Program Analysis:

Ensuring that the citizens of the Commonwealth are provided with clean drinking water is one of the highest priorities for local, State and Federal governments. The Pennsylvania Safe Drinking Water Act and the Federal Safe Drinking Water Act are the primary regulatory instruments governing public water systems, the basic providers of drinking water to most people in the Commonwealth. The Commonwealth has assumed primacy, that is, the responsibility to administer the Federal program and assure that the public water systems meet Federal standards.

Program activities, both State and Federal, involve permitting and compliance, contaminant investigation and control, and public protection and education. Over the next four years, 1,200 existing community drinking water systems must be given new permits. In addition, there will be emergency

and construction permits for those systems responding to problems or upgrading their capabilities and amendments to permits resulting from enforcement activities. An increase in staff is needed in order to process permits without delays to the applicants.

This program also provides consultative services and inspections to assist in identifying and correcting threats to a community's water supply, including the Giardia Monitoring Team which focuses on unfiltered surface water sources. When contaminants are found in water supplies, the department must investigate, research and evaluate health impacts, establish safe drinking water levels, provide technical advice for remediation and respond appropriately to the concerns expressed by the public. Additional staff is needed for surveillance, compliance monitoring,

Community Environmental Management (continued)**Program Analysis: (continued)**

vulnerability assessments, public notification, laboratory analysis and data management.

Standards continue to become more stringent as potential health hazards are identified. For example, the Federal Safe Drinking Water Act of 1986 placed several significant new requirements on the states to regulate and monitor additional contaminants, mandated filtration of community water systems and prohibited lead in drinking water. These standards also increase the workload of the state program. This budget contains \$655,000 to increase permitting and compliance activities, investigation and research when contaminants are found in water supplies, technical assistance to local governments and individuals in removing lead from their drinking water and other activities mentioned above.

The program measure showing the inspection of public drinking water supplies increased in 1985-86, reflecting a surge in inspections caused by an amendment to the Federal Safe Drinking Water Act. The number drops in 1986-87 as these compliance inspections have been performed.

There are approximately 2,500 community water supplies in the Commonwealth serving 10 million residents, 8,000 non-community water systems generally serving restaurants, industries, schools and motels, and 700,000 private water supplies which must comply with standards. Approximately one-third of the community water systems and two-thirds of the private water supplies have deteriorated to where over four million people are at risk of being served unsafe water.

To help community water systems fund needed construction and remediation, the Water Facilities Loan Program was begun in January 1984. A public referendum authorized a \$300 million bond issue of which at least \$220 million is dedicated to loans to community water systems. Approximately 100 loans for improvements of various community water supply facilities have been approved and an additional 40 applications expected in 1986-87.

Safe food is also essential to human health. If food is contaminated, it can cause illness or even death. Mishandling of food increases the risk of food-borne diseases.

The department is mandated to insure the safety of food provided to the public from the State's food service facilities. The department is responsible for the establishment and implementation of uniform regulations and standards throughout the State and must evaluate the food programs of county and local health departments. Five county health departments and numerous city, borough, and first class township health departments are responsible for licensing

and inspecting 34,000 establishments. The department licenses and inspects 17,000 establishments located in municipalities not having their own health departments.

The food protection program utilizes inspections, consultation, and legal action in directly regulating the food establishments. Studies show a direct relationship between the frequency of inspection and the sanitary conditions of the establishments. Establishments free of significant violations at the time of inspection present a decreased hazard of illness to the public. The department cooperates with the restaurant industry, academic institutions and professional organizations in training about 2,000 food service personnel annually.

The program measure for the inspection of public bathing places, and schools formerly included the inspection of organized camps and campgrounds. The number of inspections decreases from 1985-86 to 1986-87 as the inspection of camps and campgrounds is no longer being done.

Camps housing seasonal farm laborers are also inspected as part of this program. These workers are primarily involved with the harvest of fruit, vegetables and mushrooms. Under the Seasonal Farm Labor Act, camps are permitted and inspected to insure clean, safe and sanitary camp facilities.

The school programs provide high environmental sanitation standards and safety to the Commonwealth's 3,644 public and private academic schools. School inspections are conducted as mandated by State law.

The purpose of the Vector Control Program, is to solve insect and rodent problems that threaten public health by advancing community environmental improvement with grants-in-aid designed to eliminate rat sources through training and education of municipal workers, supervising insect control operations, conducting applied research projects and directing emergency State vector control operations during natural disasters. Targeted areas include dumps, dilapidated buildings, outbuildings, litter, overgrown and crumbling stone-wall stream banks, incinerators and disposal sites, as well as root clogged storm and sanitary sewer systems.

The summer of 1986 continued to show the positive effects of the Black Fly Control Program. Even with only a few counties participating, the black fly was dramatically reduced in central Pennsylvania, freeing many citizens as well as visitors and tourists from the torments associated with the pest.

| |
|--------------------------------|
| ENVIRONMENTAL RESOURCES |
|--------------------------------|

Community Environmental Management (continued)

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|------------------------|------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Office of Protection | \$ 5,611 | \$ 5,116 | \$ 6,234 | \$ 6,980 | \$ 7,259 | \$ 7,550 | \$ 7,862 |
| Water Quality Testing Laboratory | 305 | 307 | 317 | 330 | 343 | 357 | 371 |
| Black Fly Control | 1,500 | 2,498 | 2,100 | 2,184 | 2,271 | 2,362 | 2,457 |
| Vector Control | 500 | 500 | 500 | 500 | 500 | 500 | 500 |
| Seasonal Farm Worker Camp Inspection ..... | ..... | 210 | 268 | 279 | 290 | 301 | 314 |
| Water, Sewer and Stream Improvements ..... | ..... | 1,222 | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | <u><u>\$ 7,916</u></u> | <u><u>\$ 9,853</u></u> | <u><u>\$ 9,419</u></u> | <u><u>\$ 10,273</u></u> | <u><u>\$ 10,663</u></u> | <u><u>\$ 11,070</u></u> | <u><u>\$ 11,504</u></u> |

ENVIRONMENTAL RESOURCES

Solid Waste Management

OBJECTIVE: To minimize present or potential hazards to human health and the environment from improper and inadequate solid waste management practices

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 15,365 | \$ 14,084 | \$ 39,964 | \$ 40,175 | \$ 40,395 | \$ 40,623 | \$ 17,177 |
| Federal Funds | 3,814 | 12,900 | 13,092 | 13,771 | 13,959 | 14,158 | 14,366 |
| Other Funds | 2,440 | 6,206 | 1,106 | 1,048 | 995 | 1,020 | 1,070 |
| TOTAL | \$ 21,619 | \$ 33,190 | \$ 54,162 | \$ 54,994 | \$ 55,349 | \$ 55,801 | \$ 32,613 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Hazardous waste inspections performed ... | 1,314 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Hazardous waste facilities permitted and licensed under Act 97 | 190 | 170 | 160 | 120 | 130 | 120 | 120 |
| Abandoned site inspections or investigations | 348 | 383 | 418 | 418 | 25 | 25 | 25 |
| Municipal and residual waste facilities permitted | 348 | 409 | 409 | 409 | 409 | 409 | 409 |
| Hazardous waste sites receiving remedial action | 2 | 14 | 17 | 19 | 21 | 21 | 21 |

Program Analysis:

Solid waste management has been and will continue to be a major environmental issue. Pennsylvania citizens and industry generate an estimated 9 million tons of municipal waste, 25 million tons of residual waste, and 5 million tons of hazardous waste per year that are regulated under this program.

Solid waste is a generic term that includes within its definition wastes generated from residential, commercial, industrial and agricultural activities. Solid wastes are classified into three major groups.

MUNICIPAL WASTES: Any garbage, refuse or waste resulting from the operation of residential, municipal, commercial or institutional establishments and community activities.

RESIDUAL WASTES: Any discarded material or other waste resulting from an industrial, mining, water treatment, wastewater treatment or air pollution control facility, provided that the waste is not hazardous. Residual waste

does not include agricultural waste produced in normal farming operations or coal mining and mineral waste.

HAZARDOUS WASTE: Any discarded material or other waste which, because of its quantity, concentrations, or characteristics, may cause or significantly contribute to an increase in mortality, or pose a substantial hazard to human health or the environment when improperly treated, stored, transported, or discarded.

Pennsylvania is one of the leading producers of hazardous waste. The Commonwealth's industries annually generate five million tons of hazardous waste, of which one million tons are transported from the generating facility for disposal elsewhere. Of this one million tons, 28 percent is shipped out of the Commonwealth for disposal elsewhere.

The hazardous waste program involves control of materials from the point of generation to the point of disposal. All entities engaged in hazardous waste management must complete notifications to the department.

Solid Waste Management (continued)

Program Analysis: (continued)

Storage, treatment and disposal facilities must acquire department permits. Those who transport these wastes must be licensed. Manifest documents of all shipments are tracked to insure proper disposal. Facilities operating without department permits are subject to investigation, enforcement and remedial actions. Illegal activities are halted by enforcement measures while plans and documents are reviewed and permits issued.

The cleanup of dangerous hazardous waste sites will accelerate over the next four years; a Program Revision describing this expansion is appended to this subcategory.

These activities are authorized and mandated by several statutes. The Federal program began with the 1976 Resource Conservation and Recovery Act (RCRA), which was amended in 1984 to expand its scope. This act empowers the regulation of the generation, transportation and disposal of wastes. The Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA), better known as "Superfund", concerns the cleanup of hazardous waste sites; funding is provided by a dedicated tax. CERCLA was re-authorized in 1986. The Solid Waste Management Act (Act 97 of 1980) implemented comprehensive Commonwealth programs for control of municipal, residual and hazardous waste. Act 97 also allowed the Commonwealth to assume primacy for the Federal programs; this was granted in February 1986. These Federal and State efforts now regulate approximately 2,400 generators, transporters,

and storage, treatment and disposal facilities in the Commonwealth.

Although approximately 80 percent of the Commonwealth's solid waste effort is devoted to the control of hazardous wastes, this category is the smallest of the three solid waste groups in terms of tonnage.

In terms of volume, residual waste represents the largest portion of solid waste. Permits have been required for the disposal of residual waste since 1970. However, department policy in early program years directed all available resources to permitting of municipal waste landfills and closing open dumps. In 1974, the department began permitting residual waste sites. However, with the priority given to the hazardous waste program, progress has been slow.

Over 95 percent of the 9 million tons of municipal waste is disposed of in sanitary landfills; four percent is incinerated and one percent is recycled. Many current sites are reaching capacity and, due to public concern and opposition, new sites are not being established. As a result, local governments are having greater difficulty in finding landfills to accept their wastes and are experiencing escalating costs for this method of disposal. Clearly this reliance on landfills for municipal waste disposal, plus the critical lack of landfill capacity over much of the Commonwealth, demands that alternatives to landfills be developed. Alternative methods being adopted include recycling, waste-to-energy and resource recovery facilities.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Office of Protection | \$ 4,050 | \$ 4,864 | \$ 5,280 | \$ 5,491 | \$ 5,711 | \$ 5,939 | \$ 6,177 |
| Hazardous Waste Control | 7,834 | 8,684 | 33,684 | 33,684 | 33,684 | 33,684 | 10,000 |
| Solid Waste Disposal Planning Grants... | 981 | 386 | 1000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Resource Recovery Grants | 2,500 | ..... | ..... | ..... | ..... | ..... | ..... |
| Lansdowne Superfund Clean-up ..... | ..... | 150 | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | <u>\$ 15,365</u> | <u>\$ 14,084</u> | <u>\$ 39,964</u> | <u>\$ 40,175</u> | <u>\$ 40,395</u> | <u>\$ 40,623</u> | <u>\$ 17,177</u> |

ENVIRONMENTAL RESOURCES

Solid Waste Management Program Revision: Hazardous Waste Sites Cleanup

Recommended Program Revision Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|---------------|------------------|------------------|------------------|------------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u> </u> | <u> </u> | <u>\$ 25,000</u> | <u>\$ 25,000</u> | <u>\$ 25,000</u> | <u>\$ 25,000</u> | <u>\$ 1,316</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Waste Sites Assessed for Possible State Program Cleanup | | | | | | | |
| Current | | | | | | | |
| Program Revision | | | 1,925 | 100 | 75 | 50 | 50 |
| Hazardous Waste Sites Scheduled for Cleanup Annually | | | | | | | |
| Current | | 5 | 5 | 5 | 5 | 5 | 5 |
| Program Revision | | | 5 | 8 | 10 | 12 | 15 |
| Annual Maximum Legal Caseload— Responsible Party Site Cleanups | | | | | | | |
| Current | 20 | 50 | 50 | 50 | 50 | 50 | 50 |
| Program Revision | | | 120 | 120 | 120 | 120 | 120 |

Program Analysis:

Over 2,000 inactive waste sites in the Commonwealth have been identified as potentially hazardous and it is likely that more will be discovered. Only about half of the known sites have been inspected to determine the nature of the materials present and assessed as to the dangers a site may present to citizens and to the environment of the Commonwealth. Of the approximately 250 sites currently considered dangerous enough to require cleanup, only two have actually been finished—and one of these is likely to require additional remedial action. This Program Revision Request begins a major effort to accelerate the cleanup of inactive hazardous waste sites by the year 2000.

The first objective of this Program Revision is to define the size and nature of the hazardous waste problem in the Commonwealth. All known inactive waste sites are to be inspected and assessed in the 1987-88 fiscal year; any sites newly discovered are to be immediately inspected and assessed. Only then will the scope of the problem be accurately known.

Inspection and assessment is also required to place sites on the Federal National Priority List (NPL). This is used to rank and qualify sites for federally funded remedial action under the Federal Comprehensive Environmental Response, Comprehensive and Liability Act of 1980, better known as

“Superfund”. This program was re-authorized late in 1986. A site will not qualify for Federal cleanup funds until it is placed on the list. As Pennsylvania is competing with other states for cleanup monies, it is to the Commonwealth’s advantage to complete inspection and assessment as rapidly as possible.

The second objective is to accelerate the Federal cleanup program in the Commonwealth. Approximately 80 sites in the Commonwealth have been determined to be eligible for cleanup under Superfund; this may triple as the inspection and assessment of sites is completed. Under the current program level, perhaps five sites per year over the next three years will be cleaned up. The goal of this Program Revision is to increase the cleanup to 15 sites per year five years from now. To accomplish this, the department will increase its capability to complete remedial investigations and feasibility studies as well as site construction designs by almost doubling the staff assigned to the hazardous waste control program. While most new staff will be concentrating on inspection and assessment of sites, other areas of the program will also be increased. More legal staff will be added to the department’s Office of Chief Counsel to establish a legal team solely devoted to this program. This team will not only initiate cost recovery actions and prosecution

**Solid Waste Management
Program Revision: Hazardous Waste Sites Cleanup (continued)**

Program Analysis: (continued)

against those responsible for improper disposal of hazardous wastes but also negotiate settlements whereby site cleanup costs would be eventually borne by those directly and indirectly responsible. A toxics management team is to be created, supplying the program's expertise in toxicology, epidemiology and biochemistry as well as testifying as expert witnesses in court proceedings. The team will have the capability to assess the nature of the problem at each site and help determine the most effective remedial action.

This Program Revision will also provide for increased staff to handle the increased workload generated in supporting organizations. The Office of Engineering processes and monitors the construction designs and contracts which will multiply as sites are readied for remedial actions. Samples taken at sites will increase, therefore the Bureau of Laboratories will need additional staff to analyze these samples and produce timely information.

Also related are increases in planning and management of existing and future sites as well as closed sites to ensure that these sites do not become problems which require remedial action in the future. A 20-year Commonwealth plan for managing hazardous wastes, including those wastes from cleanup projects, is to be developed. The plan is to emphasize reduction of the amount of hazardous wastes generated, detoxification and treatment at the facility producing wastes, and resource recovery. Finally, staff is needed to develop and implement greater public participation in making decisions involving all aspects of the program.

The third objective concerns the many sites which will not receive Federal funds, but pose some threat to citizens and the environment. This could represent a significant number of sites beyond those to be funded by Superfund. Under the current program, no State funds are available to cleanup sites which do not qualify for Federal funds. This Program Revision will provide funds for these sites.

It is important that a new direction be taken by the Commonwealth, not only to cleanup the aforementioned sites, but also to actively promote responsible management by those who produce, and dispose of, hazardous wastes. To do this, legislation is to be introduced which will cover areas such as the definition of the Commonwealth's role for both site assessment and actual cleanup, enforcement and cost recovery methods, citizen rights and involvement in the program, obligation and rights of responsible parties, operation and maintenance responsibilities, cleanup standards, and incentives for the siting of new, environmentally sound hazardous waste facilities.

The initial \$25 million for this Program Revision is to come from the General Fund, as an initial downpayment. To augment this, the legislation to follow will establish a funding mechanism financed by contributions from both the public and private sector working in partnership to provide the cleanup of hazardous waste sites and the abatement of conditions endangering public health and the environment.

Recommended Program Revision Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------|-------------------------------|--------------|------------------|------------------|------------------|------------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Hazardous Waste Control | <u>.....</u> | <u>.....</u> | <u>\$ 25,000</u> | <u>\$ 25,000</u> | <u>\$ 25,000</u> | <u>\$ 25,000</u> | <u>\$ 1,316</u> |

ENVIRONMENTAL RESOURCES

Regulation of Mining

OBJECTIVE: To maximize the economic benefits from mining activities while minimizing the negative environmental, health and safety consequences of such activities.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 8,456 | \$ 10,674 | \$ 11,791 | \$ 12,263 | \$ 12,752 | \$ 13,262 | \$ 13,792 |
| Federal Funds | 9,096 | 10,662 | 10,829 | 10,909 | 11,218 | 11,536 | 11,865 |
| Other Funds | 545 | 1,233 | 500 | 500 | 500 | 500 | 500 |
| TOTAL | \$ 18,097 | \$ 22,569 | \$ 23,120 | \$ 23,672 | \$ 24,470 | \$ 25,298 | \$ 26,157 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Mine permit actions: | | | | | | | |
| Coal | 1,166 | 1,000 | 600 | 500 | 500 | 500 | 500 |
| Non-coal | 116 | 125 | 125 | 125 | 125 | 125 | 125 |
| Inspections: | | | | | | | |
| Complete coal inspections | 13,394 | 14,000 | 13,750 | 13,500 | 13,250 | 13,000 | 13,750 |
| Partial coal inspections | 20,930 | 23,000 | 22,500 | 22,000 | 21,500 | 21,500 | 21,000 |
| Non-coal inspections | 2,248 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Oil and gas field inspections | 9,716 | 9,750 | 10,400 | 12,000 | 12,000 | 12,000 | 12,000 |
| Surface mine enforcement actions | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Mine subsidence insurance policies in effect | 26,957 | 31,000 | 35,000 | 39,000 | 43,000 | 47,000 | 51,000 |
| Employees trained in mine safety | 9,276 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 |
| Well permit applications processed | 4,004 | 5,000 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 |

Program Analysis:

The purpose of this program is to minimize adverse environmental impact from active mining operations. Through the administration of State and Federal laws, this program regulates active surface mining operations, coal refuse disposal, and the surface effects of active underground mining related to subsidence. 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 underground mines, as well as surface mining. 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.

The additional State and Federal funds related to the Coal Mining Primacy program have enabled the department to expand its staff and facilities to meet the levels of regulatory involvement required in the delegated program. Significant output requirements are: once-per-month inspections, a complete quarterly inspection, ten day response to problems or complaints received through the Federal Office of Surface Mining (OSM) and bond release inspections within 30 days of receipt of the application. Less extensive partial inspections are conducted in each of the other two months of the quarter.

Primacy has required more effort to be expended in the

Regulation of Mining (continued)

Program Analysis: (continued)

permitting of mining operations because of the increased level of review detail. This has increased the length of time it takes to process a permit. Further, the amount of permit application activity has more than doubled since 1977, and data requirements have expanded to levels far exceeding the pre-Federal Act program.

Another important program under primacy is assistance to small coal operators for the preparation of certain technical portions of their permit applications. This program is Federally funded but is administered by the department. During the past three years, the department has conducted extensive re-permitting of surface mines in the Commonwealth. This, coupled with more stringent requirements, has reduced the number of permit applications but has not greatly reduced the number of active mines as many mines were, in reality, inactive. The number of deep mines, on the other hand, has decreased, primarily due to economic conditions.

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 Volume I of this budget.

Over half of Pennsylvania's coal production comes from underground coal mining where the potential for accidents far exceeds that found in surface mining operations. The

number of fatalities has continued to be low in Pennsylvania, although it is higher than the all-time low established in 1978-79. At the same time, disabling injuries have also been on the rise. The reality of increased accidents results in the obligation of mine management, mine labor and government to cooperate in a unified effort to make the deep mine working environment as safe as possible.

The Office of Deep Mine Safety has, for several years, been engaged in conducting mine safety training programs to minimize the number of accidents. Certification requirements for underground mine workers are also managed by this program thereby directly influencing the type and degree of expertise of personnel working in responsible positions underground.

The Bureau of Oil and Gas Management is responsible for administering laws and regulations covering the oil and gas industry in Pennsylvania. Through a permitting system for drilling activity, inspecting drilling and storage sites, and monitoring and enforcement actions, the program works toward protecting the environment and balancing conflicting interests of the oil, gas and coal industries. Over the past year there has been a restructuring of regulatory requirements governing oil and gas activities; new bonding requirements, expansion of permitting activities, restrictions for the protection of water supplies and natural resources, revised casing and plugging regulations, and other technical activities. It should be noted that the program measure showing well permit applications processed decreased substantially from the levels previously shown. This does not mean a decrease in actual drilling. Rather it shows that, with the new bonding and regulatory requirements, fewer "frivolous" applications, that is, for sites on which no drilling will actually occur, are being submitted.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Deep Mine Safety Inspections | \$ 2,945 | \$ 3,022 | 3,117 | \$ 3,242 | \$ 3,371 | \$ 3,506 | \$ 3,646 |
| Office of Protection | 5,407 | 7,592 | 8,664 | 9,011 | 9,371 | 9,746 | 10,136 |
| Interstate Mining Commission | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Emergency Mine Subsidence Relief | 94 | ..... | ..... | ..... | ..... | ..... | ..... |
| Anthracite Bond Fund ..... | ..... | 50 | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | <u>\$ 8,456</u> | <u>\$ 10,674</u> | <u>\$ 11,791</u> | <u>\$ 12,263</u> | <u>\$ 12,752</u> | <u>\$ 13,262</u> | <u>\$ 13,792</u> |

ENVIRONMENTAL RESOURCES

Environmental Support Services

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 9,364 | \$ 11,251 | \$ 10,930 | \$ 12,424 | \$ 12,921 | \$ 13,438 | \$ 13,975 |
| Federal Funds | 349 | 471 | 516 | 531 | 547 | 564 | 581 |
| Other Funds | 828 | 1,166 | 1,197 | 1,197 | 1,197 | 1,197 | 1,197 |
| TOTAL | \$ 10,541 | \$ 12,888 | \$ 12,643 | \$ 14,152 | \$ 14,665 | \$ 15,199 | \$ 15,753 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--------------------------------|---------|---------|---------|---------|---------|---------|---------|
| Inorganic analyses | 671,155 | 850,000 | 850,000 | 850,000 | 850,000 | 850,000 | 850,000 |
| Organic samples | 8,037 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 |
| Court appearances | 21 | 20 | 20 | 20 | 20 | 20 | 20 |
| Bacteriological analyses | 32,125 | 37,500 | 37,500 | 37,500 | 37,500 | 37,500 | 37,500 |
| Radiological samples | 3,415 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |

Program Analysis:

This program encompasses the technical and administrative support efforts of the Commonwealth's environmental protection activities.

The laboratory program is an essential service function for all Environmental Protection bureaus and provides analytical data for the determination of pollution levels in the total environment. Toxic chemicals and metals are analyzed in streams and lakes, solid waste, drinking water, industrial waste and fish; radiation is measured from a multitude of media including milk and other food stuffs, water and air; bacteria are monitored in drinking water, bathing beaches and sewage treatment plants; direct services are provided to homeowners to determine water potability; and inorganic pollutants are measured in air, water, mine drainage, industrial waste and sewage outflow.

Laboratory services continue to become increasingly complex as more potential hazards are identified and as additional and more frequent samplings are required. Program expansions in Solid Waste Management, Water Quality Management, Management of Water and Mineral Resources, Radiation Protection and Regulation of Mining (including Oil and Gas Management) continue to increase workloads as well as add to the complexity of analysis. A

major portion of the increase in inorganic analysis, for example, results from more frequent surface mine inspection sampling. To fulfill its responsibility, the laboratory continues to acquire the most modern equipment as well as automating functions where possible. Also important are skilled personnel, quality assurance and the best methodologies to provide the most accurate information.

The Emergency Management and Response program is also included. The department provides local firefighters, police and local officials assistance during emergency pollution incidents and natural disasters when toxic substances are released or spilled. This budget includes \$400,000 to further staff and equip teams expert in the containment of hazardous substances. These teams will also provide training to local firefighters and officials in the handling of these substances in emergency situations.

Management Services furnishes administrative and clerical support to the Office of Environmental Protection. Functions include bonding for mining, hazardous waste and mine subsidence (including the computerization of this function); budget and fiscal management; grant execution; and data processing as well as maintenance of central filing and analysis systems.

| |
|--------------------------------|
| ENVIRONMENTAL RESOURCES |
|--------------------------------|

Environmental Support Services (continued)

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Office of Protection..... | \$ 9,364 | \$ 9,751 | \$ 10,930 | \$ 12,424 | \$ 12,921 | \$ 13,438 | \$ 13,975 |
| Laboratory and Regional Office | | | | | | | |
| Equipment ..... | ..... | 1,500 | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | <u>\$ 9,364</u> | <u>\$ 11,251</u> | <u>\$ 10,930</u> | <u>\$ 12,424</u> | <u>\$ 12,921</u> | <u>\$ 13,438</u> | <u>\$ 13,975</u> |

ENVIRONMENTAL RESOURCES

Radiation Protection

OBJECTIVE: To protect all individuals from unnecessary radiation exposure from natural and artificial radiocontamination and unnecessary occupational and medical exposure.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------------|-------------------------|------------------------|------------------------|------------------------|------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 7,152 | \$ 8,066 | \$ 7,976 | \$ 3,045 | \$ 3,159 | \$ 3,278 | \$ 3,401 |
| Federal Funds | 151 | 1,801 | 996 | 959 | 959 | 959 | 959 |
| Other Funds | 1,219 | 2,162 | 2,209 | 2,319 | 2,435 | 2,557 | 2,685 |
| TOTAL | <u>\$ 8,522</u> | <u>\$ 12,029</u> | <u>\$ 11,181</u> | <u>\$ 6,323</u> | <u>\$ 6,553</u> | <u>\$ 6,794</u> | <u>\$ 7,045</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Radiation user inspections performed..... | 900 | 1,200 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| Users brought into compliance through inspections | 35 | 60 | 500 | 500 | 500 | 500 | 500 |
| Nuclear plant off-site samples | 3,347 | 4,000 | 4,500 | 4,500 | 4,500 | 4,500 | 4,500 |

Program Analysis:

The sources of radiation to which people can be exposed are both man-made and natural. Ionizing radiation can result from routine and emergency operations of nuclear power plants, from transportation of radioactive materials, from use of radioisotopes and X-rays in medicine, industry, and university laboratories, and from operations at waste disposal facilities. Sources of non-ionizing radiation include laser technology, microwave technology and radio frequency sources. In the Commonwealth, the main source of naturally occurring radiation is radon, a radioactive daughter of uranium which is widespread in eastern Pennsylvania.

The program utilizes four means to protect citizens from exposure to dangerous levels of radiation. First is the regulation, licensing and inspection of radiation source users. This involves the registration of radiation producing equipment, the licensing of users of radioactive materials and the inspection of facilities to assure compliance with regulations. The program measure for inspections indicates a higher than expected number of inspections in 1985-86. This higher level of inspections has been possible as a separate radon program has become operational freeing resources for more work on radiation inspections. The program measure showing the number of users brought into compliance is projected to increase as new regulations become effective in 1986-87.

Second, the department monitors the environment for

radiation. This is primarily done in the vicinity of major users of radioactive materials, such as nuclear power plants. Off-site samples taken near nuclear power plants are expected to increase as new sampling equipment and techniques become operational. 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. A low cost homeowner's loan program for remedial action has been established through the Pennsylvania Housing Finance Agency. In addition, a program to fund demonstration projects for homeowners was funded in 1986-87.

The third means of protection 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 fourth area involves planning and emergency preparedness to protect citizens of the Commonwealth in

Radiation Protection (continued)

Program Analysis: (continued)

the event of accidents involving radioactive materials at power plants and other facilities utilizing radioactive materials. Routine drills and exercises and other planning measures are undertaken to prepare for accidents, fires or spills either at the facilities or in the transportation of materials.

Safe disposal of low-level radioactive waste, that is the disposal of such items as contaminated filters, gloves and clothing from hospitals, industries, and university research centers, is also a part of this program. (Spent nuclear fuel and similar highly radioactive materials are not included.) Since the Commonwealth is a major generator of these materials, a disposal site will be established within its borders. The Appalachian Low-Level Radioactive Waste Compact (Act 120 of 1985) committed Pennsylvania to establish a low-level radioactive waste disposal site for the four states in the compact — Delaware, Maryland, West Virginia and Pennsylvania. The next step is the passage of

legislation governing the selection of a site, operation of the facility and transportation of wastes to the site. This budget contains \$1,329,000 to establish the Low Level Radioactive Waste Program which will begin these next steps.

In addition, two other activities important to this program continue. The decontamination and recovery of the Three Mile Island (TMI) reactor is proceeding. It is anticipated that the decontamination process, the removal of the core, and subsequent shipments of radioactive wastes offsite will take several more years. This budget provides the final \$5 million installment of the Commonwealth's six year contribution.

The Federal Government's Uranium Mill Tailings Remedial Action program at Canonsburg is in its final stages. The major remedial action is complete; some off-site work, including checking radon levels, remains. Therefore, this budget contains a request for \$40,000.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Office of Protection | \$ 288 | ..... | ..... | ..... | ..... | ..... | ..... |
| Canonsburg Remedial Action | 996 | 500 | 40 | ..... | ..... | ..... | ..... |
| Radon Testing | 868 | 1,366 | 1,407 | 1,463 | 1,522 | 1,583 | 1,646 |
| Three Mile Island Clean-up | 5,000 | 5,000 | 5,000 | ..... | ..... | ..... | ..... |
| Appalachian States Low-level Waste Compact ..... | ..... | 200 | 200 | 200 | 200 | 200 | 200 |
| Radon Demonstration Project ..... | ..... | 1,000 | ..... | ..... | ..... | ..... | ..... |
| Low Level Radioactive Waste Program ..... | ..... | ..... | 1,329 | 1,382 | 1,437 | 1,495 | 1,555 |
| GENERAL FUND TOTAL | \$ 7,152 | \$ 8,066 | \$ 7,976 | \$ 3,045 | \$ 3,159 | \$ 3,278 | \$ 3,401 |

ENVIRONMENTAL RESOURCES

Management of Recreation Areas and Facilities

OBJECTIVE: To provide open space areas and recreation facilities to maximize outdoor recreation opportunities for all Commonwealth citizens and out-of-state visitors.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 28,881 | \$ 28,036 | \$ 36,131 | \$ 37,575 | \$ 39,076 | \$ 40,639 | \$ 42,263 |
| Other Funds | 19,616 | 20,364 | 6,415 | 6,425 | 6,435 | 6,445 | 6,455 |
| TOTAL | \$ 48,497 | \$ 48,400 | \$ 42,546 | \$ 44,000 | \$ 45,511 | \$ 47,084 | \$ 48,718 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| State park attendance in visitor days (thousands) | 38,000 | 38,300 | 38,300 | 38,300 | 38,300 | 38,300 | 38,300 |
| Major maintenance or restoration projects completed | 205 | 175 | 175 | 175 | 175 | 175 | 175 |
| Parks with major maintenance projects | 86 | 85 | 85 | 85 | 85 | 85 | 85 |

Program Analysis:

The purpose of this program is to insure to the citizens of the Commonwealth the availability of outdoor recreation and programs within a reasonable driving distance of their homes. A total of 113 recreation areas encompassing 281,889 acres provided recreational facilities, programs and activities to over 38 million visitors in the 1985-86 fiscal year. The State Park System also contributes significantly to Pennsylvania's tourist efforts, with approximately 15 percent of the attendance composed of out-of-state visitors. Park attendance was higher in 1985-86 than previously estimated. This resulted from weather conditions which encouraged people to utilize the various facilities of the State Park System. For example, Presque Isle State Park realized its largest attendance, over 5.8 million visitors. In addition, the measure includes attendance information for the new White Clay Creek Preserve and expanded Lehigh Gorge State Park facilities.

During the 1970's, the State Park System experienced rapid expansion and improvement through the Project 70 and Project 500 Bond Issues. As facilities were constructed, greater emphasis had to be placed on funding operational requirements due to the great demand by the using public. As a result, the funding level for maintenance programs suffered. The older parks, many constructed in the 1930's, suf-

fered the most from insufficient repair and restoration monies. But even some of the newer parks have been in operation for a sufficient time period to begin to develop maintenance deficiencies. To address this problem, a Major Maintenance Program for the Park System was initiated. By devoting existing park user fees to this effort, the massive investment made in the State's rich and varied recreational resources is being restored and maintained.

It will take many years to reverse the serious maintenance backlog that developed during the last decade. Many of the facilities within the State Park System came to the point where major repair efforts became necessary to avoid the closure of complete State parks due to safety and health factors. Through the Major Maintenance Program, facilities are being restored to a point where preventive maintenance can replace uneconomical emergency repair efforts. The 1986-87 program is projected to include 175 projects at 85 parks. While this is lower than the 205 projects in 86 State Parks completed in 1985-86, it does not reflect a decrease in activity. The projects in 1986-87 are, in aggregate, larger and more extensive and expenditures will remain approximately the same. These projects will include renovation or repair of roads, water systems, sewage treatment plants, swimming pools and beaches, boating facilities and struc-

Management of Recreation Areas and Facilities (continued)

Program Analysis: (continued)

tures such as comfort stations, bath houses, offices and visitor centers.

Given the problems of rising costs and limited availability of operating funds, the Bureau of State Parks has encouraged volunteer work by local civic groups, scouting organizations and private individuals. Act 136 of 1981 formalized the department's efforts to obtain the services of individuals without compensation for interpretive functions, visitor services, conservation measures and development or other activities. Since passage of this act, the number of people involved has steadily increased. For example, during the 1985-86 fiscal year, 700 private individuals provided over 76,700 man-hours of effort in the parks.

The park system continues to experience very heavy weekend usage which creates overloading of facilities and demands closure during these periods in order to protect the facility as well as the general public. Overloading on weekends strains the ability of the operational staff to accommodate this influx of users and allows limited time to provide services to users and proper maintenance to Com-

monwealth property. Efforts toward distribution of attendance continue to be placed on local programming and increased weekday usage is encouraged to insure visitor safety and protect the ecological system of the parks.

Since 1984, the Pennsylvania Conservation Corps has been involved in the rehabilitation and construction of many recreational facilities across the Commonwealth. These projects were not only on State-owned facilities but, through grants to local government agencies, also on those operated by municipal and county governments. In previous years, this activity was funded from the Pennsylvania Economic Revitalization Fund. It is proposed the Conservation Corps, which meets the dual objective of providing work training opportunities for youths while improving public recreation facilities, be continued through the 1988 construction season with General Funds. This budget request \$3,240,000 for the Conservation Corps and \$3,960,000 for its companion appropriation, Recreation Improvement and Rehabilitation, for projects in parks and other recreational facilities on public lands.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| State Parks | \$ 28,064 | \$ 28,007 | \$ 28,902 | \$ 30,058 | \$ 31,260 | \$ 32,511 | \$ 33,811 |
| Annual Fixed Charges—Flood Lands..... | 12 | 17 | 17 | 17 | 17 | 17 | 17 |
| Annual Fixed Charges—Project 70..... | 11 | 12 | 12 | 12 | 12 | 12 | 12 |
| Fabridam | 794 | ..... | ..... | ..... | ..... | ..... | ..... |
| Conservation Corps ..... | ..... | ..... | 3,240 | 3,370 | 3,504 | 3,645 | 3,790 |
| Recreation Improvement and Rehabilitation ..... | ..... | ..... | 3,960 | 4,118 | 4,283 | 4,454 | 4,633 |
| GENERAL FUND TOTAL | \$ 28,881 | \$ 28,036 | \$ 36,131 | \$ 37,575 | \$ 39,076 | \$ 40,639 | \$ 42,263 |

Fish Commission

The Fish Commission administers and enforces the fishing and boating laws of the Commonwealth and provides for the protection and propagation of aquatic life.

FISH COMMISSION

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| Grants and Subsidies | | | |
| Atlantic States Marine Fisheries Commission | \$ 5 | \$ 7 | \$ 7 |
| GENERAL FUND TOTAL | <u>\$ 5</u> | <u>\$ 7</u> | <u>\$ 7</u> |
| | | | |
| Boating Fund | | | |
| General Government | | | |
| General Operations | \$ 3,564 | \$ 3,845 | \$ 3,863 |
| TOTAL STATE FUNDS | <u>\$ 3,564</u> | <u>\$ 3,845</u> | <u>\$ 3,863</u> |
| | | | |
| Federal Funds | \$ 729 | \$ 445 | \$ 543 |
| Augmentations | 7 | 10 | 10 |
| BOATING FUND TOTAL | <u>\$ 4,300</u> | <u>\$ 4,300</u> | <u>\$ 4,416</u> |
| | | | |
| Fish Fund | | | |
| General Government | | | |
| General Operations | \$ 15,143 | \$ 15,505 | \$ 15,399 |
| TOTAL STATE FUNDS | <u>\$ 15,143</u> | <u>\$ 15,505</u> | <u>\$ 15,399</u> |
| | | | |
| Federal Funds | \$ 1,780 | \$ 2,401 | \$ 2,777 |
| Augmentations | 4,652 | 4,350 | 4,466 |
| FISH FUND TOTAL | <u>\$ 21,575</u> | <u>\$ 22,256</u> | <u>\$ 22,642</u> |
| | | | |
| Department Total — All Funds | | | |
| General Fund | \$ 5 | \$ 7 | \$ 7 |
| Special Funds | 18,707 | 19,350 | 19,262 |
| Federal Funds | 2,509 | 2,846 | 3,320 |
| Augmentations | 4,659 | 4,360 | 4,476 |
| TOTAL ALL FUNDS | <u>\$ 25,880</u> | <u>\$ 26,563</u> | <u>\$ 27,065</u> |

GRANTS AND SUBSIDIES

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Atlantic States Marine Fisheries Commission | | | |
| State Funds | \$ 5 | \$ 7 | \$ 7 |

Provides for Pennsylvania's contribution to the Atlantic States Marine Fisheries Commission which develops a joint program for the better utilization of the Atlantic seaboard fisheries.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Atlantic States Marine Fisheries Commission | <u>\$ 5</u> | <u>\$ 7</u> | <u>\$ 7</u> |

**BOATING FUND
GENERAL GOVERNMENT**

| | (Dollar Amounts in Thousands) | | |
|---------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Operations | | | |
| State Funds | \$ 3,564 | \$ 3,845 | \$ 3,863 |
| Federal Funds | 729 | 445 | 543 |
| Augmentations | 7 | 10 | 10 |
| TOTAL | \$ 4,300 | \$ 4,300 | \$ 4,416 |

Promotes watercraft safety, maintains and develops boating waterways and enforces the boating laws and regulations on the inland waters of the Commonwealth for safety in pleasure boating.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Executive Authorization: | | | |
| General Operations | \$ 3,564 | \$ 3,845 | \$ 3,863 |
| Federal Funds: | | | |
| Department of the Interior — Heritage Conservation and Recreation Services | 2 | | |
| U.S. Coast Guard Grant—Boating Safety | 727 | 364 | 344 |
| Sport Fish Restoration ..... | . . . . | 81 | 199 |
| Augmentations: | | | |
| Sale of Vehicles | 7 | 10 | 10 |
| TOTAL | \$ 4,300 | \$ 4,300 | \$ 4,416 |

**FISH FUND
GENERAL GOVERNMENT**

| | (Dollar Amounts in Thousands) | | |
|---------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Operations | | | |
| State Funds | \$ 15,143 | \$ 15,505 | \$ 15,399 |
| Federal Funds | 1,780 | 2,401 | 2,777 |
| Augmentations | 4,652 | 4,350 | 4,466 |
| TOTAL | <u>\$ 21,575</u> | <u>\$ 22,256</u> | <u>\$ 22,642</u> |

Undertakes a variety of propagation and research activities to assure abundant supplies of aquatic life. Supplements the native fish stock to assure an ample supply of fish species for all anglers through the operation of fish hatcheries and supervision of private nurseries. Develops and maintains water and related land areas to improve public fishing, boating and related recreational activities. Enforces the fish laws of the Commonwealth.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Executive Authorization: | | | |
| General Operations | \$ 15,143 | \$ 15,505 | \$ 15,399 |
| Federal Funds: | | | |
| Fish and Wildlife Restoration Act | 1,618 | 2,294 | 2,655 |
| Commercial Fish Act | 62 | 67 | 76 |
| Department of the Interior — Heritage Conservation and Recreation Services | 59 | ..... | ..... |
| Mid-Atlantic Fisheries Management Council | 7 | 5 | 5 |
| Small Operator Assistance Programs | 10 | 11 | 15 |
| Surface Mine Regulatory Program | 24 | 24 | 26 |
| Augmentations: | | | |
| Sale of Vehicles | 31 | 50 | 50 |
| Reimbursement for Services — Boating Fund | 4,300 | 4,300 | 4,416 |
| Pennsylvania Conservation Corps | 321 | ..... | ..... |
| TOTAL | <u>\$ 21,575</u> | <u>\$ 22,256</u> | <u>\$ 22,642</u> |

FISH COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 3,196 | \$ 3,566 | \$ 3,583 | \$ 3,688 | \$ 3,785 | \$ 3,785 | \$ 3,785 |
| Recreation | \$ 15,516 | \$ 15,791 | \$ 15,686 | \$ 16,016 | \$ 16,418 | \$ 16,418 | \$ 16,418 |
| Recreational Fishing and Boating | 15,516 | 15,791 | 15,686 | 16,016 | 16,418 | 16,418 | 16,418 |
| DEPARTMENT TOTAL | <u>\$ 18,712</u> | <u>\$ 19,357</u> | <u>\$ 19,269</u> | <u>\$ 19,704</u> | <u>\$ 20,203</u> | <u>\$ 20,203</u> | <u>\$ 20,203</u> |

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 5 | \$ 7 | \$ 7 | \$ 7 | \$ 7 | \$ 7 | \$ 7 |
| Special Funds | 3,191 | 3,559 | 3,576 | 3,681 | 3,778 | 3,778 | 3,778 |
| Federal Funds | 61 | 134 | 176 | 181 | 186 | 186 | 186 |
| Other Funds | 645 | 641 | 651 | 680 | 697 | 697 | 697 |
| TOTAL | \$ 3,902 | \$ 4,341 | \$ 4,410 | \$ 4,549 | \$ 4,668 | \$ 4,668 | \$ 4,668 |

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary

concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services. This subcategory provides for Pennsylvania's contribution to the Atlantic States Marine Fisheries Commission which develops a joint program for the better utilization of the Atlantic seaboard fisheries.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|----------|----------|----------|----------|----------|----------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Atlantic States Marine Fisheries Commission | \$ 5 | \$ 7 | \$ 7 | \$ 7 | \$ 7 | \$ 7 | \$ 7 |
| BOAT FUND | | | | | | | |
| General Operations | \$ 600 | \$ 577 | \$ 630 | \$ 659 | \$ 676 | \$ 676 | \$ 676 |
| FISH FUND | | | | | | | |
| General Operations | \$ 2,591 | \$ 2,982 | \$ 2,946 | \$ 3,022 | \$ 3,102 | \$ 3,102 | \$ 3,102 |

Recreational Fishing and Boating

OBJECTIVE: To provide a satisfactory variety of opportunities for fishing and boating on Commonwealth waters.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Special Funds | \$ 15,516 | \$ 15,791 | \$ 15,686 | \$ 16,016 | \$ 16,418 | \$ 16,418 | \$ 16,418 |
| Federal Funds | 2,448 | 2,712 | 3,144 | 3,315 | 3,427 | 3,427 | 3,427 |
| Other Funds | 4,014 | 3,719 | 3,825 | 3,915 | 4,012 | 4,012 | 4,012 |
| TOTAL | \$ 21,978 | \$ 22,222 | \$ 22,655 | \$ 23,246 | \$ 23,857 | \$ 23,857 | \$ 23,857 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Fishing licenses sold | 1,080,389 | 1,112,000 | 1,114,000 | 1,123,000 | 1,132,000 | 1,132,000 | 1,132,000 |
| Pounds of fish stocked in Commonwealth streams and lakes | 2,614,886 | 2,600,000 | 2,600,000 | 2,600,000 | 2,600,000 | 2,600,000 | 2,600,000 |
| Boats registered | 229,000 | 240,000 | 250,000 | 262,000 | 274,000 | 284,000 | 295,000 |
| Fatal accidents reported | 13 | 20 | 20 | 20 | 20 | 20 | 20 |
| Convictions for violation of Fish and Boating Laws | 11,700 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 |

Program Analysis:

The Fish Commission is responsible for the enforcement of the fishing and boating laws and regulations, registration of boats, the state boating 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. Thousands of citizens of the Commonwealth have participated in the commission's boating and water safety programs.

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 nursery program, research and fish management. The commission also provides for the development, improvement and maintenance of facilities for lake and access areas.

The June opening of the Frankford Arsenal Access on the Delaware River in Philadelphia was a major accomplishment in 1986. This access provides the citizens of the Philadelphia metropolitan area the opportunity to use the Delaware River for fishing and recreational boating.

In 1983, a major change in fish management was implemented Operation FUTURE. The stocking allocations formulae, the methods used to determine the number of fish placed in a particular stream, were changed to ensure scientific management of fisheries' resources. New variables, such as the size of the stream, recreation potential, stream access by fishers and wild trout population, were incorporated for the first time. This promoted the stocking of streams to provide the maximum amount of recreation possible without being detrimental to the wild trout normally found in that stream.

Water quality is a major factor in aquatic recreation. Therefore, the commission continues to respond to the need for environmental safeguards and closely monitor many streams, lakes and rivers in the Commonwealth. In January 1986, the commission adopted a statement of policy on acid precipitation. This policy urges the Congress and President to take action to reduce sulfur dioxide and nitrogen oxides and to enforce existing Clean Air Act regulations.

Recreational Fishing and Boating (continued)

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| BOATING FUND | | | | | | | |
| General Operations | <u>\$ 2,964</u> | <u>\$ 3,268</u> | <u>\$ 3,233</u> | <u>\$ 3,298</u> | <u>\$ 3,383</u> | <u>\$ 3,383</u> | <u>\$ 3,383</u> |
| FISH FUND | | | | | | | |
| General Operations | <u>\$ 12,552</u> | <u>\$ 12,523</u> | <u>\$ 12,453</u> | <u>\$ 12,718</u> | <u>\$ 13,035</u> | <u>\$ 13,035</u> | <u>\$ 13,035</u> |

Game Commission

The Game Commission administers and enforces the game laws of the Commonwealth and provides for the protection and propagation of wildlife.

GAME COMMISSION

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Game Fund | | | |
| General Government | | | |
| General Operations | \$ 36,222 | \$ 37,151 | \$ 31,923 |
| | <u>36,222</u> | <u>37,151</u> | <u>31,923</u> |
| TOTAL STATE FUNDS | <u>\$ 36,222</u> | <u>\$ 37,151</u> | <u>\$ 31,923</u> |
| | | | |
| Federal Funds | \$ 3,910 | \$ 3,946 | \$ 3,912 |
| Augmentations | 803 | 615 | 295 |
| | <u>40,935</u> | <u>41,712</u> | <u>36,130</u> |
| GAME FUND TOTAL | <u>\$ 40,935</u> | <u>\$ 41,712</u> | <u>\$ 36,130</u> |

OTHER SPECIAL FUNDS

GAME COMMISSION

**GAME FUND
GENERAL GOVERNMENT**

| | (Dollar Amounts in Thousands) | | |
|---------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Operations | | | |
| State Funds | \$ 36,222 | \$ 37,151 | \$ 31,923 |
| Federal Funds | 3,910 | 3,946 | 3,912 |
| Augmentations | 803 | 615 | 295 |
| TOTAL | <u>\$ 40,935</u> | <u>\$ 41,712</u> | <u>\$ 36,130</u> |

Conducts a full range of propagation, research and land management activities to assure sustained wildlife populations. Encourages conservation through the proper use and care of wildlife resources. Conducts hunter safety training classes. Supplements the native wildlife stock to assure an ample supply of game species for all hunters through the operation of game farms. Enforces the game laws of the Commonwealth and regulates hunting on open lands.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Executive Authorization: | | | |
| General Operations | \$ 36,222 ^a | \$ 37,151 | \$ 31,923 |
| Federal Funds: | | | |
| National Park Service ..... | ..... | 74 | 40 |
| Pittman-Robinson Act Reimbursements | 3,842 | 3,800 | 3,800 |
| Endangered Species | 27 | 32 | 32 |
| Surface Mine Regulatory Program | 41 | 40 | 40 |
| Augmentations: | | | |
| Sale of Vehicles | 56 | 135 | 100 |
| Sharecrop and Agricultural Leases | 55 | 20 | 20 |
| Pennsylvania Conservation Corps | 556 | 310 | 25 |
| Donations | 136 | 150 | 150 |
| TOTAL | <u>\$ 40,935</u> | <u>\$ 41,712</u> | <u>\$ 36,130</u> |

^aIncludes a year-end encumbrance for \$6,066,000 which funds the new headquarters building. This encumbrance was moved into the available year.

GAME COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 9,229 | \$ 9,392 | \$ 5,059 | \$ 5,246 | \$ 5,455 | \$ 5,674 | \$ 5,352 |
| Recreation | \$ 26,993 | \$ 27,759 | \$ 26,864 | \$ 27,954 | \$ 29,073 | \$ 30,235 | \$ 28,522 |
| Wildlife Management | 26,993 | 27,759 | 26,864 | 27,954 | 29,073 | 30,235 | 28,522 |
| DEPARTMENT TOTAL | <u>\$ 36,222</u> | <u>\$ 37,151</u> | <u>\$ 31,923</u> | <u>\$ 33,200</u> | <u>\$ 34,528</u> | <u>\$ 35,909</u> | <u>\$ 33,874</u> |

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Special Funds | <u>\$ 9,229</u> | <u>\$ 9,392</u> | <u>\$ 5,059</u> | <u>\$ 5,246</u> | <u>\$ 5,455</u> | <u>\$ 5,674</u> | <u>\$ 5,352</u> |

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by

the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GAME FUND | | | | | | | |
| General Operations | <u>\$ 9,229</u> | <u>\$ 9,392</u> | <u>\$ 5,059</u> | <u>\$ 5,246</u> | <u>\$ 5,455</u> | <u>\$ 5,674</u> | <u>\$ 5,352</u> |

GAME COMMISSION

Wildlife Management

OBJECTIVE: To establish a habitat for the production of a sustained yield of wildlife resources for their recreational use as well as the assurance of their perpetuation.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Special Funds | \$ 26,993 | \$ 27,759 | \$ 26,864 | \$ 27,954 | \$ 29,073 | \$ 30,235 | \$ 28,522 |
| Federal Funds | 3,910 | 3,946 | 3,912 | 4,165 | 4,165 | 4,165 | 4,165 |
| Other Funds | 803 | 615 | 295 | 135 | 135 | 135 | 135 |
| TOTAL | \$ 31,706 | \$ 32,320 | \$ 31,071 | \$ 32,254 | \$ 33,373 | \$ 34,535 | \$ 32,822 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Hunting licenses sold | 1,165,523 | 1,166,000 | 1,166,000 | 1,166,000 | 1,166,000 | 1,166,000 | 1,166,000 |
| Deer population | 1,000,000 | 1,000,000 | 950,000 | 950,000 | 900,000 | 900,000 | 900,000 |
| Deer taken | 161,428 | 175,000 | 175,000 | 175,000 | 175,000 | 175,000 | 175,000 |
| Acres open to public hunting | 8,516,491 | 8,466,000 | 8,416,000 | 8,366,000 | 8,316,000 | 8,266,000 | 8,218,000 |
| Arrests for violation of game laws | 9,903 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Pheasant released to supplement native population | 229,000 | 210,000 | 210,000 | 210,000 | 210,000 | 210,000 | 210,000 |

Program Analysis:

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.

The new Game and Wildlife Code, effective July 1987, consolidates, amends and modernizes all game laws. This "recodification" should ensure more effective and logical enforcement. In addition, the commission is beginning a pilot program of unit management to increase the efficiency of the Game Protectors by giving them better supervision in the field.

While enforcement is critical, properly managed land and the provision of game habitat is the primary means of ensuring the propagation and preservation of wildlife. Cur-

rently 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. Not only are public lands made available for hunting, but private lands also are opened through cooperative programs with landowners, encouraging good land management and habitat improvement. However, with the development of land for housing and commercial uses, there will be a gradual decrease in the acreage open for hunting.

Destruction of habitat, caused by development and modern farming techniques, has affected one of the Commonwealth's most popular game birds, the ring-necked pheasant. Releasing birds raised using conventional methods has proved unsatisfactory, producing birds with little chance of surviving on their own. The commission is releasing "hardy" pheasants, raised under more natural conditions, hoping that these will increase the wild bird population. In addition, the introduction into Pennsylvania of the Szechwan pheasant of China is being investigated as a possible supplement to the ring-necked pheasant as a game bird.

| |
|------------------------|
| GAME COMMISSION |
|------------------------|

Wildlife Management (continued)

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GAME FUND | | | | | | | |
| General Operations | <u>\$ 26,993</u> | <u>\$ 27,759</u> | <u>\$ 26,864</u> | <u>\$ 27,954</u> | <u>\$ 29,073</u> | <u>\$ 30,235</u> | <u>\$ 28,522</u> |

Department of General Services

The Department of General Services administers the leasing, purchasing, transportation, construction, repair and maintenance services for all agencies of the Commonwealth.

DEPARTMENT OF GENERAL SERVICES

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| General Government Operations | \$ 40,507 | \$ 41,031 | \$ 41,916 |
| Capitol Police Operations | 3,116 | 3,261 | 3,621 |
| Harristown Rental Charges | 7,950 | 7,948 | 7,798 |
| Disadvantaged Business Enterprise | 69 | 100 | 100 |
| Utility Costs | 8,530 | 8,900 | 10,129 |
| Harristown Utility and Municipal Charges | 5,700 | 5,831 | 5,918 |
| Printing and Distribution of the Pennsylvania Manual ..... | ..... | 165 | ..... |
| Commonwealth Data Network ..... | ..... | 1,696 | ..... |
| Subtotal | <u>\$ 65,872</u> | <u>\$ 68,932</u> | <u>\$ 69,482</u> |
| Debt Service Requirements | | | |
| General State Authority Rentals | \$ 42,319 | \$ 40,263 | \$ 38,317 |
| Grants and Subsidies | | | |
| Capitol Fire Protection | \$ 325 | \$ 400 | \$ 550 |
| Tort Claims Payments | 2,500 | ..... | ..... |
| Subtotal | <u>\$ 2,825</u> | <u>\$ 400</u> | <u>\$ 550</u> |
| Capital Improvements | | | |
| Energy Conservation Projects | \$ 2,000 | \$ 1,500 | \$ 1,500 |
| TOTAL STATE FUNDS | <u>\$ 113,016</u> | <u>\$ 111,095</u> | <u>\$ 109,849</u> |
| Federal Funds | \$ 22 | ..... | ..... |
| Augmentations | 19,436 | \$ 7,255 | \$ 9,550 |
| GENERAL FUND TOTAL | <u>\$ 132,474</u> | <u>\$ 118,350</u> | <u>\$ 119,399</u> |
| Motor License Fund | | | |
| Debt Service Requirements | | | |
| General State Authority Rentals | \$ 1,171 | \$ 1,176 | \$ 1,185 |
| Grants and Subsidies | | | |
| Tort Claims Payments | \$ 25,000 | \$ 26,500 | \$ 26,500 |
| MOTOR LICENSE FUND TOTAL | <u>\$ 26,171</u> | <u>\$ 27,676</u> | <u>\$ 27,685</u> |
| Banking Department Fund | | | |
| General Government | | | |
| Harristown Rental Charges | \$ 170 | \$ 175 | \$ 171 |
| Harristown Utility and Municipal Charges | 120 | 126 | 128 |
| BANKING DEPARTMENT FUND TOTAL | <u>\$ 290</u> | <u>\$ 301</u> | <u>\$ 299</u> |

DEPARTMENT OF GENERAL SERVICES
Summary by Fund and Appropriation
(continued)

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Boating Fund | | | |
| Debt Service Requirements | | | |
| General State Authority Rentals | \$ 2 | \$ 2 | \$ 2 |
| BOATING FUND TOTAL | <u>\$ 2</u> | <u>\$ 2</u> | <u>\$ 2</u> |
| | | | |
| Fish Fund | | | |
| Debt Service Requirements | | | |
| General State Authority Rentals | \$ 62 | \$ 63 | \$ 63 |
| FISH FUND TOTAL | <u>\$ 62</u> | <u>\$ 63</u> | <u>\$ 63</u> |
| | | | |
| Lottery Fund | | | |
| General Government | | | |
| Harristown Rental Charges | \$ 109 | \$ 103 | \$ 101 |
| Harristown Utility and Municipal Charges | 89 | 86 | 87 |
| LOTTERY FUND TOTAL | <u>\$ 198</u> | <u>\$ 189</u> | <u>\$ 188</u> |
| | | | |
| Revenue Sharing Trust Fund | | | |
| General Government | | | |
| Moving and Relocation Expenses | \$ 36 | \$ 300 | \$ 300 |
| REVENUE SHARING TRUST FUND TOTAL | <u>\$ 36</u> | <u>\$ 300</u> | <u>\$ 300</u> |
| | | | |
| Department Total — All Funds | | | |
| General Fund | \$ 113,016 | \$ 111,095 | \$ 109,849 |
| Special Funds | 26,759 | 28,531 | 28,537 |
| Federal Funds | 22 | . | . |
| Augmentations | 19,436 | 7,255 | 9,550 |
| TOTAL ALL FUNDS | <u>\$ 159,233</u> | <u>\$ 146,881</u> | <u>\$ 147,936</u> |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| State Funds | \$ 51,642 | \$ 54,036 | \$ 53,435 |
| Federal Funds | 22 | ..... | ..... |
| Augmentations | 18,171 | 6,255 | 8,550 |
| TOTAL | \$ 69,835 | \$ 60,291 | \$ 61,985 |

Provides for direction and coordination of the department's programs which include acting as purchasing agent for all agencies, maintaining a system for the distribution of Federal and State surplus property, providing for the insurance and leased space requirements of agencies, maintaining the Commonwealth automotive fleet, providing engineering and architectural services, furnishing the necessary maintenance, janitorial, and custodial services for Commonwealth owned buildings, and operating the Disadvantaged Business Enterprise Program. Assumed responsibility for the Commonwealth's Data Communication Network effective July 1, 1986.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| General Government Operations | \$ 40,507 | \$ 41,031 | \$ 41,916 |
| Capitol Police Operations | 3,116 ^a | 3,261 | 3,621 |
| Harristown Rental Charges | 7,950 | 7,948 | 7,798 |
| Disadvantaged Business Enterprise Program | 69 | 100 | 100 |
| Commonwealth Data Network — Recommended Supplemental ..... | ..... | 1,696 | ..... |
| Federal Funds: | | | |
| Coal-Oil Fuel Mixture | 7 | ..... | ..... |
| State and Community Highway Safety Program | 15 | ..... | ..... |
| Augmentations: | | | |
| Sales and Rental Automotive Equipment | 8,290 | ^b | ..... |
| Commissions Earned—Employee Group Life Insurance | | | |
| Administration | 50 | 50 | 52 |
| Receipt of Service Charge—Federal Surplus Property | 207 | 300 | 309 |
| Reimbursement for Reproduction Services | 3,038 | ^b | ..... |
| Rental of Sound Equipment | 28 | 28 | 29 |
| Employee Liability Self-Insurance Plan | 63 | 49 | 50 |
| Information Center — Centrex | 194 | 163 | 166 |
| General State Authority Fiscal Function | 72 | 76 | 78 |
| Newsroom Services | 15 | 14 | 14 |
| Computer Services | 45 | 36 | 42 |
| Micrographic Service | 1,409 | ^b | ..... |
| Plans Forfeiture | 43 | 26 | 27 |
| Reimbursements for State Buildings Use | 760 | 887 | 841 |
| Media Center Reimbursements | 602 | 660 | 680 |
| Commonwealth Data Network | 3,355 | 3,916 | 6,212 |
| Capitol Police Services ..... | ..... | 50 | 50 |
| TOTAL | \$ 69,835 | \$ 60,291 | \$ 61,985 |

^aActually appropriated as part of General Government Operations in 1985-86.

^bOperated through the Purchasing Fund effective July 1, 1986.

GENERAL FUND

GENERAL SERVICES

| | (Dollar Amounts in Thousands) | | |
|----------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Utility Costs | | | |
| State Funds | \$ 14,230 | \$ 14,731 | \$ 16,047 |

Provides for the payment of water, sewerage, electricity and heating fuel bills.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| Utility Costs | \$ 8,530 | \$ 8,900 | \$ 10,129 |
| Harristown Utility and Municipal Charges | 5,700 | 5,831 | 5,918 |
| | | | |
| TOTAL | <u>\$ 14,230</u> | <u>\$ 14,731</u> | <u>\$ 16,047</u> |

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Printing and Distribution of the Pennsylvania Manual | | | |
| State Funds | | \$ 165 | |

Provides for the biennial printing and distribution of the Pennsylvania Manual.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| Printing and Distribution of the Pennsylvania Manual | <u>. . . .</u> | <u>\$ 165</u> | <u>. . . .</u> |

DEBT SERVICE REQUIREMENTS

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General State Authority Rentals | | | |
| State Funds | \$ 42,319 | \$ 40,263 | \$ 38,317 |
| Augmentations | 1,265 | 1,000 | 1,000 |
| TOTAL | \$ 43,584 | \$ 41,263 | \$ 39,317 |

Makes rental payments to the General State Authority for the use of grounds, buildings and equipment financed and constructed by the authority other than for State-aided colleges and universities which are paid by the Department of Education. This amount also provides for fire and boiler insurance premiums.

The rental payments are for the retirement of bonds issued by the authority. Since 1968, capital construction has been financed by General Obligation Bonds and the debt service is paid through the Treasury Department.

| | (Dollar Amounts in Thousands) | | |
|---------------------------------------|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| General State Authority Rentals | \$ 42,319 | \$ 40,263 | \$ 38,317 |
| Augmentations: | | | |
| Fees from Student Union Rentals | 1,265 | 1,000 | 1,000 |
| TOTAL | \$ 43,584 | \$ 41,263 | \$ 39,317 |

GRANTS AND SUBSIDIES

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--------------------------------|-------------------|---|-------------------|
| Capitol Fire Protection | | | |
| State Funds | \$ 325 | \$ 400 | \$ 550 |

Provides payment to the city of Harrisburg for fire protection provided for the Capitol Building.

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|-------------------------------|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| Capitol Fire Protection | <u>\$ 325</u> | <u>\$ 400</u> | <u>\$ 550</u> |

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--------------------|-------------------|---|-------------------|
| Tort Claims | | | |
| State Funds | \$ 2,500 | ^a | ..... |

Provides for the payment of tort claims settled either through the litigation process or through prelitigation negotiations.

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|----------------------------|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| Tort Claims Payments | <u>\$ 2,500</u> | <u>.....^a</u> | <u>.....</u> |

^aBilled to agencies as of July 1, 1986.

CAPITAL IMPROVEMENTS

| | (Dollar Amounts in Thousands) | | |
|-----------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Capital Improvements | | | |
| State Funds | \$ 2,000 | \$ 1,500 | \$ 1,500 |

Provides funds to purchase and install various energy saving devices in Commonwealth owned buildings.

| | (Dollar Amounts in Thousands) | | |
|------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| Energy Conservation Projects | <u>\$ 2,000</u> | <u>\$ 1,500</u> | <u>\$ 1,500</u> |

DEBT SERVICE REQUIREMENTS

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|-----------|----------|
| | 1984-85 | 1985-86 | 1986-87 |
| | Actual | Available | Budget |
| General State Authority Rentals | | | |
| State Funds | \$ 1,171 | \$ 1,176 | \$ 1,185 |

Makes rental payments to the General State Authority for the use of grounds, buildings, and equipment that were acquired, financed and constructed by the authority for the Department of Transportation and the State Police. The Commonwealth secures title to the buildings and the property after the total cost of each has been matched by rental payments.

| | (Dollar Amounts in Thousands) | | |
|---------------------------------------|-------------------------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| General State Authority Rentals | <u>\$ 1,171</u> | <u>\$ 1,176</u> | <u>\$ 1,185</u> |

GRANTS AND SUBSIDIES

| | (Dollar Amounts in Thousands) | | |
|--------------------|-------------------------------|-----------|-----------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Tort Claims | | | |
| State Funds | \$ 25,000 | \$ 26,500 | \$ 26,500 |

Provides for the payment of tort claims which are settled either through a litigation process or through prelitigation negotiations.

| | (Dollar Amounts in Thousands) | | |
|----------------------------|-------------------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| Tort Claims Payments | <u>\$ 25,000</u> | <u>\$ 26,500</u> | <u>\$ 26,500</u> |

OTHER SPECIAL FUNDS**GENERAL SERVICES****BANKING DEPARTMENT FUND
GENERAL GOVERNMENT**

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| State Funds | \$ 290 | \$ 301 | \$ 299 |

Provides for the payment of rent, water, electricity and heating fuel in the Harristown building where the space is used by the Banking Department.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Executive Authorizations: | | | |
| Harristown Rental Charges | \$ 170 | \$ 175 | \$ 171 |
| Harristown Utility and Municipal Charges | 120 | 126 | 128 |
| TOTAL | <u>\$ 290</u> | <u>\$ 301</u> | <u>\$ 299</u> |

**BOATING FUND
DEBT SERVICE REQUIREMENTS**

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General State Authority Rentals | | | |
| State Funds | \$ 2 | \$ 2 | \$ 2 |

Provides for rental payments to the General State Authority for the use of grounds, buildings, and equipment which were acquired, financed, and constructed by the authority.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|---------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| General State Authority Rentals | <u>\$ 2</u> | <u>\$ 2</u> | <u>\$ 2</u> |

OTHER SPECIAL FUNDS

GENERAL SERVICES

**FISH FUND
DEBT SERVICE REQUIREMENTS**

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General State Authority Rentals | | | |
| State Funds | \$ 62 | \$ 63 | \$ 63 |

Provides for rental payments to the General State Authority for the use of grounds, buildings, and equipment which were acquired, financed, and constructed by the authority. The Commonwealth secures title to the buildings and property after the total cost of each has been matched by rental payments.

| | (Dollar Amounts in Thousands) | | |
|---------------------------------------|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| General State Authority Rentals | <u>\$ 62</u> | <u>\$ 63</u> | <u>\$ 63</u> |

**LOTTERY FUND
GENERAL GOVERNMENT**

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| State Funds | \$ 198 | \$ 189 | \$ 188 |

Provides for the payment of rent, water, electricity and heating fuel in the Harristown buildings where the space is used by the Department of Revenue in administration of State Lottery functions.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Executive Authorizations: | | | |
| Harristown Rental Charges | \$ 109 | \$ 103 | \$ 101 |
| Harristown Utility and Municipal Charges | 89 | 86 | 87 |
| TOTAL | <u>\$ 198</u> | <u>\$ 189</u> | <u>\$ 188</u> |

**REVENUE SHARING TRUST FUND
GENERAL GOVERNMENT**

| | (Dollar Amounts in Thousands) | | |
|---------------------------------------|-------------------------------|-----------|---------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Moving and Relocation Expenses | | | |
| State Funds | \$ 36 | \$ 300 | \$ 300 |

Provides for payment of costs associated with moving, consolidating, or abandoning facilities of various departments.

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Source of Funds | | | |
| Executive Authorization: | | | |
| Moving and Relocation Expenses | <u>\$ 36</u> | <u>\$ 300</u> | <u>\$ 300</u> |

DEPARTMENT OF GENERAL SERVICES

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 7,046 | \$ 7,761 | \$ 8,674 | \$ 9,186 | \$ 9,382 | \$ 9,922 | \$ 10,148 |
| Commodity Management | \$ 4,578 | \$ 6,082 | \$ 3,384 | \$ 3,519 | \$ 3,660 | \$ 3,807 | \$ 3,960 |
| Procurement and Distribution of Commodities | 4,002 | 4,824 | 2,948 | 3,066 | 3,189 | 3,317 | 3,450 |
| Disposition and Utilization of Surplus and Donated Commodities | 576 | 378 | 436 | 453 | 471 | 490 | 510 |
| Physical Facilities Management | \$ 56,251 | \$ 57,746 | \$ 59,207 | \$ 59,900 | \$ 61,180 | \$ 63,271 | \$ 65,425 |
| Management and Operation of Facilities | 56,251 | 57,746 | 59,207 | 59,900 | 61,180 | 63,271 | 65,425 |
| Financing Commonwealth Obligations | \$ 43,554 | \$ 41,504 | \$ 39,567 | \$ 35,634 | \$ 31,942 | \$ 28,605 | \$ 25,709 |
| Payment of General State Authority Rentals | 43,554 | 41,504 | 39,567 | 35,634 | 31,942 | 28,605 | 25,709 |
| Management of Commonwealth Liability | \$ 28,346 | \$ 27,413 | \$ 27,554 | \$ 30,096 | \$ 31,640 | \$ 35,686 | \$ 38,733 |
| Risk Management and Tort Claims | 28,346 | 27,413 | 27,554 | 30,096 | 31,640 | 35,686 | 38,733 |
| DEPARTMENT TOTAL | <u>\$ 139,775</u> | <u>\$ 139,626</u> | <u>\$ 138,386</u> | <u>\$ 138,335</u> | <u>\$ 137,804</u> | <u>\$ 141,291</u> | <u>\$ 143,975</u> |

GENERAL SERVICES

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|------------------------|------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 7,046 | \$ 7,761 | \$ 8,674 | \$ 9,186 | \$ 9,382 | \$ 9,922 | \$ 10,148 |
| Other Funds | 5,331 | 901 | 981 | 1,020 | 1,061 | 1,103 | 1,147 |
| TOTAL | <u>\$ 12,377</u> | <u>\$ 8,662</u> | <u>\$ 9,655</u> | <u>\$ 10,206</u> | <u>\$ 10,443</u> | <u>\$ 11,025</u> | <u>\$ 11,295</u> |

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of various specific programs but, which because of their generalized nature, cannot be reasonably charged to any one substantive program. Such services include overall

executive direction, manpower management, fiscal accounting and management information processing.

The costs for records retention and paperwork management are reflected in this subcategory.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 6,997 | \$ 7,496 | \$ 8,574 | \$ 8,917 | \$ 9,274 | \$ 9,645 | \$ 10,031 |
| Printing and Distribution of the Pennsylvania Manual ..... | ..... | 165 | ..... | 165 | ..... | 165 | ..... |
| Disadvantaged Business Enterprise Program | 69 | 100 | 100 | 104 | 108 | 112 | 117 |
| GENERAL FUND TOTAL | <u>\$ 7,046</u> | <u>\$ 7,661</u> | <u>\$ 8,674</u> | <u>\$ 9,186</u> | <u>\$ 9,382</u> | <u>\$ 9,922</u> | <u>\$ 10,148</u> |

Procurement and Distribution of Commodities

OBJECTIVE: To provide the Commonwealth agencies with commodities within a reasonable time and which conform to accepted standards of quality.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 4,002 | \$ 4,824 | \$ 2,948 | \$ 3,066 | \$ 3,189 | \$ 3,317 | \$ 3,450 |
| Federal Funds | 15 | ..... | ..... | ..... | ..... | ..... | ..... |
| Other Funds | 11,644 | 3,916 | 6,212 | 6,212 | 6,212 | 6,212 | 6,212 |
| TOTAL | \$ 15,661 | \$ 8,740 | \$ 9,160 | \$ 9,278 | \$ 9,401 | \$ 9,529 | \$ 9,662 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Value of purchases made (in thousands) ... | 328,670 | 345,000 | 355,000 | 365,000 | 375,000 | 385,000 | 400,000 |
| Tests and inspections made on commodities | 2,728 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 |
| Specifications established, reviewed or amended | 5,314 | 5,325 | 5,350 | 5,375 | 5,400 | 5,425 | 5,450 |
| Bid evaluations and requisitions reviewed and processed | 6,338 | 6,500 | 6,600 | 6,650 | 6,700 | 6,750 | 6,800 |
| Requests for telecommunications proposal and/or service-surveyed, written, evaluated and awarded or processed | 9,615 | 8,700 | 8,800 | 8,900 | 9,000 | 9,100 | 9,200 |

Program Analysis:

This program includes the purchasing functions for all agencies of the Commonwealth. It provides the method through which the Commonwealth enters into contracts for the vast spectrum of goods and services procured for the various agencies. Tests and inspections are also conducted to determine conformance with acceptable standards of quality.

This program also assists local governments by allowing them to participate in Commonwealth contracts for the purchase of goods and materials. Currently 35 percent of the Commonwealth's political subdivisions are using this service even though 71 percent have qualified. Although exact savings are difficult to quantify, this practice undoubtedly produces a savings of tax dollars at the local level.

Included in this program is the Vendor Information and Support Division which is designed to allow vendors a pre-bid view of all contracts for goods and services of \$5,000

or more. This division has been very active in increasing minority vendor participation. As a result of their efforts, minority participation in Commonwealth purchases continued to increase.

The program for expanding the testing and inspecting of commodities by consolidating inorganic laboratories was implemented at a slower pace than originally planned resulting in fewer tests performed in 1985-86 than originally scheduled. Tests are now made for the Departments of Labor and Industry and Agriculture. The tests for Agriculture are used for certification of inspectors' equipment. The laboratory houses the standards used in the certification of weights, liquid and linear measures used in the inspection equipment. The tests for Labor and Industry involve bedding, upholstery and stuffed toys to discover harmful substances and flammability.

The number of requests for telecommunications proposals in 1985-86 was greater than projected. The move of the Data

Procurement and Distribution of Commodities (continued)

Program Analysis: (continued)

Communications Network into the new facility stimulated this large increase in requests, as agencies linked into the new facility.

In the past, the primary concern in most procurement transactions has been the initial cost. It has since been recognized that after the initial purchase of an item, or completion of a facility or system, a substantial amount of tax monies continue to be spent for energy, maintenance,

repair and related costs. The purchasing concept of life cycle costing has come to be recognized as both viable and essential. This system has therefore been adopted for those acquisitions requiring substantial operating and maintenance costs over their life spans. The Department of General Services is responsible for the development, implementation, and coordination of an effective life cycle costing program.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 19854-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 4,002 | \$ 3,128 | \$ 2,948 | \$ 3,066 | \$ 3,189 | \$ 3,317 | \$ 3,450 |
| Commonwealth Data Network | <u>.....</u> | <u>1,696</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> |

Disposition and Utilization of Surplus and Donated Commodities

OBJECTIVE: To derive maximum utilization of all surplus and donated commodities.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 576 | \$ 378 | \$ 436 | \$ 453 | \$ 471 | \$ 490 | \$ 510 |
| Other Funds | 207 | 300 | 309 | 321 | 334 | 348 | 350 |
| TOTAL | \$ 783 | \$ 678 | \$ 745 | \$ 774 | \$ 805 | \$ 838 | \$ 860 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|----------|----------|----------|----------|----------|----------|----------|
| Value of Federal surplus property (in thousands): | | | | | | | |
| On hand | \$ 4,300 | \$ 2,500 | \$ 2,500 | \$ 2,500 | \$ 2,500 | \$ 2,500 | \$ 2,500 |
| Distributed | \$ 6,725 | \$ 8,000 | \$ 9,000 | \$ 9,800 | \$10,500 | \$10,500 | \$11,000 |
| State surplus items transferred for interagency use | 26,700 | 27,000 | 27,200 | 27,400 | 27,600 | 27,800 | 28,000 |

Program Analysis:

This program involves the proper administration of all surplus property, including both Federal surplus property and surplus property belonging to the Commonwealth.

Functioning as an intermediary between the Federal government and eligible tax supported or nonprofit tax exempt health, education and civil defense organizations, and eligible senior citizen groups, the department obtains surplus Federal property from various military and other Federal government installations at no cost other than for screening and transportation. The property is then sold to eligible organizations for a nominal service charge. The utilization of Federal surplus property by the eligible organizations saves a significant amount of tax dollars at the local level

by providing needed products at a fraction of their cost in the open market.

Surplus Commonwealth property is administered through a system of either transferring the Commonwealth's surplus property to a requesting agency or disposing of it through sales to the general public or as trade-ins on new goods, thus assuring the maximum utilization of the Commonwealth's property.

The value of Federal surplus property on hand declined in 1986-87 versus last year's projection due to the selling of inventory which was reclassified as scrap because no interest was shown by eligible organizations.

Disposition and Utilization of Surplus and Donated Commodities (continued)

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|---------|---------|---------|---------|---------|---------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 576 | \$ 378 | \$ 436 | \$ 453 | \$ 471 | \$ 490 | \$ 510 |

GENERAL SERVICES

Management and Operation of Facilities

OBJECTIVE: To provide and maintain the Commonwealth's real property and facilities in order that Commonwealth operations may be conducted in the most efficient and economical manner possible.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 55,727 | \$ 56,956 | \$ 58,420 | \$ 59,425 | \$ 60,705 | \$ 62,787 | \$ 64,942 |
| Special Funds | 524 | 790 | 787 | 475 | 475 | 484 | 483 |
| Federal Funds | 7 | ..... | ..... | ..... | ..... | ..... | ..... |
| Other Funds | 876 | 1,039 | 946 | 984 | 1,023 | 1,064 | 1,107 |
| TOTAL | \$ 57,134 | \$ 58,785 | \$ 60,153 | \$ 60,884 | \$ 62,203 | \$ 64,335 | \$ 66,532 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Work orders executed | 19,215 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Lease agreements executed | 676 | 685 | 685 | 685 | 685 | 685 | 685 |
| Agency funded projects for design, survey, and/or inspection work | 312 | 331 | 335 | 335 | 335 | 335 | 335 |
| Capital facilities projects in design and/or construction: | | | | | | | |
| Number | 272 | 300 | 450 | 463 | 479 | 446 | 414 |
| Value (in thousands) | 569,000 | 625,000 | 635,000 | 550,000 | 550,000 | 550,000 | 550,000 |

Program Analysis:

The property management functions in this program include maintenance, janitorial, custodial, mechanical repair and police services for the grounds and buildings of the Capitol Complex and Harrisstown in Harrisburg plus the State office buildings in Pittsburgh, Philadelphia, Scranton, Altoona, and Reading.

In addition, this program seeks to assure the efficient acquisition and utilization of space and facilities. This involves contracting for the rent of office space for Commonwealth activities that cannot be adequately housed in Commonwealth-owned buildings, surveying the space requirements and determining space allocation for all Commonwealth-owned and leased building, as well as the responsibility for agency moves. The cost of such moves is provided for from a continuing appropriation from the Revenue Sharing Trust Fund and from allocations from the department's General Government Operations appropriation.

Another important activity of this program is to provide the Commonwealth with the best possible technical services and contracts for constructing capital improvements (other than highway projects), renovating and rehabilitating present

buildings and assuring that all capital projects are completed in the most efficient manner. This program is responsible for preparing plans, designs, surveys and specifications for all construction projects under the Department of General Services' jurisdiction. Each project is closely monitored via frequent inspections during construction to insure compliance with State laws and building codes. The increase in program measures shown above for 1986-87 and beyond is a result of the passage of the 1986-87 Capital Budget, which added a large number of new projects to the inventory of approved General Services administered projects.

An additional \$95,000 has been added for increased security for the Capitol Complex. The new Capitol Addition is expected to open early in fiscal year 1987.

Utility costs were higher than projected during 1985-86 due to an increase in steam rates. \$240,000 has been added to pay for the costs rolled over into the 1986-87 fiscal year.

This program also provides \$1.5 million for the fourth year of a program to upgrade Commonwealth facilities to reduce energy costs. At current energy prices, investments in projects to reduce energy consumption produce significant savings which result in rapid payback of the project costs.

GENERAL SERVICES

Management and Operation of Facilities (continued)

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 28,106 | \$ 29,116 | \$ 28,904 | \$ 30,060 | \$ 31,262 | \$ 32,512 | \$ 33,812 |
| Capitol Police Operations | 3,116 | 3,261 | 3,621 | 3,766 | 3,916 | 4,073 | 4,236 |
| Harristown Rental Charges | 7,950 | 7,948 | 7,798 | 7,200 | 6,474 | 6,469 | 6,454 |
| Utility Costs | 8,530 | 8,900 | 10,129 | 10,285 | 10,696 | 11,124 | 11,569 |
| Harristown Utility and Municipal Charges | 5,700 | 5,831 | 5,918 | 6,064 | 6,307 | 6,559 | 6,821 |
| Capitol Fire Protection | 325 | 400 | 550 | 550 | 550 | 550 | 550 |
| Energy Conservation Projects | 2,000 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| GENERAL FUND TOTAL | <u>\$ 55,727</u> | <u>\$ 56,956</u> | <u>\$ 58,420</u> | <u>\$ 59,425</u> | <u>\$ 60,705</u> | <u>\$ 62,787</u> | <u>\$ 64,942</u> |
| BANKING DEPARTMENT FUND | | | | | | | |
| Harristown Rental Charges | \$ 170 | \$ 175 | \$ 171 | \$ 161 | \$ 156 | \$ 156 | \$ 151 |
| Harristown Municipal and Utility Costs .. | 120 | 126 | 128 | 131 | 136 | 141 | 147 |
| BANKING FUND DEPARTMENT TOTAL | <u>\$ 290</u> | <u>\$ 301</u> | <u>\$ 299</u> | <u>\$ 292</u> | <u>\$ 292</u> | <u>\$ 297</u> | <u>\$ 298</u> |
| STATE LOTTERY FUND | | | | | | | |
| Harristown Rental Charges | \$ 109 | \$ 103 | \$ 101 | \$ 94 | \$ 90 | \$ 90 | \$ 85 |
| Harristown Utility and Municipal Charges | 89 | 86 | 87 | 89 | 93 | 97 | 100 |
| STATE LOTTERY FUND TOTAL ... | <u>\$ 198</u> | <u>\$ 189</u> | <u>\$ 188</u> | <u>\$ 183</u> | <u>\$ 183</u> | <u>\$ 187</u> | <u>\$ 185</u> |
| REVENUE SHARING TRUST FUND | | | | | | | |
| Moving and Relocation Expenses | \$ 36 | \$ 300 | \$ 300 | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

GENERAL SERVICES

Payment of General State Authority Rentals

OBJECTIVE: To make rental payments to the General State Authority for projects financed and constructed by the authority.

Recommended Program Costs:

| | (Dollar Amounts in 'Thousands) | | | | | | |
|---------------------|--------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 42,319 | \$ 40,263 | \$ 38,317 | \$ 34,392 | \$ 30,729 | \$ 27,462 | \$ 24,595 |
| Special Funds | 1,235 | 1,241 | 1,250 | 1,242 | 1,213 | 1,143 | 1,114 |
| Other Funds | 1,265 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| TOTAL | \$ 44,819 | \$ 42,504 | \$ 40,567 | \$ 36,634 | \$ 32,942 | \$ 29,605 | \$ 26,709 |

Program Analysis:

The Department of General Services makes payments to the General State Authority for rent and other charges that are due on leases or other contractual agreements between the department and the General State Authority. Payments are for the use of grounds, buildings and equipment financed and constructed by the authority with the exception of projects for State-aided colleges and universities which are paid

for by the Department of Education. This amount also provides for fire and boiler insurance premiums.

The rental payments are for the retirement of bonds issued by the authority. Since 1968, capital construction has been financed by General Obligation Bonds and the debt service is paid through the Treasury Department.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General State Authority Rentals | <u>\$ 42,319</u> | <u>\$ 40,263</u> | <u>\$ 38,317</u> | <u>\$ 34,392</u> | <u>\$ 30,729</u> | <u>\$ 27,462</u> | <u>\$ 24,595</u> |
| MOTOR LICENSE FUND | | | | | | | |
| General State Authority Rentals | <u>\$ 1,171</u> | <u>\$ 1,176</u> | <u>\$ 1,185</u> | <u>\$ 1,177</u> | <u>\$ 1,148</u> | <u>\$ 1,078</u> | <u>\$ 1,049</u> |
| FISH FUND | | | | | | | |
| General State Authority Rentals | <u>\$ 62</u> | $ 63 | $ 63 | $ 63 | $ 63 | $ 63 | <u>\$ 63</u> |
| BOATING FUND | | | | | | | |
| General State Authority Rentals | <u>\$ 2</u> | <u>\$ 2</u> | <u>\$ 2</u> | <u>\$ 2</u> | <u>\$ 2</u> | <u>\$ 2</u> | <u>\$ 2</u> |

GENERAL SERVICES

Risk Management and Tort Claims

OBJECTIVE: To provide for the reduction of potential risks and for the equitable settlement of tort claims.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 3,346 | \$ 913 | \$ 1,054 | \$ 1,096 | \$ 1,140 | \$ 1,186 | \$ 1,233 |
| Special Funds | 25,000 | 26,500 | 26,500 | 29,000 | 30,500 | 34,500 | 37,500 |
| Other Funds | 113 | 99 | 102 | 106 | 110 | 114 | 119 |
| TOTAL | \$ 28,459 | \$ 27,512 | \$ 27,656 | \$ 30,202 | \$ 31,750 | \$ 35,800 | \$ 38,852 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| Claims filed | 7,588 | 8,000 | 8,500 | 9,100 | 9,700 | 10,400 | 11,000 |
| Claims closed (includes settlements, judgements and denials) | 6,882 | 7,200 | 8,000 | 8,500 | 9,000 | 9,500 | 10,500 |
| Claims Pending | 6,139 | 7,364 | 9,740 | 11,000 | 14,000 | 17,000 | 18,500 |
| Amount of claims pending (in thousands) .. | \$225,784 | \$270,000 | \$331,000 | \$414,000 | \$518,000 | \$647,000 | \$ 700,000 |

Program Analysis:

This program has been substantially affected by three significant court decisions in the past eight years. First, the Commonwealth's previous use of sovereign immunity as a defense against tort claims was abolished by the Mayle decision in July 1978. Subsequently, by Act 152 of 1978, the General Assembly reaffirmed sovereign immunity, but also established criteria for limited amounts of liability in eight specific areas: (1) vehicle liability; (2) medical-professional liability; (3) personal property; (4) Commonwealth real estate, highways and sidewalks; (5) potholes and other dangerous conditions; (6) care, custody or control of domestic animals; (7) liquor store sales; and (8) National Guard activities.

Then, in early 1984, the Pennsylvania Supreme Court struck down the dollar limitation on awards for pre-Act 152 cases. The Commonwealth Court recently upheld the dollar limitations for post-Act 152 cases, however, the case has been appealed to the Supreme Court. A final decision is expected in 1987. If the constitutionality of the award limits is struck down, large increases in both General Fund and Motor License Fund awards could occur. These projections are based on the assumption that the limits will be upheld.

As a response to the Mayle decision and Act 152, a self-insurance program was established jointly by the Department of General Services and the Office of Attorney General to provide for the handling of tort claims brought against the Commonwealth, its officials and employees. Claims in the pre-litigation stage are investigated and handled by qualified and experienced evaluators in the Department of General Services. Claims in litigation are defended by the Tort Litigation Unit in the Office of Attorney General with investigative services provided by the Department of General Services. In either situation, the actual payment of claims is made from either Motor License Fund monies appropriated for this program or from billings to agencies. The torts program has been incorporated into the overall Risk Management program, which provides loss prevention activities to reduce the potential risks as much as possible.

Pot hole and salt and cinder claims were much lower than predicted last year largely due to favorable weather and road maintenance activities. These claims require less processing than many other types of claims such as a dangerous roadway condition claim. Because of the reduction in pot

Risk Management and Tort Claims (continued)

Program Analysis: (continued)

hole claims received that are relatively easy to process, the amount of claims closed was also less than projected.

General Fund tort claims costs were billed to agencies effective July 1, 1986; previously they had been paid from a General Fund appropriation to General Services. Funds have been provided in individual agency budgets to cover the projected billings.

This program has provided a mechanism for efficient relief to injured members of the public, along with an emphasis on the prevention and control of damages.

This program also has the responsibility of administering the Commonwealth's numerous self-insurance programs, the State Insurance fund, the employe bond program, and other miscellaneous insurance programs.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 846 | \$ 913 | \$ 1,054 | \$ 1,096 | \$ 1,140 | \$ 1,186 | \$ 1,233 |
| Tort Claims Payments | 2,500 | ..... | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | <u>\$ 3,346</u> | <u>\$ 913</u> | <u>\$ 1,054</u> | <u>\$ 1,096</u> | <u>\$ 1,140</u> | <u>1,186</u> | <u>\$ 1,233</u> |
| MOTOR LICENSE FUND | | | | | | | |
| Tort Claims Payments | <u>\$ 25,000</u> | <u>\$ 26,500</u> | <u>\$ 26,500</u> | <u>\$ 29,000</u> | <u>\$ 30,500</u> | <u>\$ 34,500</u> | <u>\$ 37,500</u> |

Department of Health

The Department of Health is responsible for planning and coordinating all the health resources of the Commonwealth. In addition, the department provides some direct public health services, including programs for children, treatment for certain blood diseases, programs for communicable diseases, and subsidies for research and development.

The Secretary of Health receives assistance and information from approximately fifty advisory groups, the most prominent being: the Advisory Health Board, the Drug, Device and Cosmetic Board, the Advisory Committee for Clinical Laboratories, the Statewide Health Coordinating Council, and the Advisory Council on Drug and Alcohol Abuse.

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

| Appropriation | Title | 1987-88 State Funds (in thousands) |
|---------------------------|--------------------------|---|
| General Fund | | |
| Maternal and Child Health | Maternity Services | \$ 1,293 |

This Program Revision will provide for increased maternal services to low-income women.

| | |
|------------------|-----------------|
| DEPARTMENT TOTAL | <u>\$ 1,293</u> |
|------------------|-----------------|

DEPARTMENT OF HEALTH

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| General Fund | | | |
| General Government | | | |
| General Government Operations | \$ 11,018 | \$ 11,387 | \$ 10,857 |
| TMI — Health Studies | 509 | 319 | 314 |
| Quality Assurance | 2,839 | 3,094 | 3,435 |
| Vital Statistics | 3,876 | 3,802 | 4,300 |
| State Laboratory | 2,771 | 2,595 | 2,803 |
| State Health Care Centers | 13,405 | 12,590 | 12,968 |
| Vietnam Herbicides Information Commission | 152 | 219 | 219 |
| Diabetes Task Force | 273 | 310 | 310 |
| Cancer Registry | 561 | 595 | 613 |
| Arthritis Task Force | 125 | 150 | 150 |
| Subtotal | <u>\$ 35,529</u> | <u>\$ 35,061</u> | <u>\$ 35,969</u> |
| Grants and Subsidies | | | |
| School Health Examinations | \$ 18,700 | \$ 18,000 | \$ 17,900 |
| Local Health Departments | 18,380 | 18,999 | 19,369 |
| Local Health Departments — Environmental | 6,510 | 6,627 | 6,680 |
| WIC — Supplement ..... | ..... | 7,000 | 10,000 |
| Maternal and Child Health | 819 | 844 | 2,162 |
| Emergency Health Services | 1,879 | 200 | ..... |
| Hemophilia Services | 1,271 | 1,454 | 1,454 |
| Sickle Cell Anemia | 738 | 765 | 788 |
| Sickle Cell Anemia — Summer Camps | 25 | 25 | 25 |
| Cooley's Anemia | 200 | 222 | 222 |
| Renal Disease | 8,852 | 8,987 | 8,987 |
| HIB Vaccine ..... | ..... | 280 | 280 |
| Home Ventilators | 499 | 540 | 540 |
| Coalworker's Pneumoconiosis Services | 607 | 645 | 645 |
| Spina Bifida | 849 | 950 | 979 |
| Keystone State Games | 100 | 150 | 150 |
| Benedum Geriatric Screening | 125 | ..... | ..... |
| Adult Cystic Fibrosis | 198 | 204 | 210 |
| Screening and Treatment — Venereal Disease | 342 | 402 | 402 |
| Screening and Treatment — Tuberculosis | 611 | 525 | 541 |
| Assistance to Drug and Alcohol Abuse Programs | 28,914 | 30,878 | 31,804 |
| Pennsylvanian's Aware | 200 | 200 | ..... |
| Cancer Control, Prevention and Research | 2,968 | 4,000 | 4,000 |
| The Institute for Cancer Research, Fox Chase, Philadelphia | 535 | 635 | 654 |
| Pittsburgh Cancer Institute | 250 | 350 | 350 |
| University of Pennsylvania Cancer Center ..... | ..... | 500 | ..... |
| The Wistar Institute — Research, Philadelphia | 208 | 225 | 232 |
| The Wistar Institute — Rabies ..... | ..... | 110 | ..... |
| Lupus Disease — Research | 80 | 80 | 80 |
| Cardiovascular Studies — University of Pennsylvania | 125 | 125 | 129 |
| Cardiovascular Studies — St. Francis Hospital, Pittsburgh | 125 | 125 | 129 |
| Central Pennsylvania Oncology Group | 104 | 104 | 107 |
| Burn Foundation of Greater Delaware Valley | 250 | 250 | 258 |
| Poison Control Center ..... | ..... | 300 | ..... |
| United Neighborhood Facilities Health Care — Erie | 150 | 150 | 150 |
| AIDS Education ..... | ..... | 150 | 350 |

DEPARTMENT OF HEALTH

Summary by Fund and Appropriation (continued)

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---|-------------------|---|-------------------|
| General Fund (continued) | | | |
| Grants and Subsidies (continued) | | | |
| Cerebral Palsy — St. Christopher's Hospital, Philadelphia | \$ 750 | \$ 750 | \$ 773 |
| Home for Crippled Children — Pittsburgh | 530 | 730 | 752 |
| Children's Heart Hospital — Philadelphia | 1,563 | 1,563 | 1,610 |
| Cleft Palate Clinic — Lancaster | 52 | 52 | 54 |
| Cleft Palate Clinic — Pittsburgh | 52 | 52 | 54 |
| Tay Sachs Disease — Jefferson Medical College | 52 | 52 | 54 |
| Worksite Wellness | | 125 | |
| Tourette Syndrome | | 50 | |
| Handicapped Childrens Clinic | 100 | 100 | 103 |
| Subtotal | \$ 97,713 | \$ 108,475 | \$ 112,977 |
| TOTAL STATE FUNDS | \$ 133,242 | \$ 143,536 | \$ 148,946 |
| Federal Funds | \$ 105,802 | \$ 114,432 | \$ 115,002 |
| Augmentations | 7,552 | 15,845 | 13,603 |
| GENERAL FUND TOTAL | \$ 246,596 | \$ 273,813 | \$ 277,551 |
| Department Total — All Funds | | | |
| General Fund | \$ 133,242 | \$ 143,536 | \$ 148,946 |
| Federal Funds | 105,802 | 114,432 | 115,002 |
| Augmentations | 7,552 | 8,118 | 8,610 |
| DEPARTMENT TOTAL | \$ 246,596 | \$ 266,086 | \$ 272,558 |
| Other Funds | | \$ 7,727 | \$ 4,993 |
| TOTAL ALL FUNDS | \$ 246,596 | \$ 273,813 | \$ 277,551 |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| State Funds | \$ 11,018 | \$ 11,387 | \$ 10,857 |
| Federal Funds | 5,588 | 5,876 | 5,758 |
| Augmentations | 7,034 | 7,431 | 7,938 |
| TOTAL | \$ 23,640 | \$ 24,694 | \$ 24,553 |

Provides for the overall executive direction and administration of the department including personnel, fiscal management, office services, public information, legal, data processing, systems development, purchasing, health statistics, comprehensive health planning, venereal disease prevention, migrant health programs and drug and alcohol programs. Provides for expenses of the department's boards, councils and commissions. Includes the administrative funding for the Alcohol, Drug Abuse and Mental Health, Maternal and Child Health, and Preventive Health and Health Services Block Grants.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| General Government Operations | \$ 11,018 | \$ 11,387 | \$ 10,857 |
| Federal Funds: | | | |
| State Health Planning and Development Agency | 1,082 | 746 | 700 |
| Cooperative Health Statistics | 327 | 394 | 453 |
| Indochinese Refugee Program | 99 | 116 | 110 |
| Consolidated D.D. Programs | 6 | .. . . | .. . . |
| Health Resources Recruitment Project | 43 | 32 | .. . . |
| National Health Services Corps | 116 | 192 | 166 |
| FHWA — Driving Under Influence Management Grant | 65 | 50 | .. . . |
| Social Security Administration (XVI) — Drug and Alcohol Referral and Monitoring | 35 | 40 | 43 |
| Alcohol, Drug Abuse and Mental Health Block Grant — Administration | 1,343 | 1,379 | 1,379 |
| Maternal and Child Health Block Grant — Administration | 1,746 | 1,750 | 1,750 |
| Preventive Health and Health Services Block Grant — Administration | 237 | 300 | 300 |
| Antibody Testing | 393 | 400 | 450 |
| Aids Surveillance Investigation | 2 | 144 | 146 |
| Drake Health Registry ..... | .. . . | 256 | 261 |
| Centralia Mine Fire Recovery | 94 | 77 | .. . . |
| Augmentations: | | | |
| Data Processing Reimbursement | \$ 1,872 | \$ 1,900 | \$ 1,900 |
| Drug and Alcohol Annual Conference Fees | 88 | 88 | 90 |
| Pennsylvania State University/Hershey Medical Center — Elizabethtown Hospital for Children and Youth | 4,594 | 4,763 | 4,996 |
| Payment for Chargebacks | 480 | 680 | 952 |
| TOTAL | \$ 23,640 | \$ 24,694 | \$ 24,553 |

GENERAL FUND

HEALTH

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Three Mile Island (TMI) — Health Studies | | | |
| State Funds | \$ 509 | \$ 319 | \$ 314 |

Provides for various health related studies (population, evaluation of pregnancy outcome, congenital neonatal hypothyroidism, health related economic costs, health behavior impacts, radiation dose assessment, radiation cytogenetic, and cancer registry) resulting from the March 28, 1979 accident at the Three Mile Island nuclear generating plant.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Three Mile Island (TMI) — Health Studies | <u>\$ 509</u> | <u>\$ 319</u> | <u>\$ 314</u> |

| | (Dollar Amounts in Thousands) | | |
|--------------------------|-------------------------------|----------------------|-------------------|
| Quality Assurance | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 2,839 | \$ 3,094 | \$ 3,435 |
| Federal Funds | 3,710 | 4,285 | 4,299 |
| Augmentations | 107 | 149 | 149 |
| TOTAL | <u>\$ 6,656</u> | <u>\$ 7,528</u> | <u>\$ 7,883</u> |

Provides programmatic control over the regulatory programs for health care facilities, conducts surveys for State licensure and Medicare and Medicaid certifications in nursing homes, other long-term care facilities, acute care facilities, surgical clinics, abortion clinics, out-patient clinics and renal dialysis clinics, insures all facilities comply with Title VI Civil Rights Act and State Human Relations Act; develops quality standards for all health care providers regulated by the Health Department.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Quality Assurance | \$ 2,839 | \$ 3,094 | \$ 3,435 |
| Federal Funds: | | | |
| Medicare — Health Service Agency Certification | 2,100 | 2,550 | 2,300 |
| Medicaid Certification | 1,575 | 1,700 | 1,964 |
| Inpatient Psychiatric Unit Surveys | 35 | 35 | 35 |
| Augmentations: | | | |
| Publication Fees | 12 | 15 | 15 |
| Reimbursement for Intermediate Care Facility/Mentally Retarded Facilities Reviews | 95 | 134 | 134 |
| TOTAL | <u>\$ 6,656</u> | <u>\$ 7,528</u> | <u>\$ 7,883</u> |

GENERAL FUND

HEALTH

| | (Dollar Amounts in Thousands) | | |
|-------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Vital Statistics | | | |
| State Funds | \$ 3,876 | \$ 3,802 | \$ 4,300 |
| Augmentations | 46 | 52 | 52 |
| TOTAL | <u>\$ 3,922</u> | <u>\$ 3,854</u> | <u>\$ 4,352</u> |

Assures the proper collection, registration and preservation of information on all births, deaths, fetal deaths, marriages, divorces and annulments occurring in Pennsylvania.

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Vital Statistics | \$ 3,876 | \$ 3,802 | \$ 4,300 |
| Augmentations: | | | |
| Reimbursement for Microfilming | 46 | 52 | 52 |
| TOTAL | <u>\$ 3,922</u> | <u>\$ 3,854</u> | <u>\$ 4,352</u> |

| | (Dollar Amounts in Thousands) | | |
|-------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Laboratory | | | |
| State Funds | \$ 2,771 | \$ 2,595 | \$ 2,803 |
| Federal Funds | 129 | 135 | 146 |
| Augmentations | 257 | 250 | 229 |
| TOTAL | <u>\$ 3,157</u> | <u>\$ 2,980</u> | <u>\$ 3,178</u> |

Develops and administers a comprehensive program involving the setting of clinical laboratory standards, licensing of all clinical laboratories, determining proficiency levels in all clinical laboratories, providing training and specialized testing, and direct laboratory support to certain department programs. Contains divisions for bacteriology, virology, immunology, clinical chemistry, hematology, laboratory licensure and training.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| State Laboratory | \$ 2,771 | \$ 2,595 | \$ 2,803 |
| Federal Funds: | | | |
| Medicare — Health Services Agency Certification — State Laboratory | 129 | 135 | 146 |
| Augmentations: | | | |
| Licensure of Clinical Laboratories | 216 | 200 | 209 |
| Blood Lead Testing — Chester | 8 | 15 | 15 |
| Low Volume Proficiency Testing | 31 | 30 | |
| Training Fees | 2 | 3 | 3 |
| Lab Personnel Registry ..... | . . . . | 2 | 2 |
| TOTAL | <u>\$ 3,157</u> | <u>\$ 2,980</u> | <u>\$ 3,178</u> |

GENERAL FUND

HEALTH

| | (Dollar Amounts in Thousands) | | |
|----------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Health Care Centers | | | |
| State Funds | \$ 13,405 | \$ 12,590 | \$ 12,968 |
| Federal Funds ..... | . . . . | 70 | 114 |
| Augmentations | 26 | 106 | 112 |
| TOTAL | <u>\$ 13,431</u> | <u>\$ 12,766</u> | <u>\$ 13,194</u> |

Provides for the management of staff in the district offices and State Health Centers and provides for public health programs that can be categorized as: communicable diseases, chronic diseases, chronic respiratory diseases, maternal and child health, and crippled children.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| State Health Care Centers | \$ 13,405 | \$ 12,590 | \$ 12,968 |
| Federal Funds: | | | |
| Medical Assistance— State Health Centers ..... | . . . . | 70 | 114 |
| Augmentations: | | | |
| Early Periodic Screening Diagnosis and Treatment | 19 | 19 | 19 |
| Payments — Departmental Services | 7 | 7 | 7 |
| Medical Assistance— State Health Centers ..... | . . . . | 80 | 86 |
| TOTAL | <u>\$ 13,431</u> | <u>\$ 12,766</u> | <u>\$ 13,194</u> |

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Information Programs and Registries | | | |
| State Funds | \$ 1,111 | \$ 1,399 | \$ 1,292 |

Provides for the administration and operations of specific informational programs and continued maintenance of mandated health registries.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Vietnam Herbicides Information Commission | \$ 152 | \$ 219 | \$ 219 |
| Diabetes Task Force | 273 | 310 | 310 |
| Cancer Registry | 561 | 595 | 613 |
| Worksite Wellness ..... | . . . . | 125 | |
| Arthritis Task Force | 125 | 150 | 150 |
| TOTAL | <u>\$ 1,111</u> | <u>\$ 1,399</u> | <u>\$ 1,292</u> |

GRANTS AND SUBSIDIES

| | (Dollar Amounts in Thousands) | | |
|-----------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| School Health Examinations | | | |
| State Funds | \$ 18,700 | \$ 18,000 | \$ 17,900 |

Provides for reimbursement to school districts for providing certain health services to school children that will ensure that the children will develop their maximum potential. The funds are used to pay for school nurses, dental hygiene, examination services, and periodic vision and hearing tests.

| | (Dollar Amounts in Thousands) | | |
|----------------------------------|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| School Health Examinations | <u>\$ 18,700</u> | <u>\$ 18,000</u> | <u>\$ 17,900</u> |

| | (Dollar Amounts in Thousands) | | |
|---------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Local Health Departments | | | |
| State Funds | \$ 24,890 | \$ 25,626 | \$ 26,049 |

Provides health services reimbursement to those counties having an organized and locally funded county health department. The current rate of reimbursement for county health departments is \$4.50 per person or fifty percent of the operating budget, whichever is lower. Currently reimbursement is provided to five full-time county health departments (Philadelphia, Allegheny, Erie, Bucks and Chester) and city health departments in Allentown and Bethlehem. Also provides environmental health service reimbursement based on a per capita grant of \$1.50 per resident population.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Local Health Departments | \$ 18,380 | \$ 18,999 | \$ 19,369 |
| Local Health Departments — Environmental | 6,510 | 6,627 | 6,680 |
| TOTAL | <u>\$ 24,890</u> | <u>\$ 25,626</u> | <u>\$ 26,049</u> |

GENERAL FUND

HEALTH

| | (Dollar Amounts in Thousands) | | |
|----------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Maternal and Child Health | | | |
| State Funds | \$ 819 | \$ 7,844 | \$ 12,162 |
| Federal Funds | 79,009 | 85,170 | 87,553 |
| TOTAL | <u>\$ 79,828</u> | <u>\$ 93,014</u> | <u>\$ 99,715</u> |

Establishes maternal care and child health care services in areas the Commonwealth deems most in need. Program is directed towards reducing mortality and improving developmental disabilities in children. Includes all funding for the maternal and child health programs under the Federal Maternal and Child Health Services Block Grant.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| Maternal and Child Health | \$ 819 | \$ 844 | \$ 2,162 |
| State Supplemental — Special Food Service Program for Women, Infants and Children (WIC) ..... | ..... | 7,000 | 10,000 |
| Federal Funds: | | | |
| Special Supplemental Food Program for Women, Infants, and Children (WIC) | 58,039 | 66,500 | 69,000 |
| Maternal and Child Health — Improved Pregnancy Outcome .. | 6 | ..... | ..... |
| Genetic Screening, Education | 311 | 195 | 78 |
| Genetic Screening | 15 | 15 | 15 |
| Crippled Children's Services — Projects | 32 | ..... | ..... |
| Maternal and Child Health Services Block Grant — Crippled Children Programs | 5,759 | 5,760 | 5,760 |
| Maternal and Child Health Services Block Grant — Maternal and Child Health Services | 12,997 | 11,750 | 11,750 |
| Maternal and Child Health — St. Christopher's Hospital | 750 | ..... | ..... |
| Maternal and Child Health — Spina Bifida | 50 | ..... | ..... |
| Maternal and Child Health Services Block Grant — Supplemental Security Income | 1,050 | 950 | 950 |
| TOTAL | <u>\$ 79,828</u> | <u>\$ 93,014</u> | <u>\$ 99,715</u> |

GENERAL FUND

HEALTH

| Prevention and Treatment Services | (Dollar Amounts in Thousands) | | |
|-----------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 16,296 | \$ 15,349 | \$ 15,223 |
| Federal Funds | 5,890 | 7,214 | 5,334 |
| Augmentations | 82 | 130 | 130 |
| TOTAL | \$ 22,268 | \$ 22,693 | \$ 20,687 |

Provides for the prevention and treatment of diseases (hemophilia, sickle cell anemia, cooley's anemia, renal, spina bifida, black lung, and others). Also provides assistance through grants and contracts for development of comprehensive area emergency medical care. Includes all funding for the preventive health programs under the Federal Preventive Health and Health Services Block Grant.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Emergency Health Services | \$ 1,879 | \$ 200 | ..... |
| Hemophilia Services | 1,271 | 1,454 | \$ 1,454 |
| Sickle Cell Anemia | 738 | 765 | 788 |
| Sickle Cell Anemia — Summer Camp | 25 | 25 | 25 |
| Cooley's Anemia | 200 | 222 | 222 |
| Renal Disease | 8,852 | 8,987 | 8,987 |
| HIB Vaccine ..... | ..... | 280 | 280 |
| Home Ventilators | 499 | 540 | 540 |
| Coalworkers's Pneumoconiosis Services | 607 | 645 | 645 |
| Spina Bifida | 849 | 950 | 979 |
| Keystone State Games | 100 | 150 | 150 |
| Benedum Geriatric Screening | 125 | ..... | ..... |
| Adult Cystic Fibrosis | 198 | 204 | 210 |
| Screening and Treatment — Venereal Disease | 342 | 402 | 402 |
| Screening and Treatment — Tuberculosis | 611 | 525 | 541 |
| Federal Funds: | | | |
| Black Lung Clinic Program | 544 | 600 | 600 |
| Migrant Health Services | 736 | 643 | 655 |
| Disease Control — Immunization Program | 642 | 338 | 351 |
| Surveys and Follow-up Venereal Disease | 591 | 769 | 795 |
| Diabetes Control | 163 | 287 | 287 |
| Tuberculosis Control | 88 | 104 | 104 |
| Emergency Medical Services — Public Information | 7 | 34 | 40 |
| Preventive Health and Health Services Block Grant — Emergency Medical Services | 905 | 800 | ..... |
| Preventive Health and Health Services Block Grant — Health Education and Prevention | 332 | 475 | 475 |
| Preventive Health and Health Services Block Grant — Tuber- culosis Programs | 411 | 569 | 569 |
| Preventive Health and Health Services Block Grant — Hypertension Services | 921 | 910 | 910 |
| Preventive Health and Health Services Block Grant — Diabetes Task Force | 204 | 218 | 218 |
| Preventive Health and Health Services Block Grant — Fluoridation Services | 14 | 80 | 80 |
| Medical Assistance — Home Ventilators | 97 | 220 | 250 |
| Medical Assistance — Renal Disease ..... | ..... | 932 | ..... |
| Adult Cystic Fibrosis | 115 | 115 | ..... |
| Pediatric Rheumatology | 120 | 120 | ..... |
| Augmentations: | | | |
| MA — Home Ventilators | 82 | 130 | 130 |
| TOTAL | \$ 22,268 | \$ 22,693 | \$ 20,687 |

GENERAL FUND

HEALTH

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Assistance to Drug and Alcohol Abuse Programs | | | |
| State Funds | \$ 29,114 | \$ 31,078 | \$ 31,804 |
| Federal Funds | 11,476 | 11,278 | 11,344 |
| TOTAL | <u>\$ 40,590</u> | <u>\$ 42,356</u> | <u>\$ 43,148</u> |

Provides grants to counties and to private facilities to finance drug and alcohol abuse treatment and prevention programs. Includes funding for the drug and alcohol abuse programs under the Federal Alcohol, Drug Abuse and Mental Health Block Grant.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Assistance to Drug and Alcohol Abuse Programs | \$ 28,914 | \$ 30,878 | \$ 31,804 |
| Pennsylvanian's Aware | 200 | 200 | |
| Federal Funds: | | | |
| Alcohol, Drug Abuse and Mental Health Block Grant — | | | |
| Alcohol Services | 4,613 | 4,515 | 4,515 |
| Alcohol, Drug Abuse and Mental Health Block Grant — Drug | | | |
| Services | 6,739 | 6,609 | 6,609 |
| High Risk Pilot ..... | . . . . | 154 | 220 |
| Support for Youth Development Centers | 73 | | |
| Juvenile Treatment Alternatives to Street Crime | 51 | | |
| TOTAL | <u>\$ 40,590</u> | <u>\$ 42,356</u> | <u>\$ 43,148</u> |

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Health Research and Support Activities | | | |
| State Funds | \$ 4,795 | \$ 7,104 | \$ 6,439 |
| Federal Funds ..... | . . . . | 404 | 454 |
| TOTAL | <u>\$ 4,795</u> | <u>\$ 7,508</u> | <u>\$ 6,893</u> |

Provides funds for supporting research and efforts relative to special health conditions with special emphasis on cancer.

GENERAL FUND

HEALTH

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|------------------------|------------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Cancer Control, Prevention and Research..... | \$ 2,968 | \$ 4,000 | \$ 4,000 |
| The Institute for Cancer Research, Fox Chase, Philadelphia ... | 535 | 635 | 654 |
| Pittsburgh Cancer Institute..... | 250 | 350 | 350 |
| The Wistar Institute — Research, Philadelphia | 208 | 225 | 232 |
| The Wistar Institute — Rabies Research ..... | ..... | 110 | ..... |
| Lupus Disease — Research..... | 80 | 80 | 80 |
| University of Pennsylvania Cancer Center ..... | ..... | 500 | ..... |
| Cardiovascular Studies — University of Pennsylvania | 125 | 125 | 129 |
| Cardiovascular Studies — St. Francis Hospital, Pittsburgh..... | 125 | 125 | 129 |
| Central Pennsylvania Oncology Group | 104 | 104 | 107 |
| Burn Foundation of Greater Delaware Valley | 250 | 250 | 258 |
| Poison Control Center ..... | ..... | 300 | ..... |
| United Neighborhood Facilities Health Care —Erie | 150 | 150 | 150 |
| Aids Education ..... | ..... | 150 | 350 |
| Federal Funds: | | | |
| Aids Health Education ..... | ..... | 404 | 454 |
| TOTAL | <u>\$ 4,795</u> | <u>\$ 7,508</u> | <u>\$ 6,893</u> |

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| Chronic, Catastrophic and Degenerative Diseases | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 3,099 | \$ 3,349 | \$ 3,400 |

Provides funds for the detection and treatment of various chronic, catastrophic and degenerative diseases including cerebral palsy, cleft palate, and Tay-Sachs disease.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|------------------------|------------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Cerebral Palsy — St. Christopher's Hospital, Philadelphia | \$ 750 | \$ 750 | \$ 773 |
| Cleft Palate Clinic — Lancaster | 52 | 52 | 54 |
| Cleft Palate Clinic — Pittsburgh..... | 52 | 52 | 54 |
| Tay Sachs Disease — Jefferson Medical College | 52 | 52 | 54 |
| Children's Heart Hospital..... | 1,563* | 1,563 | 1,610 |
| Tourette Syndrome..... | ..... | 50 | ..... |
| Home for Crippled Children, Pittsburgh..... | 530* | 730 | 752 |
| Handicapped Children's Clinic | 100 | 100 | 103 |
| TOTAL | <u>\$ 3,099</u> | <u>\$ 3,349</u> | <u>\$ 3,400</u> |

*Actually appropriated to Department of Public Welfare in 1985-86

Amounts Not Previously Detailed

| | | (Dollar Amounts in Thousands) | |
|---|-------------------|-------------------------------|-------------------|
| General Fund | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Emergency Medical Services Operating Fund | | \$ 7,727 | \$ 4,993 |
| DEPARTMENT TOTAL | | \$ 7,727 | \$ 4,993 |

DEPARTMENT OF HEALTH

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 7,910 | \$ 7,803 | \$ 7,895 | \$ 8,217 | \$ 8,539 | \$ 8,879 | \$ 9,233 |
| Comprehensive Health Systems | | | | | | | |
| Development | \$ 15,817 | \$ 15,483 | \$ 14,952 | \$ 15,522 | \$ 16,112 | \$ 16,724 | \$ 17,360 |
| Medical Research and Health | | | | | | | |
| Information | 8,949 | 9,694 | 9,445 | 9,795 | 10,155 | 10,529 | 10,917 |
| Medical Facilities Review | 3,557 | 3,809 | 4,137 | 4,302 | 4,475 | 4,654 | 4,840 |
| Health Services Development | 3,311 | 1,980 | 1,370 | 1,425 | 1,482 | 1,541 | 1,603 |
| Health Maintenance | \$ 58,000 | \$ 66,296 | \$ 71,208 | \$ 72,647 | \$ 73,931 | \$ 75,262 | \$ 76,635 |
| Health Maintenance and Disease | | | | | | | |
| Prevention | 50,060 | 58,684 | 63,627 | 64,953 | 66,120 | 67,329 | 68,576 |
| Detection and Diagnosis | 7,940 | 7,612 | 7,581 | 7,694 | 7,811 | 7,933 | 8,059 |
| Patient Care | \$ 51,515 | \$ 53,954 | \$ 54,891 | \$ 57,028 | \$ 58,966 | \$ 60,977 | \$ 63,064 |
| Outpatient Treatment | 22,018 | 22,478 | 22,677 | 23,534 | 24,141 | 24,768 | 25,416 |
| Inpatient Treatment | 383 | 398 | 410 | 418 | 426 | 434 | 442 |
| Prevention/Intervention of Drug and | | | | | | | |
| Alcohol Abuse | 5,983 | 6,376 | 6,361 | 6,615 | 6,880 | 7,155 | 7,441 |
| Treatment of Drug and Alcohol Abuse .. | 23,131 | 24,702 | 25,443 | 26,461 | 27,519 | 28,620 | 29,765 |
| DEPARTMENT TOTAL | <u>\$ 133,242</u> | <u>\$ 143,536</u> | <u>\$ 148,946</u> | <u>\$ 153,414</u> | <u>\$ 157,548</u> | <u>\$ 161,842</u> | <u>\$ 166,292</u> |

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 7,910 | \$ 7,803 | \$ 7,895 | \$ 8,217 | \$ 8,539 | \$ 8,879 | \$ 9,233 |
| Federal Funds | 3,575 | 3,728 | 3,701 | 3,701 | 3,701 | 3,701 | 3,701 |
| Other Funds | 2,133 | 2,219 | 2,538 | 2,538 | 2,538 | 2,538 | 2,538 |
| TOTAL | \$ 13,618 | \$ 13,750 | \$ 14,134 | \$ 14,456 | \$ 14,778 | \$ 15,118 | \$ 15,472 |

Program Analysis:

Management systems are developed, coordinated and provided to support the operations of health programs. The success or failure of these support services have an impact on the effectiveness of the department's programs.

The department will continue to utilize Integrated Central Systems (ICS) terminals at the executive, bureau and field level offices to assist the agency in the maintenance of a comprehensive fiscal management program. The department also has in place a personnel management system and an automated inventory program.

User information needs have been steadily increasing in the past several years, with the rapid development of data user sophistication and user oriented personal computing. Currently the Health Data Center's computer, telecommunications network, peripherals and related software support 49 major systems, encompassing 84 subsystems, utilizing approximately 3,560 programs.

The State Public Health Laboratory, with facilities at Lionville, is responsible for the provision, coordination, counseling, and consultation concerning the laboratory support needs of all department programs as well as maintaining a liaison and a working relationship with: the State Public Health Laboratory in each of the other states; Federal government and university-based laboratories; and the clinical laboratory community of the Commonwealth.

The State Health Care Centers provide public health services to citizens of the Commonwealth through a network of 6 District Offices and 69 Health Care Centers covering all counties except Allegheny, Bucks, Chester, Erie and Philadelphia, and three municipalities, Allentown, Bethlehem and York. The counties and municipalities have local health departments partially funded through grants by the department.

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 3,966 | \$ 4,100 | \$ 4,078 | \$ 4,241 | \$ 4,411 | \$ 4,587 | \$ 4,770 |
| State Laboratory | 55 | 52 | 57 | 59 | 61 | 63 | 66 |
| State Health Care Centers | 3,889 | 3,651 | 3,760 | 3,917 | 4,067 | 4,229 | 4,397 |
| TOTAL | \$ 7,910 | \$ 7,803 | \$ 7,895 | \$ 8,217 | \$ 8,539 | \$ 8,879 | \$ 9,233 |

Medical Research and Health Information

OBJECTIVE: To improve the utilization of existing health resources, to develop more effective methods of gathering and utilizing health information, and to develop basic scientific knowledge about the nature of disease and illness including the effect of biological, social and environmental processes.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 8,949 | \$ 9,694 | \$ 9,445 | \$ 9,795 | \$ 10,155 | \$ 10,529 | \$ 10,917 |
| Federal Funds | 426 | 727 | 714 | 714 | 714 | 714 | 714 |
| Other Funds | 1,734 | 1,848 | 1,912 | 1,912 | 1,912 | 1,912 | 1,912 |
| TOTAL | \$ 11,109 | \$ 12,269 | \$ 12,071 | \$ 12,421 | \$ 12,781 | \$ 13,155 | \$ 13,543 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Vital events (births, deaths, fetal deaths, marriages and divorces): | | | | | | | |
| Registered and processed | 422,420 | 420,600 | 418,700 | 418,600 | 418,500 | 418,400 | 418,300 |
| Percent registered and processed within 30 days | 40% | 40% | 40% | 41% | 43% | 44% | 44% |
| Applications for certified copies of birth and death records: | | | | | | | |
| Filled | 454,000 | 450,000 | 448,000 | 446,000 | 444,000 | 440,000 | 436,000 |
| Percent filled within 10 days | 77% | 78% | 78% | 79% | 79% | 79% | 79% |
| Epidemiological studies and research projects conducted | 30 | 30 | 30 | 30 | 30 | 30 | 30 |
| Cancer Registry: | | | | | | | |
| Pennsylvania general hospitals reporting to the Pennsylvania Cancer Registry ... | 259 | 259 | 259 | 259 | 259 | 259 | 259 |
| Percent of Pennsylvania general hospitals reporting | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Abstracts received on a yearly basis | 68,500 | 68,500 | 69,000 | 69,500 | 70,000 | 70,500 | 71,000 |

Program Analysis:

Timely and accurate health information is essential to the effective functioning of the Department of Health, other State agencies and the public community. Reliable health information is needed to contain the outbreak of communicable diseases; identify the existence and extent of health problems; evaluate the adequacy of health facilities, services and manpower; and evaluate alternative methods for the delivery of health care services. In addition, dissemination of health data to Pennsylvanians, as well as Federal, State and local agencies is of major importance to the department.

One focus of this subcategory is collection and dissemination of health data. The State Health Data Center,

as a designated State center for health statistics under P.L. 95-623, serves as the focal point in Pennsylvania for coordinating the collection, analysis and dissemination of health statistics and information. The center maintains statistical information on the health status of the population, (including leading causes of death, life expectancy, and infant mortality). The center handles about 3,000 requests for services each year. The Data Center conducts an annual survey of all hospitals and nursing homes in Pennsylvania to support the need for information on health resources and health services availability, utilization, staffing and patient characteristics.

The State Health Data Center's Vital Records Division

Medical Research and Health Information (continued)

Program Analysis: (continued)

is the repository for all records of births, deaths, fetal deaths, marriages and divorces which occurred to Pennsylvania residents. In 1986-87, approximately 162,600 births, 125,500 deaths, 3,400 fetal deaths, 87,000 marriages, and 40,200 divorces are projected to be registered. These vital records are the primary source for important medical and health information such as: life expectancy, mortality statistics on causes of death and birth or fertility rates. In 1987-88, it is estimated that approximately 310,000 birth certificates will be issued by the department for a fee, with approximately 61,000 free birth certificates issued to veterans, and 162,600 issued free to new parents. The department anticipates issuing approximately 239,000 death certificates for a fee, and issuing 90,000 free to veterans or their next of kin. The division utilizes a state-wide network of 314 local registrars to collect original birth and death records. The Vital Statistics Law allows these local registrars to issue certified copies of death records while the original records are in their possession. In fiscal year 1987-88, it is estimated that over 700,000 certified copies of deaths will be issued by local registrars. In order to further increase retrieval efficiency \$408,000 has been added for 1987-88 to permit creation of computer data files from 25 million birth records.

Containing rising health care costs will continue to be a priority in fiscal year 1987-88. Movement towards a competitive health care environment through the collection and dissemination of health care cost, utilization, and quality data from individual providers is an important component of containing costs. The provision of this data will enable consumers, businesses, and insurers to compare health care providers and make informed decisions about health care purchases.

The second focus of this subcategory is medical and public health research designed to determine the existence and extent of health problems and to evaluate alternative methods for the delivery of health care services. To accomplish this, the Department of Health administers diverse activities, research projects and studies related to the etiology, distribution, and trend of major diseases. The department also provides epidemiologic assessment of health problems that include environmental-occupational hazards, health risk behavior and life style of the general public or selected populations, and provides professional consultation and technical support for other agencies, county health departments and local municipalities. Examples of the department's health research activities follow.

Under Act 99-1982 known as the Vietnam Herbicides Information Act, the Department of Health is responsible for the establishment and maintenance of a registry of Pennsylvania's Vietnam Veterans who were possibly exposed to herbicides used in Vietnam. The program is also responsible for the initiation of programs to educate health professionals regarding current detection, diagnosis and treatment of symptoms associated with herbicide exposure

and the promotion and maintenance of public information on Vietnam herbicides.

A registry of veterans exposed to herbicides in Vietnam was implemented effective October 1, 1984. The registry currently has over 65,000 participants' data on file and efforts are continuing to obtain information from an additional 135,000 Vietnam veterans. The Department of Health has updated a physicians manual that contains an overview of problems due to exposure to herbicides in Vietnam. This manual, developed through a contract with the Pennsylvania Medical Society, includes symptoms and conditions related to herbicides exposure, diagnosis and suggested treatment, and listings of VA Medical Centers and Governor's Veterans Outreach and Assistance Centers. Audio cassettes have been developed and distributed to teaching hospitals as an additional means of educating health professionals. A study of Soft Tissue Sarcoma has been conducted in conjunction with the University of Pittsburgh, Graduate School of Public Health, and the Pennsylvania Cancer Advisory Board. Results were released in November 1986.

In March 1983, the Pennsylvania Cancer Advisory Board published the Pennsylvania Cancer Plan, which provides guidelines for implementing the 1980 Pennsylvania Cancer Control, Prevention and Research Act in four areas: a Pennsylvania cancer registry; prevention, screening and detection; cancer rehabilitation; and epidemiology. The Pennsylvania Cancer Registry was established in fiscal year 1982-83 in south central and southeastern Pennsylvania and is now operational statewide. All hospitals are reporting to the system; however, due to hospital closings, the actual number of hospitals reporting has declined slightly. It is anticipated that there will be a slight increase in reporting in the next few years due to the upward trend in cancer morbidity. The registry serves as the focal point for definitive information concerning the manner in which cancer is affecting residents in Pennsylvania. This type of information will be used to develop programs, assess programs and conduct epidemiological and research activities.

The TMI Health Research Program continues to assess health effects associated with the low-level radiation incident of March 1979 upon the local population. These efforts include the following: a special study of pregnancy outcome within a ten mile radius of TMI; annual updates for TMI population registry and TMI mother/child registry; design of special morbidity surveys and continuous epidemiologic surveillance around all nuclear plants in Pennsylvania survey.

As part of its overall program in Environmental Health, the department continues to conduct appropriate medical and public health investigations of toxic hazardous waste sites, the underground mine fire in Centralia, the Drake Chemical Superfund site, radon exposure and other specific areas as they arise.

Medical Research and Health Information (continued)

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-----------------|-----------------|-----------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 2,424 | \$ 2,505 | \$ 2,318 | \$ 2,411 | \$ 2,507 | \$ 2,607 | \$ 2,711 |
| Three Mile Island—Health Related | | | | | | | |
| Studies | 509 | 319 | 314 | 327 | 340 | 353 | 367 |
| Vital Statistics | 3,876 | 3,802 | 4,300 | 4,472 | 4,651 | 4,837 | 5,030 |
| Vietnam Herbicides Information | | | | | | | |
| Commission | 152 | 219 | 219 | 228 | 237 | 246 | 256 |
| Institute for Cancer Research, Fox | | | | | | | |
| Chase, Philadelphia | 535 | 635 | 654 | 674 | 694 | 715 | 736 |
| The Wistar Institute—Research | 208 | 225 | 232 | 239 | 246 | 253 | 261 |
| The Wistar Institute—Rabies | | 110 | | | | | |
| Lupus Disease—Research | 80 | 80 | 80 | 80 | 80 | 80 | 80 |
| Cardiovascular Studies—Philadelphia | 125 | 125 | 129 | 133 | 137 | 141 | 145 |
| Cardiovascular Studies—St. Francis | | | | | | | |
| Hospital, Pittsburgh | 125 | 125 | 129 | 133 | 137 | 141 | 145 |
| Central Penn Oncology Group | 104 | 104 | 107 | 110 | 113 | 116 | 119 |
| Cancer Registry | 561 | 595 | 613 | 638 | 663 | 690 | 717 |
| Pittsburgh Cancer Institute | 250 | 350 | 350 | 350 | 350 | 350 | 350 |
| University of Pennsylvania Cancer Center | | 500 | | | | | |
| GENERAL FUND TOTAL | <u>\$ 8,949</u> | <u>\$ 9,694</u> | <u>\$ 9,445</u> | <u>\$ 9,795</u> | <u>\$ 10,155</u> | <u>\$ 10,529</u> | <u>\$ 10,917</u> |

Medical Facilities Review

OBJECTIVE: To insure that health facilities meet minimum standards for health and safety and to insure that adequate and accessible health care can be provided to the citizens of Pennsylvania.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 3,557 | \$ 3,809 | \$ 4,137 | \$ 4,302 | \$ 4,475 | \$ 4,654 | \$ 4,840 |
| Federal Funds | 3,947 | 4,495 | 4,515 | 4,515 | 4,515 | 4,515 | 4,515 |
| Other Funds | 468 | 529 | 539 | 539 | 539 | 539 | 539 |
| TOTAL | \$ 7,972 | \$ 8,833 | \$ 9,191 | \$ 9,356 | \$ 9,529 | \$ 9,708 | \$ 9,894 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Health care facilities in Pennsylvania surveyed and licensed: | | | | | | | |
| Hospitals (biennially) | 261 | 261 | 261 | 261 | 261 | 261 | 261 |
| Skilled and intermediate care nursing homes | 670 | 690 | 700 | 710 | 720 | 730 | 740 |
| Intermediate care facilities/MR | 117 | 147 | 177 | 207 | 237 | 267 | 270 |
| Freestanding birth centers | 6 | 8 | 8 | 8 | 8 | 8 | 8 |
| Home health agencies | 300 | 350 | 380 | 400 | 420 | 440 | 460 |
| Ambulatory surgical centers | 12 | 20 | 35 | 40 | 40 | 40 | 40 |
| Clinical laboratories | 1,200 | 1,450 | 1,700 | 1,950 | 2,200 | 2,450 | 2,700 |
| Psychiatric units | 115 | 115 | 115 | 115 | 115 | 115 | 115 |
| Product violations issued on misbranded and/or adulterated merchandise | 181 | 186 | 186 | 190 | 195 | 195 | 195 |

Program Analysis:

The Department of Health is responsible for assuring that the citizens of the Commonwealth have access to a high standard of health care. The department is responsible for the enforcement of compliance with regulations pertaining to hospitals, nursing homes, home health agencies, primary care providers, and intermediate care facilities for the mentally retarded.

Survey teams periodically conduct program surveys of these facilities for compliance with standards of sanitation, fire safety, health and level of care required for Medicare and Medicaid certification and a State license. Survey deficiencies are indicated and requests for an acceptable plan of correction within a specific time period are presented to the health care facilities' administration.

In the Commonwealth of Pennsylvania, there are approximately 84,000 citizens residing in 670 nursing care facilities and 8,400 in 117 Intermediate Care Facilities for

the Mentally Retarded (ICF/MRs). These facilities must have a State license in order to operate and, in addition, must be certified by the department that they comply with Federal standards if they choose to receive Medicare and Medicaid reimbursement. To meet State and Federal regulations, the department must inspect each nursing home and ICF/MR annually and, in addition, monitor those institutions that have demonstrated serious deficiencies. In addition to these yearly licensure services, there are 50 or more facilities which are monitored at any given time because of provisional status. Approximately 270 complaints concerning patient care are investigated each year.

The department also insures compliance with State and Federal regulations for 261 acute care general hospitals and 30 psychiatric hospitals (the latter for Federal purposes only) in its implementation of the licensure and Federal certification programs.

Medical Facilities Review (continued)**Program Analysis: (continued)**

With the enactment of the Health Care Facilities Act (1980-136) in November 1980, additional statutory requirements for licensing three new categories of Health Care providers became effective. These three new categories are (1) birth centers which provide an alternative to the traditional hospital setting for uncomplicated obstetrical deliveries, (2) home health agencies and (3) ambulatory surgical centers now operating in the Commonwealth.

Act 136 also requires the department to eliminate, to the extent possible, duplication of inspections of health care facilities by various State agencies. Procedures have been implemented to conduct survey activities by the hospital surveyors during regular licensure visits to preclude the necessity for separate surveys by other agencies.

Federal funding for department Medicare and other Federal activities is dependent upon continuation of complete survey activities.

The Federal Government has implemented a new long term care survey process effective July 1986. The purpose for implementing the new process is to better assess whether the quality of care as intended by the rules and regulations is actually being provided to Medicare/Medicaid patients in nursing homes.

This process requires that a 20 percent sample of patients in facilities being surveyed be targeted for interviews during the 1987 Federal Fiscal Year.

The department has the responsibility for supervising the

manufacture, distribution, storage and sale of drugs, devices, cosmetics and hearing aids within the Commonwealth. Defective drugs, devices and cosmetics are routinely cited and destroyed under staff supervision to protect consumers. The department prepares and distributes a Generic Drug Formulary so that the public may have the benefits of lower-cost prescription drugs. Copies are distributed to all pharmacies across the State and to physicians on request. Regulations are prepared and finalized in order to provide enforcement over controlled substances, drugs, devices and cosmetics, sales of hearing aids and drugs permitted for interchange or substitution.

The Department of Health is mandated to develop a program assuring that all clinical laboratory services provided in the Commonwealth meet or exceed standards of performance which are technically feasible and clinically useful. The activities and services incorporated in this program include (1) an on site inspection used for evaluation and an annual licensure of each clinical laboratory, (2) refresher and updated training and education of clinical laboratory personnel, (3) confirmation testing of certain samples from licensed clinical laboratories, or special testing as a means of developing and maintaining confidence and reliable clinical laboratory service at the community level.

Under the Clinical Laboratory Act 1,200 clinical laboratories are currently being monitored. A portion of these costs are recovered through the annual licensing fee.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 441 | \$ 455 | \$ 422 | \$ 439 | \$ 457 | \$ 475 | \$ 494 |
| Quality Assurance | 2,839 | 3,094 | 3,435 | 3,572 | 3,715 | 3,864 | 4,018 |
| State Laboratory | 277 | 260 | 280 | 291 | 303 | 315 | 328 |
| GENERAL FUND TOTAL | \$ 3,557 | \$ 3,809 | \$ 4,137 | \$ 4,302 | \$ 4,475 | \$ 4,654 | \$ 4,840 |

Health Services Development

OBJECTIVE: To develop a coordinated health care delivery system.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 3,311 | \$ 1,980 | \$ 1,370 | \$ 1,425 | \$ 1,482 | \$ 1,541 | \$ 1,603 |
| Federal Funds | 1,831 | 1,470 | 607 | 607 | 607 | 607 | 607 |
| Other Funds | 998 | 8,788 | 6,092 | 5,974 | 5,974 | 5,974 | 5,974 |
| TOTAL | \$ 6,140 | \$ 12,238 | \$ 8,069 | \$ 8,006 | \$ 8,063 | \$ 8,122 | \$ 8,184 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Short-term hospital beds: | | | | | | | |
| Needed | 44,160 | 41,958 | 41,958 | 41,958 | 41,958 | 41,958 | 41,958 |
| Available | 51,204 | 50,961 | 50,741 | 50,545 | 50,292 | 50,000 | 49,800 |
| Long-term care beds: | | | | | | | |
| Needed | 87,673 | 89,466 | 91,259 | 93,052 | 94,845 | 94,845 | 94,845 |
| Available | 83,982 | 84,822 | 85,669 | 86,257 | 87,392 | 87,500 | 87,500 |
| Applications reviewed and processed by the State Health Planning and Development Agency: | | | | | | | |
| Approved | 274 | 257 | 245 | 234 | 225 | 216 | 216 |
| Disapproved | 13 | 18 | 19 | 20 | 21 | 21 | 21 |
| Withdrawn | 4 | 10 | 10 | 10 | 10 | 10 | 10 |
| Emergency medical technicians certified annually: | | | | | | | |
| Initial certification | 3,600 | 4,189 | 4,350 | 4,500 | 4,600 | 4,600 | 4,600 |
| Recertification | 3,400 | 3,781 | 3,800 | 3,900 | 3,900 | 3,900 | 3,900 |
| Ambulance services in State | 1,113 | 1,187 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 |
| Health maintenance organizations reviewed for quality of care | 23 | 30 | 40 | 41 | 42 | 43 | 44 |

Program Analysis:

The emphasis of the Department of Health's efforts in health service development is to work with health care providers and local communities in the State to develop a more effective health care system capable of providing quality health care services at an affordable cost.

The problems of rapidly increasing health care costs, unneeded hospital beds and the geographic maldistribution of health resources are widely recognized. The department's approaches in dealing with these problems are: health planning, development of health resources, and health financing and program development.

In recognition of the important relationship between the payment and the delivery of services, the department seeks to influence the health financing system so as to positively impact health services using two program strategies: regulatory and developmental. The department oversees a broad range of health plans, including health maintenance organizations (HMOs) and non-profit medical- surgical, optometric and dental service plans, as well as Pennsylvania Blue Shield's health plans.

The department promotes the development of alternative delivery systems such as health maintenance organizations,

Health Services Development (continued)

Program Analysis: (continued)

capitated health care delivery systems and primary care centers. In 1985 Federal Medicare regulations were published which made it easier for Federally qualified HMOs or State certified HMOs to offer prepaid health services to Medicare beneficiaries. The Commonwealth had 29 HMOs serving 800,000 Pennsylvania consumers, as of February, 1987.

On July 3, 1985 the Pennsylvania Emergency Medical Services System Act became law. As a result, the Department of Health will maintain and coordinate a program for planning, developing, and upgrading Emergency Medical Services (EMS) Systems throughout the Commonwealth. The major requirements of the Act are (1) that ambulance services meet minimum standards for staffing and equipment; (2) collection of patient data from hospitals and ambulance services to evaluate care; and (3) completion of a statewide EMS development plan within one year. Major departmental objectives of the Emergency Medical Services program have been achieved to a substantial level. Out of 1,086 (Basic Life Support and Advanced Life Support) ambulance services, 79 percent have been certified through the department's Voluntary Ambulance Service Certification

(VASC) program; 97 percent now have at least one ambulance, which meets the Federal recommended prehospital care standard; and 93 percent now participate in a standardized record keeping for data collection. In 1985, the ambulance services responded to more than 930,000 calls, which is equivalent to 80 calls per 1,000 population in the State. More than 85 percent of the calls were responded to within 10 minutes from the time the calls were received to arrival at the scene.

The Emergency Medical Technician (EMT) Paramedic Act authorizes the department to develop and promulgate training standards for emergency medical technicians and paramedics. There were 6,553 emergency medical technicians and 1,417 paramedics certified in fiscal year 1985-86. Continued training is necessary to replace attrition losses each year.

In spite of the fact that each year a number of certified EMIS and EMI-Paramedics do not apply for recertification, the increase in the number of certified EMTs and EMT-Paramedics in Pennsylvania was 42 percent and 300 percent respectively in fiscal year 1985-86 over the prior year.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 1,432 | \$ 1,480 | \$ 1,370 | \$ 1,425 | \$ 1,482 | \$ 1,541 | \$ 1,603 |
| Emergency Health Services | 1,879 | 200 | ..... | ..... | ..... | ..... | ..... |
| Poison Control Center ..... | ..... | 300 | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | \$ 3,311 | \$ 1,980 | \$ 1,370 | \$ 1,425 | \$ 1,482 | \$ 1,541 | \$ 1,603 |

Health Maintenance and Disease Prevention

OBJECTIVE: To promote sound health practices in the population; to reduce the need for remedial health care; and to reduce morbidity and mortality due to health defects and disease.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 50,060 | \$ 58,684 | \$ 63,627 | \$ 64,953 | \$ 66,120 | \$ 67,329 | \$ 68,576 |
| Federal Funds | 65,305 | 73,930 | 76,269 | 76,269 | 76,269 | 76,269 | 76,269 |
| Other Funds | 497 | 512 | 512 | 512 | 512 | 512 | 512 |
| TOTAL | \$ 115,862 | \$ 133,126 | \$ 140,408 | \$ 141,734 | \$ 142,901 | \$ 144,110 | \$ 145,357 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Resident live births | 160,011 | 160,000 | 159,000 | 159,000 | 158,000 | 158,000 | 157,000 |
| Percent low birth weight live births | 6.6% | 6.6% | 6.6% | 6.6% | 6.6% | 6.6% | 6.6% |
| Death rate of children under one year of age per 1,000 live births | 10.8% | 10.6% | 10.4% | 10.2% | 10.2% | 10.1% | 10.1% |
| High risk pregnant women in maternity care projects | 25,000 | 25,600 | 25,850 | 25,850 | 25,850 | 25,850 | 25,850 |
| Infants and preschool children under health supervision | 49,000 | 49,000 | 49,000 | 49,000 | 49,000 | 49,000 | 49,000 |
| Children immunized against diphtheria, pertussis, tetanus, measles, polio and rubella | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| Reported incidences of vaccine preventable diseases in children | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Communicable disease cases investigated ... | 10,246 | 11,000 | 11,000 | 11,000 | 11,000 | 11,000 | 11,000 |
| Communicable disease incidences reported: | | | | | | | |
| Venereal disease | 12,120 | 12,120 | 11,920 | 11,920 | 11,920 | 11,920 | 11,920 |
| AIDS | 250 | 500 | 1,000 | 1,500 | 3,200 | 4,100 | 4,100 |
| Others (less animal bites) | 15,370 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| Patient visits by migrant workers and their dependents | 25,000 | 27,000 | 27,000 | 28,000 | 28,000 | 28,000 | 28,000 |
| Persons participating in the Special Supplemental Food Program for Women, Infants and Children (WIC) (monthly average) | 151,083 | 163,447 | 169,745 | 169,745 | 169,745 | 169,745 | 169,745 |
| Average monthly WIC nutrition education contacts | 50,361 | 53,937 | 54,366 | 54,366 | 54,366 | 54,366 | 54,366 |
| Persons completing a standard diabetes patient education program | 644 | 600 | 600 | 600 | 600 | 600 | 600 |
| Persons screened for hypertension | 144,561 | 140,000 | 140,000 | 140,000 | 140,000 | 140,000 | 140,000 |
| Hypertension cases discovered by screening | 18,461 | 19,000 | 19,000 | 19,000 | 19,000 | 19,000 | 19,000 |
| Hypertension cases diagnosed and referred for treatment | 15,524 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 |

Health Maintenance and Disease Prevention (continued)

Program Analysis:

The prevention of disease has always been the primary mission of the Department of Health. It has been learned through experience that although it is possible to control or almost eradicate the most common communicable diseases by mass immunizations of the population, there are continued threats to public health.

During 1985-86, an estimated 69,102 infants and preschool children made an estimated 136,142 visits to Commonwealth supported programs for health assessments, guidance of parents in child-rearing and promotion of their children's health as well as for immunizations. In fiscal year 1986-87 the department modified its support of those programs not actually conducted by the department from general budget funding to a capitation system which focuses on uninsured non-medical assistance low-income children, those in families with income equal to and below 185 percent of poverty, and a partial capitation for uninsured children in families between 186 percent and 250 percent of poverty. In addition to the pediatric services provided for under the capitation system, the department also provides for non-medical case management services such as social services, health education, nutrition education, and outreach for both capitation covered enrollees and medical assistance covered children in Department of Health supported service settings.

Lack of early prenatal care, coupled with economic and social disadvantage, results in greater risk for maternal complications and poor pregnancy outcomes for low income women. The department provides comprehensive maternity services, with emphasis on outreach and early enrollment into care. Maternity service includes education to promote healthy maternal behavior; screening, early detection, and appropriate timely medical intervention for preventable maternal/fetal complications and psychosocial support services for the childbearing women.

The Maternity Program encompasses Maternity Services Projects which are supported by the State funded High Risk Maternity Program and the Federal Maternal and Child Health (MCH) Block Grant (which includes the formerly designated Title V Maternal and Infant Care Projects). In 1987-88, the department expects to serve approximately 25,850 women which is a 10 percent increase in participation made possible by an additional \$1,293,000 program revision for 1987-88; discussed in more detail following this subcategory. It is estimated 800 low income teens 17 years of age and younger are served through the Teenage Pregnancy and Parenting Project (TAPP) which is part of the overall maternity program.

The Department of Health administers the Federally funded Special Supplemental Food Program for Women, Infants and Children (WIC). This program provides food supplements and nutrition education to pregnant or nursing women and children who are at nutritional risk due to poor health, inadequate diet and low income. WIC services are

provided through 25 local agencies covering 67 counties. The participant is supplied with vouchers stating the kinds and amounts of foods to be purchased. These are used at authorized grocery, drug stores and dairies to purchase milk, cheese, infant formula, cereals, juices, eggs, etc. The average food cost is currently \$27.47 per participant per month. Nutrition education and counseling are made available on a regular basis to program participants. In order to expand services, the department will receive a \$3,000,000 increase in the State supplement for WIC in 1987-88. This increase will permit service to over 50 percent of the eligible population.

The High Risk Infant Follow-Up System focuses special support for follow-up of high risk infants, born weighing less than 1,500 grams. As a group, these very low birth weight infants experience more vision, hearing and developmental problems. The goal of this system is to ensure that each low birth weight infant receives timely assessments and interventions for vision, hearing and development that can contribute to his or her optimal development. During 1986-87, a total of 258 infants were enrolled in the system. Among the department's services to high risk infants and their families is the Sudden Infant Death Syndrome (SIDS) Program which provides supportive services to families following a sudden infant death. The program identifies infants considered at risk for SIDS, refers them for evaluation and provides followup services. Education regarding SIDS is provided to health professionals and others who normally impact on families following such a death. Early and appropriate intervention is seen as a first and important step towards assisting these families to resolve grief in a healthy manner and to prevent possible psychological and physiological dysfunction.

Approximately four percent of the babies born in this country have a serious genetic condition. The genetic program seeks to improve public knowledge about genetic disease and public access to genetic services by supporting educational programs for both health professionals and citizens groups and by providing selected genetic services for low-income patients. To achieve its goals, this program has worked through several comprehensive human genetic centers and community-based sickle cell anemia testing and counseling programs.

Family planning services help women who seek, but have difficulty achieving pregnancy and help others delay pregnancy until there is the best chance for having a healthy baby born to a healthy mother. The department participates with the Department of Public Welfare in an integrated multi-agency health service delivery system serving more than 250,000 high risk, low income women throughout the Commonwealth.

The control of communicable diseases is fundamental to the prevention of illness. Reported cases of communicable

Health Maintenance and Disease Prevention (continued)

Program Analysis: (continued)

diseases are investigated by the department to determine the source of infection, mode of transmission and control measures to prevent additional cases. A few of the diseases investigated include Acquired Immune Deficiency Syndrome (AIDS), giardiasis, hepatitis, salmonellosis shigellosis, toxic shock syndrome, and trichinosis, rabies and Lyme Disease. In 1987-88 the department will receive an additional \$200,000 to provide training to medical and other professionals who have routine contact with AIDS patients, such as correctional officers and medical personnel.

The department has recently submitted a proposal to declare several diseases reportable in order to more accurately determine incidence rates and to collect epidemiological data, which is necessary to develop the appropriate control measures to prevent additional outbreaks. These diseases include: Kawaski Disease—a disease that strikes children and often causes heart problems; Lyme Disease—illness resulting from tick bites, often causes a preventable arthritis and campylobacteriosis—a gastro intestinal infection.

The complex process of educating Pennsylvanians to engage in sound health practices to prevent disease and early death disability continues to be a major challenge to the Department of health, other public and private organizations and agencies which share in the responsibility. The leading causes of premature death and disability in Pennsylvania are heart disease, stroke, cancer, accidents, influenza, arthritis, diabetes, and cirrhosis. Contributing to these conditions are demographic characteristics, the environmental and behavioral risk factors such as smoking, alcohol abuse, high-fat-diets, physical inactivity and stress. Public health experts estimate that as much as half of all premature deaths are attributed to behaviors which can be modified.

Risk reduction programs use methods such as incentives, health risk appraisals, risk factor screening, self-help kits, group discussion, and individual counseling to help people stop smoking, eat properly, exercise, adhere to hypertensive regiments and reduce other chronic disease risks. The department supports community risk reduction projects and comprehensive school health education programs.

The Governor's Advisory Board on Arthritis, within the Department of Health, has responsibility for assessing programs and resources for arthritis, and making recommendations relating to program needs. Major features of the board's program plan include professional and public education designed to reduce complications, reduce the need for institutional care, improve institutional care standards, reduce bed confinement and loss of workdays, improve home environment and promote community health services. Initial efforts have been concentrated on self-help arthritis courses, and in-service education programs for public health

workers and a professional educational program for physicians.

The Cancer Plan which provides goals and guidance for implementing Act 230 "The Pennsylvania Cancer Control, Prevention and Research Act" was adopted by the Cancer Advisory Board and published in March 1983. The plan is revised annually. The Department of Health's Cancer Control Program conducts activities based upon the priorities recommended by the plan which include: Cancer Registry; prevention, screening and detection education and information; clinical research; community outreach; and epidemiology and biostatistical studies. Contractual activities are ongoing in which cancer control, interventions, detection and screening are operative in local areas, and research efforts and rehabilitative studies are conducted in Pittsburgh, and Philadelphia and Hershey. Recommendations may also come from the Cancer Advisory Board to develop new cancer control efforts as technology changes. During 1987-88 colorectal cancer detection will be added to breast and cervical cancer activities.

In 1987-88, the Diabetes Control Program will involve the following: Pennsylvania Diabetes Task Force activities; working with local diabetes patient education services to improve quality and availability; assisting the Pennsylvania Diabetes Academy to develop and deliver professional education materials and programs for health care providers in local areas; working towards the reimbursement of diabetes outpatient education services by all major health insurers in the State; and cooperating with other programs in mutually beneficial linkage activities. In 1985-86 fiscal year 105 diabetes professional education programs were given for 1,878 health providers; 64 ambulatory diabetes patient education programs were offered in which 708 patients participated; 437 diabetes patient education programs were given consultation or assistance; and, 1,916 health providers received materials for diabetes patients or professionals.

Hypertension (high blood pressure) has long been known as the "silent killer" because it often goes undetected for years until serious damage to the body's organ systems has occurred. In Pennsylvania there are approximately 3 million persons with elevated blood pressure. The department will screen about 140,000 persons in 1987-88. As a result about 15,000 cases of previously undetected or uncontrolled hypertension will be found and referred for proper treatment. Screenings occur in all counties at more than 1,000 industrial and public screening sites and are reported to a central registry in Harrisburg.

The Migrant Health Program provides seasonal farm workers and their dependents with comprehensive, accessible medical care. In 1985-86 program statistics totalled 5,900 individuals served for a total of 25,000 encounters for

Health Maintenance and Disease Prevention (continued)

Program Analysis: (continued)

medical services including dental and vision care. The program is expected to serve more migrants in 1987-88 by expanding activities in Chester county.

The department continues its efforts in the area of environmental health through assessing the health effects of environmental hazards and investigating and preventing adverse health conditions which are directly influenced by the environment. In conjunction with the Community Health Districts, the Environmental Health Program will be actively involved in the following programs or initiatives for 1987-88; coordination of the department's Yukon Health Program and Drake Health Program; further development of initiatives regarding priority pollutants; conducting required environmental health investigations and assessments; conducting environmental health surveillance; supporting the Toxics/Health Effects Advisory Committee and maintaining technical interaction with other State and Federal agencies and outside groups in areas related to environmental health.

Public health programs are administered in part through

a field structure consisting of six district offices and a network of 69 Health Centers which serve all but five counties within the State. The remaining five counties and three municipalities are served by local health departments receiving grants from the department. The District offices and State Health Centers also provide health maintenance services.

The State Public Health Laboratory at Lionville provides special laboratory services which are essential to the epidemiologic investigation of communicable disease outbreaks in the Commonwealth. The laboratory maintains a state of readiness to provide essential laboratory services not available elsewhere on a timely basis; administers a clinical laboratory improvement program; and supports department programs in the areas of infectious disease, chronic disease, metabolic disease and toxicology. The State Public Health Laboratory provides statewide rabies testing seven days a week for critical animal species when a person has been placed at risk through a bite or other close contact with an animal.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 551 | \$ 569 | \$ 561 | \$ 583 | \$ 606 | \$ 630 | \$ 655 |
| State Laboratory | 2,023 | 1,894 | 2,046 | 2,128 | 2,214 | 2,303 | 2,394 |
| State Health Care Centers | 3,887 | 3,651 | 3,761 | 3,911 | 4,067 | 4,230 | 4,399 |
| AIDS Education | | 150 | 350 | 350 | 350 | 350 | 350 |
| School Health Examinations | 14,399 | 13,860 | 13,783 | 13,783 | 13,783 | 13,783 | 13,783 |
| Local Health Departments | 18,380 | 18,999 | 19,369 | 20,156 | 20,761 | 21,384 | 22,025 |
| Local Health Departments — | | | | | | | |
| Environmental | 6,510 | 6,627 | 6,680 | 6,947 | 7,225 | 7,514 | 7,815 |
| Maternal and Child Health | 819 | 844 | 2,162 | 2,162 | 2,162 | 2,162 | 2,162 |
| Cancer and Research Control Prevention | 2,968 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |
| Arthritis Task Force | 125 | 150 | 150 | 156 | 162 | 169 | 175 |
| Sickle Cell Anemia-Summer Camps | 25 | 25 | 25 | 25 | 25 | 25 | 25 |
| Keystone State Games | 100 | 150 | 150 | 150 | 150 | 150 | 150 |
| Tourette Syndrome | | 50 | | | | | |
| HIB Vaccine | | 280 | 280 | 280 | 280 | 280 | 280 |
| Diabetes Task Force | 273 | 310 | 310 | 322 | 335 | 349 | 363 |
| Worksite Wellness | | 125 | | | | | |
| WIC State Supplement | | 7,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| GENERAL FUND TOTAL | \$ 50,060 | \$ 58,684 | \$ 63,627 | \$ 64,953 | \$ 66,120 | \$ 67,329 | \$ 68,576 |

Health Maintenance and Disease Prevention Program Revision: Maternity Services

Recommended Program Revision Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|--------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>.....</u> | <u>.....</u> | <u>\$ 1,293</u> | $ 1,293 | $ 1,293 | $ 1,293 | $ 1,293 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| High Risk Pregnant Women in Maternity Care Projects | | | | | | | |
| Current | 25,000 | 25,600 | 25,850 | 25,850 | 25,850 | 25,850 | 25,850 |
| Program Revision ..... | ..... | ..... | 28,435 | 28,435 | 28,435 | 28,435 | 28,435 |

Program Analysis:

This Program Revision increases the number of women receiving prenatal care through the Department's Maternity Service Program. An additional \$1,293,000 is provided to increase the number of low income women who are served in current project areas as well as enabling the creation of new projects to render services in five to ten high prenatal risk areas of the Commonwealth. These risk areas have high rates of infant mortality, low weight births and teen pregnancies.

Medical literature reports that early and regular prenatal care reduces low birth weight. Low birth weight babies are more likely to die during their first weeks of life than are normal birth weight infants. Demographic characteristics

associated with birth weight and infant mortality include maternal age, race, socio-economic and marital status, and education level.

With the \$1,293,000 increase approximately 2,585 additional women and teens will receive prenatal care. The funding increase will expand the existing program from 25,600 to 28,435 women, or approximately 50 percent of all pregnant mothers below 185 percent of poverty.

The prenatal care offered through this expansion will: (1) monitor a pregnant woman's health status so as to detect and promptly intervene to ameliorate diseases that develop during pregnancy, (2) educate women regarding health habits and warning signals, and (3) provide psychosocial support.

Recommended Program Revision Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------|-------------------------------|--------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Maternal and Child Health | <u>.....</u> | <u>.....</u> | <u>\$ 1,293</u> | $ 1,293 | $ 1,293 | $ 1,293 | $ 1,293 |

Detection and Diagnosis

OBJECTIVE: To detect disease and health defects in the population at the earliest possible stage of development, to ensure that disease and defects are properly diagnosed, and to place those individuals in need of treatment and/or rehabilitation in the most appropriate program.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 7,940 | \$ 7,612 | \$ 7,581 | \$ 7,694 | \$ 7,811 | \$ 7,933 | \$ 8,059 |
| Federal Funds | 3,761 | 3,824 | 3,893 | 3,893 | 3,893 | 3,893 | 3,893 |
| Other Funds | 873 | 1,003 | 1,035 | 1,035 | 1,035 | 1,035 | 1,035 |
| TOTAL | \$ 12,574 | \$ 12,439 | \$ 12,509 | \$ 12,662 | \$ 12,739 | \$ 12,861 | \$ 12,987 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Persons screened for: | | | | | | | |
| Venereal diseases | 197,750 | 197,500 | 197,500 | 197,500 | 197,500 | 197,500 | 197,500 |
| Tuberculosis | 216,000 | 216,000 | 216,000 | 216,000 | 216,000 | 216,000 | 216,000 |
| Black lung | 10,732 | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 |
| Lead poisoning | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 |
| Phenylketonuria and hypothyroidism | 156,700 | 156,000 | 155,000 | 155,000 | 155,000 | 155,000 | 155,000 |
| Abnormalities discovered by screening: | | | | | | | |
| Venereal diseases | 3,300 | 3,250 | 3,200 | 3,200 | 3,200 | 3,200 | 3,200 |
| Tuberculosis | 3,172 | 4,300 | 4,300 | 4,300 | 4,300 | 4,300 | 4,300 |
| Black lung | 8,566 | 8,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 |
| Lead poisoning | 631 | 650 | 650 | 650 | 650 | 650 | 650 |
| Phenylketonuria and hypothyroidism | 51 | 51 | 51 | 51 | 51 | 51 | 51 |
| HTLV—III Antibody (Aids) | 252 | 252 | 1,343 | 2,550 | 2,550 | 2,550 | 2,550 |
| Cases diagnosed and referred for treatment: | | | | | | | |
| Venereal diseases | 3,300 | 3,250 | 3,200 | 3,050 | 3,050 | 3,050 | 3,050 |
| Tuberculosis | 3,908 | 4,300 | 4,300 | 4,300 | 4,300 | 4,300 | 4,300 |
| Black lung | 8,556 | 8,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 |
| Lead poisoning | 631 | 650 | 650 | 650 | 650 | 650 | 650 |
| Phenylketonuria and hypothyroidism | 51 | 51 | 51 | 51 | 51 | 51 | 51 |

Program Analysis:

Early detection and diagnosis can often limit the severity of diseases and, in many cases, prevent the development of more serious pathological conditions. The department's programs provide screening for circulatory disorders; black lung, tuberculosis and other respiratory disorders; diabetes; dental problems; venereal disease; cervical cancer; anemias; developmental disorders; neuro-sensory disorders; and certain neonatal metabolic disorders.

Primary detection and diagnostic services under the

Sexually Transmissible Disease program are provided through interviewing patients with syphilis and gonorrhea, then examining and treating recent sexual partners. Health Department personnel confirm treatment on all patients found with disease, and then conduct interviews and investigations.

The department, under the Tuberculosis Control program, operates 66 chest clinics for the detection and diagnosis of tuberculosis disease and tuberculosis infection.

Detection and Diagnosis (continued)

Program Analysis: (continued)

The clinics are assisted by the six health districts of the department and the eight independent health departments. In fiscal year 1985-86 a total of 216,489 persons were screened for tuberculosis with 736 patients diagnosed as having tuberculosis disease and 3,172 patients diagnosed as tuberculosis infectious. All of those diagnosed were referred for treatment.

The department's Coalworkers' Respiratory Disease program provides screening, diagnosis, treatment, rehabilitation, counseling/education, self-help and referral to all miners ill with pulmonary disease. The department's program, which is both State and Federally funded, has used Federal funds to support expansion of services in treatment centers and home care activities while State supported activities handle seven full care centers located in hospitals throughout the anthracite and bituminous coal regions. During 1985-86, 17 clinic sites provided services to 10,732 individuals. In 1985-86 greater emphasis was placed upon pulmonary rehabilitation and self help programs.

Data from the Childhood Lead Poisoning Needs Assessment has identified fifteen communities of 25,000 or more population with children having a greater degree of risk. The department's program screens more than 22,000 children in high risk communities to detect those with blood lead symptoms, provides medical management as appropriate, and environmental follow-up to abate the lead source. Projects now function in Allegheny, Philadelphia, Lackawanna, Luzerne, Lehigh, Delaware, Erie and Dauphin Counties. The department is continuing to implement a surveillance system based on standard lead poisoning data forms returned from reporting laboratories.

State law mandates that all infants born in Pennsylvania be screened for phenylketonuria (PKU) and neonatal hypothyroidism. Pennsylvania's incidence of PKU is

approximately one in 10,000 births, and of neonatal hypothyroidism approximately one in 4,500 births. Without early detection and prompt treatment, there is permanent brain damage and subsequent severe mental retardation. These diseases are estimated to account for 2 to 3 percent of residents in institutions for the mentally retarded. Additional affected individuals are living in the community as life-long dependent citizens. Approximately 160,000 newborns are tested each year. The State Public Health Laboratory oversees the screening method for these diseases and is responsible for the performance of confirmatory tests.

The Pennsylvania Public School Code requires that all children of school age attending or who should be attending public and non-public schools receive a program of health services as specified by State law and department regulations. The School Health Examination program reimburses school districts for providing medical, dental and nursing services on the basis of compliance with Code and professional standards. The goal of the program is to improve the health status of the school age population in the Commonwealth. Its focus is health maintenance and some of the services provided are fluoridation of water supplies, reduction of environmental hazards, screening and testing procedures to detect pre-clinical disease and problems such as vision, hearing, scoliosis and skin tests for tuberculosis, as well as emergency and first aid care. School immunization law requires that all children be immunized against diphtheria, tetanus, mumps, measles and rubella. Since there has been a decline in school enrollment, the average daily membership (ADM) which is used to calculate reimbursement has declined. For 1986-87 it is estimated 392,000 medical examinations and 1,893,000 vision tests will be administered to children.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Government Operations | \$ 1,102 | \$ 1,139 | \$ 1,054 | \$ 1,096 | \$ 1,140 | \$ 1,186 | \$ 1,233 |
| State Laboratory | 416 | 389 | 420 | 437 | 454 | 472 | 491 |
| State Health Care Centers | 1,340 | 1,259 | 1,297 | 1,349 | 1,403 | 1,459 | 1,517 |
| School Health Examinations | 4,301 | 4,140 | 4,117 | 4,117 | 4,117 | 4,117 | 4,117 |
| Coalworker's Pneumoconiosis Services .. | 24 | 26 | 26 | 26 | 26 | 26 | 26 |
| Screening and Treatment—Venereal Disease | 342 | 402 | 402 | 402 | 402 | 402 | 402 |
| Screening and Treatment—Tuberculosis .. | 238 | 205 | 211 | 211 | 211 | 211 | 211 |
| Benedum Geriatrics Center | 125 | | | | | | |
| Tay Sachs Disease—Jefferson Medical College, Philadelphia | 52 | 52 | 54 | 56 | 58 | 60 | 62 |
| GENERAL FUND TOTAL | \$ 7,940 | \$ 7,612 | \$ 7,581 | \$ 7,694 | \$ 7,811 | \$ 7,933 | \$ 8,059 |

Outpatient Treatment

OBJECTIVE: To reduce mortality and morbidity due to disease and health defects and to restore ill persons to the highest possible level of health with minimum involvement with the health care system.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 22,018 | \$ 22,478 | \$ 22,677 | \$ 23,534 | \$ 24,141 | \$ 24,768 | \$ 25,416 |
| Federal Funds | 11,630 | 11,522 | 10,579 | 10,579 | 10,579 | 10,579 | 10,579 |
| Other Funds | 849 | 946 | 975 | 975 | 975 | 795 | 975 |
| TOTAL | \$ 34,497 | \$ 34,976 | \$ 34,231 | \$ 35,088 | \$ 35,695 | \$ 36,322 | \$ 36,970 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Children receiving outpatient treatment through department supported programs: | | | | | | | |
| Cardiac | 3,400 | 3,450 | 3,500 | 3,550 | 3,600 | 3,650 | 3,700 |
| Cleft palate | 3,200 | 3,200 | 3,200 | 3,200 | 3,200 | 3,200 | 3,200 |
| Cystic fibrosis | 571 | 575 | 580 | 585 | 590 | 600 | 600 |
| Hemophilia | 447 | 456 | 465 | 474 | 483 | 492 | 495 |
| Speech and hearing | 19,900 | 19,900 | 19,900 | 19,900 | 19,900 | 19,900 | 19,900 |
| Orthopedic | 6,500 | 6,550 | 6,600 | 6,650 | 6,700 | 6,750 | 6,800 |
| Phenylketonuria | 477 | 497 | 517 | 531 | 557 | 577 | 597 |
| Epilepsy | 350 | 355 | 360 | 365 | 370 | 375 | 380 |
| Renal Disease | 264 | 300 | 325 | 365 | 400 | 435 | 475 |
| Cooley's Anemia | 20 | 20 | 19 | 18 | 18 | 17 | 17 |
| Sickle Cell Anemia | 680 | 690 | 695 | 700 | 705 | 710 | 710 |
| Spina Bifida | 1,238 | 1,275 | 1,300 | 1,325 | 1,350 | 1,375 | 1,375 |
| Home Ventilators | 21 | 21 | 22 | 22 | 23 | 23 | 23 |
| Adults receiving outpatient treatment and/or services through department supported programs for: | | | | | | | |
| Renal Disease | 6,333 | 7,000 | 7,800 | 8,300 | 9,350 | 10,400 | 11,400 |
| Black Lung | 9,536 | 11,000 | 11,000 | 11,000 | 11,000 | 11,000 | 11,000 |
| Tuberculosis | 16,530 | 16,530 | 16,530 | 16,530 | 16,530 | 16,530 | 16,530 |
| Venereal Disease | 29,500 | 29,000 | 29,000 | 29,000 | 29,000 | 29,000 | 29,000 |
| Hemophilia | 514 | 520 | 525 | 530 | 535 | 540 | 540 |
| Cystic Fibrosis | 163 | 166 | 169 | 172 | 175 | 178 | 180 |
| Cooley's Anemia | 17 | 19 | 20 | 21 | 21 | 22 | 22 |
| Sickle Cell Anemia | 660 | 670 | 675 | 680 | 685 | 690 | 690 |
| Spina Bifida | 120 | 125 | 130 | 133 | 135 | 138 | 140 |

Program Analysis:

Outpatient treatment services are more economical and cost-effective than inpatient care and are utilized whenever possible to provide needed treatment services for chronic respiratory diseases, physical rehabilitation and reconstruction, chronic diseases other than respiratory, catastrophic blood disorders and acute conditions.

The department provides extensive outpatient support services to victims of chronic respiratory diseases. The Coal Workers' Respiratory Disease Program provides screening, diagnostic, rehabilitative, educational, referral and follow-up care to all miners ill with pulmonary disease within the Commonwealth. In 1985-86 seventeen sites provided services

Outpatient Treatment (continued)

Program Analysis: (continued)

to 10,732 patients. The main thrust of these services is prevention of more serious conditions with emphasis on education, self-help and rehabilitation. While there is a decrease in the measures of those receiving black lung treatment and/or services compared to last year's estimates, outpatient services are anticipated to increase with the addition of new patients with chronic obstructive pulmonary disease.

The Tuberculosis Control Program has 66 chest clinics that provide for the total management of persons with tuberculosis disease. This consists of bacteriological studies, periodic x-ray examinations, physician and nursing evaluations, and the renewal of drugs issued. There were 16,530 patients under supervision for tuberculosis disease in Pennsylvania in 1985-86. A twice weekly observed ingestion program for noncompliant patients is continuing and will lead to greater patient compliance and hence fewer tuberculosis infectious persons in the general population. Methodologies to more rapidly detect non-compliant patients and patients who remain infectious were put in place in 1986 and a program of shortened chemotherapy will be implemented during the 1986-87 budget year.

In 1979 the General Assembly provided funds to establish a Home Ventilator Program for children with chronic respiratory failure. Services are administered by The Children's Hospital of Philadelphia. This program permits 17 children with chronic respiratory problems to have life support equipment and nursing care in their homes at about one-third the cost of in-hospital care.

The Orthopedic Program provides outpatient care to children suffering from orthopedic conditions, amputations, and other related conditions. Services include: prosthetics, orthotics, orthopedic shoes, therapeutic and support services. These services are provided to over 7,000 patients at 37 orthopedic clinics throughout the state. The program has recently modified its method for calculating the number of patients; thereby producing a more accurate estimate.

The Cleft Palate Program provides comprehensive services which include pediatrics, plastic surgery, general dentistry, orthodontia, prosthodontics, etc. to children under 21 years of age. The program serves over 3,200 cleft palate and related plastic surgery patients annually.

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. Two in every 1,000 births result in a Spina Bifida child. During the first month of fetal life, unknown factors interfere with development causing the infant's spinal cord to protrude through his/her back at birth. The condition can be corrected neurosurgically, but the child may still have severe nervous, orthopedic and urologic problems. Due to medical advances,

there has been a dramatic increase in the number of surviving children. As of June 1986, a total of 1,358 patients (1,238 children and 120 adults) were registered in the Spina Bifida program.

The department also operates programs for patients suffering from certain blood diseases, including Hemophilia, Sickle Cell Anemia and Cooley's Anemia. Hemophilia is a genetically transmitted disease where affected individuals have a deficiency of critical blood clotting factors. Affected individuals develop chronic diseases due to frequent hemorrhages, particularly in joints and muscles. Of the estimated 1,200 hemophiliacs in Pennsylvania, over 960 are enrolled under this program. It is estimated that the actual number of patients will not reach the maximum because some individuals prefer to obtain treatment from private physicians. The Hemophilia Program consists of eight specialized centers which offer comprehensive evaluation, rehabilitation services and blood products for hospital outpatients or home use. Patients must be registered with a program to receive these benefits and insure their third party resources are used before State program funds are expended.

Sickle Cell Anemia is a genetically determined red blood cell disorder which affects approximately 2 percent of the black population in Pennsylvania. Over 1,300 patients are currently receiving medical and psycho-social services at six Sickle Cell centers.

Cooley's Anemia is found predominantly in individuals of Mediterranean ancestry. While the incidence of Cooley's Anemia cannot be estimated, currently there are 38 patients receiving care under this program.

The Renal Disease program provides dialysis, drugs, medical supplies and transportation services to persons having chronic renal failure. New admissions average 1,361 per year with discharges averaging 563 per year. Thus, the patient census increases at the average rate of 800 per year. In 1986-87, the Renal program will begin to receive funding estimated at \$2,000,000 from Medical Assistance for services provided to eligible recipients. The Renal Disease program also supports an organ donor program that promotes transplantation which is less expensive than dialysis and improves the quality of life of kidney patients. The program reimburses the balance of cost which is not covered by third party resources.

The department provides comprehensive treatment services to diagnosed phenylketonuria (PKU) infants. A project is on-going to register all females in the State who had abnormal PKU results on their initial newborn screening tests. PKU females who are 12 years of age or older will be located, contacted, and counseled regarding their greatly increased risk of bearing children with various birth defects.

Outpatient Treatment (continued)

Program Analysis: (continued)

Because many of these females re-entered the outpatient treatment program, the number of PKU patients receiving treatment has increased substantially.

The Sexually Transmissible Disease Program provides clinical services for the diagnosis and treatment of sexually transmitted disease. These services are provided to insure that patients with suspected disease have access to diagnostic and treatment services, and also provide diagnosis and

treatment to those who have been exposed to a sexually transmitted infection. Prompt treatment of infectious patients and their partners contributes to disease prevention.

Clinical services are offered in a variety of settings, including State and community health centers, family planning clinics and practicing physicians' offices. This also allows minors to seek and receive care under the Commonwealth's Minor Treatment Law.

Program Costs by Appropriation:

| | (Dollar Amounts, in Thousands) | | | | | | |
|--|--------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 1,102 | \$ 1,139 | \$ 1,054 | \$ 1,096 | \$ 1,140 | \$ 1,186 | \$ 1,233 |
| State Health Centers | 4,289 | 4,029 | 4,150 | 4,316 | 4,489 | 4,669 | 4,856 |
| Hemophilia Treatment | 1,271 | 1,454 | 1,454 | 1,454 | 1,454 | 1,454 | 1,454 |
| Sickle Cell Anemia | 738 | 765 | 788 | 788 | 788 | 788 | 788 |
| Cooley's Anemia | 200 | 222 | 222 | 222 | 222 | 222 | 222 |
| Renal Disease | 8,852 | 8,987 | 8,987 | 9,535 | 9,821 | 10,115 | 10,419 |
| Home Ventilators | 499 | 540 | 540 | 540 | 540 | 540 | 540 |
| Coalworker's Pneumoconiosis | 583 | 619 | 619 | 619 | 619 | 619 | 619 |
| Spina Bifida | 722 | 807 | 832 | 832 | 832 | 832 | 832 |
| Adult Cystic Fibrosis | 198 | 204 | 210 | 210 | 210 | 210 | 210 |
| Screening and Treatment — Tuberculosis | 367 | 315 | 325 | 325 | 325 | 325 | 325 |
| United Neighborhood Facilities Health | | | | | | | |
| Care—Erie | 150 | 150 | 150 | 150 | 150 | 150 | 150 |
| Cerebral Palsy — St. Christopher's | | | | | | | |
| Hospital | 750 | 750 | 773 | 796 | 820 | 845 | 870 |
| Cleft Palate Clinic — Lancaster | 52 | 52 | 54 | 56 | 58 | 60 | 62 |
| Cleft Palate Clinic — Pittsburgh | 52 | 52 | 54 | 56 | 58 | 60 | 62 |
| Handicapped Children's Clinic | 100 | 100 | 103 | 106 | 109 | 112 | 115 |
| Home for Crippled Children | 530 | 730 | 752 | 775 | 798 | 822 | 847 |
| Childrens Heart Hospital | 1,563 | 1,563 | 1,610 | 1,658 | 1,708 | 1,759 | 1,812 |
| GENERAL FUND TOTAL | \$ 22,018 | \$ 22,478 | \$ 22,677 | \$ 23,534 | \$ 24,141 | \$ 24,768 | \$ 25,416 |

Inpatient Treatment

OBJECTIVE: To reduce mortality and morbidity due to disease and health defects and to minimize time, resources and intensity in restoring ill persons to the highest possible level of health.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 383 | \$ 398 | \$ 410 | \$ 418 | \$ 426 | \$ 434 | \$ 442 |
| Federal Funds | 3,787 | 3,380 | 3,380 | 3,380 | 3,380 | 3,380 | 3,380 |
| TOTAL | \$ 4,170 | \$ 3,778 | \$ 3,790 | \$ 3,798 | \$ 3,806 | \$ 3,814 | \$ 3,822 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Persons receiving inpatient hospital care from department programs..... | 713 | 745 | 776 | 797 | 818 | 845 | 870 |
| Children treated under the cardiac inpatient program | 180 | 180 | 180 | 185 | 185 | 190 | 190 |

Program Analysis:

One of the principal concerns of patient management is to provide treatment services at the least expensive level of care that is consistent with standards of good medical practice. The emphasis in all of the department's programs is to utilize outpatient treatment whenever possible. Inpatient hospital and nursing care is provided for only the most complex medical conditions that require the facilities and services available in an inpatient setting. Because inpatient care is very expensive, programs providing this type of care have imposed strict controls on admissions and, where possible, are using outpatient services to avoid hospital admissions.

These controls and the implementation of the Diagnostic Related Group (DRG) payment mechanism account for fewer patients in the inpatient setting.

Some of the programs operated by the department which provide inpatient care are tuberculosis control, children's cardiac surgery, cleft palate, cystic fibrosis, orthopedic, speech, hearing, spina bifida, and other disabling conditions of children. The department's children's cardiac inpatient program provides intensive diagnostic procedures such as cardiac catheterization and echocardiograms.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Spina Bifida..... | \$ 127 | \$ 143 | \$ 147 | \$ 147 | \$ 147 | \$ 147 | \$ 147 |
| Screening and Treatment — Tuberculosis | 6 | 5 | 5 | 5 | 5 | 5 | 5 |
| Burn Foundation — Greater Delaware Valley | 250 | 250 | 258 | 266 | 274 | 282 | 290 |
| GENERAL FUND TOTAL | \$ 383 | \$ 398 | \$ 410 | \$ 418 | \$ 426 | \$ 434 | \$ 442 |

Prevention/Intervention of Drug and Alcohol Abuse

OBJECTIVE: To provide community and school educational services to the citizens of Pennsylvania alerting them to the varied dangers of drug and/or alcohol abuse.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 5,983 | \$ 6,376 | \$ 6,361 | \$ 6,615 | \$ 6,880 | \$ 7,155 | \$ 7,441 |
| Federal Funds | 2,686 | 2,650 | 2,667 | 2,667 | 2,667 | 2,667 | 2,667 |
| TOTAL | \$ 8,669 | \$ 9,026 | \$ 9,028 | \$ 9,282 | \$ 9,547 | \$ 9,822 | \$ 10,108 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Prevention: | | | | | | | |
| Persons Viewing Films | 100,000 | 100,000 | 150,000 | 155,000 | 160,000 | 165,000 | 170,000 |
| General information materials distributed — ENCORE | 458,000 | 450,000 | 493,000 | 542,000 | 596,530 | 656,183 | 721,801 |
| Teachers and parents trained | 825 | 1,000 | 1,000 | 1,025 | 1,050 | 1,075 | 1,100 |
| Educational contacts | 118,400 | 260,000 | 260,000 | 260,000 | 260,000 | 260,000 | 260,000 |
| Providers approved annually: | | | | | | | |
| Prevention providers | 114 | 125 | 125 | 125 | 125 | 125 | 125 |
| Intervention providers | 122 | 127 | 167 | 167 | 167 | 167 | 167 |
| Schools for Driving Under the Influence (DUI) offenders | 62 | 62 | 62 | 62 | 62 | 62 | 62 |
| Enrollments in DUI schools | 25,000 | 25,000 | 26,000 | 26,000 | 26,000 | 26,000 | 26,000 |

Program Analysis:

Prevention activities are developed to provide all Pennsylvania citizens with accurate and timely information on the effects of alcohol and other drugs and to assist individuals in developing or improving critical life skills that will allow them to choose a substance abuse free lifestyle. Although school education remains the primary focus of prevention activities, citizens of all ages are in need of prevention services. Local providers develop and conduct educational sessions, workshops, media presentations, public information and activity oriented experiences for county residents. During 1985-86 the prevention efforts were expanded as shown by the increase in the program measure "Prevention Providers Approved Annually". This number increased from 114 to 125 providers.

The number of educational contacts, a program measure of service delivery at the local level, has increased substantially. The majority of school-based prevention is facilitated

by a cooperative agreement between the Department of Health and the Department of Education. The "Here's Looking at You, Too" curriculum has been voluntarily implemented in 400 of the Commonwealth's 501 school districts. The Departments of Health and Education's endorsement of one specific drug and alcohol course of instruction (i.e., HLAYT) has enabled these agencies to ensure that schools implementing this course have quality materials which address the needs of the targeted age group. During 1985-86, a Student Assistance Program (SAP) was expanded to 26 school districts in Pennsylvania. This program is an early intervention activity that trains teachers and other school personnel to be able to identify students who are using/abusing substances and refer them for professional help. In 1986-87, the Office of Drug and Alcohol Programs received additional funds to further expand the Student Assistance Program in a cooperative effort with the Office

Prevention/Intervention of Drug and Alcohol Abuse (continued)

Program Analysis: (continued)

of Mental Health. The Office of Drug and Alcohol Programs initiated a drug and alcohol early intervention program for pregnant and parenting teens. Five counties — Lancaster, Allegheny, Berks, Chester, and Philadelphia — were funded to implement this program. The project's goals are to improve birth outcomes and parent functioning. The objectives are to identify at-risk teenagers, screen for use of substances, refer to appropriate maternity and/or drug and alcohol treatment service, and provide parenting skills. During the nine months of operation in fiscal year 1985-86, the eight teen pregnancy sites provided services to 938 teens.

Also in 1985-86, the Office of Drug and Alcohol Programs developed and implemented an Underage Drinking/Juvenile Substance Abuse project. Five SCAs — Berks, Blair, Bucks, Beaver, and Northumberland — were targeted to implement this program. The goals of the program are to provide a coordinated, comprehensive range of drug and alcohol services to juveniles and minors charged with drug and alcohol summary offenses, and to provide police, district justices, probation/parole officers, and courts with appropriate options for referring individuals cited for such offenses. For the nine-month period October to June 1985, the five projects provided services to 756 juveniles and minors. Of those, 703 successfully completed the program.

Intervention programs focus on assisting in decision-making and supporting clients until they can cope with the situation independently. Referral is provided if the need for a structured treatment regimen or other service is indicated. Intervention services in Pennsylvania include: a statewide network of hotlines and drop-in centers; alcohol highway safety programs; programs for pregnant and parenting teenagers; occupational programs; and Treatment Alternatives to Street Crime programs. Programs for pregnant and parenting teenagers who excessively use alcohol and drugs have begun in the five counties which account for 45 percent of the State's births to adolescents.

In fiscal year 1985-86, the Office of Drug and Alcohol Programs completed its Driving Under the Influence Group Intervention Pilot Project. This project was designed to provide the Criminal Justice System with appropriate service options for offenders who were assessed via the Court Reporting Network (CRN) as moderate problem drinkers.

The project was successful in that a total of 2,131 offenders were referred into the group intervention programs, and 1,545 of those offenders successfully completed the program. This model program is still in operation in the ten pilot counties.

For the period January 1, 1985 to December 31, 1986, the CRN processed 26,322 DUI offender evaluations. Since the inception of CRN, 92,448 offender evaluations have been processed. Of the 26,322 evaluations processed, 7,152 or 27 percent were determined to be moderate problem drinkers, and 16,921 or 64 percent were severe problem drinkers. The average blood alcohol level of those arrested was 0.18. Based upon this data, the need for replication of the pilot for DUI offenders to the remaining counties becomes a priority.

The Drug and Alcohol program is continuing to work with each State agency on the operation of the State Employee Assistance Program (SEAP). During 1985-86, a total of 1,077 supervisors and managers were trained.

The Treatment Alternatives to Street Crime (TASC) program is operational in eleven counties. TASC provides court officials with an alternative to confinement for the non-violent drug and alcohol dependent criminal justice offenders. The program has shown only a 4 percent rearrest rate of the offenders participating in the program. In 1984, Pennsylvania became the first state to implement a TASC program for juvenile offenders. In 1985-86 172 juveniles completed TASC supervision.

The support services provided through the Educational Needs Clearinghouse for Outreach, Research and Emergency (ENCORE) are essential to the delivery of prevention education and information services at the local level. ENCORE's free loan audiovisual library is used extensively by teachers, community and parent organizations, drug and alcohol providers and trainers. Over the two-year period from fiscal year 1983-84 to 1985-86, the amount of printed materials distributed increased 100 percent (248,000 in fiscal year 1983-84). It is expected that the demand for printed materials will continue to increase at a rate of more than 10 percent due to the impact of increased Federal and State drug and alcohol abuse prevention efforts.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Assistance to Drug and Alcohol Abuse | | | | | | | |
| Program | \$ 5,783 | \$ 6,176 | \$ 6,361 | \$ 6,615 | \$ 6,880 | \$ 7,155 | \$ 7,441 |
| Pennsylvania Aware | 200 | 200 | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | <u>\$ 5,983</u> | <u>\$ 6,376</u> | <u>\$ 6,311</u> | <u>\$ 6,615</u> | <u>\$ 6,880</u> | <u>\$ 7,155</u> | <u>\$ 7,441</u> |

Treatment of Drug and Alcohol Abuse

OBJECTIVE: To provide treatment and rehabilitative programs for those who have reached a dysfunctional level of drug and/or alcohol abuse.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 23,131 | \$ 24,702 | \$ 25,443 | \$ 26,461 | \$ 27,519 | \$ 28,620 | \$ 29,765 |
| Federal Funds | 8,854 | 8,676 | 8,677 | 8,677 | 8,677 | 8,677 | 8,677 |
| TOTAL | \$ 31,985 | \$ 33,378 | \$ 34,120 | \$ 35,138 | \$ 36,196 | \$ 37,297 | \$ 38,442 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Inpatient programs licensed/approved: | | | | | | | |
| Hospitals | 101 | 101 | 101 | 101 | 101 | 101 | 101 |
| Non-hospitals | 124 | 130 | 137 | 144 | 151 | 158 | 166 |
| Outpatient programs licensed/approved | 268 | 274 | 281 | 287 | 293 | 299 | 305 |
| Total beds available | 4,613 | 4,800 | 4,980 | 5,160 | 5,340 | 5,520 | 5,700 |
| Patients enrolled in treatment: | | | | | | | |
| Male | 50,040 | 50,800 | 51,308 | 51,821 | 52,339 | 52,862 | 53,391 |
| Female | 16,443 | 17,071 | 17,322 | 17,501 | 17,711 | 17,955 | 18,111 |
| Patients who completed treatment | 21,439 | 22,750 | 23,650 | 24,450 | 25,350 | 26,250 | 27,050 |
| Admissions with primary diagnosis: | | | | | | | |
| Drug abuse | 23,538 | 24,196 | 24,520 | 24,771 | 25,054 | 25,371 | 25,601 |
| Alcohol abuse | 42,945 | 43,675 | 44,110 | 44,551 | 44,996 | 45,446 | 45,901 |

Program Analysis:

The abuse of drugs and alcohol is one of the factors greatly affecting the health of Pennsylvania citizens. The responsibility of the Commonwealth to provide for the treatment of drug and alcohol abuse was established by the Pennsylvania Drug and Alcohol Abuse Control Act of 1972. The program measures summarized in this analysis indicate the impact of publicly funded treatment programs throughout the Commonwealth.

Services are provided to residents of the Commonwealth through a contract process to local governmental units in each county or groups of counties. The local governmental bodies, called Single County Authorities (SCAs), plan and implement community-based services in line with the department's decentralized planning and treatment philosophy. Most SCAs contract with independent providers for treatment, prevention and intervention services, although some SCAs administer their own direct services through functional units.

Treatment programs for substance abusers are provided in hospitals, prisons, shelters, residential units, day care and outpatient programs. Treatment often consists of a combination of short-term treatment, or detoxification, and long-term treatment, or rehabilitation. Some facilities have also developed after-care procedures which extend support after formal treatment had ended.

Total admissions to treatment for fiscal year 1985-86 were 66,483. A total of 505 drug and alcohol treatment programs were licensed/approved during 1985-86. The total beds available for treatment services are 4,613 as of June 1986. This figure has increased due to an effort by private providers to expand inpatient drug and alcohol services. The drug admissions are 35 percent of the total admissions while alcohol abuse admissions are 65 percent of total admissions. Males represent 75 percent of all admissions and females account for 25 percent of the total. An increase in admission of women is due largely to Federal block grant funds that

Treatment of Drug and Alcohol Abuse(continued)

Program Analysis: (continued)

were earmarked exclusively for new services for women. Treatment of cocaine abuse is now 4.1 percent of total admissions, a dramatic increase from a low of .04 percent recorded in 1977-78. It is anticipated that total client admissions to treatment may fluctuate slightly due to: the implementation of the Medical Assistance procedures to limit admissions to hospitals for detoxification and to refer more patients to out-patient programs, combined State and

Federal treatment support for services, and the effect of Driving Under the Influence arrests. Long-term admissions are giving way to shorter-term approaches and outpatient services are being reinforced, since inpatient resources are limited. Utilization review efforts at the State and local level will insure that the maximum numbers of persons will be served.

Program Costs: by Appropriation

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Assistance to Drug and Alcohol | | | | | | | |
| Programs | <u>\$ 23,131</u> | <u>\$ 24,702</u> | <u>\$ 25,443</u> | <u>\$ 26,461</u> | <u>\$ 27,519</u> | <u>\$ 28,620</u> | <u>\$ 29,765</u> |

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 REVISIONS

Budgeted Amounts Include the Following Program Revisions:

| Appropriation | Title | 1987-88 State Funds (in thousands) |
|------------------------------|--|---|
| General Fund | | |
| Grants to Full Time Students | Financial Assistance to Students | \$ 9,600 |
| College Work Study | Financial Assistance to Students | 1,060 |
| | Subtotal | <u>\$ 10,660</u> |

This Program Revision will provide for a ten percent increase in funds for student grants and a 23 percent increase in funds available to colleges and universities to match Federal and private funds for college work study programs.

| | | |
|------------------------------------|--|----------|
| Institutional Assistance Grants | Financial Assistance to Institutions | \$ 1,896 |
|------------------------------------|--|----------|

This Program Revision will provide for a ten percent increase in Institutional Assistance Grants. These grants help keep to a minimum the tuition increases in colleges and universities not receiving direct State appropriations.

| | |
|------------------|-----------|
| DEPARTMENT TOTAL | \$ 12,556 |
|------------------|-----------|

HIGHER EDUCATION ASSISTANCE AGENCY

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|--------------------------|--------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| Grants and Subsidies | | | |
| Grants to Full Time Students | \$ 91,000 | \$ 96,000 | \$ 105,600 |
| College Work Study | 3,090 | 4,540 | 5,600 |
| Administration | 50 | 50 | 50 |
| Equal Opportunity Professional Education | 348 | 490 | 590 |
| Institutional Assistance Grants | 17,888 | 18,961 | 20,857 |
| Computer Training | 1,872 | 2,197 | 2,307 |
| Computer Purchases | 3,328 | 3,328 | 3,494 |
| | | | |
| GENERAL FUND TOTAL | <u>\$ 117,576</u> | <u>\$ 125,566</u> | <u>\$ 138,498</u> |
| | | | |
| Other Funds | \$ 178,354 | \$ 165,108 | \$ 167,744 |
| | | | |
| TOTAL ALL FUNDS | <u>\$ 295,930</u> | <u>\$ 290,674</u> | <u>\$ 306,242</u> |

GENERAL FUND

HIGHER EDUCATION ASSISTANCE AGENCY

GRANTS AND SUBSIDIES

| Higher Education Assistance | (Dollar Amounts in Thousands) | | |
|------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 112,376 | \$ 120,041 | \$ 132,697 |

The Commonwealth's scholarship and loan program is administered through the Pennsylvania Higher Education Assistance Agency. It provides scholarships to qualified students of the Commonwealth who need financial assistance to attend postsecondary institutions of higher learning, and guarantees loans made for the purpose of assisting residents in meeting their expenses of higher education. Matching funds are provided to assist students in securing grants and loans from the Federal Government.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Grants to Full-Time Students | \$ 91,000 | \$ 96,000 | \$ 105,600 |
| College Work Study | 3,090 | 4,540 | 5,600 |
| Administration | 50 | 50 | 50 |
| Equal Opportunity Professional Education | 348 | 490 | 590 |
| Institutional Assistance Grants | 17,888 | 18,961 | 20,857 |
| TOTAL | <u>\$ 112,376</u> | <u>\$ 120,041</u> | <u>\$ 132,697</u> |

| General Elementary and Secondary Education | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | <u>\$ 5,200</u> | <u>\$ 5,525</u> | <u>\$ 5,801</u> |

Funds the training of teachers in computer education and provides grants for acquisition of computers for school districts.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|--------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Computer Training | \$ 1,872 | \$ 2,197 | \$ 2,307 |
| Computer Purchases | 3,328 | 3,328 | 3,494 |
| TOTAL | <u>\$ 5,200</u> | <u>\$ 5,525</u> | <u>\$ 5,801</u> |

OTHER FUNDS**HIGHER EDUCATION ASSISTANCE AGENCY****Amounts Not Previously Detailed**

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Higher Education Assistance Fund | | | |
| State Insured Loan Guaranty | \$ 1,385 | ..... | ..... |
| Reserve for Losses on Guaranteed Loans | 88,672 | \$ 94,596 | \$ 99,326 |
| State/Federal Administration Augmentations | 51,508 | 31,936 | 31,936 |
| Parent Loan Reserve | 1,029 | 1,111 | 1,167 |
| Loan Sale Discount Account | 4,495 | ..... | ..... |
| Contract Servicing | 18,651 | 24,474 | 21,024 |
| Supplemental Loan Account | 12,614 | 12,493 | 13,793 |
| Congressional Teacher Scholarship ..... | ..... | 498 | 498 |
| DEPARTMENT TOTAL | <u>\$ 178,354</u> | <u>\$ 165,108</u> | <u>\$ 167,744</u> |

HIGHER EDUCATION ASSISTANCE AGENCY

Summary of Agency Program by Category and Subcategory

General Fund

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Higher Education | \$ 112,376 | \$ 120,041 | \$ 132,697 | \$ 138,003 | \$ 143,522 | \$ 149,261 | \$ 155,229 |
| Financial Assistance to Students | \$ 94,488 | \$ 101,080 | \$ 111,840 | \$ 116,312 | \$ 120,963 | \$ 125,800 | \$ 130,830 |
| Financial Assistance to Institutions | 17,888 | 18,961 | 20,857 | 21,691 | 22,559 | 23,461 | 24,399 |
| General Instruction | \$ 5,200 | \$ 5,525 | \$ 5,801 | \$ 6,033 | \$ 6,274 | \$ 6,525 | \$ 6,786 |
| General Elementary and Secondary Education | \$ 5,200 | \$ 5,525 | \$ 5,801 | \$ 6,033 | \$ 6,274 | \$ 6,525 | \$ 6,786 |
| DEPARTMENT TOTAL | <u>\$ 117,576</u> | <u>\$ 125,566</u> | <u>\$ 138,498</u> | <u>\$ 144,036</u> | <u>\$ 149,796</u> | <u>\$ 155,786</u> | <u>\$ 162,015</u> |

HIGHER EDUCATION ASSISTANCE AGENCY

Financial Assistance to Students

OBJECTIVE: To supplement post-secondary education programs for the development of the Commonwealth's personnel resources by providing financial assistance to Commonwealth residents attending institutions of higher education.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 94,488 | \$ 101,080 | \$ 111,840 | \$ 116,312 | \$ 120,963 | \$ 125,800 | \$ 130,830 |
| Other Funds | 178,354 | 165,108 | 167,744 | 167,744 | 167,744 | 167,744 | 167,744 |
| TOTAL | <u>\$ 272,842</u> | <u>\$ 266,188</u> | <u>\$ 279,584</u> | <u>\$ 284,056</u> | <u>\$ 288,707</u> | <u>\$ 293,544</u> | <u>\$ 298,574</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Applications for grants | 220,773 | 228,940 | 228,940 | 228,940 | 228,940 | 228,940 | 228,940 |
| Applications for grants processed | 154,843 | 153,940 | 151,860 | 151,860 | 151,860 | 151,860 | 151,860 |
| Applicants enrolled full time eligible for and receiving grants | 110,021 | 106,950 | 105,760 | 105,760 | 105,760 | 105,760 | 105,760 |
| Percent of applicants aided | 71.1 | 69.5 | 69.5 | 69.6 | 69.6 | 69.6 | 69.6 |
| Students assisted by Federal college based student aid (matching fund) programs .. | 114,000 | 117,060 | 120,000 | 121,000 | 122,000 | 123,000 | 124,000 |
| Students receiving Guaranteed Loans | 216,991 | 230,000 | 238,000 | 240,000 | 240,000 | 240,000 | 240,000 |

Program Analysis:

Financial assistance to students in post secondary education is supported through the programs of the Pennsylvania Higher Education Assistance Agency (PHEAA).

PHEAA currently provides direct financial assistance to students through three programs; the Higher Education Grant Program, the Guaranteed Loan Program, and the Matching Fund Program for college work study. All funds for the various financial assistance programs administered by PHEAA flow through the Higher Education Assistance Fund. A cash flow statement for the Higher Education Assistance Fund appears in the Special Fund Appendix at the end of Volume I of this Budget.

The largest component of PHEAA's financial assistance program is the grant program which covers both basic financial assistance and assistance to veterans. Since its inception in 1966, the State Higher Education Grant Program has been particularly sensitive to the needs of low income families, large families, veterans of military service and those who have suffered special hardship due to the death, disability, retirement, or unemployment of the family's major wage

earner. Continuing increases in educational costs intensified these needs and are creating demands to provide aid for middle income families. It has been the objective of the program to help remove the financial barriers and thereby provide access to higher education for all needy Commonwealth residents and, within the limits of the resources available, help to provide freedom of choice between subsidized public colleges and the full-charge private colleges and other postsecondary schools so as to ensure utilization of all facilities and access to all types of instruction.

PHEAA grants are distributed on a formula basis which considers parental contributions and educational costs. The size of the grant thus varies by parental income, the tuition and fees charged by the institution the student attends and the financial assistance received by the student from other sources.

A ten percent increase is budgeted in the grant program. That increase is discussed in the Program Revision following this subcategory.

It is estimated that in 1986-87 roughly 71 percent of the

HIGHER EDUCATION ASSISTANCE AGENCY

Financial Assistance to Students (continued)

Program Analysis: (continued)

students who received PHEAA grants also received Federal Pell Grants. This compares to the 75 percent who received both types of financial aid in 1980-81. The average full-year Pell grant to Pennsylvania students in 1981-82 was roughly \$1,071; in 1986-87 it is \$1,578.

Students used this combination of State and Federal financial aid to meet educational costs at a variety of types of institutions of higher education. In 1986-87, between PHEAA and Pell grants, an average of approximately 43 percent of a student's educational costs are covered. The average recipient of these grants attending a four-year col-

lege has the highest percent of educational costs funded at a State System of Higher Education institution and the lowest percent of educational costs is met at private institutions of higher education. The table below illustrates the percent of educational costs covered for an average recipient of PHEAA and Pell at different types of institutions in the 1986-87 academic year.

The measure showing the number of grant recipients is less than was estimated last year for the budget and future years because the agency anticipates processing fewer late applications than in prior years.

**Proportion of Educational 1986-87 Academic Year Costs of Common Recipients
Funded by State and Federal Grants**

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------------------|----------------------------------|-------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------|------------------------------------|
| | Educational Cost ^a | Average Full-Year State Grant | Percent of Educational Costs | Average Full-Year PELL Grant | Percent of Educational Costs | Combined Average Grant | Percent of Educational Costs |
| Pennsylvania Institutions: | | | | | | | |
| Independent Four-Year | \$11,146 | \$1,598 | 14.3% | \$1,514 | 13.6% | \$3,112 | 27.9% |
| State System of Higher Education ... | 4,347 | 754 | 17.4% | 1,513 | 34.8% | 2,267 | 52.2% |
| State-Related Universities | 6,569 | 1,171 | 17.8% | 1,572 | 23.9% | 2,743 | 41.7% |
| Junior Colleges | 7,438 | 1,297 | 17.4% | 1,648 | 22.2% | 2,945 | 39.6% |
| Community Colleges | 2,625 | 475 | 18.1% | 1,554 | 59.2% | 2,029 | 77.3% |
| Nursing Schools | 5,131 | 1,002 | 19.5% | 1,531 | 29.9% | 2,533 | 49.4% |
| Business, Trade, Technical | 5,156 | 1,224 | 23.7% | 1,711 | 33.2% | 2,935 | 56.9% |

^aEducational costs indicated are those used in the Federal PELL Program and do not include personal expenses.

HIGHER EDUCATION ASSISTANCE AGENCY

Financial Assistance to Students (continued)

Program Analysis: (continued)

The second major component of the financial assistance program is the Guaranteed Student Loan Program (GSLP). The Loan Guaranty Program enables Pennsylvania residents enrolled at least half time in undergraduate or graduate programs in an eligible post secondary institution to secure long-term educational loans from several types of participating lenders. Participating lenders extend loans to students to fill the gap left between their resources (parental contribution, savings and other financial aid) and educational costs. The Auxiliary Loans to Assist Students Program or PLUS program supplements the GSLP and allows graduate students, independent undergraduate students and parents of dependent undergraduate students to borrow funds from participating commercial lenders.

PHEAA anticipates guaranteeing \$553 million in GSLP loans during 1986-87 and \$500 million in 1987-88. In addition, PHEAA anticipates guaranteeing \$30 million in PLUS loans in 1986-87 and \$46 million in 1987-88.

The dollar amount of loans guaranteed and the measure showing the number of students receiving guaranteed student loans is less in all years than was anticipated last year because new Federal requirements on income and family liability are decreasing the size of the program.

The College Work Study Matching Fund program ensures that Pennsylvania students and institutions are afforded maximum access to the Federal student financial aid programs. It also provides for the delivery of services to State and other public agencies and is used by the State universities and community colleges on campus. The required match for Federal funds which participating institutions dedicate to off-campus employment or internship experiences and funds for professional development workshops for financial aid personnel at participating institutions are also part of the program funds.

The availability of employment near campus has become a major factor in the decision a student makes regarding the choice of schools; the number of students who require earnings from employment in order to finance their education has increased. There is also an increase in the number of students that have found that at least one term of work

experience when combined with the associate or baccalaureate degree is helpful in securing full-time employment.

Funds are included in the budgeted amount to expand the college work study program. These additional funds, are discussed in the Program Revision following this subcategory.

Act 330 of 1982, amended by Act 5 of 1983, authorized issuance of tax-exempt bonds to fund a supplemental student loan program. Undergraduate and graduate students who no longer qualify for existing Federally supported student loan programs or who need financial assistance in addition to the amounts available under existing program parameters are benefiting from the new loan programs. Parents are also able to obtain loans to help meet the costs of post-secondary education and reduce the debt burden for their children. Prior to the close of 1983, the agency temporarily funded a \$300 million tax exempt student loan program and subsequently has moved to permanent financing of two separate tax exempt loan programs with the 1984 Series A bond program and the 1985 Series A bond program. The 1984 bonds finance a revolving fund of \$100 million to provide loans to health professions students. The 1985 series is intended to be a revolving fund of \$202 million to fund the PHEAA/HELP program, which combines the Federal loan programs and a privately insured supplemental loan program to meet the costs of education.

A 1983 agreement between the Department of Education and the Office for Civil Rights in the U. S. Department of Education provided for the Equal Opportunity Professional Education Fund for graduates of Cheyney and Lincoln Universities. The fund, to be administered by the Department of Education, is used to place graduates of those schools in programs at Temple University, the University of Pittsburgh, and the Pennsylvania State University in medicine, dentistry, law and other post graduate programs. The budget includes \$590,000 for the 1987-88 cost of the program.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Grants to Full Time Students..... | \$ 91,000 | \$ 96,000 | \$ 105,600 | \$ 109,824 | \$ 114,217 | \$ 118,786 | \$ 123,537 |
| College Work Study | 3,090 | 4,540 | 5,600 | 5,824 | 6,057 | 6,299 | 6,551 |
| Administration | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Equal Opportunity Professional Education | 348 | 495 | 590 | 614 | 639 | 665 | 692 |
| GENERAL FUND TOTAL | \$ 94,488 | \$ 101,080 | \$ 111,840 | \$ 116,312 | \$ 120,963 | \$ 125,800 | \$ 130,830 |

HIGHER EDUCATION ASSISTANCE AGENCY

Financial Assistance to Students Program Revision: Financial Assistance to Students

Recommended Program Revision Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|--------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>.....</u> | <u>.....</u> | <u>\$ 10,660</u> | <u>\$ 11,086</u> | <u>\$ 11,530</u> | <u>\$ 11,991</u> | <u>\$ 12,771</u> |

Program Analysis:

This Program Revision will provide additional financial aid to students by providing a 10 percent increase in funds available for student grants and by providing a 23 percent increase in funds available to match Federal and private funds for college work study programs. These additional student aid funds will result in increased access to higher education and a broader choice among institutions for students.

The PHEAA Grant Program is intended to define student need in terms of educational costs and family income and to meet a portion of that need; currently the program can meet 34 percent of defined need with a maximum 1986-87 grant of \$1,750. The budgeted funds will allow new eligibility standards and will provide for movement of the grant toward the maximum of \$2,000 set in law.

The College Work Study program matches Federal, institutional, and private funds for work opportunities both

on and off campus. This self-help program provides work experience, in some cases career related experiences which will enhance future employment prospects; earnings to help ensure completion of postsecondary study, and an opportunity for the student to earn funds needed to pay educational costs rather than increasing the level of borrowing.

The On Campus Work Study program is funded by Federal funds matched with institutional and PHEAA funds at institutions receiving State appropriation aid and is the largest of the programs. The Off Campus program employs students in jobs related to their major course of study and is funded by Federal funds matched by PHEAA. In addition to providing income to the student workers it provides a learning opportunity. PHEAA also provides matching funds for internship programs including the REAL (Relating Education to Academic Learning) Program.

Recommended Program Revision Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|------------------------------------|-------------------------------|--------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Grants to Full Time Students | | | \$ 9,600 | \$ 9,984 | \$ 10,384 | \$ 10,799 | \$ 11,231 |
| College Work Study Program | | | 1,060 | 1,102 | 1,146 | 1,192 | 1,240 |
| GENERAL FUND TOTAL | <u>.....</u> | <u>.....</u> | <u>\$ 10,660</u> | <u>\$ 11,086</u> | <u>\$ 11,530</u> | <u>\$ 11,991</u> | <u>\$ 12,471</u> |

HIGHER EDUCATION ASSISTANCE AGENCY

Financial Aid to Institutions

OBJECTIVE: To assist independent postsecondary institutions to maintain enrollments and stabilize their educational costs thereby promoting access to institutions in all sectors for Pennsylvania students.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>\$ 17,888</u> | <u>\$ 18,961</u> | <u>\$ 20,857</u> | <u>\$ 21,691</u> | <u>\$ 22,559</u> | <u>\$ 23,461</u> | <u>\$ 24,399</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Grant recipients enrolled at eligible independent institutions | 29,585 | 29,460 | 29,116 | 29,116 | 29,116 | 29,116 | 29,116 |
| Per capita grant | 611 | 644 | 716 | 752 | 790 | 829 | 871 |
| Eligible institutions..... | 87 | 90 | 91 | 91 | 91 | 91 | 91 |

Program Analysis:

The Institutional Assistance Grants (IAG) Program, by design of the General Assembly at the time of enactment in July 1974, serves as an integral part of the Commonwealth's commitment to the development and preservation of a diverse system of postsecondary education encompassing the programs of both the independent and public sector institutions. The objectives of the program are carried out through formula grants to assist independent postsecondary institutions to maintain enrollments and to assist in the effort to stabilize their educational costs so as to facilitate utilization of all postsecondary education resources in the Commonwealth. The IAG Program also serves to promote full access to institutions in all sectors by assisting student attendance at Pennsylvania independent colleges and universities.

Eligible institutions, as specified in the authorizing legislation, are those institutions approved for purposes of the State Higher Education Grant Program that are not a State-owned college or university, a State-related university, or a community college, that are independent and are not operated for profit, and that are not a seminary or school of theology or a sectarian or denominational institution. The

appropriation legislation has also for the last eight years excluded any institution which is the recipient of a direct State appropriation. There are currently 90 eligible institutions participating in the IAG Program.

The major increase in funds budgeted for this program is discussed in the Program Revision following this subcategory.

The IAG payments are based on the number of state student grant recipients certified as enrolled at IAG-eligible institutions during the academic year. The total available resources are divided by the total number of certified recipients to establish a per capita grant to be made to each institution. The measure showing the number of grant recipients attending eligible institutions is less for the budget and future years because the agency anticipates processing fewer late applications than in prior years. This is consistent with the related measure in the Financial Aid to Students Subcategory. Each institution must execute a participation agreement and must also submit an annual audit report as assurance that the Institutional Assistance Grants monies are used only for non-sectarian educational costs.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Institutional Assistance Grants | <u>\$ 17,888</u> | <u>\$ 18,961</u> | <u>\$ 20,857</u> | <u>\$ 21,691</u> | <u>\$ 22,559</u> | <u>\$ 23,461</u> | <u>\$ 24,399</u> |

HIGHER EDUCATION ASSISTANCE AGENCY

Financial Assistance to Institutions Program Revision: Financial Assistance to Institutions

Recommended Program Revision Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|--------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>.....</u> | <u>.....</u> | <u>\$ 1,896</u> | <u>\$ 1,972</u> | <u>\$ 2,051</u> | <u>\$ 2,133</u> | <u>\$ 2,218</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|-----------------------------|------------|------------|------------|------------|------------|------------|------------|
| Per capita grant) | | | | | | | |
| Current | \$ 611 | \$ 644 | \$ 651 | \$ 704 | \$ 733 | \$ 762 | \$ 792 |
| Program Revision | \$ 611 | \$ 644 | \$ 716 | \$ 745 | \$ 775 | \$ 809 | \$ 838 |
| Average institutional grant | | | | | | | |
| Current | \$ 205,609 | \$ 210,678 | \$ 208,363 | \$ 225,363 | \$ 234,385 | \$ 243,758 | \$ 253,505 |
| Program Revision | \$ 205,609 | \$ 210,678 | \$ 229,198 | \$ 238,363 | \$ 247,901 | \$ 257,813 | \$ 268,121 |

Program Analysis:

The Institutional Assistance Grants program serves as an integral part of the Commonwealth's commitment to the development and preservation of the diverse system of higher education in Pennsylvania.

The program is directed to those independent institutions which are nonprofit, nonsectarian and not in receipt of direct state appropriations. In 1987-88 the program funds will be distributed to 91 eligible institutions.

The objective of the grant program is to allow private

colleges and universities to stabilize their educational costs and maintain enrollments. It recognizes the desirability of helping independent institutions remain fiscally sound and able to keep student costs to a minimum.

The \$20,857,000 budgeted for 1987-88, a ten percent increase over the 1986-87 year, will help to minimize increases in tuition and will serve to promote full student access to institutions in all sectors of Pennsylvania higher education.

Recommended Program Revision Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------------|-------------------------------|--------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Institutional Assistance Grants | <u>.....</u> | <u>.....</u> | <u>\$ 1,896</u> | <u>\$ 1,972</u> | <u>\$ 2,051</u> | <u>\$ 2,133</u> | <u>\$ 2,218</u> |

HIGHER EDUCATION ASSISTANCE AGENCY

General Elementary and Secondary Education

OBJECTIVE: To provide general population students with the skills, attitudes, and abilities needed for effective living in our complex society.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|----------|----------|----------|----------|----------|----------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 5,200 | \$ 5,525 | \$ 5,801 | \$ 6,033 | \$ 6,274 | \$ 6,525 | \$ 6,786 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Teachers trained in microcomputer education | 2,500 | 2,550 | 2,550 | 2,550 | 2,550 | 2,550 | 2,550 |
| Regional Resource Centers | 14 | 14 | 14 | 14 | 14 | 14 | 14 |
| Outreach Sites | . | 4 | 4 | 4 | 4 | 4 | 4 |
| New classrooms using microcomputers | 55 | 67 | 65 | 150 | 200 | 250 | 300 |
| Teachers using program hardware and courseware | 8,000 | 11,000 | 12,000 | 13,000 | 14,000 | 15,000 | 15,000 |

Program Analysis:

The Information Technology Education Act, (Act 145) which was signed into law on July 9, 1984, provides funding to improve and strengthen the computer skills of students and teachers in the elementary and secondary schools of the Commonwealth through the establishment of Regional Computer Resource Centers (RCRC). The Regional Centers currently (1) provide teacher training in computer information technology, (2) help design computer-oriented elementary and secondary school curricula, (3) assist teachers and school administrators in the evaluation of education computer software, (4) review school proposals to acquire and upgrade computer equipment and implement computer-oriented instruction, (5) assist in the coordination of the purchase of computer hardware and software for Pennsylvania's schools, and (6) loan equipment and computer software to non-public schools. Resource Centers reflecting the Commonwealth's demography have been established at 14 sites (four at intermediate units, eight at colleges and universities, and two in the Philadelphia area). In addition, four outreach sites have been established to

accommodate teachers and/or students located in remote areas or to respond to specific school curriculum needs.

This program is being coordinated with the Pennsylvania Higher Education Assistance Agency (PHEAA) Science Teacher Education Program (STEP), which provides graduate-level courses for teachers of science and mathematics at some of the same sites. STEP training is heavily though not exclusively weighted to computer use in science and mathematics instructions.

The allocation for teacher training funds five graduate level microcomputer courses at each of the 14 Regional Computer Resource Centers, allows some centers to offer more than one course each semester, and provides for teaching courses at "outreach sites" in areas geographically inconvenient to centers and/or in areas where the high demand level or specialized nature of the courses cannot be handled by the centers. The allocation for establishment and operation of the Regional Computer Resource Centers and "outreach sites" provides funds for staffing, operational equipment and supplies, maintenance, and other overhead

HIGHER EDUCATION ASSISTANCE AGENCY

General Elementary and Secondary Education (continued)

Program Analysis: (continued)

costs as required. Funds are also included for similar operational costs both at the Clarion STEP/Information Technology Education Act coordinating facility and at PHEAA headquarters. Staff at the centers coordinate teacher training, including one-day sessions as required on state-of-the-art microcomputer hardware and courseware. They are responsible for maintaining regularly scheduled times for access to the center and its services by teachers in both public and non-public schools in the regions. RCRC staff also coordinate activities of the Regional Boards, facilitate the loan of computer equipment to non-public school students, and conduct support services to school

districts attempting to establish comprehensive plans for the use of microcomputers in the education of kindergarten through 12th grade students.

The appropriation for equipment and software funds equipment for training at the Centers and outreach sites, equipment and courseware grants for public schools, and equipment loans to non-public school students. The program requires that school districts must develop independently or with the help of the Regional Center staff a comprehensive plan for use of such equipment or courseware. Priority is given to school districts with minimal amounts of microcomputer equipment and/or with high aid ratios.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------|-------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Computer Training..... | \$ 1,872 | \$ 2,197 | \$ 2,307 | \$ 2,399 | \$ 2,495 | \$ 2,595 | \$ 2,699 |
| Computer Purchases | 3,328 | 3,328 | 3,494 | 3,634 | 3,779 | 3,930 | 4,087 |
| GENERAL FUND TOTAL | <u>\$ 5,200</u> | <u>\$ 5,525</u> | <u>\$ 5,801</u> | <u>\$ 6,033</u> | <u>\$ 6,274</u> | <u>\$ 6,525</u> | <u>\$ 6,786</u> |

Historical and Museum Commission

The Historical and Museum Commission is the official agency for the conservation and presentation of Pennsylvania's historic heritage. In executing its responsibilities, the Commission provides educational and recreational facilities to the public through historical, archaeological, and museum research, administration of public records, museum exhibition and interpretation, and historic site development.

HISTORICAL AND MUSEUM COMMISSION

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| General Government Operations | \$ 10,019 | \$ 10,258 | \$ 10,340 |
| Maintenance Program | 498 | 550 | 750 |
| Subtotal | <u>\$ 10,517</u> | <u>\$ 10,808</u> | <u>\$ 11,090</u> |
| Grants and Subsidies | | | |
| Museum Assistance | \$ 548 | \$ 900 | \$ 927 |
| University of Pennsylvania Museum | 165 | 175 | 180 |
| Carnegie Museum | 165 | 175 | 180 |
| Franklin Institute | 496 | 526 | 542 |
| Academy of Natural Sciences | 303 | 321 | 331 |
| Buhl Science Center | 165 | 175 | 180 |
| Museum of Philadelphia Civic Center | 165 | 175 | 180 |
| Afro American Museum | 104 | 154 | 159 |
| Everhart Museum | 30 | 32 | 33 |
| Mercer Museum | 50 | ..... | ..... |
| Commodore Perry Monument | 50 | ..... | ..... |
| Canal-Lock Plymouth | 75 | ..... | ..... |
| Humanities Council ..... | ..... | ..... | 100 |
| Subtotal | <u>\$ 2,316</u> | <u>\$ 2,633</u> | <u>\$ 2,812</u> |
| TOTAL STATE FUNDS | <u>\$ 12,833</u> | <u>\$ 13,441</u> | <u>\$ 13,902</u> |
| | | | |
| Federal Funds | \$ 452 | \$ 729 | \$ 657 |
| Augmentations | 711 | 510 | 475 |
| GENERAL FUND TOTAL | <u>\$ 13,996</u> | <u>\$ 14,680</u> | <u>\$ 15,034</u> |
| | | | |
| Other Funds | \$ 324 | \$ 485 | \$ 495 |
| TOTAL ALL FUNDS | <u>\$ 14,320</u> | <u>\$ 15,165</u> | <u>\$ 15,529</u> |

GENERAL GOVERNMENT

| General Government Operations | (Dollar Amounts in Thousands) | | |
|-------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 10,517 | \$ 10,808 | \$ 11,090 |
| Federal Funds | 452 | 729 | 657 |
| Augmentations | 711 | 510 | 475 |
| TOTAL | \$ 11,680 | \$ 12,047 | \$ 12,222 |

Coordinates and directs the preservation of Pennsylvania's heritage through the collection of public records, natural history specimens, objects of art, historical objects and historic sites; and by promoting acquisition, restoration, and operation of historical sites within the Commonwealth.

Among the major sites are Washington Crossing, Brandywine Battlefield, Old Economy and Pennsbury Manor. Some of the major museums are the William Penn Memorial Museum, Landis Valley Farm Museum, Fort Pitt and the Anthracite Museum Complex.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| General Government Operations | \$ 10,019 | \$ 10,258 | \$ 10,340 |
| Maintenance Program | 498 | 550 | 750 |
| Federal Funds: | | | |
| Division of Historic Preservation | 413 | 450 | 450 |
| National Archives and Records Service Bouquet Papers | 2 | ..... | ..... |
| Computer Library Center | 9 | 10 | ..... |
| Historical Records Program | 28 | ..... | 125 |
| National Endowment for the Humanities ..... | ..... | 200 | ..... |
| National Historical Publications and Records ..... | ..... | ..... | 2 |
| Penn Central Railroad Historical Records ..... | ..... | 63 | 80 |
| State Historical Records Program ..... | ..... | 6 | ..... |
| Augmentations: | | | |
| Hope Lodge Fund | 112 | ..... | ..... |
| Historic Preservation Fund | 584 | 510 | 475 |
| Land Records | 15 | ..... | ..... |
| TOTAL | \$ 11,680 | \$ 12,047 | \$ 12,222 |

GENERAL FUND

HISTORICAL AND MUSEUM COMMISSION

GRANTS AND SUBSIDIES

| Museum Assistance | (Dollar Amounts in Thousands) | | |
|--------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 2,191 | \$ 2,633 | \$ 2,712 |

Provides assistance to qualified museums, through grants to encourage and expand public programs.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Museum Assistance | \$ 548 | \$ 900 | \$ 927 |
| University of Pennsylvania Museum | 165 | 175 | 180 |
| Carnegie Museum | 165 | 175 | 180 |
| Franklin Institute | 496 | 526 | 542 |
| Academy of Natural Sciences | 303 | 321 | 331 |
| Museum of the Philadelphia Civic Center | 165 | 175 | 180 |
| Buhl Planetarium | 165 | 175 | 180 |
| Afro—American Historical and Cultural Museum | 104 | 154 | 159 |
| Everhart Museum | 30 | 32 | 33 |
| Mercer Museum | 50 | ..... | ..... |
| TOTAL | <u>\$ 2,191</u> | <u>\$ 2,633</u> | <u>\$ 2,712</u> |

| Local History Grants | (Dollar Amounts in Thousands) | | |
|-----------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 125 | ..... | ..... |

Provides assistance to history related institutions in the form of mini-grants, to undertake local history research, planning and programming projects.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|--------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Commodore Perry Monument | \$ 50 | ..... | ..... |
| Canal-Lock Plymouth | 75 | ..... | ..... |
| TOTAL | <u>\$ 125</u> | <u>.....</u> | <u>.....</u> |

| Humanities Council | (Dollar Amounts in Thousands) | | |
|---------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | | | \$ 100 |

Provides assistance to a non-profit private organization that funds programs relating to the study and application of the humanities to the current conditions of life.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|--------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Humanities Council | | | \$ 100 |

| | |
|--------------------|---|
| OTHER FUNDS | HISTORICAL AND MUSEUM COMMISSION |
|--------------------|---|

Amounts Not Previously Detailed

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---|-------------------|---|-------------------|
| General Fund | | | |
| Preservation of Historic Sites and Properties | \$ 279 | \$ 450 | \$ 450 |
| Hope Lodge..... | 45 | 35 | 45 |
| DEPARTMENT TOTAL | \$ 324 | \$ 485 | \$ 495 |

HISTORICAL AND MUSEUM COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 1,183 | \$ 1,166 | \$ 1,201 | \$ 1,249 | \$ 1,299 | \$ 1,351 | \$ 1,405 |
| Administration of Public Records | \$ 831 | \$ 762 | \$ 787 | \$ 818 | \$ 851 | \$ 885 | \$ 920 |
| Preserving Valuable Records | 831 | 762 | 787 | 818 | 851 | 885 | 920 |
| Cultural Enrichment | \$ 10,918 | \$ 11,513 | \$ 11,914 | \$ 12,300 | \$ 11,955 | \$ 12,375 | \$ 12,810 |
| Development and Promotion of Penn- sylvania State and Local History | 440 | 572 | 539 | 557 | 575 | 594 | 614 |
| Museum Development and Operations | 7,997 | 8,487 | 8,664 | 8,954 | 9,259 | 9,575 | 9,902 |
| Development and Preservation of Historic Sites and Properties | 2,382 | 2,454 | 2,711 | 2,789 | 2,121 | 2,206 | 2,294 |
| DEPARTMENT TOTAL | <u>\$ 12,833</u> | <u>\$ 13,441</u> | <u>\$ 13,902</u> | <u>\$ 14,367</u> | <u>\$ 14,105</u> | <u>\$ 14,611</u> | <u>\$ 15,135</u> |

HISTORICAL AND MUSEUM COMMISSION

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 1,183 | \$ 1,166 | \$ 1,201 | \$ 1,249 | \$ 1,299 | \$ 1,351 | \$ 1,405 |
| Other Funds | 55 | 30 | 30 | 30 | 30 | 30 | 30 |
| TOTAL | <u>\$ 1,238</u> | <u>\$ 1,196</u> | <u>\$ 1,231</u> | <u>\$ 1,279</u> | <u>\$ 1,329</u> | <u>\$ 1,381</u> | <u>\$ 1,435</u> |

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of the Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected

by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | <u>\$ 1,183</u> | <u>\$ 1,166</u> | <u>\$ 1,201</u> | <u>\$ 1,249</u> | <u>\$ 1,299</u> | <u>\$ 1,351</u> | <u>\$ 1,405</u> |

HISTORICAL AND MUSEUM COMMISSION

Preserving Valuable Records

OBJECTIVE: To assure the preservation and availability of the Commonwealth's important public records and to promote the safekeeping of county and municipal records of permanent value.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 831 | \$ 762 | \$ 787 | \$ 818 | \$ 851 | \$ 885 | \$ 920 |
| Federal Funds | 17 | 269 | 207 | ..... | ..... | ..... | ..... |
| Other Funds | 20 | 45 | 45 | 45 | 45 | 45 | 45 |
| TOTAL | <u>\$ 868</u> | <u>\$ 1,076</u> | <u>\$ 1,039</u> | <u>\$ 863</u> | <u>\$ 896</u> | <u>\$ 930</u> | <u>\$ 965</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|------------|------------|------------|------------|------------|-------------|-------------|
| Requests processed involving state government records | 1,450 | 1,700 | 2,200 | 2,500 | 2,800 | 3,000 | 3,200 |
| Requests processed involving county municipal records | 2,900 | 3,000 | 3,500 | 4,000 | 4,500 | 5,000 | 6,500 |
| Responses to service requests—State Archives | 23,600 | 24,200 | 25,000 | 25,500 | 26,000 | 26,500 | 27,800 |
| Responses to service requests in Commonwealth Land Office | 21,600 | 22,200 | 23,000 | 24,000 | 25,000 | 26,000 | 27,000 |
| Pages of Archives and historical manuscripts | 88,900,000 | 89,800,000 | 91,600,000 | 94,000,000 | 97,000,000 | 100,000,000 | 104,000,000 |
| Percent of material on microfilm | 3.5% | 9% | 10.5% | 13% | 16% | 19% | 22% |

Program Analysis:

There are three basic approaches to achieving the objectives of this program. The first is to assure the availability of selected records for examination by students, historians, scholars and other interested persons. This requires the identification, cataloging, preserving and storing of records so they will be available when needed.

The second approach pertains to the need to preserve county and local government records. This is accomplished through advising and guiding government authorities in

planning and preparing retention schedules and in the preservation of these documents.

The third approach involves the preservation and retention of records which by law or administrative directive must be preserved for posterity.

The success of this program is reflected in the measures shown above. These measures indicate the magnitude of materials handled and the amount of material available.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | <u>\$ 831</u> | <u>\$ 762</u> | <u>\$ 787</u> | <u>\$ 818</u> | <u>\$ 851</u> | <u>\$ 885</u> | <u>\$ 920</u> |

HISTORICAL AND MUSEUM COMMISSION

Development and Promotion of Pennsylvania State and Local History

OBJECTIVE: To extend knowledge of Pennsylvania's historical heritage and promote interest in it.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 440 | \$ 572 | \$ 539 | \$ 557 | \$ 575 | \$ 594 | \$ 614 |
| Federal Funds | 5 | 10 | ..... | ..... | ..... | ..... | ..... |
| TOTAL | <u>\$ 445</u> | <u>\$ 582</u> | <u>\$ 539</u> | <u>\$ 557</u> | <u>\$ 575</u> | <u>\$ 594</u> | <u>\$ 614</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Pages of historical material added to the collection | 282,000 | 280,000 | 280,000 | 280,000 | 285,000 | 290,000 | 290,000 |
| Responses to service requests | 19,200 | 19,500 | 19,800 | 20,200 | 20,500 | 21,800 | 22,000 |
| Historic marker proposals reviewed | 76 | 80 | 86 | 90 | 94 | 100 | 110 |

Program Analysis:

The commission assures the preservation of historical data through the preparation of advance studies and source publications on Pennsylvania history for scholars and serious students and the development of booklets, pamphlets, leaflets and folders for the general reader. The commission is charged with the administration of an applied history (internship) program, a historical marker program, a minority studies program and an oral history program.

An up-to-date bibliography of Pennsylvania history is maintained to respond to inquiries from the public and private sector. Technical assistance, advice, guidance and information on history and historical events are provided through commission reference services. These activities result in inquiries from a number of sources (in person, mail, telephone) regarding Pennsylvania history. Emphasis is given to working with historical societies as extensions which supplement the commission's programs and encourage the

interests of young people, through various history programs.

Increases in the public's knowledge and appreciation of Pennsylvania's history cannot be measured, but the nature of the demands upon the commission for services can serve as an indication of the success of this program.

The commission will continue to promote Pennsylvania history through these and other activities such as the historical markers program and providing for the placement of historical markers in virtually all of the 67 counties in the Commonwealth. Through such other methods as public service announcements, the distribution of literature and information the commission hopes to promote and further develop interest in Pennsylvania and its contributions to history. This subcategory also includes \$100,000 for the Humanities Council. The Council funds programs relating to the study and application of the humanities to the current conditions of life.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 440 | \$ 572 | \$ 439 | \$ 457 | \$ 475 | \$ 494 | \$ 514 |
| Humanities Council ..... | ..... | ..... | 100 | 100 | 100 | 100 | 100 |
| General Fund Total | <u>\$ 440</u> | <u>\$ 572</u> | <u>\$ 539</u> | <u>\$ 557</u> | <u>\$ 575</u> | <u>\$ 594</u> | <u>\$ 614</u> |

HISTORICAL AND MUSEUM COMMISSION

Museum Development and Operations

OBJECTIVE: To assure provision of representative artifacts and specimens of history, art and science for the enlightenment, enjoyment and visual experience of all citizens.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 7,997 | \$ 8,487 | \$ 8,664 | \$ 8,954 | \$ 9,259 | \$ 9,575 | \$ 9,902 |
| Federal Funds | | | | | | | |
| Other Funds | 411 | 380 | 345 | 430 | 450 | 470 | 490 |
| TOTAL | \$ 8,408 | \$ 8,867 | \$ 9,009 | \$ 9,384 | \$ 9,709 | \$ 10,045 | \$ 10,392 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| State-operated museums and historic sites: | | | | | | | |
| Annual visits | 1,859,000 | 1,964,000 | 2,109,000 | 2,281,000 | 2,366,000 | 2,486,000 | 2,622,000 |
| Exhibits/programs developed and presented | 1,340 | 1,350 | 1,370 | 1,380 | 1,390 | 1,400 | 1,400 |
| Museum assistance grants awarded | 67 | 96 | 125 | 130 | 130 | 135 | 135 |

Program Analysis:

A reorganization plan for the Historical and Museum Commission was implemented during the 1984-85 fiscal year. As a result of the reorganization, the activities reflected in this subcategory and the subcategory, Development and Preservation of Historical Sites and Properties were realigned. Those activities which are administered through the Bureau of Historic Sites and Museums include directing, managing and operating the 26 historic sites and museums and are addressed in this subcategory. Those activities which are the responsibility of the Bureau for Historic Preservation and the Bureau of Historical and Museum Services are addressed in the subcategory, Development of Historical Sites and Properties.

Management and support services are provided to the historic sites and museums in the regions through professional and technical assistance, fiscal management and research and development. An initiative undertaken in 1983-1984 which brought direct improvement is the documentation and compilation of maintenance needs for buildings and grounds. This initiative, which resulted in funding for the commission's Major Maintenance and Repair Program, provides support for improvements to the bureau's facilities through a comprehensive maintenance and repair plan.

Regionalized services provide the historic sites and museums, operated by the commission, with improved

capabilities to serve the public. Maintenance, fiscal and operational needs are better coordinated and less costly, and programs are more effectively promoted and sponsored. As a result individuals, families, senior citizens and school children who comprise the visiting public receive a more lasting impression and positive experience.

The State Museum and the twenty-six (26) historic sites and museums serve as resource centers, providing a wide range of services and programs to the public. Education relating to the material cultural heritage of the Commonwealth is provided. Collections are utilized through a program of exhibition and exhibit interpretation. Objects are preserved and cared for through programs of collections management. Support groups at historic sites and museums continue to perform services such as generating volunteers, co-sponsoring educational and public events, administering sales and gift shops and raising money for acquisitions. Public and educational programs presenting rural and urban life are offered, along with lectures and seminars on curatorial advice and ethnic studies. A Mobile Museum program brings Pennsylvania's history to the people. This program is also responsible for the administration of funds to State-Aided Museums and provides these institutions and other history related organizations with outreach program support, information and assistance.

The success of Pennsylvania's museum system can best

HISTORICAL AND MUSEUM COMMISSION

Museum Development and Operations (continued)

Program Analysis: (continued)

VISITATION AT STATE-OWNED MUSEUMS

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| William Penn Memorial Museum | 207,481 | 212,000 | 217,000 | 222,000 | 226,000 | 232,000 | 240,000 |
| Pennsylvania Farm Museum | 49,246 | 54,000 | 58,000 | 63,000 | 68,000 | 73,000 | 78,000 |
| Fort Pitt Museum | 26,387 | 27,000 | 27,500 | 28,000 | 28,600 | 29,200 | 29,800 |
| Pennsylvania Military Museum | 85,866 | 90,000 | 96,000 | 102,000 | 107,000 | 110,000 | 115,000 |
| Railroad Museum of Pennsylvania | 128,193 | 133,000 | 138,000 | 143,000 | 148,000 | 153,000 | 157,000 |
| Pennsylvania Lumber Museum | 23,855 | 24,200 | 24,800 | 25,300 | 25,800 | 26,300 | 27,000 |
| Anthracite Museum Complex: | | | | | | | |
| Anthracite Museum—Scranton | 16,152 | 20,000 | 25,000 | 30,000 | 34,000 | 38,000 | 43,000 |
| Anthracite Museum—Ashland | 10,550 | 12,000 | 12,200 | 12,400 | 12,800 | 13,100 | 13,500 |
| Eckley Miners' Village | 14,864 | 15,300 | 15,800 | 16,500 | 17,000 | 17,600 | 18,300 |
| Pennsylvania Mobile Museum | 41,980 | 45,000 | 75,000 | 80,000 | 60,000 | 66,000 | 73,000 |
| Visitation at State-Owned Museums -- | | | | | | | |
| Subtotal | <u>604,574</u> | <u>632,500</u> | <u>689,300</u> | <u>722,200</u> | <u>727,200</u> | <u>758,200</u> | <u>794,600</u> |

VISITATION AT SELECTED STATE HISTORICAL SITES

| Property | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Washington Crossing | 649,032 | 700,000 | 750,000 | 800,000 | 840,000 | 880,000 | 930,000 |
| Brandywine Battlefield | 110,375 | 120,000 | 130,000 | 138,000 | 145,000 | 156,000 | 170,000 |
| Ephrata Cloister | 55,384 | 58,000 | 61,000 | 64,000 | 66,000 | 69,000 | 72,000 |
| Old Economy | 37,598 | 38,500 | 39,000 | 39,500 | 40,000 | 41,000 | 42,000 |
| Flagship Niagara | 18,185 | 5,000 | 5,000 | 50,000 | 60,000 | 70,000 | 80,000 |
| Daniel Boone | 49,608 | 56,000 | 60,000 | 65,000 | 68,000 | 72,000 | 76,000 |
| Pennsbury Manor | 49,416 | 55,000 | 60,000 | 65,000 | 70,000 | 76,000 | 82,000 |
| Drake Well Museum | 28,400 | 30,000 | 33,000 | 36,000 | 38,000 | 41,000 | 43,000 |
| Bushy Run Battlefield | 103,375 | 106,000 | 110,000 | 113,000 | 115,000 | 118,000 | 120,000 |
| Conrad Weiser Park | 19,400 | 20,000 | 20,500 | 30,000 | 30,500 | 30,800 | 31,300 |
| Cornwall Iron Furnace | 14,432 | 14,600 | 15,000 | 15,400 | 15,700 | 16,000 | 16,400 |
| Graeme Park | 11,746 | 12,000 | 12,300 | 12,500 | 13,000 | 13,500 | 14,000 |
| Hope Lodge | 7,625 | 8,000 | 8,400 | 8,800 | 9,300 | 9,900 | 10,600 |
| Joseph Priestly House | 3,126 | 3,500 | 3,900 | 4,400 | 4,800 | 5,200 | 5,600 |
| Somerset Historical Center | 46,196 | 50,000 | 52,000 | 53,000 | 54,500 | 56,000 | 57,000 |
| Visitation at Selected State Historical | | | | | | | |
| Sites -- Subtotal | <u>1,203,898</u> | <u>1,276,600</u> | <u>1,360,100</u> | <u>1,494,600</u> | <u>1,569,800</u> | <u>1,654,400</u> | <u>1,749,900</u> |
| Historical Property Managed/Leased | 50,500 | 55,000 | 60,000 | 64,000 | 69,000 | 73,000 | 78,000 |
| TOTAL -- MUSEUMS AND | | | | | | | |
| HISTORIC SITES | <u><u>1,858,972</u></u> | <u><u>1,964,100</u></u> | <u><u>2,109,400</u></u> | <u><u>2,280,800</u></u> | <u><u>2,366,000</u></u> | <u><u>2,485,600</u></u> | <u><u>2,622,500</u></u> |

HISTORICAL AND MUSEUM COMMISSION

Museum Development and Operations (continued)

Program Analysis: (continued)

be measured in the interest generated by the general public. Visitation figures are one of the best indicators of the success of this program. They provide the commission with visitation data necessary to determine utilization of facilities through exhibits and other attractions which stimulate interest in the museum system.

Overall commission historical site and museum visitations are affected by the economic environment of the State and the Nation. Institutions with similar purposes and functions are affected by the same economic impact. Visitations at commission historical sites and museums do vary from year to year as a result of changes in special programs and initiatives which affect public participation. Generally, commission visitations may increase or decrease marginally from year to year where there is a significant change in the economy.

Two historical sites, the Pottsgrove Manor and Old Chester Court House are pending adoption of lease management and contractor agreements for a preservation program. Because these sites currently have very few visitors, they are not included in the list of visitations at selected state historical sites.

Within this subcategory the Historical Preservation Fund includes funds from the sale of publications of the Pennsylvania Historical and Museum Commission and all moneys received from fees or other sales by the commission at the State historical properties and/or museums. Most of the revenue results from admission fees and sale of publications and souvenirs and is used by the commission to augment General Government Operations. (See Special Fund Appendix in Volume I for Statement of Cash Receipts and Disbursements.)

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 5,681 | \$ 5,854 | \$ 5,952 | \$ 6,190 | \$ 6,438 | \$ 6,696 | \$ 6,964 |
| Museum Assistance | 548 | 900 | 927 | 927 | 927 | 927 | 927 |
| University of Pennsylvania Museum | 165 | 175 | 180 | 185 | 191 | 197 | 203 |
| Carnegie Museum | 165 | 175 | 180 | 185 | 191 | 197 | 203 |
| Franklin Institute | 496 | 526 | 542 | 558 | 575 | 592 | 610 |
| Academy of Natural Sciences | 303 | 321 | 331 | 341 | 351 | 362 | 373 |
| Buhl Science Center | 165 | 175 | 180 | 185 | 191 | 197 | 203 |
| Museum of Philadelphia Civic Center ... | 165 | 175 | 180 | 185 | 191 | 197 | 203 |
| Afro American and Cultural Museum ... | 104 | 154 | 159 | 164 | 169 | 174 | 179 |
| Everhart Museum | 30 | 32 | 33 | 34 | 35 | 36 | 37 |
| Commodore Perry Monument | 50 | ..... | ..... | ..... | ..... | ..... | ..... |
| Mercer Museum | 50 | ..... | ..... | ..... | ..... | ..... | ..... |
| Canal Lock Museum | 75 | ..... | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | \$ 7,997 | \$ 8,487 | \$ 8,664 | \$ 8,954 | \$ 9,259 | \$ 9,575 | \$ 9,902 |

HISTORICAL AND MUSEUM COMMISSION

Development and Preservation of Historical Sites and Properties

OBJECTIVE: To utilize and interpret historic sites and properties as related to Pennsylvania's history and to promote an understanding and appreciation of the State's historical heritage.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 2,382 | \$ 2,454 | \$ 2,711 | \$ 2,789 | \$ 2,121 | \$ 2,206 | \$ 2,294 |
| Federal Funds | 430 | 450 | 450 | 500 | 500 | 550 | 550 |
| Other Funds | 549 | 540 | 550 | 550 | 550 | 555 | 555 |
| TOTAL | \$ 3,361 | \$ 3,444 | \$ 3,711 | \$ 3,839 | \$ 3,171 | \$ 3,311 | \$ 3,399 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Objects undergoing conserva- tion/preservation | 32 | 70 | 70 | 70 | 70 | 70 | 70 |
| Objects maintained under the historic ob- jects inventory | 1,145,000 | 1,151,000 | 1,156,000 | 1,165,000 | 1,175,000 | 1,185,000 | 1,190,000 |
| Historic markers placed | 1,490 | 1,493 | 1,496 | 1,500 | 1,503 | 1,505 | 1,507 |
| Historic markers refurbished or replaced. . . | 202 | 225 | 250 | 250 | 250 | 250 | 250 |
| Historic buildings undergoing conserva- tion/preservation | 380 | 388 | 398 | 409 | 409 | 409 | 409 |
| Historic properties surveyed | 2,349 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| Historic properties evaluated for the Na- tional Register of Historic Properties . . . | 270 | 325 | 325 | 350 | 350 | 375 | 375 |
| Historic properties reviewed for tax benefits | 656 | 700 | 700 | 750 | 750 | 750 | 750 |
| State/Federal projects reviewed for impact on historic properties | 2,833 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| Applications reviewed/made for historic preservation grants | 32 | 40 | 40 | 45 | 45 | 45 | 45 |

Program Analysis:

Activities included in this subcategory are administered through the Bureau for Historic Preservation and Bureau of Historical and Museum Services.

The Bureau for Historic Preservation is primarily responsible for the identification, protection and enhancement of buildings, structures, and districts of historic and architectural significance in public and private ownership within the Commonwealth.

The historic preservation program in Pennsylvania has developed rapidly over the past decade, partly in response to the infusion of Federal funds from the Department of the Interior's (National Park Service) historic preservation program and the growing recognition that the State's rich historic heritage can be recycled and reused to enhance the economic base and the many communities of the Commonwealth. From 1971 to 1980 the level of Federal funds increased with a shift in emphasis from acquisition and

Development and Preservation of Historical Sites and Properties (continued)

Program Analysis: (continued)

development grants to survey and outreach projects. There was also a steady increase in State funding for the Commission's preservation program. Beginning in 1981, the level of Federal funds for state programs was reduced; however, the level of Federal funding has now stabilized allowing for both operational and grant support.

The program operates on a dollar-for-dollar match and is used to support administrative personnel and operating costs as well as continuation of the historic sites survey and National Register nomination projects.

Under the auspices of this program the Commission's preservation effort also provides: better communications between the Pennsylvania Historical and Museum Commission and local preservationists; improved education of the public on preservation issues; assistance to local preservation organizations to improve their ability to provide and carry forward preservation programs; and most importantly maintain standards of historic significance for Pennsylvania's resources.

Program Services

The mission of this program is to plan, direct, coordinate, and implement program services, collection services, exhibition management and marketing-sales-publications services.

Another responsibility of this program is to oversee and direct the planning, construction and major maintenance of the buildings and structures administered by the commission. Periodic surveys identify buildings' needs and major maintenance projects are designed to meet those needs. Special emphasis is placed on the necessity of giving special care and consideration to the historic fabric of heritage buildings. An adjunct of this activity is a program for major maintenance to correct existing problems of buildings' infrastructure. The proper application of the funds in this program will arrest deteriorating building materials such as roofs and water systems which can cause rapid deterioration if not corrected in a timely fashion. The recommended budget for 1987-88 includes \$750,000 to continue the correction of these major maintenance problems.

The Historical Marker Program maintains over 1,400 roadside markers throughout Pennsylvania.

Collection Services

The second major element of this program is Collection Services which manages and directs the historical objects collections for the agency. This program acquires, registers, and stores the nearly 2,000,000 objects in the Commonwealth's collections. These objects are properly researched and made available for exhibition in 27 museums and

historic sites owned by the Commonwealth and are additionally available for research and publication purposes. Another four hundred cultural institutions in Pennsylvania may borrow these objects for research, exhibition and educational purposes. Also included in this program is the responsibility for acquisition and accession of objects (legal title transfer), inventory recording and photographing objects. The Commonwealth Conservation Center provides better care for collections. Not only through proper temporary storage conditions and bureau handling techniques, but by climate control and sometimes conservation treatments, the Pennsylvania collections receive better care thereby reducing the cost of overall preservation. The data for the measure, objects undergoing conservation/preservation, has decreased significantly from that shown in the 1986-87 budget. The decrease is due to the fact that conservation and preservation takes an exceptional amount of time due to the research and documentation that is a part of the process. Additionally, conservation services are provided to the General Assembly Flag Project whereby 400 Civil War flags will be conserved for the Capitol building. An additional effort and initiative currently under study is the improvement and expansion of collections storage capability. Currently, collections are stored at 31 locations. The proposed plan is to consolidate the storage under proper environmental controls.

Exhibitions Management

The third major element of this program is Exhibitions Management. A reorganization of this activity will make it possible to manage exhibitions across the State in museums and historic sites. Travelling exhibits will be developed as well. A long range exhibit program is being planned whereby new procedures and standards of operation will provide many more exhibit modules in the same work period.

Marketing, Sales and Publications

The fourth major element of this program is marketing, sales and publications. Coordinating these separate functions has saved administrative costs and caused greater communication among staffs with similar activities. Marketing has prepared the way for sales and publications by better defining the Commission's real audience and market place. The Commission plans to reproduce limited selections from its Pennsylvania collections for sale and create facsimiles of other collection pieces for sale in museum shops. Along with Commission publications at bookstores, sales outlets will offer reproductions and facsimiles as well. Publications range from pre-history through each generation of Penn-

HISTORICAL AND MUSEUM COMMISSION

Development and Preservation of Historical Sites and Properties (continued)

Program Analysis: (continued)

sylvania history to the present. In addition, a quarterly magazine "Pennsylvania Heritage" is published.

Two of the program measures listed show significant changes from the previous year. State/Federal projects reviewed for impact on historic properties shows an increase over figures shown in last year's budget. This has been brought about by major increases in Federal requirements. Because the Commission now records and maintains all reviews on electronic data processing, the extent of projects

reviewed is considerably more accurate and is reflected in the updated figures. As a result of decreased historic preservation grant funding through the National Park Service the total number of applications reviewed has been reduced. In addition the size of project applications in terms of dollars requested has increased. The result of the two factors has had an impact on the total number of applications received, reviewed and funded.

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 1,884 | \$ 1,904 | \$ 1,961 | \$ 2,039 | \$ 2,121 | \$ 2,206 | \$ 2,294 |
| State Museums Maintenance | 498 | 550 | 750 | 750 | ..... | ..... | ..... |
| GENERAL FUND TOTAL | <u>\$ 2,382</u> | <u>\$ 2,454</u> | <u>\$ 2,711</u> | <u>\$ 2,789</u> | <u>\$ 2,121</u> | <u>\$ 2,206</u> | <u>\$ 2,294</u> |

Housing Finance Agency

The Housing Finance Agency provides funding for construction and substantial rehabilitation of multi-family housing and purchase, rehabilitation, home improvement and energy conservation for single-family homes.

A Homeowner's Emergency Assistance Program also provides assistance through the provision of temporary mortgage assistance payments to those threatened with loss of their home due to financial hardship.

HOUSING FINANCE AGENCY

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|----------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| Grants and Subsidies | | | |
| Transfer to PHFA—Homeowners Emergency Assistance..... | \$ 25,750 | \$ 25,750 | \$ 18,000 |
| GENERAL FUND TOTAL | <u>\$ 25,750</u> | <u>\$ 25,750</u> | <u>\$ 18,000</u> |
| Other Funds ..... | ..... | ..... | ..... |
| TOTAL ALL FUNDS | <u>\$ 25,750</u> | <u>\$ 25,750</u> | <u>\$ 18,000</u> |

GRANTS AND SUBSIDIES

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|-------------------|---|-------------------|
| Homeowners Emergency Assistance | | | |
| State Funds | \$ 25,750 | \$ 25,750 | \$ 18,000 |

Provides funds to the Pennsylvania Housing Finance Agency (PHFA) to provide homeowners with emergency mortgage assistance when they are threatened with the loss of their home due to no fault of their own.

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| Transfer to PHFA — Homeowners Emergency Assistance | <u>\$ 25,750</u> | <u>\$ 25,750</u> | <u>\$ 18,000</u> |

HOUSING FINANCE AGENCY

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------|------------------|------------------|------------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 777 | \$ 670 | \$ 790 | \$ 822 | \$ 855 | \$ 855 | \$ 855 |
| Housing and Redevelopment | \$ 24,973 | \$ 25,080 | \$ 17,210 | \$ 17,178 | \$ 17,145 | ..... | ..... |
| Housing and Redevelopment Assistance . | 24,973 | 25,080 | 17,210 | 17,178 | 17,145 | ..... | ..... |
| DEPARTMENT TOTAL | <u>\$ 25,750</u> | <u>\$ 25,750</u> | <u>\$ 18,000</u> | <u>\$ 18,000</u> | <u>\$ 18,000</u> | <u>\$ 855</u> | <u>\$ 855</u> |

HOUSING FINANCE AGENCY

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>\$ 777</u> | <u>\$ 670</u> | <u>\$ 790</u> | <u>\$ 822</u> | <u>\$ 855</u> | <u>\$ 855</u> | <u>\$ 855</u> |

Program Analysis:

General Administration and Support provides the administrative overhead and management systems which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support.

The administrative funds reflected in this subcategory only

reflect the direct costs to the General Fund of administering the Homeowners Emergency Mortgage Assistance program (HEMA) and not the entire operational costs of the agency. Portions of these administrative costs are funded from PHFA interest earnings derived from General Fund monies, and as such, are not reflected here.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Transfer to PHFA—Homeowners Emergency Assistance | <u>\$ 777</u> | <u>\$ 670</u> | <u>\$ 790</u> | <u>\$ 822</u> | <u>\$ 855</u> | <u>\$ 855</u> | <u>\$ 855</u> |

HOUSING FINANCE AGENCY

Housing and Redevelopment Assistance

OBJECTIVE: To assist private enterprise to provide and maintain housing for Commonwealth citizens.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-----------|-----------|-----------|-----------|---------|---------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 24,973 | \$ 25,080 | \$ 17,210 | \$ 17,178 | \$ 17,195 | ..... | ..... |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|----------------------------|---------|---------|---------|---------|---------|---------|---------|
| HEMAP Loans Approved | 2,100 | 1,800 | 1,800 | 1,800 | 1,800 | ..... | ..... |

Program Analysis:

The Pennsylvania Housing Finance Agency (PHFA) is currently involved in the administration of two programs in cooperation with the Commonwealth; the Homeowners' Emergency Mortgage Assistance Program, primarily capitalized through transfers from the General Fund, and the Radon Reduction Loan Program, funded by PHFA bonds with the Commonwealth contributing funding to lower the interest rates and to cover potential bad debts.

The Homeowners Emergency Mortgage Assistance Program (HEMAP) was established by the General Assembly with the enactment of Act 91 of 1983 and signed into law by the Governor on December 23, 1983. The program is aimed at protecting homeowners from losing their homes to mortgage or tax sale foreclosures as a result of circumstances beyond their control.

General Fund appropriations in the amount of \$25,750,000 have been approved in each of the first three fiscal years of the program's operations. While the program had originally been scheduled to terminate during 1986-87, Act 189 of 1986 extended HEMAP for another three years. Therefore, this budget provides for funding from the General Fund in the amount of \$18,000,000, based on reduced program demand and average loan amounts being experienced during 1986-87.

HEMAP provides mortgage assistance payments to eligible recipients in the form of loans sufficient to bring the mortgage current. Additionally, the agency can provide continuing assistance for a period of up to thirty-six months. Although Act 91 calls for repayment of the assistance, a payment schedule is not developed and interest does not accrue until the homeowner has the financial ability to repay the loan.

As mandated by the act, the agency has implemented this program through the use of consumer credit counseling

agencies throughout the Commonwealth who provide counseling, screening and referral services. Counseling agencies also serve as a negotiator for the borrower and lender in an attempt to work out a forbearance agreement in lieu of applying for a State Homeowners' Emergency Mortgage Assistance Loan. If the problem cannot be resolved, assistance in making application is provided by the counseling agency.

To be eligible for assistance, (1) the property must be the primary residence of the homeowner; (2) the homeowner must be suffering financial hardship due to circumstances beyond his/her control; (3) there must be a reasonable prospect of the homeowner resuming full mortgage payments within 36 months; (4) the mortgage must be at least 60 days contractually delinquent and the financial institutions must have indicated its intention to foreclose; and (5) the homeowner must have obtained financial counseling.

Payments under this program are made directly to the financial institution on behalf of the homeowner. These payments are of two types: (1) arrearages including costs, escrowed funds and fees, and (2) monthly mortgage assistance payments in an amount that would not cause the homeowners total housing expense to exceed 35 percent of net effective income.

Response to the program, through application or request for information, has been significant. However, based on program criteria established in the act and program guidelines developed by the agency, many of these individuals were either not eligible for assistance or had resolved their problem through the counseling efforts of the counseling agencies. Of the 18,762 applications received since program inception, approximately 30 percent have met program criteria and been approved for assistance totaling

Housing Assistance (continued)

Program Analysis: (continued)

over \$50,000,000. Of this total 64 percent of the approvals have been for monthly assistance and 36 percent for non-continuing assistance. The monthly assistance loans are based on a 36-month time frame, and subject to recertification for eligibility and monthly contribution amounts at least once for each 12-month period.

With the program now fully accepted in the lending community and applications being received with minimal delinquencies incurred, the overall weighted average loan amount has been reduced from \$15,500 to \$9,500 within the past year and is projected to continue declining slightly. Based on this reduced figure, projections indicate that sufficient funds will be available to fund all approved loans through the end of fiscal 1987-88 while reducing General Fund requirements to \$18,000,000. With applications averaging 400 per month an average approval rate of 37.5 percent and a \$9,200 average loan, \$16,560,000 is required for loans; another \$650,000 is recommended for post-decision counseling and \$790,000 for PHFA administrative

costs not covered by other earnings PHFA derives from the HEMAP program.

The second cooperative effort between the Commonwealth and PHFA is the Radon Reduction Loan Program, announced on October 10, 1985, providing for a \$3 million low-interest loan program to assist homeowners in eliminating radon from their homes.

Financed through PHFA bonds, the program provides for two percent interest loans for families with incomes under \$36,000 and loans at eight or nine percent to families with incomes under that amount. The Commonwealth, through the Department of Community Affairs' Housing and Redevelopment program, has provided funds during 1985-86 and 1986-87 to reduce the interest rates and to cover potential loan default. Through December 1986 the Radon Reduction Loan Program has assisted 20 homeowners in providing a total of \$68,000 in actual loans. The funding for this program is not reflected in the budget as the financing of this program is through PHFA bonds.

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------|-------------------------------|-----------|-----------|-----------|-----------|---------|---------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Transfer to PHFA — Homeowners | | | | | | | |
| Emergency Assistance | \$ 24,973 | \$ 25,080 | \$ 17,210 | \$ 17,178 | \$ 17,145 | ..... | ..... |

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.

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revision:

| Appropriation | Title | 1987-88 State Funds (in thousands) |
|---------------------------|---------------------------------|---|
| General Fund | | |
| Rate Analysis Enhancement | Rate Analysis Enhancement | \$ 500 |

This Program Revision provides the ability to meet increased demands on the Insurance Commission, particularly in the areas of rate analysis, insurance fraud, health care cost containment and insurance company solvency.

| | |
|------------------|---------------|
| DEPARTMENT TOTAL | \$ <u>500</u> |
|------------------|---------------|

INSURANCE

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| General Government Operations | \$ 7,505 | \$ 7,827 | \$ 8,100 |
| Rate Analysis Enhancement ..... | . . . . | . . . . | 500 |
| Automobile Insurance Rates Study ..... | . . . . | 125 | |
| Malpractice Study | 25 | | |
| TOTAL STATE FUNDS | <u>\$ 7,530</u> | <u>\$ 7,952</u> | <u>\$ 8,600</u> |
| | | | |
| Augmentations | \$ 739 | \$ 850 | \$ 915 |
| | | | |
| GENERAL FUND TOTAL | <u>\$ 8,269</u> | <u>\$ 8,802</u> | <u>\$ 9,515</u> |
| | | | |
| Other Funds | \$ 10,483 | \$ 26,309 | \$ 38,100 |
| | | | |
| TOTAL ALL FUNDS | <u>\$ 18,752</u> | <u>\$ 35,111</u> | <u>\$ 47,615</u> |

GENERAL GOVERNMENT

| General Government Operations | (Dollar Amounts in Thousands) | | |
|-------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 7,530 | \$ 7,952 | \$ 8,600 |
| Augmentations | 739 | 850 | 915 |
| TOTAL | \$ 8,269 | \$ 8,802 | \$ 9,515 |

Administers the internal activities of the department; examines insurance companies for financial stability, compliance with the law, treatment of policyholders, income, disbursements and loss payments; reviews rates, policies and any policyholders' inquiries or complaints; investigates and takes appropriate action on alleged violations of the law or regulations; and supervises the liquidation of insolvent insurance companies. In the 1985-86 fiscal year, funds were included for a Malpractice Study. In the 1986-87 fiscal year, funds were included for an Automobile Insurance Rates Study.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| General Government Operations | \$ 7,505 | \$ 7,827 | \$ 8,100 |
| Rate Analysis Enhancement ..... | ..... | ..... | 500 |
| Automobile Insurance Rates Study ..... | ..... | 125 | ..... |
| Malpractice Study | 25 | ..... | ..... |
| Augmentations: | | | |
| Reimbursement for Companies in Liquidation | 330 | 360 | 380 |
| Reimbursement — Pennsylvania Bulletin and Code Regulations | 115 | 115 | 115 |
| Reimbursement — Duplicating and Mailing Services | 34 | 25 | 25 |
| Reimbursement — Workmen's Compensation Security Fund Services | 45 | 50 | 75 |
| Reimbursement — Examination Travel | 215 | 300 | 320 |
| TOTAL | \$ 8,269 | \$ 8,802 | \$ 9,515 |

Amounts Not Previously Detailed

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Catastrophic Loss Trust Fund | | | |
| Administration | \$ 6,673 | \$ 6,309 | \$ 8,100 |
| Claims | 3,810 | 20,000 | 30,000 |
| CATASTROPHIC LOSS TRUST FUND TOTAL | <u>\$ 10,483</u> | <u>\$ 26,309</u> | <u>\$ 38,100</u> |

INSURANCE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-----------------|-----------------|-----------------|-----------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Consumer Protection | \$ 7,530 | \$ 7,952 | \$ 8,600 | \$ 9,256 | \$ 9,626 | \$ 10,011 | \$ 10,411 |
| Regulation of Insurance Industry | 7,530 | 7,952 | 8,600 | 9,256 | 9,626 | 10,011 | 10,411 |
| DEPARTMENT TOTAL | <u>\$ 7,530</u> | <u>\$ 7,952</u> | <u>\$ 8,600</u> | <u>\$ 9,256</u> | <u>\$ 9,626</u> | <u>\$ 10,011</u> | <u>\$ 10,411</u> |

Regulation of Insurance Industry

OBJECTIVE: To assure the efficiency of the insurance industry and its ability to satisfy contractual obligations and to prevent abuse of the public by illegal or unfair practices.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 7,530 | \$ 7,952 | \$ 8,600 | \$ 9,256 | \$ 9,626 | \$ 10,011 | \$ 10,411 |
| Other Funds | 11,222 | 27,159 | 39,015 | 44,339 | 49,676 | 64,026 | 80,391 |
| TOTAL | \$ 18,752 | \$ 35,111 | \$ 47,615 | \$ 53,595 | \$ 59,302 | \$ 74,037 | \$ 90,802 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Consumer savings from departmental intervention in insurance claim disputes (in thousands) | \$4,900 | \$5,300 | \$5,500 | \$5,600 | \$5,600 | \$5,600 | \$5,600 |
| Companies examined | 171 | 200 | 215 | 215 | 215 | 215 | 215 |
| Companies in liquidation | 25 | 19 | 15 | 15 | 15 | 15 | 15 |
| Complaints received and processed | 32,695 | 38,450 | 39,604 | 40,792 | 42,015 | 43,476 | 44,000 |
| Rate filings reviewed | 9,542 | 7,900 | 8,600 | 9,500 | 10,400 | 11,500 | 12,600 |
| Insurance policy/form filings reviewed | 35,754 | 40,000 | 42,000 | 44,000 | 47,000 | 50,000 | 53,000 |
| Insurance companies regulated: | | | | | | | |
| In-State | 344 | 355 | 360 | 360 | 365 | 370 | 374 |
| Out-of-State | 1,034 | 1,050 | 1,070 | 1,090 | 1,105 | 1,110 | 1,117 |
| Foreign | 28 | 30 | 30 | 32 | 32 | 32 | 32 |
| Agents and brokers licenses: | | | | | | | |
| New | 117,114 | 120,000 | 123,000 | 127,000 | 132,000 | 136,000 | 136,000 |
| Renewals | 161,565 | 441,000 | 184,000 | 513,000 | 206,000 | 585,000 | 220,000 |

Program Analysis:

Insurance is a constantly changing industry; new concepts, new forms and vehicles of insurance and new roles for insurance companies seem to emerge daily. It is important that the Commonwealth, through the Insurance Department, maintain an effective regulatory program due to the size, scope and complexity of the industry, while continuing the perception that Pennsylvania is a good place for insurance companies to do business and invest their money.

The Insurance Department is legally mandated to examine and audit the financial condition of approximately 1,400 insurance companies doing business in Pennsylvania, examine and license over 500,000 insurance agents and brokers, review for approval or disapproval rate and policy form filings, license insurance companies to do business in the State and enforce the insurance laws of Pennsylvania. The depart-

ment also handles an estimated 200,000 consumer inquiries and complaints annually and prepares and distributes educational material on insurance.

The department emphasizes the needs and concerns of both the consumer and the insurance industry. It insures that the industry is responsive to the needs of the consumer by making available to the consumer reliable insurance coverages at reasonable rates. The Bureau of Insurance Consumer Affairs processed 32,695 written complaints in 1985-86 through offices located in Harrisburg, Philadelphia, Pittsburgh and Erie. The department places major emphasis on enforcement activities within the Bureau of Field investigations and continues to maintain a close working relationship with various law enforcement agencies in detecting, combating and prosecuting fraudulent insurance activities.

Regulation of Insurance Industry (continued)

Program Analysis: (continued)

Savings to consumers resulting from departmental intervention were \$4.9 million in fiscal year 1985-86 and are estimated to reach \$5.5 million in 1987-88.

During the 1985-86 fiscal year, the department has pursued several initiatives to clarify the performance standards it established to ensure that insurance companies comply more closely with Act 367 (Appeal Act), Act 205 (Unfair Insurance Practices Act) and the Motor Vehicle Responsibility Law, in order that funds inappropriately withheld from consumers could be reduced. Increased regulatory awareness has proven to be a primary factor in improved claims management from insurance companies, which has increased policyholders acceptance of claims settlements and resulted in the decreased consumer savings from departmental intervention as shown on the program measures. Program measures for 1986-87 and all future years reflect restitution to consumers who have been assisted by the departmental field investigators and fraud unit and who have received premium refunds, claim payments and other monetary recovery.

The department publishes and updates consumers' guides to automobile insurance, homeowners' insurance and life insurance which allows Pennsylvanians to compare rates among the various companies operating in the Commonwealth.

Among the major issues to be addressed by the department during the coming year are: solvency of insurance companies; Catastrophic Loss Trust Fund (CLTF) claim administration; health care cost containment through oversight of expanding health insurance systems; and consumer protection through insurance fraud investigations and rate regulation/rate analysis.

The property/casualty insurance industry's capacity shortfall and restrictive underwriting of commercial liability risks continues to create dislocations in the insurance marketplace. The unavailability/unaffordability of commercial liability insurance has fostered the creation of many new insurance enterprises. The unprofitable underwriting results of existing property/casualty insurers have begun to improve; however, profitability remains elusive for some lines of business.

Life insurers are competing for investor dollars through aggressive marketing of interest sensitive products. The proliferation of Health Maintenance Organizations (HMOs), coupled with the development of Preferred Provider Organizations (PPOs), will strain the financial resources of all accident and health carriers. These conditions will require the department to devote significant resources to monitoring the liquidity and financial solvency of regulated insurers as well as supporting health care cost containment initiatives.

The examination and auditing functions are those most directly affected by insurer financial problems. Troubled in-

surers require much closer monitoring, including the filing of more frequent financial statements and more frequent examinations. The department devotes greater staff time to supervision of troubled insurers in order to avoid liquidation proceedings.

In fiscal year 1985-86, the number of insurance companies regulated by the department increased from 1,393 to 1,406, and it is expected that 100 additional companies will seek admission into Pennsylvania in fiscal year 1987-88. This growth in companies affects not only the company admission function but also agent licensing, company examinations, rate filings, forms filings and enforcement functions.

The decline during the 1986-87 fiscal year for the program measure pertaining to rate filings reviewed is attributed to two factors: more commercial carriers utilized surplus line writers, whose rates are not regulated; and unisex rates affected workload during 1985-86, but not in 1986-87.

The increase in the number of insurance policy/form filings reviewed is a result of the new life insurance products now being made available because of recent tax law changes and increases in HMO policy filings.

In the Health Insurance area, there is great interest in new types of insurers such as HMOs and PPOs. In examining the applications of HMOs, the department must assure itself for the protection of the public that the HMO is and will remain financially viable. It further examines the contracts and rates to make sure that they meet the standards required by law.

The department is committed to cost containment in health care. It manifests this interest in the examination and approval of the various hospital and provider contracts of the various Blue Cross Corporations throughout the State. Much time and effort is and will be expended in ensuring that these contracts are of a nature that will further health care cost containment principles.

The department now licenses continuing care providers in accordance with the Continuing Care Provider Registration and Disclosure Act that became effective in December 1984. This involves an analysis of the financial feasibility of the provider and a review of the disclosure statement which the provider disseminates to the residents. During 1985-86, the number of licensed providers increased to 51. The department projects another 29 providers will obtain licenses during the 1986-87 fiscal year. Regulation of continuing care providers will require annual review of financial documents and disclosure statements and examinations of each provider at least once every four years. The department has compiled an annual directory of licensed providers as well as a shoppers guide.

Complex life insurance products will be the major portion of the workload of the Bureau of Rates and Policies'

Regulation of Insurance Industry (continued)

Program Analysis: (continued)

life technicians and actuaries. Equity based insurance products will increase as the insurers compete to retain and increase their share of the investment dollar. The insurers will develop new high value accumulation products to fill the void created by the tax law changes on non-insurance tax shelters. These investment-type contracts will be very complex and require a time-consuming and careful review.

The Motor Vehicle Financial Responsibility Act which became effective October 1, 1984 replaced the No-Fault Automobile Insurance system. Under the new auto insurance law, the Catastrophic Loss Trust Fund (CLTF) has been established to provide medical and rehabilitation benefits to injured Pennsylvanians that incur medical expense in excess of \$100,000 in an auto related accident. The fund provides for up to \$1 million in lifetime aggregate benefits to claimants that may face financial ruin if it were not for the fund. The CLTF has assisted more than 200 Pennsylvanians by providing benefits in excess of \$12 million. A Notification of Claim form has been filed on behalf of 790 addi-

tional claimants requesting consideration of their claims for CLTF benefits. The fund provides coverage for approximately seven million motor vehicle owners, with an annual estimated revenue of \$35 million generated by a \$5 fee charged to each motor vehicle covered by the fund.

The CLTF Board of Directors has identified several policy issues which affect the disposition of CLTF claims. These issues include the possible use of annuity-type settlements, coordination of benefits, the amount of mandatory medical benefits limits that should be required on automobile insurance policies, and a study of the benefits afforded by the CLTF in comparison to programs that are available in other states. Statistics are also being monitored on the use of seat restraints and the indication of alcohol use in automobile accidents resulting in catastrophically injured claimants. CLTF costs are shown as Other Funds.

Recommended in this budget is \$500,000 for Rate Analysis Enhancement. Details on this proposal can be found in the Program Revision Request following this subcategory.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-----------------|-----------------|-----------------|-----------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 7,505 | \$ 7,827 | \$ 8,100 | \$ 8,424 | \$ 8,761 | \$ 9,111 | \$ 9,475 |
| Rate Analysis Enhancement ..... | ..... | ..... | 500 | 832 | 865 | 900 | 936 |
| Automobile Insurance Rates Study ..... | ..... | 125 | ..... | ..... | ..... | ..... | ..... |
| Malpractice Study | 25 | ..... | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | <u>\$ 7,530</u> | <u>\$ 7,952</u> | <u>\$ 8,600</u> | <u>\$ 9,256</u> | <u>\$ 9,626</u> | <u>\$ 10,011</u> | <u>\$ 10,411</u> |

**Regulation of Insurance Industry
Program Revision: Rate Analysis Enhancement**

Recommended Program Revision Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|--------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>.....</u> | <u>.....</u> | <u>\$ 500</u> | <u>\$ 832</u> | <u>\$ 865</u> | <u>\$ 900</u> | <u>\$ 936</u> |

Program Analysis:

The Insurance Industry has become more complex over the past four years. This can be attributed to changes in the industry's product and increased competition within the industry, as well as increases in the number of carriers regulated. In addition, there is greater public concern and awareness focused on both insurance rates and products offered. This involvement has and will continue to directly impact on the operations of the Insurance Commission.

To meet these changing demands, this budget recommends a four-part Program Revision: (1) Insurance Solvency Surveillance System; (2) Health Care Cost Containment; (3) Insurance Fraud; and (4) Rate Analysis.

Insurance Solvency Surveillance System:

There are approximately 1,400 insurers licensed to transact business in the Commonwealth. Each licensed insurer is required to file an annual financial statement; many may file quarterly statements as well. The department must also review approximately 200 additional annual statements from authorized but unlicensed reinsurers, eligible surplus lines insurers, insurers applying for admission and insurers applying for eligibility as surplus lines insurers.

Annual statements provide detailed information concerning investments and investment transactions, underwriting activities by line of business, operating profitability, reinsurance, and loss reserve development. Statement length can range from 45 to several hundred pages. Statement review consists of both cross-checking figures for mathematical accuracy and consistency and analysis of financial information. Insurers are also monitored for compliance with laws governing permissible investment, asset valuations, loss and loss expense reserve levels and transactions with affiliates.

The volume and size of risks underwritten by insurers reflect the changes in the needs of the insureds. This trend has caused a significant change in the reinsurance market. In order to spread risk, insurers seek to reinsure large portions of insurance risks. The interdependency of insurers and reinsurers has never been more evident. A solvency

system is needed which quickly identifies those insurers impacted by reinsurer insolvencies.

Funds totalling \$100,000 are recommended in this Program Revision for a study of solvency system needs. The intent of the study will be to evaluate both immediate and long term solvency system needs and identify options for achieving those needs.

Health Care Cost Containment:

Entrance applications for new Health Maintenance Organizations (HMOs) to do business in Pennsylvania has increased from three applications per year to more than twenty applications within the last eighteen months. It is expected that this upward trend will continue in the future. An HMO is an organization providing health care for a geographic area which accepts responsibility for delivering an agreed upon set of health maintenance and treatment services to a voluntarily enrolled group. The HMO collects a predetermined periodic payment paid in advance on behalf of each individual enrolled.

Expected to have an even greater impact on the Insurance Commission are submissions for Preferred Provider (PPOs) approval. PPOs involve an arrangement whereby a third-party payor contracts with a group of medical care providers who furnish services at lower than usual fees in return for prompt payment and a certain volume of patients. It is expected that applications submitted annually will increase from one to between 15 and 20. This is a new area of health care reimbursement, and it will be necessary to regulate it as well as continually gather statistics to provide the basis of research showing the impact it has on the public and on health care delivery systems.

The department must both encourage health care cost containment and be concerned with protecting the public by analyzing coverages and contractual provisions, conducting financial examinations of these entities to insure financial solvency and providing consumer information on health care delivery systems.

Included in this Program Revision is \$72,000 to enhance Health Care Cost Containment.

**Regulation of Insurance Industry
Program Revision: Rate Analysis Enhancement (continued)**

Insurance Fraud:

Insurance fraud is a serious problem which directly impacts on both insurers and the public. For example, fraudulent claims and diverting of premium payments by agents are two contributors to the high cost of auto insurance in Southeastern Pennsylvania.

Based upon experience gained through small-scale investigation of insurance fraud, two targets of opportunity have been identified; anti-fraud initiatives, and expressly authorizing the Insurance Commissioner to order restitution in insurance complaint adjudications.

By ordering restitution, the Insurance Department will be assisting individuals who have filed a complaint to recover the amount of money represented by premium payment, fees, or other income lost due to a fraudulent payment to an agent, producer, broker or company, rather than just using the complainant's testimony to take appropriate action against these offenders.

There is \$75,000 included in this Program Revision to render assistance in the area of Insurance Fraud.

Rate Analysis:

During the late 1970's and early 1980's, insurance companies which may have ordinarily sought rate increases did not submit annual commercial liability rate filings because they were realizing high investment returns due to high interest rates; also, intense competition in the insurance

market place kept a cap on insurance rates. As investment income began to decline in mid-1984, insurance claims cost began to rise and a record number of insurers were found to be insolvent in 1985. The remaining insurers began to address underwriting losses by reviewing rates and began submitting rate filing requests for commercial liability insurance rate increases.

Major commercial liability insurance rate filings have increased 37 percent between 1984-85 and 1985-86. A similar increase is expected to occur in 1986-87 and 1987-88.

In calendar year 1986, out of 1,136 auto insurance rate filings processed by the department, 672 were considered "major" requests. These required extensive actuarial staff analysis. Due to the economic situation and cost increases in auto repair parts and labor as well as increases in automobile theft, automobile rate filings should continue to increase at least ten percent annually.

One of the effects of this Program Revision will be that the department will be able to conduct auto insurance rate hearings to consider insurance company, consumer and regulator input. Currently, rate increase requests are handled via a negotiation process. Holding rate hearings is clearly in the best interest of the consumer, while negotiating insurance rate increases without obtaining input from all parties concerned is not in the consumers' best interest.

Increased funding of \$253,000 provided via this Program Revision will enable the department to be pro-active in rate regulation.

Recommended Program Revision Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------|-------------------------------|--------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Rate Analysis Enhancement | <u>.....</u> | <u>.....</u> | <u>\$ 500</u> | <u>\$ 832</u> | <u>\$ 865</u> | <u>\$ 900</u> | <u>\$ 936</u> |

Department of Labor and Industry

The Department of Labor and Industry serves the labor and industrial interests of the Commonwealth by promoting the health, welfare and safety of employes; maintaining continuous production and employment by acting to reduce industrial strife; rehabilitating the vocationally handicapped; stabilizing the income of employes who become victims of certain occupational diseases or who sustain work related injuries; promoting apprenticeship training programs and assisting displaced workers in retraining and/or relocation.

DEPARTMENT OF LABOR AND INDUSTRY

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|--------------------------|--------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| General Government Operations | \$ 13,358 | \$ 12,445 | \$ 12,600 |
| Right to Know Act..... | 794 | 1,150 | 1,607 |
| Job Creation Tax Credit Administration ..... | ..... | 500 | 500 |
| Subtotal | <u>\$ 14,152</u> | <u>\$ 14,095</u> | <u>\$ 14,707</u> |
| Grants and Subsidies | | | |
| Job Training ..... | ..... | \$ 5,000 | ..... |
| Occupational Disease Payments..... | \$ 7,866 | 7,806 | \$ 6,788 |
| Transfer to Vocational Rehabilitation Fund | 12,000 | 13,965 | 16,500 |
| Workmen's Compensation Payments | 1,032 | 921 | 875 |
| Teenage Pregnancy and Parenthood | 625 | 625 | 625 |
| Job Training for Welfare Recipients | 2,000 | 3,000 | 2,000 |
| Job Training Partnership | 1,552 | 1,988 | 3,150 |
| Greater Philadelphia Assistance Program | 200 | ..... | ..... |
| Harmarville Rehabilitation Center | 100 | 200 | 200 |
| Retraining Dislocated Workers | 372 | ..... | ..... |
| Centers for Independent Living..... | ..... | 300 | 425 |
| Subtotal | <u>\$ 25,747</u> | <u>\$ 33,805</u> | <u>\$ 30,563</u> |
| TOTAL STATE FUNDS | <u><u>\$ 39,899</u></u> | <u><u>\$ 47,900</u></u> | <u><u>\$ 45,270</u></u> |
| Federal Funds | \$ 190,361 | \$ 227,540 | \$ 221,212 |
| GENERAL FUND TOTAL | <u><u>\$ 230,260</u></u> | <u><u>\$ 275,440</u></u> | <u><u>\$ 266,482</u></u> |
| Other Funds | \$ 251,033 | \$ 261,705 | \$ 272,173 |
| TOTAL ALL FUNDS | <u><u>\$ 481,293</u></u> | <u><u>\$ 537,145</u></u> | <u><u>\$ 538,655</u></u> |

GENERAL GOVERNMENT

| General Government Operations | (Dollar Amounts in Thousands) | | |
|-------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 14,152 | \$ 14,095 | \$ 14,707 |
| Federal Funds | 2,151 | 3,459 | 2,601 |
| TOTAL | \$ 16,303 | \$ 17,554 | \$ 17,308 |

Provides for the overall direction, coordination, establishment of policies and regulations and operation of programs relating to consumer protection, accident prevention, industrial relations, manpower training, income maintenance and other areas relating to labor and industry. Also provides departmental administrative support in the areas of legal services, public relations, personnel, budget, procurement and management methods.

Provides an economic base for individuals unable to sustain a minimally acceptable level of existence because of occupational disease or injury. Also provides a program of public employees' retirement, disability and survivors insurance through the administration of the Federal Social Security Program for employees of the Commonwealth and its political subdivisions.

Insures that minimum and prevailing wages are paid when legally mandated to those persons who are employed, including migrant labor.

Provides for registration of farm labor contractors under the migrant labor program.

Provides for administrative support of the Job Training Partnership Program (JTPA).

Provides for administration of the Right to Know Act (Act 74 of 1984).

| Source of Funds | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| General Government Operations | \$ 13,358 | \$ 12,445 | \$ 12,600 |
| Right to Know | 794 | 1,150 | 1,607 |
| Job Creation Tax Credit Administration | | 500 | 500 |
| Federal Funds: | | | |
| Job Training Partnership — Administration | 2,151 | 3,459 | 2,601 |
| TOTAL | \$ 16,303 | \$ 17,554 | \$ 17,308 |

GRANTS AND SUBSIDIES

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Occupational Disease Payments | | | |
| State Funds | \$ 7,866 | \$ 7,806 | \$ 6,708 |

Provides grants to alleviate economic hardships of persons who are disabled due to certain occupational diseases, principally silicosis and silica-related diseases.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Occupational Disease Payments | <u>\$ 7,866</u> | <u>\$ 7,806</u> | <u>\$ 6,708</u> |

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Employability Development—Physically and Mentally Disadvantaged | | | |
| State Funds | \$ 12,300 | \$ 14,465 | \$ 17,125 |
| Federal Funds | 35,196 | 41,942 | 43,502 |
| TOTAL | <u>\$ 47,496</u> | <u>\$ 56,407</u> | <u>\$ 60,627</u> |

Operates to enable the physically and mentally disadvantaged to prepare for and function as a part of the labor force by providing physical restoration, training, counseling and placement services. Also responsible for making disability determinations for the Federal Social Security Disability Insurance (SSD) program, the Supplemental Security Income (SSI) Program and the Federal Coal Mine Health and Safety Act.

Provides funds to expand and improve services under the Centers for Independent Living (CILs) program, and for the activities of the Harmarville Rehabilitation Center.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Transfer to Vocational Rehabilitation Fund | \$ 12,000 | \$ 13,965 | \$ 16,500 |
| Greater Philadelphia Assistance Center | 200 | ..... | ..... |
| Harmarville Rehabilitation Center | 100 | 200 | 200 |
| Centers for Independent Living ..... | ..... | 300 | 425 |
| Federal Funds: | | | |
| Disability Determination | 35,196 | 41,942 | 43,502 |
| TOTAL | <u>\$ 47,496</u> | <u>\$ 56,407</u> | <u>\$ 60,627</u> |

GENERAL FUND

LABOR AND INDUSTRY

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Workmen's Compensation Payments | | | |
| State Funds | \$ 1,032 | \$ 921 | \$ 875 |

Provides for payments to self-insured employers and insurance carriers to raise the compensation of those employees receiving compensation for injuries prior to January 17, 1968, to \$60 dollars per week.

| | (Dollar Amounts in Thousands) | | |
|---------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Workmen's Compensation Payments | <u>\$ 1,032</u> | <u>\$ 921</u> | <u>\$ 875</u> |

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Employability Development—Socially and Economically Disadvantaged | | | |
| State Funds | \$ 2,997 | \$ 8,625 | \$ 2,625 |

Provides funds for services to the socially and economically disadvantaged, including employable welfare recipients and to pregnant teenagers and teenage parents.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Teen Pregnancy and Parenthood | \$ 625 | \$ 625 | \$ 625 |
| Job Training for Welfare Recipients | 2,000 | 3,000 | 2,000 |
| Retraining Dislocated Workers | 372 | ..... | ..... |
| Job Training ..... | ..... | 5,000 | ..... |
| TOTAL | <u>\$ 2,997</u> | <u>\$ 8,625</u> | <u>\$ 2,625</u> |

GENERAL FUND

LABOR AND INDUSTRY

| | (Dollar Amounts in Thousands) | | |
|---------------------------------|-------------------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 |
| Job Training Partnership | Actual | Available | Budget |
| State Funds | \$ 1,552 | \$ 1,988 | \$ 3,150 |
| Federal Funds | 153,014 | 182,139 | 175,109 |
| TOTAL | <u>\$ 154,566</u> | <u>\$ 184,127</u> | <u>\$ 178,259</u> |

Provides grants to Service Delivery Areas (SDA) and other eligible entities to aid the entry and productive participation of unskilled and unemployed youth, adults and dislocated workers in the job market through the provision of training, education and job placement activities.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 |
| Source of Funds | Actual | Available | Budget |
| Appropriation: | | | |
| Job Training Partnership | \$ 1,552 | \$ 1,988 | \$ 3,150 |
| Federal Funds: | | | |
| Service Delivery Areas | 88,979 | 102,678 | 102,040 |
| Summer Youth | 42,929 | 42,883 | 37,100 |
| Incentive Grants | 1,225 | 10,597 | 11,411 |
| Technical Assistance | 1,984 | 2,490 | 2,000 |
| Dislocated Workers | 13,118 | 15,055 | 14,000 |
| Older Workers | 2,600 | 4,512 | 5,371 |
| Veterans' Employment | 1,183 | 1,187 | 1,187 |
| Job Training Welfare Recipients ..... | . . . . | 1,737 | 1,000 |
| Teenage Pregnancy and Parenthood | 996 | 1,000 | 1,000 |
| TOTAL | <u>\$ 154,566</u> | <u>\$ 184,127</u> | <u>\$ 178,259</u> |

OTHER FUNDS**LABOR AND INDUSTRY****Amounts Not Previously Detailed**

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|-------------------|---|-------------------|
| Administration Fund | | | |
| Administration of Unemployment Compensation | \$ 168,660 | \$ 173,900 | \$ 180,856 |
| | _____ | _____ | _____ |
| Rehabilitation Center Fund | | | |
| Operation of Rehabilitation Center | \$ 11,970 | \$ 12,800 | \$ 13,312 |
| | _____ | _____ | _____ |
| Vocational Rehabilitation Fund | | | |
| Administration of Vocational Rehabilitation* | \$ 59,190 | \$ 63,250 | \$ 65,780 |
| | _____ | _____ | _____ |
| Worker's Compensation Administration Fund | | | |
| Administration of Workmen's Compensation | \$ 11,213 | \$ 11,755 | \$ 12,225 |
| | _____ | _____ | _____ |
| DEPARTMENT TOTAL | <u>\$ 251,033</u> | <u>\$ 261,705</u> | <u>\$ 272,173</u> |

*Excludes transfer From General Fund.

DEPARTMENT OF LABOR AND INDUSTRY

Summary of Agency Program by Category and Subcategory

General Fund and Special Fund

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 2,519 | \$ 2,085 | \$ 2,198 | \$ 2,286 | \$ 2,377 | \$ 2,472 | \$ 2,571 |
| Personal Economic Development | \$ 27,554 | \$ 36,126 | \$ 32,891 | \$ 33,541 | \$ 36,166 | \$ 37,656 | \$ 38,206 |
| Employability Development — Socially and Economically Handicapped | 4,549 | 10,613 | 5,775 | 5,775 | 5,775 | 5,775 | 5,775 |
| Employability Development — Physically and Mentally Handicapped | 12,300 | 14,465 | 17,125 | 18,425 | 21,625 | 23,625 | 24,625 |
| Income Maintenance | 10,705 | 11,048 | 9,991 | 9,341 | 8,766 | 8,256 | 7,806 |
| Labor Management Relations | \$ 2,407 | \$ 2,461 | \$ 2,471 | \$ 2,570 | \$ 2,673 | \$ 2,779 | \$ 2,891 |
| Labor Relations Stability | 2,407 | 2,461 | 2,471 | 2,570 | 2,673 | 2,779 | 2,891 |
| Community and Housing Hygiene and Safety | \$ 7,038 | \$ 6,817 | \$ 7,297 | \$ 7,589 | \$ 7,892 | \$ 8,209 | \$ 8,536 |
| Accident Prevention | 7,038 | 6,817 | 7,297 | 7,589 | 7,892 | 8,209 | 8,536 |
| Consumer Protection | \$ 381 | \$ 411 | \$ 413 | \$ 429 | \$ 446 | \$ 464 | \$ 483 |
| Regulation of Consumer Products and Promotion of Fair Business Practices | 381 | 411 | 413 | 429 | 446 | 464 | 483 |
| DEPARTMENT TOTAL | <u>\$ 39,899</u> | <u>\$ 47,900</u> | <u>\$ 45,270</u> | <u>\$ 46,415</u> | <u>\$ 49,554</u> | <u>\$ 51,580</u> | <u>\$ 52,687</u> |

LABOR AND INDUSTRY

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>\$ 2,519</u> | <u>\$ 2,085</u> | <u>\$ 2,198</u> | <u>\$ 2,286</u> | <u>\$ 2,377</u> | <u>\$ 2,472</u> | <u>\$ 2,571</u> |

Program Analysis:

This subcategory contains those necessary services which cannot reasonably be charged directly to substantive programs due to their generalized nature. The success or failure of these supportive services can only be indirectly reflected

by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | <u>\$ 2,519</u> | <u>\$ 2,085</u> | <u>\$ 2,198</u> | <u>\$ 2,286</u> | <u>\$ 2,377</u> | <u>\$ 2,472</u> | <u>\$ 2,571</u> |

Employability Development—Socially and Economically Handicapped

OBJECTIVE: To enhance the ability of the handicapped unemployed and underemployed to function as a part of the labor force and to gain full employment.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 4,549 | \$ 10,613 | \$ 5,775 | \$ 5,775 | \$ 5,775 | \$ 5,775 | \$ 5,775 |
| Federal Funds | 155,165 | 185,598 | 177,710 | 177,710 | 177,710 | 177,710 | 177,710 |
| TOTAL | \$ 159,714 | \$ 196,211 | \$ 183,485 | $ 183,485 | $ 183,485 | $ 183,485 | $ 183,485 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Job Training Partnership Program: | | | | | | | |
| Enrollments | 122,786 | 122,950 | 123,114 | 123,278 | 123,443 | 123,607 | 123,772 |
| Placements | 22,159 | 24,104 | 24,136 | 24,168 | 24,207 | 24,233 | 24,265 |
| Cash welfare recipients served | 60,750 | 62,628 | 62,712 | 62,795 | 62,879 | 62,963 | 63,047 |
| AFDC applicants (WIN Program): | | | | | | | |
| Total registrants | 69,891 | 70,000 | 70,000 | 70,000 | 70,000 | 70,000 | 70,000 |
| Participants entering employment | 10,961 | 11,000 | 11,000 | 11,000 | 11,000 | 11,000 | 11,000 |

Program Analysis:

While there are no single, easy, short-term solutions to the problems of joblessness that have resulted from Pennsylvania's transitional economy, it is clear that if dislocated workers and economically disadvantaged individuals are to secure employment they must have access to job training programs that will prepare them for the jobs of today and for the jobs which are likely to exist in the near future.

On October 1, 1983, the Job Training Partnership Act (JTPA) began providing employment and training services throughout the nation for economically disadvantaged and unemployed individuals. Under JTPA, State governments, local governments and the private sector work in partnership to develop and operate job training programs with the ultimate goal of providing unsubsidized employment.

Governors are given increasing responsibilities including redesigning Service Delivery Areas within the State; establishing Statewide goals and priorities for job training; coordinating all other jobs training resources available in the State with the JTPA program; overseeing the programmatic activities of each local Private Industry Council; ensuring fiscal accountability for all funds, including auditing of each program at least once every two years; and administering directly the State education coordination program and dislocated workers and older workers programs. Governors carry out their responsibilities in conjunction with a State Job Training Coordinating Council.

JTPA includes three basic programs: (1) Training Services for the Disadvantaged (Title II-A), (2) Summer Youth Programs (Title II-B), and (3) Employment and Training Assistance for Dislocated Workers (Title III). Federal funds to support these three programs are allocated to Pennsylvania by the formula contained in the act, which is based on the number of persons unemployed and economically disadvantaged.

The law specifies that 78 percent of the basic funding provided in JTPA Title II-A be passed through to Service Delivery Areas by formula, based on unemployment levels and the levels of economically disadvantaged individuals within each Service Delivery Area.

The remaining 22 percent of the Title II-A funds are used for the following purposes: 8 percent for State Education and Coordination Grants, 3 percent for Older Workers programs, 6 percent for Incentive Grants to Service Delivery Areas based on exceptional performance, and 5 percent for administration, auditing and special programs. Separate authorizations are received for summer youth programs (Title II-B) and the Dislocated Workers program (Title III).

The Department of Labor and Industry is the lead agency in administering this program. However, the Departments of Aging and Education as well as the Executive Offices also share some of this responsibility.

The major portion of the Title II-A funds is subgranted by the Department of Labor and Industry to the Service Delivery Areas (SDAs) based on their approved spending

Employability Development—Socially and Economically Handicapped (continued)

Program Analysis: (continued)

plans. The allowable program activities include: pre-entry level training in job readiness and basic educational skills, entry level training in basic occupations skills, upgrade skills training, retraining, counseling, job search assistance, and job development and employment generating activities.

The educational and training component of JTPA is carried out by the Department of Education through three major program efforts: adult literacy training, retraining, and training in advanced technologies.

In total, these programs are directed at assisting Pennsylvania's economically disadvantaged citizens to enter or reenter the workforce equipped with the basic educational and occupational skills necessary to meet the needs of employers. At the same time these efforts assist in reducing dependency on public assistance.

The final major component of Title II of JTPA is the Summer Youth Program, also administered by the Department of Labor and Industry through the SDAs.

Over 45,000 economically disadvantaged youth, aged 14 through 21 were provided with on-the-job training and work experience during the summer of 1986.

The third basic JTPA program is authorized under Title III of the act to provide employment and training assistance for dislocated workers. During program year 1985, which began on July 1, 1985, and ended on June 30, 1986, dislocated programs totaling \$13 million were funded throughout the Commonwealth.

Statistical evidence shows that the JTPA program has been effectively implemented. However, the program measures do not reflect follow-up or whether any of the placements were training-related. Under Title II-A, programs for economically disadvantaged adults and youth, a total of 43,845 individuals were trained. A total of 11,750 individuals received assistance under Title III, employment and training assistance for dislocated workers. Of these, 6,759 completed training and 3,906 or 58 percent gained unsubsidized employment. The number of enrollments for 1985-86 was 122,786 including 60,000 welfare recipients. But

overall, only 24,000 individuals obtained employment. The number of welfare recipients served was higher than projected last year due to mandates imposed by the legislature on the expenditures of certain JTPA funds.

The regular Work Incentive (WIN) Program terminated September 29, 1982 and its successor, the WIN Demonstration Program is being operated by the Department of Public Welfare (DPW). The Department of Labor and Industry's Office of Employment Security (OES) provides services for this program under contract to the Department of Public Welfare. Services are provided to recipients under the Aid to Families with Dependent Children (AFDC) program, a Federal category of public assistance.

The WIN Program, which is operated Statewide, emphasizes the targeting of resources toward immediate job placement rather than training or work experience. The Department of Public Welfare reimburses OES for providing the full array of employment services to all AFDC recipients referred by DPW. These services include work registration, counseling, testing job development and referral to jobs.

Registrations under this program were below last year's projections because the referral of DPW applicants for cash assistance was significantly reduced. Only cash recipients are now being referred whereas the group including food stamp recipients were previously referred. This program measure is also highly influenced by changes in the economy, with an improving economy generating fewer registrations. Finally, the number of participants entering employment was significantly greater than projected because of the changes in the economy. The number of registrations projected is based on the assumption of stable Federal funding. Several proposals are being considered in Washington which would restructure the WIN program and possibly affect the number of registrants. The funding level along with the program structure is very uncertain at this time.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Job Training Partnership | \$ 1,552 | \$ 1,988 | \$ 3,150 | \$ 3,150 | \$ 3,150 | \$ 3,150 | \$ 3,150 |
| Teen Pregnancy and Parenthood..... | 625 | 625 | 625 | 625 | 625 | 625 | 625 |
| Job Training for Welfare Recipients | 2,000 | 3,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Retraining Dislocated Workers | 372 | ..... | ..... | ..... | ..... | ..... | ..... |
| Job Training ..... | ..... | 5,000 | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | \$ 4,549 | \$ 10,613 | \$ 5,775 | $ 5,775 | $ 5,775 | $ 5,775 | $ 5,775 |

Employability Development—Physically and Mentally Handicapped

OBJECTIVE: To enhance the ability of the handicapped unemployed and underemployed to function as a part of the labor force and to gain full employment.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 12,100 | \$ 14,465 | \$ 17,125 | \$ 18,425 | \$ 21,625 | \$ 23,625 | \$ 24,625 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Handicapped persons of employable age ... | 659,729 | 662,557 | 665,385 | 668,213 | 671,042 | 673,927 | 676,825 |
| Caseload: | | | | | | | |
| Carry-over from previous years | 46,358 | 43,454 | 42,409 | 43,444 | 43,692 | 45,433 | 48,635 |
| New referrals | 37,632 | 39,138 | 40,503 | 42,331 | 44,024 | 45,785 | 47,616 |
| Total caseload | 83,990 | 82,592 | 82,912 | 85,775 | 87,716 | 91,218 | 96,251 |
| Cases closed: | | | | | | | |
| Ineligible | 19,559 | 19,000 | 18,085 | 20,500 | 20,500 | 20,600 | 21,000 |
| Rehabilitated | 11,685 | 11,800 | 11,900 | 12,000 | 12,100 | 12,200 | 12,300 |
| Competitive | 8,656 | 8,732 | 8,806 | 8,880 | 8,954 | 9,028 | 9,102 |
| Noncompetitive | 3,029 | 3,068 | 3,094 | 3,120 | 3,146 | 3,172 | 3,198 |
| Nonrehabilitated | 9,292 | 9,383 | 9,483 | 9,583 | 9,683 | 9,783 | 9,883 |
| Total cases closed | 40,536 | 40,183 | 39,468 | 42,083 | 42,283 | 42,583 | 43,183 |
| Cases carried over | 43,454 | 42,409 | 43,444 | 43,692 | 45,433 | 48,635 | 53,068 |
| Severely disabled rehabilitated | 9,964 | 9,794 | 9,639 | 9,600 | 9,680 | 9,760 | 9,840 |

Program Analysis:

This public service program, provided by the Commonwealth in cooperation 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.

Eligibility criteria for vocational rehabilitation programs require that there be a reasonable expectation that services will enable the individual to perform some work activity, whether competitive or noncompetitive. The program's services are directed toward the client's attaining a vocational objective, with results evaluated in terms of improvement in work status.

Primary emphasis, as mandated by the Federal Rehabilitation Act of 1973 as amended in 1978, continues to be placed on serving and rehabilitating severely handicapped individuals. These clients require more extensive and varied services and, in general, this client population requires multiple services over an extended period of time.

This subcategory also includes the Hiram G. Andrews Rehabilitation Center in Johnstown. The center is funded through the Rehabilitation Center Fund from fees for services rendered. Most of the services are rendered to vocational rehabilitation clients. As of June 30, 1986 the center's resident population was 350 and its community based population was 113. A financial statement for the fund is included in Volume I.

Statistics presented are based on the Federal fiscal year which runs October 1 to September 30 of each year. Although this yearly time frame does not coincide with the Pennsylvania fiscal year, the figures nonetheless represent an entire year and are, therefore, valid for purposes of comparison.

The program measures shown for 1985-86 indicate the total caseload was 83,990, of which 40,536 were processed and closed. The caseload total is a combination of the total active caseload at the end of the previous year as well as new referrals received throughout the year.

Employability Development—Physically and Mentally Handicapped (continued)**Program Analysis: (continued)**

Of the 40,536 active cases closed in 1985-86, 19,559 were closed because they were ineligible for services. This determination is made after a thorough evaluation for which the results indicate: it could not be determined that a disability existed; the disability was not a vocational handicap; of disability was too severe to permit a reasonable expectation that the client could go to work. For measurement purposes here, reasons for ineligibility also include clients who are no longer interested in services, cannot be located, or have died. Of the remaining 20,997 cases closed who did receive services, 11,685 or 56 percent were rehabilitated and 9,292 or 44 percent could not be rehabilitated.

Of the 11,685 cases closed as rehabilitated, 74 percent of those individuals were placed in competitive employment; the remaining 26 percent were employed in sheltered and protected employment and as homemakers. It should be noted that, statewide, 24 percent of the rehabilitants were public assistance recipients. A most significant factor in rehabilitating the disabled public assistance recipient is that after being placed back into competitive employment, the need for public assistance is reduced or eliminated. Findings indicate the average earnings for the rehabilitated public assistance recipient amount to \$141 per week.

There has been a steady increase in the number of cases rehabilitated over the last several years because of a corresponding increase in Federal funds available for the program. This trend is expected to continue as reflected in the program measures. The increase in funding is also reflected in the decline in carryover and cases closed as ineligible through the budget year. The department has reduced the eligibility criteria. While the department's priority is still the severely handicapped, fewer cases were closed as ineligible because funds are available to serve more clients. The department is projecting a steady increase in new referrals over the next five years and a corresponding increase in carryover and cases closed as ineligible. The total number of cases closed as rehabilitated will continue to rise as stated above.

The State is required to match Federal rehabilitation funds on a four to one ratio. An additional \$730,000 has been added above the match level for next year because the last few years' appropriations did not provide enough for a current year match, but did permit the capturing of all available Federal funds. The additional funds will gradually bring total match to a current year basis over five years.

The accompanying table indicates the varying degrees of success accomplished with different categories of disability. Certain handicaps have a higher probability for successful

rehabilitation than others. Cases shown as closed in Column 1 are all clients either successfully rehabilitated, or closed as not rehabilitated after they have been accepted for services. Successful rehabilitants are those clients who complete a vocational rehabilitation plan and become suitably employed.

The increase in closures for mental disorders and substantially disabled since last year is largely due to the relaxing of criteria for defining the disabled by Congress. Since people with less severe handicaps now fall into those categories, more cases could be closed. The increase in funds also contributed to the increases in cases closed. Because many of the new cases added can generally be closed in less time, the average cost for each case closed as rehabilitated also declined last year.

The average cost of rehabilitating orthopedic deformities increased last year primarily because new regulations lifted cost caps on equipment which had previously kept the average cost artificially low. The caps were removed to ensure the availability of needed equipment.

Compared to last year's data, the information indicates a 16.5 percent increase in the cost per rehabilitated case. Weekly earnings of clients rehabilitated in competitive employment increased an average of \$143 per week from time of referral to successful rehabilitation. The percent of clients unemployed upon acceptance to the program dropped by one percent to 70 percent in fiscal year 1986.

In an effort to address the needs of those severely handicapped who are judged ineligible for vocational rehabilitation services due to the severity of their disabilities, \$425,000 in State funds has been provided to expand and improve the Centers for Independent Living (CILs) program begun with Federal Vocational Rehabilitation funds.

The State funding will allow for expansion of services at all four CIL's that provide vocational rehabilitation services. A broad range of services will be provided including referral and counseling, education and training, adaptive appliances, home modification, independent living skills training, transportation, housing assistance and referral, medical evaluation and treatment, and any other services necessary to prepare an individual for employment or living independently in the community.

The goal of this joint effort is to improve the ability of a severely handicapped person to enter the vocational rehabilitation program; to live more independently in the community; and eventually to secure and maintain employment.

Employability Development—Physically and Mentally Handicapped (continued)

Program Analysis: (continued)

**OFFICE OF VOCATIONAL REHABILITATION
CASELOAD DATA BY DISABLING CONDITION
October 1, 1985 to September 30, 1986**

| Disabilities | (1) Closed After Acceptance For Service | (2) Cases Rehabilitated | | (3) Clients Unemployed at Acceptance | | (4) Rehabilitations Placed in Competitive Employment | | (5) Rehabilitations Placed in Sheltered and Protected Employment and as Homemakers and Unpaid Family Workers | | (6) Average Change Weekly Income Rehab. Competitive Employment | (7) Average Cost Per Rehab. |
|---|--|-------------------------------|---------------|---|---------------|--|---------------|---|---------------|---|--------------------------------------|
| | Total | Number | % of Col.1 | Number | % of Col.2 | Number | % of Col.2 | Number | % of Col.2 | Amount | Amount |
| Visual | 348 | 215 | 62% | 175 | 81% | 177 | 82% | 38 | 18% | \$166.00 | \$1,447.00 |
| Hearing | 1,999 | 1,646 | 82% | 629 | 38% | 863 | 52% | 783 | 48% | \$108.00 | \$1,118.00 |
| Orthopedic Deformities | 5,137 | 2,921 | 57% | 2,060 | 71% | 2,047 | 70% | 874 | 30% | \$165.00 | \$2,664.00 |
| Amputee or Loss of Limb | 831 | 619 | 74% | 257 | 42% | 344 | 56% | 275 | 44% | \$126.00 | \$2,280.00 |
| Mental Disorders | 6,841 | 3,035 | 44% | 2,527 | 83% | 2,754 | 91% | 281 | 9% | \$156.00 | \$1,764.00 |
| Mental Retardation | 2,496 | 1,294 | 52% | 1,157 | 89% | 949 | 73% | 345 | 27% | \$115.00 | \$2,583.00 |
| Other Disabling conditions | 3,325 | 1,955 | 59% | 1,415 | 72% | 1,522 | 78% | 433 | 22% | \$163.00 | \$2,105.00 |
| Total | 20,977 | 11,685 | 56% | 8,220 | 70% | 8,656 | 74% | 3,029 | 26% | \$143.00 | \$1,994.00 |
| Drug and Alcohol | 1,979 | 984 | 50% | 797 | 81% | 953 | 97% | 31 | 3% | \$179.00 | \$1,446.00 |
| Public Assistance | 6,684 | 2,929 | 44% | 2,277 | 78% | 1,724 | 59% | 1,205 | 41% | \$141.00 | \$2,261.00 |
| Severely Disabled | 17,942 | 9,964 | 56% | 6,966 | 70% | 7,107 | 71% | 2,857 | 29% | \$150.00 | \$2,264.00 |
| Social Security Disability Insurance Beneficiaries | 2,187 | 977 | 45% | 642 | 66% | 370 | 38% | 607 | 62% | \$161.00 | \$3,256.00 |
| Substantially Disabled | 3,035 | 1,721 | 57% | 1,254 | 73% | 1,549 | 90% | 172 | 10% | \$181.00 | \$ 925.00 |

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | | |
|---|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|--|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 | |
| GENERAL FUND | | | | | | | | |
| Transfer to Vocational Rehabilitation ... | \$ 12,000 | \$ 13,965 | \$ 16,500 | \$ 17,800 | \$ 21,000 | \$ 23,000 | \$ 24,000 | |
| Harmarville Rehabilitation | 100 | 200 | 200 | 200 | 200 | 200 | 200 | |
| Centers for Independent Living ..... | ..... | 300 | 425 | 425 | 425 | 425 | 425 | |
| GENERAL FUND TOTAL | \$ 12,100 | \$ 14,465 | \$ 17,125 | \$ 18,425 | \$ 21,625 | \$ 23,625 | \$ 24,625 | |

LABOR AND INDUSTRY

Income Maintenance

OBJECTIVE: To increase the economic stability of citizens of the Commonwealth by protecting and insuring the earnings of employes from factors over which they have no control.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 10,705 | \$ 11,048 | \$ 9,991 | \$ 9,341 | \$ 8,766 | \$ 8,256 | \$ 7,806 |
| Federal Funds | 35,196 | 41,942 | 43,502 | 44,807 | 46,151 | 47,536 | 48,962 |
| Other Funds | 179,873 | 185,655 | 193,081 | 200,804 | 208,837 | 217,190 | 225,472 |
| TOTAL | \$ 225,774 | \$ 238,645 | \$ 246,574 | \$ 254,952 | \$ 263,754 | \$ 272,982 | \$ 282,240 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Minimum wage violations cited | 456 | 500 | 500 | 500 | 500 | 500 | 500 |
| Persons receiving subminimum rates | 1,423 | 1,450 | 1,450 | 1,450 | 1,450 | 1,450 | 1,450 |
| Claims for nonpayment of wages | 2,828 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| Nonpayment of wage claims settled | 1,332 | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 |
| Inspections made to insure prevailing rates used and paid on public works projects. | 4,188 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Claimants qualifying for occupational disease payments out of Commonwealth funds..... | 3,891 | 3,576 | 3,298 | 3,020 | 2,732 | 2,444 | 2,156 |
| New claimants eligible for workmen's compensation payments | 98,400 | 103,000 | 105,000 | 105,000 | 105,000 | 105,000 | 105,000 |
| Individuals filing for unemployment compensation..... | 670,554 | 660,000 | 660,000 | 660,000 | 660,000 | 660,000 | 660,000 |

Program Analysis:

The Department of Labor and Industry administers a number of programs to increase the economic stability of citizens in the Commonwealth. These programs fall generally into two categories: those which provide income protection for the person who is employed, and those which provide cash assistance to the individual and his dependents when he becomes unemployed.

The first category includes the State's programs of minimum wage, wage payment and collection, and prevailing wage enforcement.

The number of persons receiving sub-minimum wages has steadily decreased from 4,092 in fiscal year 1980-81 (when the rate reached the present \$3.35 per hour) to 1,423 in fiscal year 1985-86, a reduction of 65 percent which is attributable

to the effects of inflation on the minimum wage. Since fiscal year 1980-81, 43,124 individuals received \$1,847,827 in wages collected under the Minimum Wage Law.

The increase in claims for unpaid wages in fiscal year 1985-86 is attributable to claims for fringe benefits/wage supplements. The percentage of these claims which are collectible is far below claims for straight wages as the employer determines policy for payment of fringe benefits; the law determines payment of wages. In fiscal year 1985-86, \$435,890 was collected for 1,415 claimants under the Wage Payment and Collection Law.

The income of employes is also protected by the State's Prevailing Wage Law, which requires the establishment of minimum wages to be paid workers on projects valued at

Income Maintenance (continued)

Program Analysis: (continued)

\$25,000 or more which are funded in whole or in part by State Government and public agencies of its political subdivisions within the Commonwealth. Payment of prevailing wage rates is ensured by field inspections conducted by prevailing wage inspectors. Last year 4,188 inspections were performed.

The second category includes unemployment compensation, workers' compensation, occupational disease payments, and Social Security disability payments.

Workers' compensation is a system of payments made through private insurance companies, the State Workmen's Insurance Fund and self-insured employers to employees who sustain injuries or diseases during the course of their employment. Act 2 of 1976 established the Workers' Compensation Administration Fund to cover State administrative expenses for regulation of the system, and provides for legislative approval of the level of expenditure each year.

The impact of workers' compensation is reflected in the dollar value of income replaced by payments and the number of awards for payment. The maximum level of compensation for new claimants is tied to the statewide average weekly wage.

Act 263 of 1974 provided for the Commonwealth to make payments to insurers and self-insured companies in order to raise the rate of compensation payable to employees injured prior to March 17, 1968, to \$60 per week. It is estimated that payments in 1987-88 will be \$875,000.

Occupational disease payments are made primarily to victims of silicosis and related diseases, commonly referred to as "black lung". Victims of these diseases are covered by three different programs, depending on their date of last exposure and disability: the bi-weekly program and monthly program (both Commonwealth-supported under the Occupational Disease Law) and the Workmen's Compensation Act as amended in 1973 which primarily places responsibility with industry for claimants exposed after July 1, 1972, although the Commonwealth shares partial responsibility for cases through June 30, 1976.

Both the bi-weekly and the monthly programs reflect marginal decreases in claimant levels due to the Federal Black Lung Act assuming payments for some claimants currently on State roles, and to attrition. The Federal Black Lung program has significantly leveled off due to more stringent medical standards and the elimination of certain "presumptions of disability" previously provided for by the United States Department of Labor.

The number of claimants qualifying for occupational disease payments out of Commonwealth Funds is estimated to decrease in 1987-88 to 3,298 claimants.

The Unemployment Compensation Program is an integral part of this subcategory. The program provides cash

assistance to individuals and their dependents during periods of involuntary unemployment.

The rate of compensation generally varies between 52 to 57 percent of the worker's average weekly earnings, up to a maximum for 1986 of \$232 per week. Claimants may also receive up to a maximum of \$8.00 per week in dependent's allowance for two or more dependents. Claimants who are entitled to a weekly benefit rate of \$75 or more have their weekly check reduced by 5 percent. However, the maximum weekly benefit rate will continue to be calculated at sixty-six and two-thirds percent of the Statewide average weekly wage.

Pennsylvania's Unemployment Compensation (UC) system became solvent in 1984 for the first time since 1973. This reversed a trend started in the early 1970s where yearly payments exceeded revenue to a point where a two to one margin was reached in recent years. Pennsylvania borrowed from the Federal Government to make up the difference between revenue and payments. In 1982 the Federal government began charging interest on all loans for UC payments.

The first temporary corrective action was taken in 1980. However, due to the severe impact of Pennsylvania's recession, additional permanent changes to the system became necessary. On July 21, 1983 revisions to the UC system that restructured both the tax and benefits sides to restore equity into the program became effective.

The 1983 amendments increased employer contributions to the fund by an estimated \$1.41 billion and decrease benefit expenditures by an estimated \$439 million over the 1983-1986 period. Beginning January 1, 1984, workers began contributing to the unemployment fund at the rate of 0.1 percent of their gross wages. Employees contributed \$139 million in 1985 and are expected to increase Trust Fund deposits by \$224 million through 1986.

The 1983 amendments also assessed a separate tax on employers to generate revenue to pay the interest accruing on the outstanding interest bearing Federal loans. In July 1985, the law was amended reducing the interest tax rate to 0.3 percent from 1.0 percent for 1986. This amendment decreased estimated interest tax contributions for 1986 by \$189 million at a savings to employers of \$56 per employee. Employers paid an estimated \$266 million into the Interest Fund for the period 1984-86, but these payments are no longer required.

The State's Unemployment Compensation Law was also revised in July 1985 to exclude seasonal workers in the vegetable and fruit canning and freezing industries from receiving benefits should they be offered seasonal employment in the subsequent year. Savings to the Trust Fund are estimated to be \$1 million annually.

The combined effect of the improving economy and the

Income Maintenance (continued)

Program Analysis: (continued)

1983 amendments resulted in a positive cash flow during the period 1984-86 that enabled Pennsylvania to reduce its Federal unemployment loan balance by \$1.15 billion, the first time unemployment loans were reduced since 1975 when the Trust Fund began borrowing. The portion of the debt reduced by voluntary repayments was the outstanding interest bearing loans. Pennsylvania eliminated the interest bearing debt in May of 1986.

In addition, the 1983 amendments enabled Pennsylvania to meet the Federal incentive solvency standards and qualify for: an increase of 0.1 rather than 0.3 percent in the Federal Unemployment Tax Act Tax rate for 1983, 1984 and 1985 and a deferral of 80 percent of the interest obligations due in 1983, 1984 and 1985. Since the interest bearing loans were repaid in 1986 and no additional loans or interest accruals are forecast after 1986, Pennsylvania's last interest payment on deferrals will occur in 1989.

To encourage the development and expansion of employment within Pennsylvania, the Job Creation Tax Credit Act was enacted on June 30, 1986 as Article XVIII of the Tax Reform Code of 1971. This legislation will allow certain employers to claim credit against specified State taxes for new employes hired in 1986, 1987 and 1988. All employers except employers in retail trade, construction and services other than business services are entitled to a tax credit for each new employe, determined by comparing employment levels in each of these years to the level of employment for calendar year 1985. The program, which is retroactive to January 1, 1986, is an initiative intended to directly counterbalance the amount of Federal

unemployment tax employers would pay as a result of these new hires. The tax credit will be \$140 for each increase in the level of employment for 1986; \$161 in 1987; and \$168 in 1988.

These tax credits may be used by employers to pay specific Department of Revenue taxes, including corporate net income, capital stock tax and sales taxes. \$500,000 was appropriated to the department in 1986-87 to cover costs of administering this program. Federal law and regulations preclude using Federal Unemployment Insurance monies for administering a State-mandated program. It is anticipated that funding for the next several years will remain at the \$500,000 level.

Another activity relating to this subcategory is the work of the Bureau of Disability Determination, which is agent for the Federal Social Security Administration (SSA). This office receives applications for disability benefits from the SSA. It is the responsibility of the Bureau of Disability Determination to gather the medical evidence for each claim, and to recommend payment of benefits under the guidelines established by the SSA. All final decisions regarding eligibility for benefits are made by the SSA.

The SSA also sends to the bureau claims of program beneficiaries to be reviewed for continuing disability. Some claims are sent because the disabling condition is expected to improve and others are sent for periodic review. New standards for review of these claims have been mandated by the Social Security Disability Reform Act of 1984. These changes have made the review process more equitable.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------------------|-------------------------------|-------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 1,807 | \$ 1,821 | \$ 1,828 | \$ 1,901 | \$ 1,978 | \$ 2,057 | \$ 2,139 |
| Occupational Disease Payments | 7,866 | 7,806 | 6,788 | 6,109 | 5,498 | 4,948 | 4,453 |
| Worker's Compensation Payments | 1,032 | 921 | 875 | 831 | 790 | 751 | 714 |
| Job Creation Tax Credit ..... | ..... | 500 | 500 | 500 | 500 | 500 | 500 |
| GENERAL FUND TOTAL | <u>\$ 10,705</u> | <u>\$ 11,048</u> | <u>\$ 9,991</u> | <u>\$ 9,341</u> | <u>\$ 8,766</u> | <u>\$ 8,256</u> | <u>\$ 7,806</u> |

LABOR AND INDUSTRY

Labor Relations Stability

OBJECTIVE: To achieve a minimum level of economic loss resulting from a breakdown in collective bargaining procedures.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|----------|----------|----------|----------|----------|----------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 2,407 | \$ 2,461 | \$ 2,471 | \$ 2,570 | \$ 2,673 | \$ 2,779 | \$ 2,891 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Public bargaining units: | | | | | | | |
| Mediation notices assigned | 866 | 975 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Cases mediated | 493 | 635 | 635 | 650 | 650 | 650 | 650 |
| Percent of cases mediated | 56.9% | 65% | 65% | 65% | 65% | 65% | 65% |
| Percent of notices involving work stoppages | 3% | 7% | 7% | 7% | 7% | 7% | 7% |
| Private bargaining units: | | | | | | | |
| Dispute notices received | 3,526 | 3,250 | 3,250 | 3,250 | 3,250 | 3,250 | 3,250 |
| Cases mediated and closed by Bureau | 123 | 170 | 170 | 170 | 170 | 170 | 170 |
| Percent of cases mediated | 3.5% | 5% | 5% | 5% | 5% | 5% | 5% |
| Percent of cases mediated by Bureau involving work stoppage | 12.1% | 12% | 12% | 12% | 12% | 12% | 12% |
| Unfair practice cases concluded: | | | | | | | |
| Public Employe Relations Act | 390 | 420 | 410 | 410 | 410 | 410 | 410 |
| Police and Firemen (Act 111) | 66 | 70 | 60 | 60 | 60 | 60 | 60 |
| Pennsylvania Labor Relations Act | 21 | 26 | 20 | 20 | 20 | 20 | 20 |
| Representation cases concluded: | | | | | | | |
| Public Employes Relation Act | 188 | 217 | 225 | 220 | 220 | 220 | 220 |
| Police and Firemen (Act 111) | 33 | 47 | 45 | 40 | 40 | 40 | 40 |
| Pennsylvania Labor Relations Act | 3 | 10 | 10 | 10 | 10 | 10 | 10 |

Program Analysis:

The Bureau of Mediation promotes labor relations stability by providing mediation services to the public and private sectors.

Under the Public Employe Relations Act, parties to a contract in the public sector must notify the bureau of the possible need for mediation services when no agreement is reached between the parties within twenty-one days after negotiations have commenced, but no later than one hundred fifty days prior to the end of the contract.

While the 866 mediation notices received from the public sector in 1985 are down from 1984's 927 notices, the important trend here is that only 56.9 percent of the 1985

notices actually required the active participation of a state mediator compared to the 1979-84 average of 63.6 percent. This decrease is attributable to changing economic conditions and the parties' familiarization with the bargaining process.

In 1986 and future years it is estimated that the percent of public sector cases mediated will return to the historical average of approximately 65 percent of those initially flagged as possibly needing services. However, the number of notices received is anticipated to increase since approximately 25 new bargaining units are being certified every year, including county and local government units and support units of

Labor Relations Stability (continued)

Program Analysis: (continued)

school districts which include cafeteria staffs, janitorial staffs and bus drivers.

In the private sector, dispute notices are governed by the National Labor Relations Act and Pennsylvania Act 177 of 1937. Although a copy of the dispute notice must be filed with the Bureau of Mediation when the Federal Mediation and Conciliation Service is notified, the law does not require that professional mediator services be used.

The average private sector caseload for 1971-1984 was 121 cases per year. During 1985 the Bureau mediated 123 private sector cases.

The percent of private sector cases mediated during 1985 was 3.5 percent. This compares with the 1979-1984 average of 4.4 percent. Disputes mediated in 1985-86 and beyond are expected to hold at about 5 percent of notices received.

The average private sector cases involving work stoppages in the same time frame (1971-1984) was 31. In 1985 an unusually low number of cases mediated resulted in work stoppages, therefore, the percent of private sector cases involving work stoppages fell from the 1971-1984 average of 26.6 percent to 12.1 percent in 1985. This decline was due to more favorable economic conditions such as lower rates of inflation and declining interest rates.

The Pennsylvania Labor Relations Board has administrative and adjudicative responsibility for labor-management relations in both the private and public sectors in the Commonwealth.

The Labor Relations Board was created in 1937 to administer the policies and provisions of the Pennsylvania Labor Relations Act (PLRA), which guarantees collective bargaining rights to the State's private sector employees not covered by the National Labor Relations Act. Under the PLRA, the board has the responsibility to resolve questions of representation and to prevent and discourage unfair labor practices. The PLRA covers only those private sector employers whose activities do not impact on interstate commerce or which have a relatively low dollar volume of business.

With enactment of the Public Employe Relations Act of 1970, collective bargaining rights were granted to most of the State's public employes. The purpose of this act is to

promote orderly constructive relationships between public employes and their employers subject to the right of the citizens to maintain their health, safety and welfare. The board is delegated the responsibility of carrying out this policy directive through the exercise of its responsibilities for representation cases, unfair labor practice adjudication and impasse resolution. In 1977, the board's public sector jurisdiction was made all encompassing by virtue of a Pennsylvania Supreme Court decision which gave the board authority over police and firefighting collective bargaining issues arising from Act 111 of 1968.

The board's program measures include specific data in relationship to the three acts it administers: The Public Employe Relations Act (PERA), Act 111 of 1968 and the Pennsylvania Labor Relations Act (PLRA).

During 1985-86 the board concluded 390 unfair practice and 188 representation cases under its PERA jurisdiction. The number of cases concluded was 20 percent less than projected last year due to a decrease in the number of collective bargaining unit clarification cases filed. Projections have been reduced in future years to reflect an anticipated continuation of fewer unit clarification case filings. The board also concluded 66 unfair practices cases and 33 representation cases pertaining to police and firemen covered by Act 111. The number of representation cases filed and closed was lower than projected last year. This number is very difficult to project because very few companies are covered by the State Law, and the number of filings often fluctuates by a large percentage. Most businesses are covered by Federal Law. On the average about 10 cases are filed and closed within a given fiscal year. Future year projections reflect the average.

Based upon the current labor-management climate in the Commonwealth, it is estimated that approximately 280 representation cases and 490 unfair labor practice cases will be concluded by the board under the three statutes in 1987-88. As a neutral forum in which to resolve issues disputed in these cases, the board serves to promote a stable labor relations climate in the Commonwealth.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | <u>\$ 2,407</u> | <u>\$ 2,461</u> | <u>\$ 2,471</u> | <u>\$ 2,570</u> | <u>\$ 2,673</u> | <u>\$ 2,779</u> | <u>\$ 2,891</u> |

LABOR AND INDUSTRY

Accident Prevention

OBJECTIVE: To eliminate fire and other hazards in multiple dwelling units, workplaces and other places of public habitation and assembly.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>\$ 7,037</u> | <u>\$ 6,817</u> | <u>\$ 7,297</u> | <u>\$ 7,589</u> | <u>\$ 7,892</u> | <u>\$ 8,209</u> | <u>\$ 8,536</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---------------------------------------|---------|---------|---------|---------|---------|---------|---------|
| Fire and Panic Act activities: | | | | | | | |
| Building plans reviewed | 14,017 | 15,800 | 15,900 | 16,000 | 16,100 | 16,200 | 16,300 |
| Building plans approved | 10,316 | 10,600 | 10,700 | 10,800 | 10,900 | 11,000 | 11,100 |
| Inspections performed | 63,385 | 64,250 | 64,893 | 65,546 | 66,198 | 67,759 | 68,436 |
| Violation orders issued | 292 | 460 | 463 | 468 | 475 | 485 | 500 |
| Violation orders closed | 355 | 455 | 458 | 463 | 478 | 485 | 500 |
| Violation orders remaining open | 46 | 51 | 56 | 61 | 61 | 61 | 61 |
| Equipment inspections under: | | | | | | | |
| Boiler Law | 15,931 | 16,500 | 18,500 | 16,750 | 18,750 | 17,000 | 18,500 |
| Liquefied Petroleum Law | 5,230 | 5,400 | 5,500 | 5,600 | 5,700 | 5,800 | 5,900 |
| Elevator Law | 19,822 | 19,000 | 19,000 | 19,000 | 19,000 | 19,000 | 19,000 |

Program Analysis:

The department is responsible for enforcing a wide range of laws designed to safeguard the general public in Pennsylvania. The worker and Community Right to Know Law, enacted in 1984, expanded the department's role in public safety. The law requires Pennsylvania employers to inform employes, the general public, and the Department of Labor and Industry about potentially hazardous chemicals used in the workplace. The department is responsible for investigation of non-compliance, enforcement, providing training assistance to employers, and for maintaining a program of public outreach and information.

Certain parts of the law have been held invalid by a Federal Court. Manufacturer employers are now primarily covered by Federal Law while all non-manufacturer employers are covered by all provisions of the State law. There are about 180,000 non-manufacturers and 20,000 manufacturers in Pennsylvania.

Manufacturers are no longer bound by the requirement that they provide information about hazardous substances to their employes. The court ruled that manufacturers are still subject to provisions of the State Law with respect to informing the community and emergency response organizations. Non-manufacturers are required to complete

inventories of hazardous substances in the work-place, post information about the substances, and provide annual training to employes about the hazardous substances.

The Department of Labor and Industry continues to have the responsibility for enforcing a variety of other safety regulations that apply to buildings and various types of machinery and equipment. The majority of the regulations require a basic process of plan review and approval followed by a field inspection to confirm that the construction or installation was done in accordance with approved plans. Final occupancy permits or certificates are then issued.

Under the provisions of the State's Fire and Panic Act (Act 299 of 1927), the Department of Labor and Industry has the responsibility for enforcing the fire safety regulations that apply to a wide variety of buildings, including office buildings, apartment buildings, hotels and schools. Plans for all new construction and additions to all existing construction for these buildings are examined and approved.

The cities of Philadelphia, Pittsburgh and Scranton were exempted from the Fire and Panic Act at the time of its enactment since they already had fire safety laws and regulations in effect. Each of these cities continues to be responsible for enforcement of their own fire safety laws and regulations.

Accident Prevention (continued)

Program Analysis: (continued)

The department also maintains responsibility for inspection of personal care boarding homes. Following identification by the Department of Public Welfare, the department conducts inspections to ensure compliance with State regulations.

The department is further involved in the enforcement of Act 222 of 1980, the Building Energy Conservation Law. This law is designed to improve the energy efficiency of new buildings. Approximately 80 percent of all buildings submitted for Fire and Panic approval must also comply with the Energy Conservation Law.

The number of building plans reviewed was lower than projected last year. All plans received during a year are reviewed with the actual number received varying based on new construction projects started and other economic factors.

The number of violation orders issued was also less than projected, along with the measures directly affected by the number of orders issued, orders closed and orders remaining open. Violation orders are issued as a result of complaints received. This year's unexpected reduction is considered an anomaly.

Also included in this subcategory are three equipment inspection programs. Act 451 of 1929 requires boilers and pressure vessels to be inspected. Boilers are required to be

inspected annually, and pressure vessels require biennial inspections. The act permits inspection by insurance carriers, however, the commonwealth must inspect in instances where the insurance carrier does not perform the inspection.

Last year, an unusually high number of boilers were placed out of service, thus not requiring an inspection. Inspections are made on a biennial schedule which results in the fluctuations in the future year projections.

Act 475 of 1951, the Liquefied Petroleum Gas Law, requires the department to license suppliers of liquefied petroleum gas. Random inspections are conducted at supply locations and customers of bulk dealers. The gradual increase in the number of random inspections conducted will continue because of computerization and other program improvements.

Act 452 of 1929, the Elevator Law, requires the department to inspect passenger and freight elevators. Approximately 80 percent of the inspections required by the State law are conducted by insurance companies or fee companies.

The impact of accident prevention programs is difficult to measure. It is impossible to confidently estimate how many people were not injured or killed because of accidents that were prevented by the enforcement of these laws.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 6,243 | \$ 5,667 | \$ 5,690 | \$ 5,918 | \$ 6,154 | \$ 6,401 | \$ 6,656 |
| Right to Know | 794 | 1,150 | 1,607 | 1,671 | 1,738 | 1,808 | 1,880 |
| GENERAL FUND TOTAL | <u><u>\$ 7,037</u></u> | <u><u>\$ 6,817</u></u> | <u><u>\$ 7,297</u></u> | <u><u>\$ 7,589</u></u> | <u><u>\$ 7,892</u></u> | <u><u>\$ 8,209</u></u> | <u><u>\$ 8,536</u></u> |

LABOR AND INDUSTRY

Regulation of Consumer Products and Promotion of Fair Business Practices

OBJECTIVE: To minimize the availability of misrepresented or adulterated products and services.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|---------|---------|---------|---------|---------|---------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 381 | \$ 411 | \$ 413 | \$ 429 | \$ 446 | \$ 464 | \$ 483 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|----------|----------|----------|----------|----------|----------|
| Activities under the Bedding and Upholstery and the Stuffed Toy Laws: | | | | | | | |
| Manufacturers, importers and dealers ... | 5,595 | 5,600 | 5,600 | 5,600 | 5,600 | 5,600 | 5,600 |
| Registrations, licenses and certificates ... | 8,384 | 8,400 | 8,400 | 8,400 | 8,400 | 8,400 | 8,400 |
| Inspections performed | 6,266 | 6,200 | 6,200 | 6,200 | 6,200 | 6,200 | 6,200 |
| Violation Orders Issued..... | 1,016 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Percent of total | 16 | 16 | 16 | 16 | 16 | 16 | 16 |
| Private employment agencies: | | | | | | | |
| Agency representatives registered | 807 | 835 | 835 | 835 | 835 | 835 | 835 |
| Complaints resulting in refunds..... | 33 | 15 | 15 | 15 | 15 | 15 | 15 |
| Dollars refunded..... | \$8,582 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 |
| Prosecutions initiated..... | 1 | 3 | 3 | 3 | 3 | 3 | 3 |
| Prosecutions closed | 0 | 3 | 3 | 3 | 3 | 3 | 3 |
| Agency licenses issued | 305 | 325 | 325 | 325 | 35 | 325 | 325 |

Program Analysis:

This program involves two activities: prevention of the use of unsafe, unclean or misrepresented materials in bedding, upholstery and stuffed toys; and regulation of employment agencies to prevent unfair business practices.

The department is required under the Bedding and Upholstery Law (Act 249 of 1937) to adopt rules and regulations and provide penalties relating to the manufacture, repair, renovating, cleansing, sterilizing and disinfecting of mattresses, pillows, bolsters, featherbeds and other filled bedding, cushions, upholstered furniture and bulk materials intended for sale or lease. Also, the department is responsible for enforcing the Stuffed Toy Law (Act 372 of 1961) regulating the manufacture of stuffed toys intended for sale or use in Pennsylvania and for the registration of such manufacturers.

Under the provisions of the State's Employment Agency

Law (Act 261 of 1941) the department is responsible for defining, regulating and providing for the licensing and registration of employment agents and their representatives, including private employment agents, theatrical employment agencies and nurse registries.

The number of complaints resulting in refunds was higher than projected last year because a large number of persons received refunds resulting from a placement agency which subsequently went out of business. Most of the refunds were relatively small, therefore there was not a corresponding increase in total refunds.

Only one prosecution was initiated last year. This measure is a function of several variables such as the type of complaints received. The program usually averages approximately three prosecutions per year.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|---------|---------|---------|---------|---------|---------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 381 | \$ 411 | \$ 413 | \$ 429 | \$ 446 | \$ 464 | \$ 483 |

Liquor Control Board

The Pennsylvania Liquor Control Board controls the manufacture, possession, sale, consumption, importation, use, storage, transportation and delivery of liquor, alcohol and malt or brewed beverages in the Commonwealth.

The Board consists of three members appointed by the Governor with Senate confirmation.

The dollar amounts shown are from the State Stores Fund, a special enterprise fund, and are reflected herein as "Other Funds."

LIQUOR CONTROL BOARD

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
|--------------------------------|-------------------|----------------------|-------------------|
| Other Funds ^a | \$ 210,121 | \$ 213,843 | \$ 214,122 |
| DEPARTMENT TOTAL | <u>\$ 210,121</u> | <u>\$ 213,843</u> | <u>\$ 214,122</u> |

^aAll funds are other than General Fund or Special Funds.

Other Funds

| | (Dollar Amounts in Thousands) | | |
|-----------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Pennsylvania Liquor Stores | | | |
| State Funds | \$ 171,355 | \$ 176,025 | \$ 177,514 |

Operates the Pennsylvania Liquor Stores system. Licenses alcoholic beverage dealers.
Enforces the Commonwealth's alcoholic beverage laws and regulations.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|--------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Other Funds: | | | |
| General Operations | <u>\$ 171,355</u> | <u>\$ 176,025</u> | <u>\$ 177,514</u> |

| | (Dollar Amounts in Thousands) | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Transfer to the General Fund | | | |
| State Funds | \$ 33,000 | \$ 32,000 | \$ 31,000 |

Provides for the statutory transfer to the General Fund of surpluses in the State Stores
Fund.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Other Funds: | | | |
| Transfer of State Stores Fund Surplus | <u>\$ 33,000</u> | <u>\$ 32,000</u> | <u>\$ 31,000</u> |

| | |
|--------------------|-----------------------------|
| OTHER FUNDS | LIQUOR CONTROL BOARD |
|--------------------|-----------------------------|

| | | (Dollar Amounts in Thousands) | | |
|--------------------|-------------------|-------------------------------|-------------------|--|
| Comptroller | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | |
| Other Funds | \$ 5,766 | \$ 5,818 | \$ 5,608 | |

Provides comptroller services for the maintenance and management of all agency accounts of the various substantive programs of the Liquor Control Board.

| | | (Dollar Amounts in Thousands) | | |
|------------------------|-------------------|-------------------------------|-------------------|--|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget | |
| Other Funds: | | | | |
| Comptroller | <u>\$ 5,766</u> | <u>\$ 5,818</u> | <u>\$ 5,608</u> | |

LIQUOR CONTROL BOARD

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|----------------------------------|-------------------------------|---------|---------|---------|---------|---------|---------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Consumer Protection | | | | | | | |
| Liquor Control* | | | | | | | |

*All funds are other than General or Special Funds.

LIQUOR CONTROL BOARD

Liquor Control

OBJECTIVE: To protect the public welfare, health, peace, and morals of the people of the Commonwealth by controlling the manufacture of and transactions in liquor, alcohol and malt or brewed beverages.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Other Funds | \$ 210,121 | \$ 213,843 | \$ 214,122 | \$ 205,784 | \$ 207,520 | \$ 207,331 | \$ 209,217 |
| Subtotal | <u>\$ 210,121</u> | <u>\$ 213,843</u> | <u>\$ 214,122</u> | <u>\$ 205,784</u> | <u>\$ 207,520</u> | <u>\$ 207,331</u> | <u>\$ 209,217</u> |
| Transfer of Sales Tax to General Fund ^a | \$ 42,755 | \$ 44,127 | \$ 43,479 | \$ 44,063 | \$ 44,283 | \$ 44,504 | \$ 44,727 |
| Transfer of Emergency Tax to General Fund ^a | 109,966 | 112,152 | 110,524 | 111,989 | 112,549 | 113,112 | 113,677 |
| TOTAL | <u>\$ 362,842</u> | <u>\$ 370,122</u> | <u>\$ 368,125</u> | <u>\$ 361,836</u> | <u>\$ 364,352</u> | <u>\$ 364,947</u> | <u>\$ 367,621</u> |

^aExcluded from summary presentations.

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Pennsylvania State Liquor Stores | 705 | 702 | 708 | 712 | 715 | 715 | 715 |
| Gross sales (includes taxes) (in thousands) . | 765,009 | 773,589 | 775,990 | 790,439 | 802,296 | 814,330 | 826,545 |
| Licenses and permits issued (all types) | 62,436 | 63,000 | 63,200 | 63,400 | 63,600 | 63,600 | 63,600 |
| Enforcement investigations | 27,114 | 27,500 | 28,000 | 28,500 | 29,000 | 29,000 | 29,000 |

The Liquor Control Board is currently undergoing review by the General Assembly. This budget recommendation is based on the existing system of sales, enforcement and control. When the sunset review is completed and, if any changes are made, the Governor will release a revised budget proposal for the Liquor Control Board.

Profits from the state store system will continue to be an important source of revenue for the General Fund.

Department of Military Affairs

The Department of Military Affairs provides organized combat-ready units, both Army and Air National Guard, for call to Federal duty in the event of national emergency and to State duty in time of disaster or civil disorder. Their duties are to protect the lives and property of the people of Pennsylvania; preserve peace, order and public safety; and administer the laws that provide for the well-being of Pennsylvania veterans and their dependents.

The Department of Military Affairs consists of the Adjutant General and the State Armory Board, the State Veterans' Commission, the Soldiers and Sailors Home at Erie, the Veterans Home at Hollidaysburg, and the Southeastern Veterans Home at Spring City.

DEPARTMENT OF MILITARY AFFAIRS

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| General Government Operations | \$ 10,754 | \$ 10,861 | \$ 11,183 |
| American Battle Monuments | 3 | 3 | 3 |
| Armory Maintenance and Repair | 500 | 500 | 500 |
| Gettysburg Memorial | 75 | | |
| Subtotal | <u>\$ 11,332</u> | <u>\$ 11,364</u> | <u>\$ 11,686</u> |
| Institutional | | | |
| Erie Soldiers and Sailors Home | \$ 2,918 | \$ 3,002 | \$ 3,228 |
| Hollidaysburg Veterans Home | 8,445 | 8,091 | 8,552 |
| Southeastern Veterans Home ..... | . . . . | 2,440 | 3,770 |
| Subtotal | <u>\$ 11,363</u> | <u>\$ 13,533</u> | <u>\$ 15,550</u> |
| Grants and Subsidies | | | |
| Education of Veterans Children | \$ 32 | \$ 75 | \$ 75 |
| Education — National Guard | 305 | 305 | 305 |
| Veterans Assistance | 1,327 | 1,328 | 1,328 |
| Blind Veterans Pension | 163 | 169 | 169 |
| Paralyzed Veterans Pension ..... | . . . . | 1,022 | 1,022 |
| National Guard Pension | 20 | 20 | 20 |
| National Guard — Unemployment Compensation | 50 | | |
| Subtotal | <u>\$ 1,897</u> | <u>\$ 2,919</u> | <u>\$ 2,919</u> |
| TOTAL STATE FUNDS | <u>\$ 24,592</u> | <u>\$ 27,816</u> | <u>\$ 30,155</u> |
| Federal Funds | | | |
| Federal Funds | \$ 3,684 | \$ 4,162 | \$ 3,476 |
| Augmentaions | 4,694 | 4,123 | 4,847 |
| GENERAL FUND TOTAL | <u>\$ 32,970</u> | <u>\$ 36,101</u> | <u>\$ 38,478</u> |

GENERAL FUND

MILITARY AFFAIRS

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| State Funds | \$ 10,754 | \$ 10,861 | \$ 11,183 |
| Federal Funds | 777 | 1,516 | 780 |
| Augmentaions | 619 | 140 | 145 |
| TOTAL | <u>\$ 12,150</u> | <u>\$ 12,517</u> | <u>\$ 12,108</u> |

Provides the administrative and overhead systems for the various substantive National Guard and veterans' programs. Maintains a statewide warning communications network, an armory system, and training program for National Guardsmen. Assists veterans and their dependents in obtaining benefits due them under State and Federal laws by coordinating all matters relating to veterans' affairs. Distributes the grants described in the "Grants and Subsidies" section.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| General Government Operations | \$ 10,754 | \$ 10,861 | \$ 11,183 |
| Federal Funds: | | | |
| National Guard — Maintenance Facilities and Training Sites ... | 777 | 680 | 600 |
| National Guard — Employee Support ..... | ..... | 160 | 180 |
| National Guard — Operation and Maintenance of New Armories ..... | ..... | 676 | ..... |
| Augmentaions: | | | |
| Rental of Armories and Other Facilities | 117 | 119 | 120 |
| Reimbursement — Lt. Governor's Residence | 21 | 21 | 25 |
| PEMA-State Active Duty | 463 | ..... | ..... |
| Pennsylvania Conservation Corps | 18 | ..... | ..... |
| TOTAL | <u>\$ 12,150</u> | <u>\$ 12,517</u> | <u>\$ 12,108</u> |

| | (Dollar Amounts in Thousands) | | |
|----------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| American Battle Monuments | | | |
| State Funds | \$ 78 | \$ 3 | \$ 3 |

Provides for routine maintenance and caretaking of grounds in foreign lands where American battle monuments are located. Also included in 1985-86 was a one time payment to help defray the Commonwealth's share of the cost of renovating and maintaining monuments at the Gettysburg Battleground.

| | (Dollar Amounts in Thousands) | | |
|---------------------------------|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| American Battle Monuments | \$ 3 | \$ 3 | \$ 3 |
| Gettysburg Memorial | 75 | ..... | ..... |
| TOTAL | <u>\$ 78</u> | <u>\$ 3</u> | <u>\$ 3</u> |

GENERAL FUND

MILITARY AFFAIRS

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| Armory Maintenance and Repair | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 500 | \$ 500 | \$ 500 |

Provides for maintenance and repair work within the statewide armory system.

| | (Dollar Amounts in Thousands) | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|
| Source of Funds | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Armory Maintenance and Repair | <u>\$ 500</u> | <u>\$ 500</u> | <u>\$ 500</u> |

INSTITUTIONAL

| | (Dollar Amounts in Thousands) | | |
|-----------------------------|-------------------------------|----------------------|-------------------|
| State Veterans Homes | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 11,363 | \$ 13,533 | \$ 15,550 |
| Federal Funds | 2,907 | 2,646 | 2,696 |
| Augmentations | 4,075 | 3,983 | 4,702 |
| TOTAL | <u>\$ 18,345</u> | <u>\$ 20,162</u> | <u>\$ 22,948</u> |

Provides for the operation of the Soldiers and Sailors Home at Erie, the Veterans Home at Hollidaysburg and the Southeastern Veterans Home at Spring City, including domiciliary and nursing care for indigent, invalid or disabled Pennsylvania veterans. Skilled nursing care and related medical services, supportive personal care and individual services are provided for residents.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| Total Proposed Expenditures by Institution | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Erie Soldiers and Sailors Home | | | |
| State Funds | \$ 2,918 | \$ 3,002 | \$ 3,228 |
| Federal Funds | 742 | 759 | 690 |
| Augmentations | 1,091 | 1,093 | 1,136 |
| TOTAL | <u>\$ 4,751</u> | <u>\$ 4,854</u> | <u>\$ 5,054</u> |
| Hollidaysburg Veterans Home | | | |
| State Funds | \$ 8,445 | \$ 8,091 | \$ 8,552 |
| Federal Funds | 2,165 | 1,887 | 1,690 |
| Augmentations | 2,984 | 2,691 | 3,040 |
| TOTAL | <u>\$ 13,594</u> | <u>\$ 12,669</u> | <u>\$ 13,282</u> |

GENERAL FUND

MILITARY AFFAIRS

| | 1985-86 Actual | (Dollar Amounts in Thousands) | |
|---|-------------------|-------------------------------|-------------------|
| | | 1986-87 Available | 1987-88 Budget |
| Total Proposed Expenditures by Institution (continued) | | | |
| Southeastern Veterans Home | | | |
| State Funds | | \$ 2,440 | \$ 3,770 |
| Federal Funds | | | 316 |
| Augmentations | | 199 | 526 |
| TOTAL | | \$ 2,639 | \$ 4,612 |

| | 1985-86 Actual | (Dollar Amounts in Thousands) | |
|---|-------------------|-------------------------------|-------------------|
| | | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| Erie Soldiers and Sailors Home | \$ 2,918 | \$ 3,002 | \$ 3,228 |
| Hollidaysburg Veterans Home | 8,445 | 8,091 | 8,552 |
| Southeastern Veterans Home ..... | ..... | 1,897 | 3,770 |
| Southeastern Veterans Home — Recommended Supplemental .. | ..... | 543 | ..... |
| Federal Funds: | | | |
| Domiciliary and Nursing Home Care Reimbursements | 2,907 | 2,646 | 2,696 |
| Augmentations: | | | |
| Aid and Attendance Payments for Nursing Care Patients | 1,026 | 1,189 | 1,139 |
| Residents Fees | 3,034 | 2,779 | 3,547 |
| Building and Office Space Rent | 15 | 15 | 16 |
| TOTAL | \$ 18,345 | \$ 20,162 | \$ 22,948 |

GRANTS AND SUBSIDIES

| | (Dollar Amounts in Thousands) | | |
|---------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Education Benefits | | | |
| State Funds | \$ 337 | \$ 380 | \$ 380 |

Provides a maximum grant of \$40 per credit to qualified Pennsylvania National Guard enrolled in an approved Pennsylvania institution of higher learning, in accordance with Act 152 of 1980. Also provides grants to children of deceased or disabled veterans to attend institutions of higher learning within the Commonwealth which are approved by the State Veterans Commission.

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Education of Veterans Children | \$ 32 | \$ 75 | \$ 75 |
| Education — National Guard | 305 | 305 | 305 |
| TOTAL | \$ 337 | \$ 380 | \$ 380 |

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Veterans Compensation and Assistance | | | |
| State Funds | \$ 1,490 | \$ 2,519 | \$ 2,519 |

Provides temporary assistance to veterans who are in need of financial support. Funds for food, clothing, fuel and shelter are made available for a period of up to three months. Grants pensions of \$100 a month to Pennsylvania veterans, who while performing active military service, suffered disease or injury which resulted in functional blindness or the loss of two or more extremities.

| | (Dollar Amounts in Thousands) | | |
|----------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| Veterans Assistance | \$ 1,327 | \$ 1,328 | \$ 1,328 |
| Blind Veterans Pension | 163 | 169 | 169 |
| Paralyzed Veterans Pension ..... | . . . . | 1,022 | 1,022 |
| TOTAL | \$ 1,490 | \$ 2,519 | \$ 2,519 |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| National Guard Payments | | | |
| State Funds | \$ 70 | \$ 20 | \$ 20 |

Provides pension payments to the family of any soldier of the Pennsylvania National Guard who died of injuries or was killed in the line of duty while in active service under order of the Governor. Also provides one time payment to National Guardsmen who were placed on active duty in 1985-86 to assist the tornado devastated western region of the Commonwealth.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| National Guard Pension | \$ 20 | \$ 20 | \$ 20 |
| National Guard Unemployment Compensation | 50 | | |
| TOTAL | <u>\$ 70</u> | <u>\$ 20</u> | <u>\$ 20</u> |

DEPARTMENT OF MILITARY AFFAIRS

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 1,647 | \$ 1,640 | \$ 1,851 | \$ 1,925 | \$ 2,003 | \$ 2,082 | \$ 2,165 |
| Physical Health Treatment | \$ 11,363 | \$ 13,533 | \$ 15,550 | \$ 16,349 | \$ 17,003 | \$ 17,683 | \$ 18,389 |
| Domiciliary and Nursing Home Care | 11,363 | 13,533 | 15,550 | 16,349 | 17,003 | 17,683 | 18,389 |
| Maintenance of Public Order | \$ 9,162 | \$ 9,145 | \$ 9,253 | \$ 9,623 | \$ 10,008 | \$ 10,408 | \$ 10,827 |
| Disaster Assistance | 9,162 | 9,145 | 9,253 | 9,623 | 10,008 | 10,408 | 10,827 |
| Compensation | \$ 2,420 | \$ 3,498 | \$ 3,501 | \$ 3,524 | \$ 3,548 | \$ 3,573 | \$ 3,599 |
| Compensation and Assistance | 2,420 | 3,498 | 3,501 | 3,524 | 3,548 | 3,573 | 3,599 |
| DEPARTMENT TOTAL | <u>\$ 24,592</u> | <u>\$ 27,816</u> | <u>\$ 30,155</u> | <u>\$ 31,421</u> | <u>\$ 32,562</u> | <u>\$ 33,746</u> | <u>\$ 34,980</u> |

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 1,647 | \$ 1,640 | \$ 1,851 | \$ 1,925 | \$ 2,003 | \$ 2,082 | \$ 2,165 |
| Federal Funds | 635 | 1,239 | 380 | 380 | 410 | 441 | 460 |
| TOTAL | \$ 2,282 | \$ 2,879 | \$ 2,231 | \$ 2,305 | \$ 2,413 | \$ 2,523 | \$ 2,625 |

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected

by the effectiveness of the activities they support within the Department of Military Affairs. A primary concern is to minimize these administrative costs in relation to the costs of provided services.

An additional \$43,000 has been provided to increase the department's electronic data processing capabilities.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 1,569 | \$ 1,637 | \$ 1,848 | \$ 1,922 | \$ 2,000 | \$ 2,079 | \$ 2,162 |
| American Battle Monuments | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Gettysburg Memorial | 75 | ..... | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | \$ 1,647 | \$ 1,640 | \$ 1,851 | \$ 1,925 | \$ 2,003 | \$ 2,082 | \$ 2,165 |

Domiciliary and Nursing Home Care

OBJECTIVE: To provide skilled nursing and domiciliary care for veterans.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 11,363 | \$ 13,533 | \$ 15,550 | \$ 16,349 | \$ 17,003 | \$ 17,683 | \$ 18,389 |
| Federal Funds | 2,907 | 2,646 | 2,696 | 4,021 | 4,037 | 4,139 | 4,155 |
| Other Funds | 4,075 | 3,983 | 4,702 | 5,086 | 5,218 | 5,353 | 5,491 |
| TOTAL | \$ 18,345 | \$ 20,162 | \$ 22,948 | \$ 25,456 | \$ 26,258 | \$ 27,175 | \$ 28,035 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Total number of beds in veterans' homes: | | | | | | | |
| Erie | 175 | 175 | 175 | 175 | 175 | 175 | 175 |
| Hollidaysburg | 379 | 379 | 379 | 379 | 379 | 575 | 575 |
| Southeastern | | 75 | 150 | 330 | 330 | 330 | 330 |
| Population in homes: | | | | | | | |
| Erie | 146 | 150 | 155 | 160 | 165 | 170 | 170 |
| Hollidaysburg | 375 | 375 | 375 | 375 | 375 | 560 | 560 |
| Southeastern | | 71 | 142 | 313 | 313 | 313 | 313 |
| Percent of bed capacity utilized: | | | | | | | |
| Erie | 83% | 86% | 89% | 91% | 94% | 97% | 97% |
| Hollidaysburg | 95% | 95% | 95% | 95% | 95% | 95% | 95% |
| Southeastern | | 95% | 95% | 95% | 95% | 95% | 95% |
| Average skilled nursing care days per patient: | | | | | | | |
| Erie | 340 | 350 | 350 | 350 | 350 | 350 | 350 |
| Hollidaysburg | 350 | 350 | 350 | 350 | 350 | 350 | 350 |
| Southeastern | | | | 350 | 350 | 350 | 350 |
| Cost per skilled nursing care day: | | | | | | | |
| Erie | \$131 | \$134 | \$138 | \$142 | \$146 | \$150 | \$155 |
| Hollidaysburg | \$138 | \$129 | \$133 | \$136 | \$140 | \$145 | \$149 |
| Southeastern | | | | \$129 | \$134 | \$140 | \$145 |
| Average domiciliary care days per patient: | | | | | | | |
| Erie | 248 | 260 | 292 | 295 | 300 | 300 | 300 |
| Hollidaysburg | 350 | 350 | 350 | 350 | 350 | 350 | 350 |
| Southeastern | | 152 | 350 | 350 | 350 | 350 | 350 |
| Cost per domiciliary care day: | | | | | | | |
| Erie | \$45 | \$47 | \$49 | \$51 | \$56 | \$57 | \$59 |
| Hollidaysburg | \$100 | \$94 | \$97 | \$99 | \$102 | \$105 | \$108 |
| Southeastern | | \$81 | \$93 | \$130 | \$110 | \$115 | \$120 |

Domiciliary and Nursing Home Care (continued)

Program Analysis:

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 new Southeastern Pennsylvania Veterans Center. The program receives assistance from the Federal Government at levels of \$7.30 per patient day for domiciliary care, \$17.05 per patient day for nursing home care, and \$6.00 per day for aid-in-attendance given directly to the patient. In addition, residents pay a maintenance fee to help offset the costs of services rendered to them.

The facility at Hollidaysburg is now providing both domiciliary and nursing care services for 379 veterans while the Erie Soldiers and Sailors Home provides 75 nursing care beds and 100 domiciliary beds.

An additional \$85,000 is recommended for the Hollidaysburg Veterans Home to provide additional staff necessary to meet Department of Health licensure standards.

Further hospital services became available in December 1986 at Spring City in Chester County at the site of the Southeastern Pennsylvania Veterans Center. Seventy-five domiciliary beds will be available during 1986-87 with an additional 75 domiciliary beds becoming available in 1987-88 year.

An additional \$439,000 is recommended in 1987-88 for this scheduled expansion and operational costs have been provided for the full fiscal year.

The projected measures for nursing and domiciliary care days are based on capacity rather than actual population.

| Institution | Projected July 1987 Capacity | Population July 1985 | Population July 1986 | Projected Population July 1987 | Projected Percent of Capacity |
|--------------------------------------|------------------------------------|-------------------------|-------------------------|--------------------------------------|-------------------------------------|
| Erie Soldiers and Sailors Home | 175 | 148 | 146 | 157 | 90% |
| Hollidaysburg Veterans Home | 379 | 378 | 373 | 375 | 99% |
| Southeastern Veterans Center | 75 | ..... | ..... | 71 | 95% |

Program Costs by Appropriation:

| | 1985-86 | 1986-87 | (Dollar Amounts in Thousands) | | | | |
|--------------------------------------|------------------|------------------|-------------------------------|------------------|------------------|------------------|------------------|
| | | | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Erie Soldiers and Sailors Home | \$ 2,918 | \$ 3,002 | \$ 3,228 | \$ 3,357 | \$ 3,491 | \$ 3,631 | \$ 3,776 |
| Hollidaysburg Veterans Home | 8,445 | 8,091 | 8,552 | 9,071 | 9,434 | 9,811 | 10,203 |
| Southeastern Veterans Center ..... | ..... | 2,440 | 3,770 | 3,921 | 4,078 | 4,241 | 4,410 |
| GENERAL FUND TOTAL | \$ 11,363 | \$ 13,533 | \$ 15,550 | \$ 16,349 | \$ 17,003 | \$ 17,683 | \$ 18,389 |

Disaster Assistance

OBJECTIVE: To achieve and maintain a readiness capability in units of the Pennsylvania National Guard for quick and effective response to State or Federal mobilization.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 9,162 | \$ 9,145 | \$ 9,253 | \$ 9,623 | \$ 10,008 | \$ 10,408 | \$ 10,827 |
| Federal Funds | 142 | 277 | 400 | 405 | 411 | 417 | 423 |
| Other Funds | 619 | 140 | 145 | 149 | 152 | 155 | 160 |
| TOTAL | \$ 9,923 | \$ 9,562 | \$ 9,798 | \$ 10,177 | \$ 10,571 | \$ 10,980 | \$ 11,410 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Total number of armories..... | 104 | 104 | 104 | 104 | 104 | 104 | 104 |
| Operating buildings | 267 | 267 | 267 | 267 | 267 | 267 | 267 |
| Pennsylvania National Guard personnel ... | 23,405 | 23,405 | 23,405 | 23,405 | 23,405 | 23,405 | 23,405 |
| Percentage of authorized strength level | 100% | 100% | 100% | 100% | 100% | 100% | 100% |

Program Analysis:

This program provides for the administrative, logistical and training support necessary for the Pennsylvania National Guard to maintain the 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. Of great concern is to have 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, an emergency operation center ties in to appropriate agencies in times of statewide emergency.

Included within this program are those activities essential to operate a network of 104 community armories which serve as training locations for the 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.

In the past, the majority of the 104 armories supported under this program had not been maintained adequately. The armories had deteriorated and essential maintenance and repair projects had been deferred from year to year. An appropriation of \$500,000 has been recommended to help reduce this backlog of essential maintenance and repair. Restoration of the armories is particularly important so that the life of these structures can be extended and the cost of new construction avoided.

Disaster Assistance (continued)

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|------------------------|------------------------|------------------------|-------------------------|-------------------------|-------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 8,662 | \$ 8,645 | \$ 8,753 | \$ 9,103 | \$ 9,467 | \$ 9,846 | \$ 10,242 |
| Armory Maintenance and Repair | 500 | 500 | 500 | 520 | 541 | 562 | 585 |
| TOTAL | <u><u>\$ 9,162</u></u> | <u><u>\$ 9,145</u></u> | <u><u>\$ 9,253</u></u> | <u><u>\$ 9,623</u></u> | <u><u>\$ 10,008</u></u> | <u><u>\$ 10,408</u></u> | <u><u>\$ 10,827</u></u> |

MILITARY AFFAIRS

Compensation and Assistance

OBJECTIVE: To provide advisory and financial assistance to eligible Pennsylvania veterans, National Guardsmen and their dependents.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|----------|----------|----------|----------|----------|----------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 2,420 | \$ 3,498 | \$ 3,501 | \$ 3,524 | \$ 3,548 | \$ 3,573 | \$ 3,599 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Veterans in Pennsylvania | 1,564,000 | 1,550,000 | 1,535,000 | 1,520,000 | 1,505,000 | 1,490,000 | 1,475,000 |
| Recipients of veterans emergency assistance | 16,323 | 18,000 | 17,000 | 17,000 | 17,000 | 16,500 | 16,000 |
| Recipients of blind veterans pensions | 136 | 140 | 140 | 140 | 140 | 140 | 140 |
| Students receiving financial aid | 65 | 75 | 75 | 80 | 85 | 90 | 95 |
| Students completing courses of instruction . | 25 | 25 | 30 | 35 | 35 | 35 | 35 |
| National Guard personnel receiving educational financial aid | 800 | 900 | 905 | 975 | 1,025 | 1,100 | 1,150 |
| Participants in paralyzed veterans program. | | 835 | 835 | 835 | 835 | 835 | 835 |

Program Analysis:

The Department of Military Affairs administers several aid programs within this subcategory.

Veterans Assistance — Temporary financial assistance is provided for eligible veterans, widows, widowers and dependents 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. During fiscal year 1985-86, there were 16,323 veterans and their dependents assisted under this program. With the improved economy, future year projections should stabilize and eventually decline.

Blind Veterans Pension — This program provides pensions of \$100 per month for those Pennsylvania veterans who incurred functional blindness while performing active military service. During fiscal year 1985-86, there were 136 veterans receiving this pension.

National Guard Pensions — This program is responsible for the payment of a pension to guardsmen, widows and dependent families. A National Guardsman who is injured or 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 under competent order or

authority, is eligible. Current law provides for a monthly pensions for dependents to a maximum of \$300 per month for a period of ten years. In the case of minor children of a deceased member, the pension is paid until the minor child reaches 18 years of age and a tuition credit of 50 percent at all State-owned universities or approved trade schools for a period not exceeding eight semesters or four years is also authorized for children of deceased guard personnel who are killed or die while on State active duty.

Education of Children of Deceased and Disabled Veterans — This program provides financial assistance of \$200 per semester to children of eligible deceased or 100 percent disabled veterans attending institutions of higher learning or other schools to receive higher education and/or training within the Commonwealth. This program is separate from any scholarship program administered by the Pennsylvania Higher Education Assistance Agency (PHEAA). During fiscal year 1985-86, there were 65 eligible veterans' children receiving the educational gratuity. It is anticipated that there will be a slight increase in the number of participants in this program since the children of eligible Korean and Vietnam Conflict veterans are reaching college age and social security educational benefits have been eliminated.

Compensation and Assistance (continued)

Program Analysis: (continued)

Current law provides for a \$200 per semester allowance. The recommended amount assumes that the Governor's proposal to increase the reimbursement to \$500 per semester will be enacted. The program measures for this program have been adjusted downward this year because the program did not grow as rapidly as previously anticipated.

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 will be one-half of the cost of the credit, with a maximum of \$40 per credit

while satisfactorily enrolled. Assistance is limited to a maximum of six credits per quarter or semester or twelve credits per year.

Paralyzed Veterans Pension — This program, which became effective July 1, 1986, provides a pension of \$100 per month to those Pennsylvania veterans who have lost the use of two or more extremities while serving an active duty in the armed forces of the United States during an established war, armed conflict or combat-related activity in peacetime. A new program measure has been added to reflect the activity of this program.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 523 | \$ 579 | \$ 582 | \$ 605 | \$ 629 | \$ 654 | \$ 680 |
| Education of Veterans Children | 32 | 75 | 75 | 75 | 75 | 75 | 75 |
| Education — National Guard | 305 | 305 | 305 | 305 | 305 | 305 | 305 |
| Veterans Assistance | 1,327 | 1,328 | 1,328 | 1,328 | 1,328 | 1,328 | 1,328 |
| Blind Veterans Pensions | 163 | 169 | 169 | 169 | 169 | 169 | 169 |
| National Guard Pension | 20 | 20 | 20 | 20 | 20 | 20 | 20 |
| National Guard Unemployment Compensation | 50 | ..... | ..... | ..... | ..... | ..... | ..... |
| Paralyzed Veterans Pension ..... | ..... | 1,022 | 1,022 | 1,022 | 1,022 | 1,022 | 1,022 |
| GENERAL FUND TOTAL | <u>\$ 2,420</u> | <u>\$ 3,498</u> | <u>\$ 3,501</u> | <u>\$ 3,524</u> | <u>\$ 3,548</u> | <u>\$ 3,573</u> | <u>\$ 3,599</u> |

Milk Marketing Board

The Milk Marketing Board supervises, inspects and regulates the milk industry of the Commonwealth and establishes reasonable trade control and marketing practices.

MILK MARKETING BOARD

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| Transfer to Milk Marketing Board | \$ 975 | \$ 950 | \$ 950 |
| GENERAL FUND TOTAL | <u>\$ 975</u> | <u>\$ 950</u> | <u>\$ 950</u> |
| | | | |
| Milk Marketing Fund | | | |
| General Government | | | |
| General Operations | \$ 606 | \$ 784 | \$ 715 |
| TOTAL STATE FUNDS | <u>\$ 606</u> | <u>\$ 784</u> | <u>\$ 715</u> |
| MILK MARKETING FUND TOTAL | <u>\$ 606</u> | <u>\$ 784</u> | <u>\$ 715</u> |
| | | | |
| Department Total — All Funds | | | |
| General Fund | \$ 975 | \$ 950 | \$ 950 |
| Special Funds | 606 | 784 | 715 |
| TOTAL ALL FUNDS | <u>\$ 1,581</u> | <u>\$ 1,734</u> | <u>\$ 1,665</u> |

GRANTS AND SUBSIDIES

| | (Dollar Amounts in Thousands) | | |
|-----------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Milk Marketing Board | | | |
| State Funds | \$ 975 | \$ 950 | \$ 950 |

The Milk Marketing Board is a special fund agency financed from license fees, permit fees and fines. This General Fund appropriation is made to provide sufficient funds for the board's operations. In 1985-86, \$25,000 was included for a one-time milk pricing study.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Transfer to Milk Marketing Board | <u>\$ 975</u> | <u>\$ 950</u> | <u>\$ 950</u> |

MILK MARKETING FUND

| | (Dollar Amounts in Thousands) | | |
|---------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Operations | | | |
| State Funds | \$ 606 | \$ 784 | \$ 715 |
| Augmentations | 975 ^a | 950 ^a | 950 ^a |
| TOTAL | <u>\$ 1,581</u> | <u>\$ 1,734</u> | <u>\$ 1,665</u> |

Supervises, inspects and regulates the milk industry of the Commonwealth and establishes reasonable trade control and marketing practices.

Formulates policy; holds public hearings and subsequently issues and enforces General Marketing Orders, rules and regulations; handles all legal matters including prosecution and levying of penalties against violators of the Milk Marketing Law.

| | (Dollar Amounts in Thousands) | | |
|----------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Executive Authorization: | | | |
| General Operations | \$ 606 | \$ 784 | \$ 715 |
| Augmentation: | | | |
| Transfer from General Fund | 975 | 950 | 950 |
| TOTAL | <u>\$ 1,581</u> | <u>\$ 1,734</u> | <u>\$ 1,665</u> |

^aAugmentation includes the transfer from the General Fund, which is not carried forward to the Summary by Fund and Appropriation to avoid double counting.

MILK MARKETING BOARD

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|-----------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Consumer Protection | \$ 1,581 | \$ 1,734 | \$ 1,665 | \$ 1,665 | \$ 1,665 | \$ 1,665 | \$ 1,665 |
| Regulation of Milk Industry | 1,581 | 1,734 | 1,665 | 1,665 | 1,665 | 1,665 | 1,665 |
| DEPARTMENT TOTAL | <u>\$ 1,581</u> | <u>\$ 1,734</u> | <u>\$ 1,665</u> |

MILK MARKETING BOARD

Regulation of Milk Industry

OBJECTIVE: To maintain an adequate supply of wholesome fluid milk.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 975 | \$ 950 | \$ 950 | \$ 950 | \$ 950 | \$ 950 | \$ 950 |
| Special Funds | 606 | 784 | 715 | 715 | 715 | 715 | 715 |
| TOTAL | <u>\$ 1,581</u> | <u>\$ 1,734</u> | $ 1,665 | $ 1,665 | $ 1,665 | $ 1,665 | <u>\$ 1,665</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Supply of fluid milk to demand for fluid milk | 126% | 126% | 126% | 126% | 126% | 126% | 126% |
| Public hearings held ..... | ..... | 6 | 6 | 6 | 6 | 6 | 6 |
| Licenses and permits issued | 2,944 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| Dealer audits made to determine compliance with rules and regulations | 1,680 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 |
| Citations issued against license violators ... | 101 | 90 | 90 | 90 | 90 | 90 | 90 |

Program Analysis:

A significant new function of the Milk Marketing Board has resulted from the enactment of the Milk Producers' Security Act 136 of 1984. Under this act, in order to protect producers, each milk dealer must file with the board either a corporate surety or a collateral bond. The bond must be in an amount equal to a minimum of 30 percent or a maximum of 75 percent of the highest aggregate amount owed by the dealer to producers during any 40 day period in the preceding 12 months.

If a dealer elects to have the minimum bond of 30 percent as opposed to the maximum coverage of 75 percent, the dealer must also pay each month into the Milk Producers Security Fund two cents per hundredweight on all milk purchased from producers during the prior month. This fund, as well as bonds posted by dealers, are to be used to reimburse milk producers for payments owed them by any dealers declaring bankruptcy. Under certain financial conditions, a trusteeship arrangement for financially troubled dealers may be required by the board.

The board's major function continues to be that of insuring an adequate milk supply by the setting of 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. The majority of Commonwealth farmers are covered by Federal Orders, which are prices established in Washington that must be paid to producers. Pennsylvania's Milk Marketing Board, however, establishes prices that must be paid to producers as well as minimum prices stores can charge consumers. The board also has the authority to set maximum prices, but as yet this has not been done.

In areas influenced by Federal Orders, the Federal Order pricing system is adopted by the board for minimum prices paid to producers. In these areas the Federal Order producer class price and the Pennsylvania Milk Marketing Board producer class price are the same.

For the consumer, the price for milk is set in a bracketing system so that depending on the marketing area, an eighteen or twenty cent increase or decrease in the producer price will increase or decrease the price of a gallon of standard milk two cents, a half-gallon one cent, and a quart one half-cent.

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

Regulation of Milk Industry (continued)

Program Analysis: (continued)

percent of fluid sales a proper balance exists between supply and demand for milk. If the ratio exceeds the 125 percent level by more than eight percentage points, it 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 measurements used to construct this ratio are milk receipts for fluid consumption and fluid milk sales in Pennsylvania.

In addition to price policy, the board licenses milk dealers of various classes, milk haulers, weighers and testers. The number of licenses and permits issued declined in 1985-86 and it is anticipated that the number of licenses and per-

mits issued in the current and future years will remain relatively constant.

The number of public hearings held are based on market conditions during any fiscal year. Public hearings may be requested at any time by members of the milk industry, consumers or any of the board's six milk marketing areas. During 1985-86, no hearings were requested to be held.

Dealer audits are performed to determine compliance with pertinent laws and regulations. The board also issues citations against license violators. As a result of Act 136, the new uniform system of accounts and the availability of unit cost data, the number of audits is expected to increase.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|---------|---------|---------|---------|---------|---------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Transfer to Milk Marketing Fund | \$ 975 | \$ 950 | \$ 950 | \$ 950 | \$ 950 | \$ 950 | \$ 950 |
| MILK MARKETING FUND | | | | | | | |
| General Operations | \$ 606 | \$ 784 | \$ 715 | \$ 715 | \$ 715 | \$ 715 | \$ 715 |

Board of Probation and Parole

The Board of Probation and Parole rehabilitates and supervises persons on probation or parole, helping them to reintegrate within society. The board attempts to allow an early and controlled release of persons from correctional institutions as well as detect those who cannot adjust to the community. Beyond cases normally under the State's jurisdiction, State probation services and presentence investigations are provided upon request from the courts.

BOARD OF PROBATION AND PAROLE

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|-------------------------|-------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| General Government Operations | <u>\$ 19,475</u> | <u>\$ 19,975</u> | <u>\$ 21,352</u> |
| Grants and Subsidies | | | |
| Improvement of Adult Probation Services | <u>\$ 7,000</u> | <u>\$ 10,059</u> | <u>\$ 13,430</u> |
| TOTAL STATE FUNDS | <u><u>\$ 26,475</u></u> | <u><u>\$ 30,034</u></u> | <u><u>\$ 34,782</u></u> |
| Federal Funds ..... | . . . . . | \$ 38 | \$ 19 |
| GENERAL FUND TOTAL | <u><u>\$ 26,475</u></u> | <u><u>\$ 30,072</u></u> | <u><u>\$ 34,801</u></u> |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| State Funds | \$ 19,475 | \$ 19,975 | \$ 21,352 |

Seeks to reduce the incidence of criminal recidivism by providing parolees and probationers with supervision, counseling and treatment to enable them to satisfactorily adjust to society. Conducts presentence investigations to assist the courts in making sentencing decisions.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| General Government Operations | \$ 19,475 | \$ 19,575 | \$ 21,352 |
| Government Operations — Recommended Supplemental ..... | . . . . . | 400 | |
| TOTAL | <u>\$ 19,475</u> | <u>\$ 19,975</u> | <u>\$ 21,352</u> |

GRANTS AND SUBSIDIES

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Improvement of Adult Probation Services | | | |
| State Funds | \$ 7,000 | \$ 10,059 | \$ 13,430 |
| Federal Funds ..... | . . . . . | 38 | 19 |
| TOTAL | <u>\$ 7,000</u> | <u>\$ 10,097</u> | <u>\$ 13,449</u> |

Assists counties in improving adult probation services by providing funds for probation officers who meet standards established by the board.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Improvement of Adult Probation Services | \$ 7,000 | \$ 10,059 | \$ 13,430 |
| Federal Funds: | | | |
| Improvement of Adult Probation Services ..... | . . . . . | 38 | 19 |
| TOTAL | <u>\$ 7,000</u> | <u>\$ 10,097</u> | <u>\$ 13,449</u> |

BOARD OF PROBATION AND PAROLE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in 'Thousands) | | | | | | |
|---|--------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 2,159 | \$ 2,177 | \$ 2,384 | \$ 2,530 | \$ 2,631 | \$ 2,736 | \$ 2,845 |
| Control and Reduction of Crime | \$ 24,316 | \$ 27,857 | \$ 32,398 | \$ 33,486 | \$ 34,288 | \$ 35,122 | \$ 35,990 |
| Reintegration of the Adult Offender | 24,316 | 27,857 | 32,398 | 33,486 | 34,288 | 35,122 | 35,990 |
| DEPARTMENT TOTAL | <u>\$ 26,475</u> | <u>\$ 30,034</u> | <u>\$ 34,782</u> | <u>\$ 36,016</u> | <u>\$ 36,919</u> | <u>\$ 37,858</u> | <u>\$ 38,835</u> |

PROBATION AND PAROLE

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>\$ 2,159</u> | <u>\$ 2,177</u> | <u>\$ 2,384</u> | <u>\$ 2,530</u> | <u>\$ 2,631</u> | <u>\$ 2,736</u> | <u>\$ 2,845</u> |

Program Analysis:

General Administration and Support provides the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary

concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

An additional \$40,000 is provided in 1987-88 for the board to participate in the integrated computer network for criminal justice agencies.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | <u>\$ 2,159</u> | <u>\$ 2,177</u> | <u>\$ 2,384</u> | <u>\$ 2,530</u> | <u>\$ 2,631</u> | <u>\$ 2,736</u> | <u>\$ 2,845</u> |

PROBATION AND PAROLE

Reintegration of the Adult Offender

OBJECTIVE: To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 24,316 | \$ 27,857 | \$ 32,398 | \$ 33,486 | \$ 34,288 | \$ 35,122 | \$ 35,990 |
| Federal Funds ..... | ..... | 38 | 19 | ..... | ..... | ..... | ..... |
| TOTAL | \$ 24,316 | \$ 27,895 | \$ 32,417 | \$ 33,486 | \$ 34,288 | \$ 35,122 | \$ 35,990 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Probationers and parolees in case load: | | | | | | | |
| County | 75,213 | 76,717 | 78,251 | 79,033 | 79,823 | 79,823 | 79,823 |
| State | 16,498 | 17,158 | 17,673 | 18,026 | 18,206 | 18,388 | 18,572 |
| Annual addition to caseload population ... | 7,689 | 7,996 | 8,236 | 8,401 | 8,485 | 8,570 | 8,656 |
| Investigative reports completed | 9,380 | 9,626 | 9,734 | 9,776 | 9,852 | 9,852 | 9,852 |
| Annual caseload additions likely to return to prison for technical violations and/or new offense | 2,384 | 2,559 | 2,718 | 2,772 | 2,800 | 2,828 | 2,856 |
| And as a percent of annual additions to caseload | 31% | 32% | 33% | 33% | 33% | 33% | 33% |
| Average cases per parole agent | 78 | 77 | 80 | 81 | 82 | 83 | 84 |

Program Analysis:

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.

Among the 16,498 clientele under the board's supervision in June, 1986, about 61 percent were State parolees. The remaining balance of the State's caseload consisted of 23 percent from county court certifications to State supervision and 16 percent other states' cases residing in Pennsylvania under the Interstate Compact Agreement. The State's caseload is 18 percent of the approximately 91,711 active probationers and parolees in the Commonwealth. With the continued growth in prison populations in the Commonwealth, the probation and parole population will also continue to increase. \$235,000 is recommended to administer the increase in caseload as a result of new correctional institutions opening in 1986-87 and 1987-88.

The Pennsylvania Board of Probation and Parole's primary goal is to protect the community from crime

Reintegration of the Adult Offender (continued)**Program Analysis: (continued)**

through a process of supervising offenders who are serving sentences in the community. In order to effectively manage increasing workloads, the agency embarked upon the development of a workload management system three years ago to effectively budget workload. This program has been developed using workload budgeting concepts. The basis of workload budgeting is that work can be classified into categories and measured using time studies. Once average manpower time requirements are known for categories of work, then aggregate manpower time requirements can be compared with staff manhours available. This comparison is an assessment of the capacity of personnel to do the work expected of them. It also provides a means of setting priorities on work when manhours required exceed manhours available. The workload budget presents a level of agents required to supervise a given population size at minimum supervision standards.

Parole performance is measured by a three year parole outcome for aggregate cohort groups spanning over a five year period. This measure determines the percent of clients in a release cohort who fail or succeed after three years of supervision. About 31 percent of the most recent aggregate cohort population were recommitted to prison after three years of supervision. This compares to 28 percent and 27 percent failure rates for the two previous aggregate cohort groups.

Increases in percentages who fail among new release groups translates into increases in parole violators among the total supervised population who are returned to prison. During the 1985-86 fiscal year, 1,772 technical and criminal violators were returned to prison by the board; this represents 11 clients recommitted for every 100 cases under supervision.

It is anticipated in the program measures that the percentage of future new cases received for supervision who succeed and fail will be contingent upon the availability of manpower to impact upon client social service needs and the surveillance requirements of effective supervision.

Investigation work outputs include five major types of investigative reports prepared by agents: preparole investigations, presentence investigations, Pardon Board investigations, prison classification summaries, and background investigations for other states' cases. During the 1985-86 fiscal year, approximately 9,380 major investigative reports were completed by agents. These case investigations constitute a major component of an agent's workload beyond the requirements of supervising cases. They are reflected in the board's workload program measures based upon average time requirements to complete reports.

One useful measure of program effectiveness is client

employment which is an underlying factor affecting recidivism and has primary economic benefits to the Commonwealth. Employed offenders serving sentences on the street are taxpayers as well as tax burdens. The unemployment rate among offenders who are able to work in June, 1986 was 29 percent. Major program efforts are continuing to reduce the rate of unemployment.

When examining correctional programming alternatives in terms of costs and benefits, it is noteworthy that probation and parole supervision provides tax revenue benefits at an estimated 12 million dollars per annum and also provides correctional services at a lower cost than incarceration. Comparable budgetary data reveals that it costs the Commonwealth approximately ten times less to supervise a client compared to housing an inmate in an institution; this is a persuasive factor when examining the efficacy of probation and parole supervision as a cost-effective alternative to incarceration.

In addition to its supervision responsibilities, 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. During fiscal year 1985-86, there were 4,753 inmates considered for which 67 percent were granted parole.

Explicit parole guidelines are used in the decision making process in order to structure discretion and maintain fairness in the system. In addition, there were 4,187 case hearings during the last fiscal year in the board's two tiered hearing process to adjudicate alleged parole violators. Among these, 16 percent were full board hearings; a quorum of the board held an average of 57 full board hearings each month. Parole violation dispositions also have decision guidelines in the form of presumptive ranges for prison time based on offense after the parole violation is established in a second level hearing. The effect of these successful program efforts in decision making is that justice is administered fairly and decision making policy is more accountable to the public.

Case decision making and client supervision depend heavily on case recordkeeping and support service manhours. In order to reduce paper burdens and enhance recordkeeping capabilities, the data processing telecommunications system was expanded to field and institutional parole offices. The computer's information storage and retrieval capabilities along with word processing provide managers with greater access to the data they supply and need to control work activity.

The board has identified program goals for the budget year as part of a strategic planning process. The official

Reintegration of the Adult Offender (continued)

Program Analysis: (continued)

agency goals for fiscal year 1987-88 are: to expand the use of modern technology in electronic data processing and telecommunications in order to improve productivity in recordkeeping and management information as well as to integrate criminal justice information systems; to explore the development of other alternatives in the sanctioning of established violators; to develop a management strategy to completely integrate into the agency's operations the board's case classification and workload management program; to develop community service/work programs for select offenders in all district offices; and to refine board programming to bring about full realization of the legislative intent of 1986 revisions to the Probation and Parole Act. These goals describe the priorities of managers of probation and parole services as they continue to improve productivity and maintain program effectiveness.

In addition to the operation of State parole, the board has had the responsibility of administering a grant-in-aid program for the continuation and improvement of county adult probation personnel and services since 1966-67. The grant-in-aid program provides funds to any county which adds probation staff for presentence investigations and for

improved probation supervision and program. For fiscal year 1986-87, the grant-in-aid appropriation was approved to provide 65 percent of eligible personnel salaries of the counties total eligible grants. Act 134 of 1986, which amended the Probation and Parole Act, requires the board to reimburse counties 80 percent of eligible personnel salaries. An additional \$3.3 million has been provided for the 80 percent reimbursement rate

As a result of the board switching to a workload management system, program measures have been changed and adjusted to reflect this change. Last year, the caseload likely to return to prison and inmates released on parole or reparole included new parolees only. This year, these program measures reflect the full caseload which includes cases certified and referred by the court system, Parole Board cases, and other states' cases. Likewise, the program measure last year for investigations conducted included only preparole and presentence investigations. This year, the program measure includes these two areas and Pardon Board investigations, prison classification summaries and background investigations for other states' cases.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 17,316 | \$ 17,798 | \$ 18,968 | \$ 20,056 | \$ 20,858 | \$ 21,692 | \$ 22,560 |
| Improvement of Adult Probation Services | 7,000 | 10,059 | 13,430 | 13,430 | 13,430 | 13,430 | 13,430 |
| GENERAL FUND TOTAL | <u>\$ 24,316</u> | <u>\$ 27,857</u> | <u>\$ 32,398</u> | <u>\$ 33,486</u> | <u>\$ 34,288</u> | <u>\$ 35,122</u> | <u>\$ 35,990</u> |

Public Television Network

The Public Television Network promotes and encourages public television in Pennsylvania. The network facilities provide services to the seven public television stations including the recording, storage, and delivery of programs and the interconnection of the stations for statewide program production and exchange. The network also administers a program of grants to support station operations, instructional television services, program production, and program acquisition.

PUBLIC TELEVISION NETWORK

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| Public Television Network — General Government Operations . | \$ 2,635 | \$ 2,692 | \$ 2,768 |
| Public Television Network — Public Television Station Grants . | 6,150 | 6,550 | 6,870 |
| Subtotal | <u>\$ 8,785</u> | <u>\$ 9,242</u> | <u>\$ 9,638</u> |
| TOTAL STATE FUNDS | <u>\$ 8,785</u> | <u>\$ 9,242</u> | <u>\$ 9,638</u> |
| Augmentations ..... | . . . . | \$ 168 | |
| GENERAL FUND TOTAL | <u>\$ 8,785</u> | <u>\$ 9,410</u> | <u>\$ 9,638</u> |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| State Funds | \$ 2,635 | \$ 2,692 | \$ 2,768 |
| Augmentations ..... | ..... | 168 | ..... |
| Total | <u>\$ 2,635</u> | <u>\$ 2,860</u> | <u>\$ 2,768</u> |

Promotes the growth and improvement of public television in Pennsylvania. Operates network facilities connecting the seven public television stations that allow a variety of programs to be broadcast simultaneously or separately.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| General Government Operations | \$ 2,635 | \$ 2,692 | \$ 2,768 |
| Augmentations: | | | |
| Services for the Hearing Impaired ..... | ..... | 130 | ..... |
| ITV Station Contributions ..... | ..... | 38 | ..... |
| Total | <u>\$ 2,635</u> | <u>\$ 2,860</u> | <u>\$ 2,768</u> |

GRANTS AND SUBSIDIES

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Public Television Station Grants | | | |
| State Funds | \$ 6,150 | \$ 6,550 | \$ 6,870 |

Provides grants to the seven public television stations for operations, programming, instructional television, and station equipment.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Public Television Station Grants | <u>\$ 6,150</u> | <u>\$ 6,550</u> | <u>\$ 6,870</u> |

PUBLIC TELEVISION NETWORK

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-----------------|-----------------|-----------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 2,635 | \$ 2,692 | \$ 2,768 | \$ 2,879 | \$ 2,994 | \$ 3,114 | \$ 3,239 |
| General Administration and Support | 2,635 | 2,692 | 2,768 | 2,879 | 2,994 | 3,114 | 3,239 |
| Recreation and Cultural Enrichment | \$ 6,150 | \$ 6,550 | \$ 6,870 | \$ 7,076 | \$ 7,288 | \$ 7,507 | \$ 7,732 |
| Public Television Services | 6,150 | 6,550 | 6,870 | 7,076 | 7,288 | 7,507 | 7,732 |
| DEPARTMENT TOTAL | <u>\$ 8,785</u> | <u>\$ 9,242</u> | <u>\$ 9,638</u> | <u>\$ 9,955</u> | <u>\$ 10,282</u> | <u>\$ 10,621</u> | <u>\$ 10,971</u> |

PUBLIC TELEVISION NETWORK

General Administration and Support

OBJECTIVE: To provide for the development and coordination of noncommercial public television in Pennsylvania.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 2,635 | \$ 2,692 | \$ 2,786 | \$ 2,879 | \$ 2,994 | \$ 3,114 | \$ 3,239 |
| Other Funds ..... | ..... | 168 | ..... | ..... | ..... | ..... | ..... |
| TOTAL | <u>\$ 2,635</u> | <u>\$ 2,860</u> | <u>\$ 2,768</u> | <u>\$ 2,879</u> | <u>\$ 2,994</u> | <u>\$ 3,114</u> | <u>\$ 3,239</u> |

Program Analysis:

The Pennsylvania Public Television Network Commission, created in 1968, governs the public television network, performs statewide coordinating functions, and makes grants for various purposes to each of the stations. Through the network each station has access to programs produced by other Pennsylvania stations as well as programs acquired from outside sources.

The duties of the PPTN Commission are operation of the network interconnection service and aid to the network stations for broadcast operations, instructional television services, programming and capital facilities. The network operation provides statewide promotion and audience research services, guidance and coordination for special projects such as instructional television, and leadership of the system through the commission.

The microwave system linking the stations and the network operating center in Hershey is the only system in the Commonwealth permitting the full time distribution of video signals to the major population centers of the Commonwealth. The system is used for the distribution of programming, however, because of the nature of television broadcasting operations, significant time periods can be

identified in which the system can be made available for other uses. The network commission's initiative to promote and support the use of the system for video-conferencing by State agencies will continue to result in a reduction of travel time and expense for State agencies.

Videotape equipment used by the network commission for provision of programming to the stations is over fifteen years old and in need of replacement. \$120,000 is included to replace two videotape recorders in the budget year. It is anticipated that two videotape recorders will be replaced in the succeeding two budget years. A small savings will occur after replacement with the use of less expensive videotape and smaller repair costs for the new equipment.

Over the past two years the Commission has been promoting videoconferencing for State agencies as a cost savings method of gathering staff from across the Commonwealth for meetings and training. The concept has met with success, however, the equipment available is inappropriate for small group conferencing; \$70,000 is included for the equipment needed to make small group use feasible. Those funds are expected to produce a three year cost savings of \$122,000.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 2,635 | \$ 2,692 | \$ 2,768 | \$ 2,879 | \$ 2,994 | \$ 3,114 | \$ 3,239 |
| GENERAL FUND TOTAL | <u>\$ 2,635</u> | <u>\$ 2,692</u> | <u>\$ 2,768</u> | <u>\$ 2,879</u> | <u>\$ 2,994</u> | <u>\$ 3,114</u> | <u>\$ 3,239</u> |

PUBLIC TELEVISION NETWORK

Public Television Services

OBJECTIVE: To provide for the development and support of Pennsylvania's noncommercial public television stations.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>\$ 6,150</u> | <u>\$ 6,550</u> | <u>\$ 6,870</u> | <u>\$ 7,076</u> | <u>\$ 7,288</u> | <u>\$ 7,507</u> | <u>\$ 7,732</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Households watching public television at least once a week | 2,234,000 | 2,240,000 | 2,260,000 | 2,280,000 | 2,300,000 | 2,320,000 | 2,350,000 |
| Contributing memberships | 220,000 | 235,000 | 245,000 | 250,000 | 260,000 | 270,000 | 280,000 |
| Original programming as a percentage of total broadcasting | 6.1% | 6.0% | 5.8% | 5.6% | 5.5% | 5.4% | 5.3% |

Program Analysis:

The Pennsylvania Public Television Network (PPTN) links the seven independent noncommercial television stations in Pennsylvania to create a system in which the stations provide programming through independent and group efforts to the people of Pennsylvania. The stations are located in Bethlehem, Erie, Philadelphia, Pittsburgh, Pittston, University Park, and Harrisburg,.

On the average, each PPTN member station offers 6,000 hours of programming a year which includes instructional programming selected by teachers and administrators for use in Pennsylvania's elementary and secondary classrooms. Subject matter of the seventy plus series ranges from current affairs and science to music, art and Pennsylvania history and culture. The broadcast schedule also provides programs for children not yet in school or for viewing after school hours. Series such as Sesame Street, 3-2-1 Contact, Reading Rainbow, Mister Roger's Neighborhood, The Electric Company and many others, not only entertain but help instruct. Audience research shows that about 80 percent of all children between the ages of two and five are regular viewers of public television programming.

Approximately half of each station's schedule provides general and special interest programming for families and adults. Quality music, drama and dance performances are regular evening features. Public affairs programs examine local, State, national and global issues and events. Special interests are served with programs ranging from gardening

and college courses to physical fitness and ethnic or cultural interests. Each station develops its schedule to serve the needs of Pennsylvanians within its viewing area, making use of programs from all available sources.

The estimate of the number of households in the State watching public television has been substantially revised from that shown in previous years. According to a Neilson survey taken earlier this year, over 2.2 million households are now regular viewers of public television programs.

Funding for non-commercial public television in Pennsylvania comes from several sources: foundations, business and industry, 27.6 percent; members and contributors, 33.7 percent; universities, schools and local government, 5.1 percent; Commonwealth appropriations to the PPTN Commission, 16.6 percent; Federal funds through the Corporation for Public Broadcasting and other Federal programs, 12.2 percent; and 4.8 percent from other miscellaneous sources.

Instructional Television (ITV) provides funds to the stations to support the costs of delivering instructional television to the school districts. The ITV personnel at stations coordinate and/or conduct teacher training workshops, compile and distribute teacher guides, arrange preview sessions for program evaluation, and work with school and Intermediate Unit personnel in the selection, coordination, scheduling, and evaluation of the programming.

Public Television Services (continued)

Program Analysis: (continued)

One of the important services provided by public television stations is the production and statewide broadcast of programs and series which respond to the needs and interests of concerned Pennsylvanians in areas such as public affairs, culture, recreation and education. The key purpose of this programming is to provide information which will give viewers an opportunity to analyze and understand the

issues and options and will provide for informed participation in the resolution of Pennsylvania's problems.

The cost of acquisition of programming from the Public Broadcasting Service and other national sources is increasing by about twelve percent this year; program acquisition funds are increased by \$123,000 to mitigate the effect of that increase

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Public Television Station Grants | <u>\$ 6,150</u> | <u>\$ 6,550</u> | <u>\$ 6,870</u> | <u>\$ 7,076</u> | <u>\$ 7,288</u> | <u>\$ 7,507</u> | <u>\$ 7,732</u> |

Public Utility Commission

The Public Utility Commission insures that safe and adequate public utility services are available at fair and reasonable rates. This is accomplished through enforcement of the Public Utility Law and promulgation of regulations adopted by the Commission.

The Commission is comprised of five members appointed by the Governor with Senate confirmation.

The dollar amounts shown are not appropriations from the General Fund. The Commission receives a budgetary authorization ceiling and then bills the utilities for the amounts of the approved estimate of expenditures and expends directly from the funds collected.

PUBLIC UTILITY COMMISSION

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|---------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| Federal Funds | \$ 652 | \$ 662 | \$ 560 |
| Restricted Revenue | 24,290 | 24,800 | 25,989 |
| GENERAL FUND TOTAL | <u>\$ 24,942</u> | <u>\$ 25,462</u> | <u>\$ 26,549</u> |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| Federal Funds | \$ 652 | \$ 662 | \$ 560 |
| Restricted Revenue | 24,290 | 24,800 | 25,989 |
| TOTAL | <u>\$ 24,942</u> | <u>\$ 25,462</u> | <u>\$ 26,549</u> |

Protects the consumer by regulating the rates charged by the public utility companies and by developing a comprehensive, long-range plan to assure adequate utility capacity for the future. Inspects railroad grade crossings to insure compliance with safety standards.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Federal Funds: | | | |
| Natural Gas Pipeline Safety | \$ 140 | \$ 140 | \$ 115 |
| Railroad Safety | 252 | 262 | 185 |
| Motor Carrier Safety | 260 | 260 | 260 |
| Restricted Revenue: | | | |
| General Government Operations ^a | 24,290 | 24,800 | 25,989 |
| TOTAL | <u>\$ 24,942</u> | <u>\$ 25,462</u> | <u>\$ 26,549</u> |

^aAppropriation from a restricted revenue account.

PUBLIC UTILITY COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Consumer Protection | | | | | | | |
| Regulation of Public Utilities ^a | | | | | | | |
| DEPARTMENT TOTAL | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> |

^aAll Funds are other than General or Special Funds.

PUBLIC UTILITY COMMISSION

Regulation of Public Utilities

OBJECTIVE: To ensure that safe and adequate public utility services are available to the public at fair and reasonable rates.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Federal Funds | \$ 652 | \$ 662 | \$ 560 | \$ 560 | \$ 588 | \$ 617 | \$ 648 |
| Other Funds | 24,290 | 24,800 | 25,989 | 27,029 | 28,110 | 29,234 | 30,403 |
| TOTAL | \$ 24,942 | \$ 25,462 | \$ 26,549 | \$ 27,589 | \$ 28,698 | \$ 29,851 | \$ 31,051 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Utilities regulated: | | | | | | | |
| Electric | 17 | 17 | 17 | 17 | 17 | 17 | 17 |
| Others | 4,949 | 4,958 | 4,933 | 4,968 | 4,968 | 4,973 | 4,973 |
| Rate increases requested (millions): | | | | | | | |
| Electric | 1,042 | 490 | 1,042 | 552 | 1,073 | 613 | 613 |
| Others | 658 | 310 | 658 | 348 | 677 | 387 | 387 |
| Rate increases approved: (millions): | | | | | | | |
| Electric | 438 | 210 | 439 | 240 | 451 | 235 | 481 |
| Others | 291 | 140 | 291 | 160 | 299 | 170 | 319 |
| Service Termination Mediations | 14,272 | 13,843 | 13,428 | 13,025 | 12,634 | 12,634 | 12,634 |
| Audits conducted: | | | | | | | |
| Financial | 30 | 30 | 32 | 32 | 34 | 34 | 34 |
| Energy/Fuel | 76 | 76 | 76 | 76 | 76 | 76 | 76 |
| Management | 8 | 6 | 7 | 7 | 8 | 8 | 8 |
| Consumer complaints investigated | 6,738 | 7,411 | 8,152 | 8,968 | 9,865 | 10,851 | 10,851 |
| Rail safety investigations conducted | 60,946 | 62,000 | 62,000 | 62,000 | 62,000 | 62,000 | 62,000 |
| Motor safety compliance checks | 6,022 | 6,800 | 6,800 | 6,800 | 6,800 | 6,800 | 6,800 |
| Gas safety inspections and investigations | 973 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 |

Program Analysis:

The Pennsylvania Public Utility Commission's responsibilities and the service which it performs as an arm of the General Assembly are to further the intent of that legislative body, as expressed in the Public Utility Code, that safe and adequate service be 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 proper-

ty by railroad, aircraft, boat, ferry, and motor carrier; and transportation of certain products by pipeline.

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 carriers by motor vehicle, and to establish accounting and service requirements for them;

Regulation of Public Utilities (continued)**Program Analysis: (continued)**

- 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 account 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 ser-

- vices between public utilities and their affiliates; and
- assess all its expenses on utilities in accordance with Act 33 of March 3, 1972.

Act 1986-114, which resulted from the recent sunset review of the commission, mandates the conduct of management efficiency investigations and construction cost audits. The responsibilities of the commission have increased significantly over the last several years as a result of this and other new legislation. Additional funding in the amount of \$291,000 has been included in this budget to carry out these increased responsibilities.

Several program measures are significantly higher than projected for 1985-86. Consumer complaints investigations, rail safety investigations, motor safety compliance checks and management audits increased over projections because of a shift in the commission's priorities.

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 through administration of program services and indirectly through programs of standard setting, regulation, supervision, licensing, grants subsidies and purchase of services.

The public welfare system is headed by a Secretary who is served by an Advisory Public Welfare Board.

The actual delivery of welfare services is executed through regional offices, county boards of assistance and various types of institutions.

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

| Appropriation | Title | 1987-88 State Funds (in thousands) |
|-----------------------------------|---------------------------|---|
| General Fund | | |
| Cash Grants | Cash Grant Increase | \$ 15,452 |
| Medical Assistance— Outpatient | Cash Grant Increase | 375 |
| Medical Assistance— Inpatient | Cash Grant Increase | 725 |
| | Subtotal | \$ 16,552 |

This Program Revision would provide for the implementation of a cash grant increase effective January 1, 1988 for all family sizes.

| | | |
|------------------------|------------------------------|----------|
| Child Abuse Prevention | Child Abuse Prevention | \$ 2,500 |
|------------------------|------------------------------|----------|

This Program Revision provides for development of new child abuse prevention treatment and family support services.

| | | |
|---------------------|---------------------------|----------|
| Homeless Assistance | Homeless Assistance | \$ 4,300 |
|---------------------|---------------------------|----------|

This Program Revision provides for the expansion of services to homeless individuals and families.

| | |
|--|----------------------------|
| | DEPARTMENT TOTAL \$ 23,352 |
|--|----------------------------|

DEPARTMENT OF PUBLIC WELFARE

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| General Government Operations | \$ 18,604 | \$ 17,012 | \$ 17,899 |
| Monitoring Community Residential Contracts | 69 | 100 | 105 |
| Information Systems | 23,975 | 24,455 | 25,803 |
| County Assistance Offices | 153,346 | 154,495 | 162,672 |
| County Administration — Statewide | 25,878 | 25,012 | 26,340 |
| Program Accountability | 7,114 | 6,824 | 6,942 |
| Pennsylvania Employment Program | 6,400 | 6,040 | 6,040 |
| Services for the Visually Handicapped | 5,402 | 5,368 | 5,526 |
| Subtotal | <u>\$ 240,788</u> | <u>\$ 239,306</u> | <u>\$ 251,327</u> |
| Institutional | | | |
| Youth Development Centers and Forestry Camps | \$ 27,217 | \$ 27,029 | \$ 30,909 |
| State General Hospitals | 8,000 | 14,355 | 12,795 |
| State General Hospital — Philipsburg | 2,000 | | |
| State Mental Hospitals | 304,578 | 292,691 | 308,356 |
| State Centers for the Mentally Retarded | 106,650 | 97,904 | 97,911 |
| Subtotal | <u>\$ 448,445</u> | <u>\$ 431,979</u> | <u>\$ 449,971</u> |
| Grants and Subsidies | | | |
| Cash Grants | \$ 584,270 | \$ 581,346 | \$ 583,742 |
| Disaster Assistance | 7,100 | 15,000 | |
| Medical Assistance — Transportation | 10,205 | 9,889 | 10,334 |
| Medical Assistance — Outpatient | 279,156 | 264,151 | 276,202 |
| Medical Assistance — Inpatient | 491,116 | 468,869 | 452,428 |
| Medical Assistance — Capitation Program | 15,391 | 75,395 | 91,773 |
| Long-Term Care Facilities | 127,570 | 134,143 | 149,106 |
| Supplemental Security Income | 50,151 | 54,645 | 77,070 |
| Community Mental Health Services | 110,315 | 124,800 | 134,690 |
| Teen Suicide Center ..... | . . . . . | 250 | 250 |
| Eastern Pennsylvania Psychiatric Institute | 6,776 | 7,115 | 7,400 |
| Community Based Services — Mentally Retarded | 60,233 | 68,891 | 78,796 |
| Elwyn Institute | 200 | 200 | |
| Community Residential Services — Mentally Retarded | 126,501 | 133,032 | 151,880 |
| Philadelphia Association for Retarded Citizens | 208 | 208 | |
| Intermediate Care Facilities — Mentally Retarded | 35,015 | 44,815 | 54,509 |
| Early Intervention | 15,700 | 16,328 | 17,063 |
| Beacon Lodge Camp — Blind Services | 40 | 40 | 42 |
| Rudolph Residence for the Blind | 160 | | |
| Overbrook School for the Blind | 150 | 150 | |
| County Child Welfare Programs | 109,259 | 112,161 | 115,530 |
| Child Abuse Prevention | 6,991 | 7,827 | 10,570 |
| Day Care Services | 22,991 | 24,500 | 28,235 |
| Arsenal Family and Children's Center — Pittsburgh | 106 | 106 | 109 |
| Mercy Hospital | 200 | | |

DEPARTMENT OF PUBLIC WELFARE

Summary by Fund and Appropriation (continued)

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---|--------------------|---|--------------------|
| Grants and Subsidies (continued) | | | |
| Western Psychiatric Institute and Clinic | \$ 6,522 | \$ 6,848 | \$ 7,122 |
| Domestic Violence | 1,772 | 2,729 | 3,311 |
| Rape Crisis | 665 | 895 | 1,084 |
| Breast Cancer Screening | 100 | 225 | 232 |
| Legal Services | 1,500 | 2,000 | 2,000 |
| Human Services Development Fund | 2,000 | 13,069 | 13,069 |
| Attendant Care | 474 | 1,020 | 4,051 |
| Homeless Assistance | 2,000 | 7,000 | 11,300 |
| Subtotal | <u>\$2,074,837</u> | <u>\$2,177,647</u> | <u>\$2,281,898</u> |
| TOTAL STATE FUNDS | <u>\$2,764,070</u> | <u>\$2,848,932</u> | <u>\$2,983,196</u> |
| Federal Funds | \$2,320,466 | \$2,411,065 | \$2,431,368 |
| Augmentations | 162,066 | 155,414 | 152,775 |
| GENERAL FUND TOTAL | <u>\$5,246,602</u> | <u>\$5,415,411</u> | <u>\$5,567,339</u> |
| Lottery Fund | | | |
| Grants and Subsidies | | | |
| Medical Assistance — Long-Term Care | \$ 140,000 | \$ 140,000 | \$ 140,000 |
| Medicare Part B Payments | 8,182 | 8,528 | 9,330 |
| Pre-Admission Assessment | 1,653 | 1,973 | 2,505 |
| Supplemental Grants to the Aged | 17,600 | 17,600 | ..... |
| Community Mental Retardation Services — Elderly | 2,200 | 2,200 | ..... |
| Subtotal | <u>\$ 169,635</u> | <u>\$ 170,301</u> | <u>\$ 151,835</u> |
| TOTAL STATE FUNDS | <u>\$ 169,635</u> | <u>\$ 170,301</u> | <u>\$ 151,835</u> |
| Federal Funds | \$ 1,652 | \$ 1,973 | \$ 2,505 |
| LOTTERY FUND TOTAL | <u>\$ 171,287</u> | <u>\$ 172,274</u> | <u>\$ 151,340</u> |
| Department Total — All Funds | | | |
| General Fund | \$2,764,070 | \$2,848,932 | \$2,983,196 |
| Special Fund | 169,635 | 170,301 | 151,835 |
| Federal Funds | 2,322,118 | 2,413,038 | 2,433,873 |
| Augmentations | 162,066 | 155,414 | 152,775 |
| DEPARTMENT TOTAL | <u>\$5,417,889</u> | <u>\$5,587,685</u> | <u>\$5,721,679</u> |
| Other Funds | 271 | \$ 10,000 | \$ 31,874 |
| TOTAL ALL FUNDS | <u>\$5,757,425</u> | <u>\$5,597,685</u> | <u>\$5,753,553</u> |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| State Funds | \$ 42,648 | \$ 41,567 | \$ 43,807 |
| Federal Funds | 63,408 | 70,256 | 68,654 |
| Augmentations | 1,934 | 1,367 | 1,445 |
| TOTAL | \$ 107,990 | \$ 113,190 | \$ 113,906 |

Provides the administrative and support systems for the operation of the various substantive health, social and economic development programs. Directs the development and implementation of the Commonwealth health, social and economic development policies and programs.

Provides direction and overhead support for youth development centers, general hospitals, institutions for the retarded, institutions for the mentally ill, and information systems.

Provides overall planning and direction for a comprehensive social services system.

Promotes the reduction of ill health among Pennsylvania residents by licensing and regulating selected medical facilities, and provides direction for health programs for Pennsylvania residents who are unable to purchase adequate health care services.

Provides the overall planning and direction for individuals striving to attain and maintain a minimally acceptable level of living.

Provides funding for the monitoring of providers of community residential services to the mentally retarded.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| General Government Operations | \$ 18,604 | \$ 17,012 | \$ 17,899 |
| Information Systems | 23,975 | 24,455 | 25,803 |
| Monitoring Community Residential Contracts | 69 | 100 | 105 |
| Federal Funds: | | | |
| Child Welfare Services | 2,277 | 2,277 | 2,277 |
| Rehabilitation Services and Facilities Administration | 640 | 640 | 640 |
| Medical Assistance — Administration | 14,757 | 11,791 | 14,496 |
| Social Services Block Grant — Administration | 5,674 | 5,389 | 5,384 |
| Maintenance Assistance Administration | 4,676 | 9,104 | 6,130 |
| Food Stamps | 2,073 | 2,169 | 2,201 |
| ESEA, Title I — Administration | 269 | 375 | 375 |
| Developmental Disabilities Basic Support | 2,544 | 3,723 | 3,723 |
| Refugees and Persons Seeking Asylum | 51 | 132 | 136 |

GENERAL FUND

PUBLIC WELFARE

| <i>Source of Funds (continued)</i> | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Federal Funds: (continued) | | | |
| Mental Health Community Services | \$ 269 | \$ 284 | \$ 171 |
| Manpower Development — Mental Health | 101 | 158 | 151 |
| Maintenance Assistance — Information Systems | 10,819 | 14,678 | 12,752 |
| Medical Assistance — Information Systems | 15,313 | 15,783 | 16,685 |
| Food Stamps — Information Systems | 3,000 | 1,859 | 1,968 |
| Child Support Enforcement — Information Systems | 720 | 961 | 1,015 |
| Alcohol, Drug Abuse and Mental Health Services Block Grant .. | 165 | 250 | 250 |
| Children and Youth Community Mental Services | 37 | 148 | ..... |
| Special Needs Adoption ..... | ..... | 125 | ..... |
| Child and Adolescent Services | 23 | 397 | 300 |
| Assistance Payments Research ..... | ..... | 13 | ..... |
| Augmentations: | | | |
| Reimbursement for Institutional Collections | 560 | 560 | 578 |
| Services to Other Agencies | 73 | 72 | 80 |
| Management Development Services | 492 | 500 | 522 |
| Child Abuse Reviews | 192 | 220 | 250 |
| Vendor Payments — IRS | 603 | ..... | ..... |
| Lottery Commission | 14 | 15 | 15 |
| TOTAL | \$ 107,990 | \$ 112,740 | \$ 113,874 |

| County Administration | (Dollar Amounts in Thousands) | | |
|------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 192,738 | \$ 192,371 | \$ 201,994 |
| Federal Funds | 184,036 | 195,034 | 207,297 |
| Augmentations | 265 | 263 | 272 |
| TOTAL | \$ 377,039 | \$ 387,668 | \$ 409,563 |

Provides staff to determine eligibility to receive cash grants, medical assistance and food stamps. Provides the social and employment services intended to strengthen family life and help persons realize their maximum potential for achieving self-sufficiency. Program Accountability provides staff to make collections from financially responsible relatives of recipients as well as audit various public assistance programs.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| County Administration — Statewide | \$ 25,878 | \$ 25,012 | \$ 26,340 |
| County Assistance Offices | 153,346 | 154,495 | 162,672 |
| Program Accountability | 7,114 | 6,824 | 6,942 |
| Pennsylvania Employment Program | 6,400 | 6,040 | 6,040 |

GENERAL FUND

PUBLIC WELFARE

| <i>Source of Funds (continued)</i> | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Federal Funds: | | | |
| Maintenance Assistance — County Administration | \$ 5,400 | \$ 7,907 | \$ 8,060 |
| Medical Assistance — County Administration | 19,090 | 22,294 | 24,049 |
| Food Stamps — County Administration | 4,848 | 5,197 | 5,310 |
| Social Services Block Grant — County Assistance Offices | 14,062 | 13,779 | 13,768 |
| Maintenance Assistance — County Assistance Offices | 45,619 | 49,636 | 53,417 |
| Medical Assistance — County Assistance Offices | 16,074 | 18,382 | 19,828 |
| Food Stamps — County Assistance Offices | 24,674 | 26,209 | 28,464 |
| Maintenance Assistance — Program Accountability | 1,408 | 2,472 | 2,526 |
| Child Support Enforcement — Program Accountability | 37,476 | 37,132 | 39,843 |
| Food Stamps — Program Accountability | 1,831 | 1,929 | 1,823 |
| Medical Assistance — Program Accountability | 627 | 660 | 678 |
| Work Incentive Program — Pennsylvania Employment Program | 10,745 | 8,365 | ..... |
| Food Stamp Employment and Training ..... | ..... | 263 | ..... |
| Work Saturation Project | 682 | 809 | 212 |
| Maintenance Assistance—PEP ..... | ..... | ..... | 2,429 |
| Food Stamp Program—PEP ..... | ..... | ..... | 6,890 |
| Social Services Block Grant — SSI Advocacy | 1,500 | ..... | ..... |
| Augmentations: | | | |
| Fee for Material from Outside Vendors | 7 | 7 | 8 |
| Child Support Receipts | 256 | 256 | 264 |
| TOTAL | \$ 377,037 | \$ 387,668 | \$ 409,563 |

Low-Income Home Energy Assistance Block Grant

| | (Dollar Amounts in Thousands) | | |
|---------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Federal Funds | \$ 127,156 | \$ 124,385 | \$ 102,926 |

Provides funds for services to assist eligible households in meeting the costs of home energy. The amount of benefits to an eligible household varies according to income, family size and weather region. Benefits are provided through direct payments to fuel suppliers or cash payments to those households which pay for heat in their rents. Outreach activities are conducted to ensure that eligible households are aware of available energy assistance. In addition to the amounts above, this program receives supplemental funding from the Energy Conservation and Assistance Fund. During 1986-87, the fund provided \$10,000,000. The fund will provide \$31,874,000 in 1987-88.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Federal Funds: | | | |
| Low-Income Home Energy Assistance Block Grant — Administration | \$ 12,345 | \$ 12,000 | \$ 12,000 |
| Low-Income Home Energy Assistance Block Grants | 114,811 | 112,385 | 90,926 |
| TOTAL | \$ 127,156 | \$ 124,385 | \$ 102,926 |

GENERAL FUND

PUBLIC WELFARE

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Visually Handicapped Services | | | |
| State Funds | \$ 5,402 | \$ 5,368 | \$ 5,526 |
| Federal Funds | 5,645 | 6,171 | 6,346 |
| Augmentations | 1 | 1 | 1 |
| TOTAL | <u>\$ 11,048</u> | <u>\$ 11,540</u> | <u>\$ 11,873</u> |

Provides remedial eye care, vocational rehabilitation for persons who are visually handicapped, grants to vocational rehabilitation agencies and funding for the operation of the six district offices for the visually handicapped.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Visually Handicapped Services | \$ 5,402 | \$ 5,368 | \$ 5,526 |
| Federal Funds: | | | |
| Rehabilitation Services and Facilities for the Blind — Basic Support | 5,505 | 5,850 | 6,025 |
| Vocational Rehabilitation Services for Social Security Disability Beneficiaries | 111 | 133 | 281 |
| Vocational Rehabilitation Services for Supplemental Security Income Recipients | . | 148 | . |
| Rehabilitation Services | 29 | 40 | 40 |
| Augmentations: | | | |
| Visually Handicapped—Miscellaneous | 1 | 1 | 1 |
| TOTAL | <u>\$ 11,048</u> | <u>\$ 11,540</u> | <u>\$ 11,873</u> |

INSTITUTIONAL

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Youth Development Centers and Forestry Camps | | | |
| State Funds | \$ 27,217 | \$ 27,029 | \$ 30,909 |
| Federal Funds | 1,506 | 1,577 | 1,475 |
| Augmentations | 55 | 105 | 105 |
| TOTAL | \$ 28,778 | \$ 28,711 | \$ 32,489 |

Maintains a system to socially rehabilitate and train youths, ages 10 to 18, committed as delinquent by the courts, to meet acceptable standards of behavior and to increase their readiness to return to school or jobs.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Total Expenditures by Institution | | | |
| YDC Cornwells Heights | | | |
| State Funds | \$ 8,133 | \$ 7,903 | \$ 8,967 |
| Federal Funds | 387 | 458 | 382 |
| Augmentations | 26 | 60 | 60 |
| TOTAL | \$ 8,546 | \$ 8,421 | \$ 9,409 |
| YDC Loysville | | | |
| State Funds | \$ 6,013 | \$ 6,126 | \$ 7,182 |
| Federal Funds | 459 | 399 | 375 |
| Augmentations | 10 | 12 | 12 |
| TOTAL | \$ 6,482 | \$ 6,537 | \$ 7,569 |
| YDC New Castle | | | |
| State Funds | \$ 9,458 | \$ 9,588 | \$ 10,760 |
| Federal Funds | 446 | 452 | 465 |
| Augmentations | 18 | 25 | 25 |
| TOTAL | \$ 9,922 | \$ 10,065 | \$ 11,250 |
| YF Camp 2 — Hickory Run | | | |
| State Funds | \$ 2,362 | \$ 2,201 | \$ 2,580 |
| Federal Funds | 118 | 142 | 134 |
| Augmentations ..... | .. . . | 4 | 4 |
| TOTAL | \$ 2,480 | \$ 2,347 | \$ 2,718 |
| YF Camp 3— Trough Creek | | | |
| State Funds | \$ 1,251 | \$ 1,211 | \$ 1,420 |
| Federal Funds | 96 | 126 | 119 |
| Augmentations | 1 | 4 | 4 |
| TOTAL | \$ 1,348 | \$ 1,341 | \$ 1,543 |

GENERAL FUND

PUBLIC WELFARE

| Source of Funds | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Youth Development Institutions and Forestry Camps | \$ 27,217 | \$ 27,029 | \$ 30,909 |
| Federal Funds: | | | |
| Social Services Block Grant—Youth Institutions | 992 | 950 | 950 |
| Food Nutrition Service | 355 | 525 | 525 |
| Juvenile Justice and Delinquency Prevention | 159 | 102 | ..... |
| Augmentations: | | | |
| Cafeteria Receipts | 55 | 105 | 105 |
| TOTAL | <u>\$ 28,778</u> | <u>\$ 28,711</u> | <u>\$ 32,489</u> |

| State General Hospitals | (Dollar Amounts in Thousands) | | |
|-------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 10,000 | \$ 14,355 | \$ 12,795 |
| Federal Funds | 46,687 | 38,837 | 33,767 |
| Augmentations | 32,551 | 25,590 | 23,491 |
| TOTAL | <u>\$ 89,238</u> | <u>\$ 78,782</u> | <u>\$ 70,053</u> |

Provides hospitalization and other medical services to people in formerly depressed areas of the Commonwealth. The current trend is toward reducing financial dependency upon the Commonwealth by having the various communities assume full financial responsibility for the hospitals.

| Total Proposed Expenditures by Hospital: | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Ashland | | | |
| State Funds ..... | ..... | \$ 1,429 | \$ 1,572 |
| Federal Funds | \$ 8,503 | 8,843 | 7,820 |
| Augmentations | 6,081 | 6,671 | 6,440 |
| TOTAL | <u>\$ 14,584</u> | <u>\$ 16,943</u> | <u>\$ 15,832</u> |
| Coaldale | | | |
| State Funds | \$ 283 | \$ 1,069 | \$ 1,151 |
| Federal Funds | 6,418 | 6,939 | 6,663 |
| Augmentations | 4,620 | 5,451 | 4,691 |
| TOTAL | <u>\$ 11,321</u> | <u>\$ 13,459</u> | <u>\$ 12,505</u> |
| Connellsville | | | |
| State Funds | \$ 4,402 | ..... | ..... |
| Federal Funds | 1,025 | ..... | ..... |
| Augmentations | 835 | ..... | ..... |
| TOTAL | <u>\$ 6,262</u> | <u>.....</u> | <u>.....</u> |

GENERAL FUND

PUBLIC WELFARE

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Total Proposed Expenditures by Hospital: | | | |
| (continued) | | | |
| Hazleton | | | |
| State Funds ..... | ..... | \$ 9,545 | ..... |
| Federal Funds | \$ 10,501 | 7,809 | ..... |
| Augmentations | 7,176 | 2,568 | ..... |
| TOTAL | \$ 17,677 | \$ 19,922 | ..... |
| Nanticoke | | | |
| State Funds | \$ 595 | \$ 415 | \$ 910 |
| Federal Funds | 4,978 | 3,010 | 5,760 |
| Augmentations | 2,393 | 1,551 | 2,260 |
| TOTAL | \$ 7,966 | \$ 4,976 | \$ 8,930 |
| Philipsburg | | | |
| State Funds | \$ 2,000 | \$ 593 | \$ 1,834 |
| Federal Funds | 4,384 | 3,017 | 5,992 |
| Augmentations | 5,488 | 3,841 | 5,040 |
| TOTAL | \$ 11,872 | \$ 7,451 | \$ 12,866 |
| Seranton | | | |
| State Funds | \$ 2,088 | \$ 593 | \$ 5,066 |
| Federal Funds | 6,327 | 4,175 | 3,996 |
| Augmentations | 3,555 | 2,670 | 2,860 |
| TOTAL | \$ 11,970 | \$ 7,438 | \$ 11,922 |
| Shamokin | | | |
| State Funds | \$ 632 | \$ 711 | \$ 2,262 |
| Federal Funds | 4,551 | 5,044 | 3,536 |
| Augmentations | 2,403 | 2,838 | 2,200 |
| TOTAL | \$ 7,586 | \$ 8,593 | \$ 7,998 |

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| State General Hospitals | \$ 8,000 | \$ 4,500 | \$ 12,795 |
| State General Hospitals—Recommended Supplemental ..... | ..... | 9,855 | ..... |
| Phillipsburg State General Hospital | 2,000 | ..... | ..... |
| Federal Funds: | | | |
| Medical Assistance — State General Hospitals | 6,321 | 6,628 | 6,431 |
| Medicare Services — State General Hospitals | 40,366 | 32,209 | 27,336 |
| Augmentations: | | | |
| Cafeteria Reimbursements | 22 | ..... | ..... |
| Institutional Collections | 32,529 | 25,590 | 23,491 |
| TOTAL | \$ 89,238 | \$ 78,782 | \$ 70,053 |

GENERAL FUND**PUBLIC WELFARE**

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Mental Health Services | | | |
| State Mental Hospitals and Restoration Center | | | |
| State Funds | \$ 304,578 | \$ 292,691 | \$ 308,356 |
| Federal Funds | 121,574 | 109,952 | 91,248 |
| Augmentations | 37,248 | 39,899 | 37,658 |
| TOTAL | \$ 463,400 | \$ 442,542 | \$ 437,262 |

The State mental hospitals are intended to provide a therapeutic residential environment for those mentally disabled persons requiring a hospital program in the form of a multidisciplinary approach consisting of psychiatric, medical, nursing, psychological, social service, educational and therapeutic activities. The inpatient population has been decreasing since 1955. The State restoration center provides rehabilitative treatment to restore former psychiatric patients to a self-sufficient status, enabling institutionalized patients to return to the community. The center also provides intensive outpatient and short-term inpatient treatment services to delay or eliminate the need for extended institutional placement.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Total Proposed Expenditures by Hospital and Center: | | | |
| Allentown | | | |
| State Funds | \$ 16,188 | \$ 15,669 | \$ 16,508 |
| Federal Funds | 5,779 | 5,528 | 4,587 |
| Augmentations | 1,385 | 1,810 | 1,708 |
| TOTAL | \$ 23,352 | \$ 23,007 | \$ 22,803 |
| Clarks Summit | | | |
| State Funds | \$ 15,728 | \$ 16,812 | \$ 17,711 |
| Federal Funds | 7,761 | 5,528 | 4,587 |
| Augmentations | 1,464 | 1,459 | 1,378 |
| TOTAL | \$ 24,953 | \$ 23,799 | \$ 23,676 |
| Danville | | | |
| State Funds | \$ 18,589 | \$ 17,197 | \$ 18,117 |
| Federal Funds | 11,127 | 9,180 | 7,619 |
| Augmentations | 1,869 | 1,869 | 1,764 |
| TOTAL | \$ 31,585 | \$ 28,246 | \$ 27,500 |
| Eastern State School and Hospital | | | |
| State Funds | \$ 12,057 | \$ 5,508 | \$ 5,803 |
| Federal Funds | 7,220 | 10,299 | 8,547 |
| Augmentations | 862 | 967 | 913 |
| TOTAL | \$ 20,139 | \$ 16,774 | \$ 15,263 |

GENERAL FUND

PUBLIC WELFARE

| Total Proposed Expenditures by Hospital: (continued) | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Farview | | | |
| State Funds | \$ 15,877 | \$ 15,604 | \$ 16,439 |
| Augmentations | 6,694 | 6,589 | 6,219 |
| TOTAL | \$ 22,571 | \$ 22,193 | \$ 22,658 |
| Harrisburg | | | |
| State Funds | \$ 17,877 | \$ 16,807 | \$ 17,706 |
| Federal Funds | 5,759 | 5,637 | 4,678 |
| Augmentations | 1,735 | 1,998 | 1,886 |
| TOTAL | \$ 25,371 | \$ 24,442 | \$ 24,270 |
| Haverford | | | |
| State Funds | \$ 19,687 | \$ 19,270 | \$ 20,302 |
| Federal Funds | 3,656 | 4,545 | 3,771 |
| Augmentations | 1,327 | 1,270 | 1,198 |
| TOTAL | \$ 24,670 | \$ 25,085 | \$ 25,271 |
| Mayview | | | |
| State Funds | \$ 34,510 | \$ 33,013 | \$ 34,780 |
| Federal Funds | 10,533 | 9,759 | 8,099 |
| Augmentations | 4,631 | 4,015 | 3,790 |
| TOTAL | \$ 49,674 | \$ 46,787 | \$ 46,669 |
| Norristown | | | |
| State Funds | \$ 31,584 | \$ 35,212 | \$ 37,097 |
| Federal Funds | 14,828 | 11,475 | 9,523 |
| Augmentations | 4,357 | 4,846 | 4,574 |
| TOTAL | \$ 50,769 | \$ 51,533 | \$ 51,194 |
| Philadelphia | | | |
| State Funds | \$ 27,824 | \$ 28,684 | \$ 30,219 |
| Federal Funds | 7,551 | 4,693 | 3,894 |
| Augmentations | 3,735 | 5,639 | 5,322 |
| TOTAL | \$ 39,110 | \$ 39,016 | \$ 39,435 |
| Somerset | | | |
| State Funds | \$ 9,557 | \$ 9,167 | \$ 9,658 |
| Federal Funds | 3,377 | 4,031 | 3,345 |
| Augmentations | 655 | 820 | 774 |
| TOTAL | \$ 13,589 | \$ 14,018 | \$ 13,777 |
| Torrance | | | |
| State Funds | \$ 16,109 | \$ 15,415 | \$ 16,240 |
| Federal Funds | 9,532 | 7,884 | 6,543 |
| Augmentations | 1,414 | 1,395 | 1,316 |
| TOTAL | \$ 27,055 | \$ 24,694 | \$ 24,099 |

GENERAL FUND

PUBLIC WELFARE

| Total Proposed Expenditures by Hospital: (continued) | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Warren | | | |
| State Funds | \$ 21,872 | \$ 21,513 | \$ 22,664 |
| Federal Funds | 6,541 | 5,843 | 4,849 |
| Augmentations | 2,190 | 2,128 | 2,008 |
| TOTAL | \$ 30,603 | \$ 29,484 | \$ 29,521 |
| Wernersville | | | |
| State Funds | \$ 14,644 | \$ 13,449 | \$ 14,169 |
| Federal Funds | 7,390 | 7,295 | 6,055 |
| Augmentations | 1,533 | 1,508 | 1,423 |
| TOTAL | \$ 23,567 | \$ 22,252 | \$ 21,647 |
| Woodville | | | |
| State Funds | \$ 22,682 | \$ 21,229 | \$ 22,365 |
| Federal Funds | 8,636 | 7,327 | 6,082 |
| Augmentations | 1,963 | 1,928 | 1,820 |
| TOTAL | \$ 33,281 | \$ 30,484 | \$ 30,267 |
| South Mountain Restoration Center | | | |
| State Funds | \$ 9,793 | \$ 8,142 | \$ 8,578 |
| Federal Funds | 11,884 | 10,928 | 9,069 |
| Augmentations | 1,434 | 1,658 | 1,565 |
| TOTAL | \$ 23,111 | \$ 20,728 | \$ 19,212 |

| Source of Funds | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| State Mental Hospitals | \$ 304,578 | \$ 281,891 | \$ 308,356 |
| State Mental Hospitals — Recommended Supplemental ..... | ..... | 10,800 ^a | ..... |
| Federal Funds: | | | |
| Medical Assistance — State Mental Hospitals | 94,381 | 85,712 | 73,100 |
| Medicare Services — State Mental Hospitals | 26,239 | 23,930 | 17,945 |
| Food Nutrition Services — State Mental Hospitals | 182 | 300 | 182 |
| Library Services — Title I — State Mental Hospitals | 5 | 10 | 21 |
| Energy Conservation Program | 767 | ..... | ..... |
| Augmentations: | | | |
| Cafeteria Reimbursements | 126 | ..... | ..... |
| Sale of Reclaimable Materials | 3 | ..... | ..... |
| Institutional Collections | 36,854 | 39,899 | 37,658 |
| Miscellaneous Institutional Reimbursements | 265 | ..... | ..... |
| TOTAL | \$ 463,400 | \$ 442,542 | \$ 437,262 |

^aIncludes \$1.2 million transfer from the State Centers for the Mentally Retarded.

GENERAL FUND

PUBLIC WELFARE

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Mental Retardation Services | | | |
| State Centers for the Mentally Retarded | | | |
| State Funds | \$ 106,650 | \$ 97,904 | \$ 97,911 |
| Federal Funds | 149,667 | 140,714 | 137,726 |
| Augmentations | 12,334 | 11,500 | 10,493 |
| TOTAL | \$ 268,651 | \$ 250,118 | \$ 246,130 |

Centers for the Mentally Retarded assist persons with mental retardation in achieving their maximum potential self-sufficiency through programmed care, treatment and training in a residential facility.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Total Proposed Expenditures by Center: | | | |
| Altoona | | | |
| State Funds | \$ 2,176 | \$ 2,453 | \$ 2,526 |
| Federal Funds | 3,861 | 3,526 | 3,553 |
| Augmentations | 161 | 288 | 271 |
| TOTAL | \$ 6,198 | \$ 6,267 | \$ 6,350 |
| Ebensburg | | | |
| State Funds | \$ 11,974 | \$ 10,637 | \$ 10,938 |
| Federal Funds | 16,790 | 15,288 | 15,384 |
| Augmentations | 839 | 1,250 | 1,172 |
| TOTAL | \$ 29,603 | \$ 27,175 | \$ 27,494 |
| Hamburg | | | |
| State Funds | \$ 9,171 | \$ 9,070 | \$ 9,321 |
| Federal Funds | 12,938 | 13,035 | 13,111 |
| Augmentations | 798 | 1,066 | 999 |
| TOTAL | \$ 22,907 | \$ 23,171 | \$ 23,431 |
| Laurelton | | | |
| State Funds | \$ 6,299 | \$ 6,568 | \$ 6,757 |
| Federal Funds | 9,907 | 9,441 | 9,502 |
| Augmentations | 636 | 771 | 724 |
| TOTAL | \$ 16,842 | \$ 16,780 | \$ 16,983 |
| Pennhurst | | | |
| State Funds | \$ 11,449 | \$ 2,005 | ..... |
| Federal Funds | 6,036 | 2,882 | ..... |
| Augmentations | 723 | 235 | ..... |
| TOTAL | \$ 18,208 | \$ 5,122 | ..... |
| Polk | | | |
| State Funds | \$ 19,123 | \$ 18,520 | \$ 19,033 |
| Federal Funds | 29,631 | 26,619 | 26,773 |
| Augmentations | 2,216 | 2,176 | 2,040 |
| TOTAL | \$ 50,970 | \$ 47,315 | \$ 47,846 |

GENERAL FUND

PUBLIC WELFARE

| Total Proposed Expenditures by Center: (continued) | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Selinsgrove | | | |
| State Funds | \$ 17,299 | \$ 16,856 | \$ 17,329 |
| Federal Funds | 24,254 | 24,227 | 24,378 |
| Augmentations | 2,413 | 1,980 | 1,857 |
| TOTAL | \$ 43,966 | \$ 43,063 | \$ 43,564 |
| Western | | | |
| State Funds | \$ 8,715 | \$ 9,485 | \$ 9,751 |
| Federal Funds | 13,281 | 13,632 | 13,717 |
| Augmentations | 980 | 1,115 | 1,045 |
| TOTAL | \$ 22,976 | \$ 24,232 | \$ 24,513 |
| White Haven | | | |
| State Funds | \$ 9,391 | \$ 10,080 | \$ 10,369 |
| Federal Funds | 14,707 | 14,488 | 14,585 |
| Augmentations | 1,329 | 1,184 | 1,111 |
| TOTAL | \$ 25,427 | \$ 25,752 | \$ 26,065 |
| Embreeville | | | |
| State Funds | \$ 6,809 | \$ 6,822 | \$ 7,011 |
| Federal Funds | 9,919 | 9,806 | 9,862 |
| Augmentations | 1,267 | 801 | 751 |
| TOTAL | \$ 17,995 | \$ 17,429 | \$ 17,624 |
| Woodhaven | | | |
| State Funds ..... | ..... | ..... | ..... |
| Federal Funds ..... | ..... | ..... | ..... |
| Augmentations | \$ 20 | ..... | ..... |
| TOTAL | \$ 20 | ..... | ..... |
| Allentown MR Unit | | | |
| State Funds | \$ 274 | \$ 310 | ..... |
| Federal Funds | 608 | 446 | ..... |
| Augmentations | 127 | 36 | ..... |
| TOTAL | \$ 1,009 | \$ 792 | ..... |
| Clarks Summit MR Unit | | | |
| State Funds | \$ 562 | \$ 495 | \$ 510 |
| Federal Funds | 605 | 711 | 717 |
| Augmentations | 75 | 58 | 55 |
| TOTAL | \$ 1,242 | \$ 1,264 | \$ 1,282 |
| Mayview MR Unit | | | |
| State Funds | \$ 893 | \$ 1,443 | \$ 1,488 |
| Federal Funds | 1,848 | 2,075 | 2,094 |
| Augmentations | 245 | 169 | 159 |
| TOTAL | \$ 2,986 | \$ 3,687 | \$ 3,741 |

GENERAL FUND

PUBLIC WELFARE

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| Total Proposed Expenditures by Center: (continued) | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Philadelphia | | | |
| State Funds | \$ 484 | \$ 790 | \$ 812 |
| Federal Funds | 1,891 | 1,134 | 1,144 |
| Augmentations ..... | . . . . | 93 | 87 |
| TOTAL | <u>\$ 2,375</u> | <u>\$ 2,017</u> | <u>\$ 2,043</u> |
| Somerset MR Unit | | | |
| State Funds | \$ 800 | \$ 1,062 | \$ 1,097 |
| Federal Funds | 1,602 | 1,526 | 1,543 |
| Augmentations | 201 | 125 | 118 |
| TOTAL | <u>\$ 2,603</u> | <u>\$ 2,713</u> | <u>\$ 2,758</u> |
| Torrance MR Unit | | | |
| State Funds | \$ 845 | \$ 946 | \$ 969 |
| Federal Funds | 1,113 | 1,358 | 1,363 |
| Augmentations | 213 | 111 | 104 |
| TOTAL | <u>\$ 2,171</u> | <u>\$ 2,415</u> | <u>\$ 2,436</u> |
| Wernersville MR Unit | | | |
| State Funds | \$ 386 | \$ 362 | |
| Federal Funds | 676 | 520 | |
| Augmentations | 91 | 42 | |
| TOTAL | <u>\$ 1,153</u> | <u>\$ 924</u> | <u>. . . .</u> |

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| Source of Funds | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| State Centers for the Mentally Retarded | \$ 106,650 | \$ 99,104 | \$ 97,911 |
| State Centers for the Mentally Retarded — Recommended Reduction ..... | . . . . | -1,200 ^a | |
| Federal Funds: | | | |
| Medical Assistance—State Centers | 149,352 | 140,389 | 137,576 |
| Library Services — Title I — State Centers | 15 | 13 | |
| Food Nutrition Services — State Centers | 300 | 175 | 150 |
| Hospital Improvement Project ..... | . . . . | 52 | |
| ESEA, Title I ..... | . . . . | 85 | |
| Augmentations: | | | |
| Sale of Reclaimable Materials | 2 | | |
| Institutional Collections | 11,475 | 11,500 | 10,493 |
| Miscellaneous Institutional Reimbursements | 857 | | |
| TOTAL | <u>\$ 268,651</u> | <u>\$ 250,118</u> | <u>\$ 246,130</u> |

^aTransfer to State Mental Hospitals of \$1.2 million.

GENERAL FUND

PUBLIC WELFARE

GRANTS AND SUBSIDIES

| Cash Grants | (Dollar Amounts in Thousands) | | |
|---------------------|-------------------------------|----------------------|--------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 584,270 | \$ 581,346 | \$ 583,742 |
| Federal Funds | 446,990 | 452,055 | 449,871 |
| Augmentations | 69,254 | 68,199 | 70,945 |
| TOTAL | <u>\$1,100,514</u> | <u>\$1,101,600</u> | <u>\$1,104,558</u> |

The cash grants are designed to help all eligible persons obtain a decent and healthful standard of living through direct cash assistance. The grant categories are Aid to Dependent Children, State Blind Pensions and General Assistance.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|--------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Cash Grants | \$ 584,270 | \$ 581,346 | \$ 583,742 |
| Federal Funds: | | | |
| Maintenance Assistance — Cash Grants | 443,113 | 451,031 | 449,871 |
| Disaster Relief — Tornado | 802 | ..... | ..... |
| Disaster Relief — Hurricane | 825 | ..... | ..... |
| Disaster Relief — Flood | 2,250 | 1,024 | ..... |
| Augmentations: | | | |
| Public Assistance Payments — Restitutions and Overpayments . | 15,686 | 18,063 | 18,899 |
| Child Support Program | 52,785 | 49,813 | 52,046 |
| PEMA — May 1986 Flood ..... | ..... | 323 | ..... |
| PEMA — 1985 Tornado Disaster | 235 | ..... | ..... |
| PEMA — 1985 Flood Relief N.E. | 253 | ..... | ..... |
| PEMA — 1985 Monogahela Flood | 295 | ..... | ..... |
| TOTAL | <u>\$1,100,514</u> | <u>\$1,101,600</u> | <u>\$1,104,558</u> |

| Disaster Assistance | (Dollar Amounts in Thousands) | | |
|----------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 7,100 | \$ 15,000 | ..... |

This grant is to provide grants to persons for property damaged or destroyed by tornado, flood occurring in calendar years 1984 and 1986.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|---------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Disaster Assistance | <u>\$ 7,100</u> | <u>\$ 15,000</u> | <u>.....</u> |

GENERAL FUND

PUBLIC WELFARE

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Medical Assistance Transportation | | | |
| State Funds | \$ 10,205 | \$ 9,889 | \$ 10,334 |
| Federal Funds | 6,171 | 5,950 | 6,285 |
| TOTAL | <u>\$ 16,376</u> | <u>\$ 15,839</u> | <u>\$ 16,619</u> |

The Medical Assistance Transportation provides funding to county governments to provide transportation to Medical Assistance clients.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|------------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Medical Assistance Transportation | \$ 10,205 | \$ 10,535 ^a | \$ 10,334 |
| Medical Assistance—Transportation—Recommended Reduction ..... | ..... | -646 | ..... |
| Federal Funds: | | | |
| Medical Assistance — Transportation | 6,171 | 5,950 | 6,285 |
| TOTAL | <u>\$ 16,376</u> | <u>\$ 15,839</u> | <u>\$ 16,619</u> |

| | (Dollar Amounts in Thousands) | | |
|---------------------------|-------------------------------|----------------------|--------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Medical Assistance | | | |
| State Funds | \$ 913,233 | \$ 942,558 | \$ 969,509 |
| Federal Funds | 916,481 | 987,830 | 1,015,178 |
| Augmentations | 7,900 | 8,490 | 8,365 |
| TOTAL | <u>\$1,837,614</u> | <u>\$1,938,878</u> | <u>\$1,993,052</u> |

Provides all eligible persons under age 65 with physician services whenever rendered, inpatient hospital care, post hospital care, clinic services, nursing care in the home, private nursing home care, and nursing care in public institutions. Similar services are provided for persons over age 65 for whom such care is not already furnished under Medicare.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|--------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| Medical Assistance — Outpatient | \$ 279,156 | \$ 263,505 | \$ 276,202 |
| Medical Assistance — Outpatient — Recommended Supplemental ..... | ..... | 646 ^b | ..... |
| Medical Assistance — Inpatient | 491,116 | 468,869 | 452,428 |
| Medical Assistance — Capitation Program | 15,391 | 75,395 | 91,773 |
| Long-Term Care Facilities | 127,570 | 134,143 | 149,106 |
| Federal Funds: | | | |
| Medical Assistance — Outpatient | 243,057 | 251,272 | 244,813 |
| Medical Assistance — Inpatient | 311,899 | 290,889 | 295,487 |
| Medical Assistance — Capitation Program | 12,921 | 57,952 | 68,059 |
| Medical Assistance — Long-Term Care | 348,604 | 387,717 | 406,819 |
| Augmentations: | | | |
| Medical Assistance Collections — Outpatient | 161 | 164 | 173 |
| Medical Assistance — Medicare Part B Recovery | 183 | 736 | 392 |
| Medical Assistance Collections — Inpatient | 3,518 | 3,535 | 3,735 |
| Medical Assistance Refunds — Inpatient | 3,565 | 3,565 | 3,565 |
| Medical Assistance Collections — Long-Term Care | 192 | 209 | 219 |
| Medical Assistance Refunds — Long-Term Care | 281 | 281 | 281 |
| TOTAL | <u>\$1,837,614</u> | <u>\$1,938,878</u> | <u>\$1,993,052</u> |

^aActual appropriation totalled \$10,535,000 with \$646,000 transferred to in Medical Assistance—Outpatient appropriation.

^bRepresents a reallocation of \$646,000 from the Medical Assistance — Transportation Program appropriation.

GENERAL FUND

PUBLIC WELFARE

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Supplemental Grants — Aged, Blind and Disabled | | | |
| State Funds | \$ 50,151 | \$ 54,645 | \$ 77,070 |

Provides additional cash assistance to the aged, blind and disabled eligibles under the Federal Supplemental Security Income program. State assistance to these persons is necessary to maintain the level of income that existed prior to federalization and to recognize the effects of inflation on fixed minimal incomes. The Old Age Assistance, Aid to the Blind and Aid to the Disabled categories of assistance became a completely Federal program on January 1, 1974.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Supplemental Grants — Aged, Blind and Disabled | \$ 50,151 | \$ 52,945 | \$ 77,070 |
| Supplemental Grants — Aged, Blind and Disabled — Recommended Supplemental ..... | ..... | 1,700 | ..... |
| TOTAL | <u>\$ 50,151</u> | <u>\$ 54,645</u> | <u>\$ 77,070</u> |

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Community Mental Health Services | | | |
| State Funds | \$ 110,315 | \$ 125,050 | \$ 134,940 |
| Federal Funds | 26,353 | 23,219 | 22,025 |
| TOTAL | <u>\$ 136,668</u> | <u>\$ 148,269</u> | <u>\$ 156,965</u> |

Provides services mandated by the Mental Health and Mental Retardation Act of 1966 to mentally ill persons. The act assures the continuous provision of services to persons in need at the community level.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Community Mental Health Services | \$ 110,315 | \$ 124,800 | \$ 134,690 |
| Teen Suicide — WPIC ..... | ..... | 250 | 250 |
| Federal Funds: | | | |
| Alcohol, Drug Abuse and Mental Health Services Block Grant . | 16,953 | 14,226 | 12,808 |
| Social Services Block Grant — Community Mental Health Services | 9,400 | 8,918 | 9,179 |
| Mental Health Offenders ..... | ..... | 75 | 38 |
| TOTAL | <u>\$ 136,668</u> | <u>\$ 148,269</u> | <u>\$ 156,965</u> |

GENERAL FUND

PUBLIC WELFARE

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|-----------|----------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Eastern Pennsylvania Psychiatric Institute | | | |
| State Funds | \$ 6,776 | \$ 7,115 | \$ 7,400 |

This grant is provided to Medical College of Pennsylvania for research into the causes, treatment and prevention of mental health problems; consultation and training for mental health personnel in institutional and community programs; and for management of the Eastern Pennsylvania Psychiatric Institute.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Eastern Pennsylvania Psychiatric Institute..... | <u>\$ 6,776</u> | <u>\$ 7,115</u> | <u>\$ 7,400</u> |

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Community Based Services — Mentally Retarded | | | |
| State Funds | \$ 237,857 | \$ 263,474 | \$ 302,248 |
| Federal Funds | 77,703 | 99,463 | 133,242 |
| Augmentations | 524 | ..... | ..... |
| TOTAL | <u>\$ 316,084</u> | <u>\$ 362,937</u> | <u>\$ 435,490</u> |

Provides services mandated by the Mental Health and Mental Retardation Act of 1966 to persons with mental retardation. The act assures the continuous provision of services to persons in need at the community level.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|-----------|-----------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| Community Based Services — Mentally Retarded | \$ 60,233 | \$ 68,891 | \$ 78,796 |
| Elwyn Institute | 200 | 200 | ..... |
| Community Residential Services — Mentally Retarded | 126,501 | 133,032 | 151,880 |
| Philadelphia Association for Retarded Citizens | 208 | 208 | ..... |
| Intermediate Care Facilities — Mentally Retarded | 35,015 | 44,815 | 54,509 |
| Early Intervention | 15,700 | 16,328 | 17,063 |

GENERAL FUND

PUBLIC WELFARE

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| <i>Source of Funds (continued)</i> | | | |
| Federal Funds: | | | |
| Medical Assistance — Community Based Services | \$ 3,149 | \$ 5,743 | \$ 9,936 |
| Medical Assistance — Community Residential Services | 7,222 | 14,813 | 30,565 |
| Medical Assistance — Intermediate Care Facilities — Mentally Retarded | 46,970 | 59,712 | 72,999 |
| Social Services Block Grant — Community Services for the Mentally Retarded | 14,397 | 13,659 | 14,059 |
| Social Services Block Grant — Community Residential Services Mentally Retarded Offenders | 5,965 | 5,498 | 5,664 |
|  | ..... | 38 | 19 |
| Augmentations: | | | |
| Intermediate Care Facilities — Prior Year Settlements | 524 | ..... | ..... |
| TOTAL | <u>\$ 316,084</u> | <u>\$ 362,937</u> | <u>\$ 435,490</u> |

| | (Dollar Amounts in Thousands) | | |
|-----------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Grants for the Blind | | | |
| State Funds | \$ 350 | \$ 190 | \$ 42 |

The Beacon Lodge Camp — Blind Services appropriation provides an opportunity for blind individuals to participate in summer recreational programs.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| <i>Source of Funds</i> | | | |
| Appropriations: | | | |
| Beacon Lodge Camp — Blind Services | \$ 40 | \$ 40 | \$ 42 |
| Rudolph Residence for the Blind | 160 | ..... | ..... |
| Overbrook School for the Blind | 150 | 150 | ..... |
| TOTAL | <u>\$ 350</u> | <u>\$ 190</u> | <u>\$ 42</u> |

GENERAL FUND

PUBLIC WELFARE

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 |
| County Child Welfare Programs | Actual | Available | Budget |
| State Funds | \$ 116,250 | \$ 119,988 | \$ 126,100 |
| Federal Funds | 65,650 | 73,370 | 74,900 |
| TOTAL | <u>\$ 181,900</u> | <u>\$ 193,358</u> | <u>\$ 201,000</u> |

Provides foster family care, services to unmarried parents and their children, adoption services, protective services, institutional and other group care. These services are provided or purchased by county child welfare agencies. Also included are funds to reimburse private facilities providing services to adjudicated youths being detained in the Commonwealth.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 |
| Source of Funds | Actual | Available | Budget |
| Appropriation: | | | |
| County Child Welfare | \$ 109,259 | \$ 112,161 | \$ 115,530 |
| Child Abuse Prevention* | 6,991 | 7,827 | 10,570 |
| Federal Funds: | | | |
| Child Welfare Services | 17,500 | 17,500 | 14,000 |
| Maintenance Assistance | 35,000 | 43,000 | 47,854 |
| Social Services Block Grant — Child Welfare | 11,450 | 11,005 | 11,181 |
| Refugees and Persons Seeking Asylum | 1,700 | 1,700 | 1,700 |
| Adoption Exchange ..... | ..... | 165 | 165 |
| TOTAL | <u>\$ 181,900</u> | <u>\$ 193,358</u> | <u>\$ 201,000</u> |

| | (Dollar Amounts in Thousands) | | |
|--------------------------|-------------------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 |
| Day Care Services | Actual | Available | Budget |
| State Funds | \$ 23,097 | \$ 24,606 | \$ 28,344 |
| Federal Funds | 41,217 | 40,784 | 39,904 |
| TOTAL | <u>\$ 64,314</u> | <u>\$ 65,390</u> | <u>\$ 68,248</u> |

Day care service is out-of-home care provided for part of a day to children under 12 years of age of low income families whose parent(s) or caretaker(s) is working or receiving employment-related training. The primary goal of the program is to enable the parent(s) or caretaker(s) to achieve or maintain economic self-support by working. These services also promote the development of the child and provide a safe and healthful environment.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 |
| Source of Funds | Actual | Available | Budget |
| Appropriations: | | | |
| Day Care Services | \$ 22,991 | \$ 24,500 | \$ 28,235 |
| Arsenal Family and Children's Center — Pittsburgh | 106 | 106 | 109 |
| Federal Funds: | | | |
| Social Services Block Grant — Day Care | 40,900 | 39,937 | 39,904 |
| Child Abuse Prevention Training | 317 | 640 | ..... |
| Dependent Care ..... | ..... | 207 | ..... |
| TOTAL | <u>\$ 64,314</u> | <u>\$ 65,390</u> | <u>\$ 68,248</u> |

*Appropriated as part of County Child Welfare in 1985-86 and 1986-87.

GENERAL FUND

PUBLIC WELFARE

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---|-------------------|---|-------------------|
| Medical Facilities Chronic Disease Hospitals—State Aided | | | |
| State Funds | \$ 200 | ..... | ..... |

Reimburses certain chronic disease hospitals for long-term treatment of indigent persons under age 65. Presently, two institutions are subsidized: Children's Heart Hospital, Philadelphia, and Home for Crippled Children, Pittsburgh. Funding for these institutions now are provided through the Department of Health.

| Source of Funds | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|----------------------------|-------------------|---|-------------------|
| Appropriations: | | | |
| Mercy Hospital Study | 200 | ..... | ..... |
| | <u>200</u> | <u>.....</u> | <u>.....</u> |

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---|-------------------|---|-------------------|
| Mental Health — Western Psychiatric Institute and Clinic | | | |
| State Funds | \$ 6,522 | \$ 6,848 | \$ 7,122 |

This grant helps offset the cost of research into the causes, treatment, prevention and cure of various types of nervous disorders and mental diseases and the cost of training qualified personnel needed as a result of the mounting number of persons requiring attention for mental disorders.

| Source of Funds | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|-------------------|---|-------------------|
| Appropriation: | | | |
| Western Psychiatric Institute and Clinic | <u>\$ 6,522</u> | <u>\$ 6,848</u> | <u>\$ 7,122</u> |

GENERAL FUND

PUBLIC WELFARE

| | (Dollar Amounts in Thousands) | | |
|------------------------|-------------------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Social Services | | | |
| State Funds | \$ 8,511 | \$ 26,938 | \$ 35,047 |
| Federal Funds | 40,222 | 41,468 | 40,524 |
| TOTAL | <u>\$ 48,733</u> | <u>\$ 68,406</u> | <u>\$ 75,571</u> |

Provides various social services such as legal, family planning, emergency shelter, attendant care, drug and alcohol detoxification, counseling and protective services.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| Domestic Violence | \$ 1,772 | \$ 2,729 | \$ 3,311 |
| Rape Crisis | 665 | 895 | 1,084 |
| Breast Cancer Screening | 100 | 225 | 232 |
| Legal Services | 1,500 | 2,000 | 2,000 |
| Human Services Development Fund | 2,000 | 13,069 | 13,069 |
| Attendant Care | 474 | 1,020 | 4,051 |
| Homeless Assistance | 2,000 | 7,000 | 11,300 |
| Federal Funds: | | | |
| Social Services Block Grant — Legal Services | 6,688 | 6,688 | 6,688 |
| Social Services Block Grant — Family Planning | 5,020 | 5,020 | 5,020 |
| Social Services Block Grant — Domestic Violence | 1,656 | 1,574 | 1,573 |
| Social Services Block Grant — Rape Crisis | 870 | 827 | 826 |
| Social Services Block Grant — Human Services Development Fund | 15,275 | 15,100 | 14,339 |
| Social Services Block Grant — Shelter Care | 3,000 | 2,851 | 2,849 |
| Social Services Block Grant — Attendant Care | 4,465 | 4,467 | 4,463 |
| Refugees and Persons Seeking Asylum | 3,056 | 4,500 | 4,500 |
| Preventive Health and Health Services Block Grant — Rape Crisis | 192 | 192 | 180 |
| Family Violence and Prevention Service ..... | . . . . | 249 | 86 |
| TOTAL | <u>\$ 48,733</u> | <u>\$ 68,406</u> | <u>\$ 75,571</u> |

OTHER SPECIAL FUNDS

PUBLIC WELFARE

**STATE LOTTERY FUND
GRANTS AND SUBSIDIES**

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---------------------------|-------------------|---|-------------------|
| Medical Assistance | | | |
| State Funds | \$ 149,835 | \$ 150,501 | \$ 151,835 |
| Federal Funds | 1,652 | 1,973 | 2,505 |
| TOTAL | <u>\$ 151,487</u> | <u>\$ 152,474</u> | <u>\$ 154,340</u> |

Provides nursing home care to eligible persons under the Medical Assistance program, funding for pre-admission assessment for the elderly, and funding for Medicare Part B payments.

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriations: | | | |
| Medical Assistance — Long-Term Care Facilities | \$ 140,000 | \$ 140,000 | \$ 140,000 |
| Preadmission Assessment | 1,653 | 1,973 | 2,505 |
| Medicare Part B Payments | 8,182 | 8,528 | 9,330 |
| Federal Funds: | | | |
| Medical Assistance — Preadmission Assessment | 1,652 | 1,973 | 2,505 |
| TOTAL | <u>\$ 151,487</u> | <u>\$ 152,474</u> | <u>\$ 154,340</u> |

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---------------------------|-------------------|---|-------------------|
| Grants to the Aged | | | |
| State Funds | \$ 19,800 | \$ 19,800 | ..... |

Provides State supplemental payments for those individuals in the Federal Supplemental Security Income (SSI) Program. Also provides for specialized services for aged population with mental retardation. Funding for these programs will be provided through the General Fund beginning in 1987-88.

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriations: | | | |
| Supplemental Grant to the Aged | \$ 17,600 | \$ 17,600 | ..... |
| Community Mental Retardation Services — Elderly | 2,200 | 2,200 | ..... |
| TOTAL | <u>\$ 19,800</u> | <u>\$ 19,800</u> | <u>.....</u> |

Amounts Not Previously Detailed

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---|-------------------|---|-------------------|
| General Fund | | | |
| Southeastern Pennsylvania Institutional Area Service Unit | \$ 271 | | |
| Energy Conservation and Assistance Fund | | | |
| Low Income Energy Assistance | | \$ 10,000 | \$ 31,874 |
| DEPARTMENT TOTAL | <u>\$ 271</u> | <u>\$ 10,000</u> | <u>\$ 31,874</u> |

DEPARTMENT OF PUBLIC WELFARE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 33,022 | \$ 32,728 | \$ 34,498 | \$ 35,831 | \$ 37,194 | \$ 38,623 | \$ 40,091 |
| Medical Programs | \$1,105,644 | \$1,148,549 | \$1,184,512 | \$1,229,769 | \$1,282,576 | \$1,340,263 | \$1,401,400 |
| Alternative Health Care Delivery Systems | 15,391 | 75,395 | 91,773 | 98,584 | 103,045 | 107,708 | 112,582 |
| Preventive Health Services | 15,804 | 14,942 | 16,072 | 16,610 | 17,195 | 17,809 | 18,454 |
| Treatment — Outpatient Services | 266,173 | 252,247 | 261,953 | 270,480 | 279,949 | 290,005 | 300,491 |
| Treatment — Inpatient Services..... | 539,053 | 529,849 | 523,103 | 537,508 | 554,919 | 573,907 | 592,892 |
| Long-Term Care Services | 269,223 | 276,116 | 291,611 | 306,587 | 327,468 | 350,834 | 376,981 |
| Mental Health | \$ 428,191 | \$ 431,704 | \$ 457,818 | \$ 469,794 | \$ 494,260 | \$ 517,148 | \$ 538,591 |
| Community Mental Health Services | 123,613 | 139,013 | 149,462 | 156,104 | 163,041 | 170,289 | 177,858 |
| State Mental Hospital Services..... | 304,578 | 292,691 | 308,356 | 313,690 | 331,219 | 346,859 | 360,733 |
| Social Development of Individuals | \$ 184,232 | \$ 207,233 | \$ 229,245 | \$ 237,834 | \$ 246,738 | \$ 255,936 | \$ 264,343 |
| Youth Development Services | 27,217 | 27,029 | 30,909 | 31,892 | 33,160 | 34,490 | 35,870 |
| Family Support Services | 157,015 | 180,204 | 198,336 | 205,942 | 213,348 | 221,446 | 229,473 |
| Mental Retardation | \$ 347,919 | \$ 364,723 | \$ 401,363 | \$ 431,394 | \$ 450,845 | \$ 471,155 | \$ 492,347 |
| Community Mental Retardation Services | 206,254 | 22,004 | 248,943 | 267,519 | 279,727 | 292,486 | 305,812 |
| Private Intermediate Care Facilities | 35,015 | 44,815 | 54,509 | 62,567 | 65,380 | 68,323 | 71,397 |
| State Centers | 106,650 | 97,904 | 97,911 | 101,308 | 105,738 | 110,346 | 115,138 |
| Economic Development of the Disadvantaged and Handicapped | \$ 834,697 | \$ 834,296 | \$ 827,595 | \$ 865,524 | \$ 880,118 | \$ 889,056 | \$ 903,543 |
| Income Maintenance | 834,697 | 834,296 | 827,595 | 865,524 | 880,118 | 889,056 | 903,543 |
| DEPARTMENT TOTAL | <u>\$2,933,705</u> | <u>\$3,019,233</u> | <u>\$3,135,031</u> | <u>\$3,270,146</u> | <u>\$3,391,731</u> | <u>\$3,512,181</u> | <u>\$3,641,315</u> |

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 33,022 | \$ 32,728 | \$ 34,498 | \$ 35,831 | \$ 37,194 | \$ 38,623 | \$ 40,091 |
| Federal Funds | 46,147 | 51,125 | 50,116 | 51,129 | 52,092 | 53,085 | 53,820 |
| Other Funds | 1,934 | 1,367 | 1,445 | 1,480 | 1,540 | 1,590 | 1,660 |
| TOTAL | \$ 81,103 | \$ 85,220 | \$ 86,059 | \$ 88,440 | \$ 90,826 | \$ 93,298 | \$ 95,571 |

Program Analysis:

General Administration and Support within each substantive program area provides the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and department objectives.

The administrative costs for regional offices, various com-

missions and advisory committees, and the central office are included in this subcategory.

A primary concern of the Commonwealth is to minimize these administrative costs in relation to the costs of provided services.

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 9,047 | \$ 8,273 | \$ 8,695 | \$ 8,996 | \$ 9,294 | \$ 9,623 | \$ 9,911 |
| Information Systems | 23,975 | 24,455 | 25,803 | 26,835 | 27,900 | 29,000 | 30,180 |
| GENERAL FUND TOTAL | \$ 33,022 | \$ 32,728 | \$ 34,498 | \$ 35,831 | \$ 37,194 | \$ 38,623 | \$ 40,091 |

Alternative Health Care Delivery Systems

OBJECTIVE: To support a health care delivery system in which appropriate health services are available to all who are eligible and to develop and evaluate new health care delivery systems and payment mechanisms that will efficiently provide high quality comprehensive care to the population.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 15,391 | \$ 75,395 | \$ 91,773 | \$ 98,584 | \$ 103,045 | \$ 107,708 | \$ 112,582 |
| Federal Funds | 12,921 | 57,952 | 68,059 | 73,576 | 76,908 | 80,391 | 84,032 |
| TOTAL | \$ 28,312 | \$ 133,347 | \$ 159,832 | \$ 172,160 | \$ 179,953 | \$ 188,099 | \$ 196,614 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Medical Assistance recipients: | | | | | | | |
| Fee for service delivery | 1,156,680 | 1,149,999 | 1,160,306 | 1,166,107 | 1,171,938 | 1,177,797 | 1,183,686 |
| Alternative health care delivery | 20,768 | 103,075 | 127,390 | 134,211 | 134,882 | 135,556 | 136,234 |
| Services provided by the alternate health care delivery systems: | | | | | | | |
| Physician services | 121,493 | 602,990 | 746,404 | 783,134 | 789,060 | 793,005 | 796,970 |
| Dental services | 32,398 | 160,798 | 199,041 | 209,369 | 210,416 | 211,468 | 212,525 |
| Pharmaceutical services | 179,436 | 890,570 | 1,102,381 | 1,159,583 | 1,165,381 | 1,171,208 | 1,177,064 |

Program Analysis:

In the Medical Assistance program, the majority of providers are paid a fee for each service rendered to a Medical Assistance recipient. This fee for service system can encourage the over and unnecessary utilization of health care services since the greater the number of services rendered, the greater the reimbursement the provider receives. The department is working to develop alternative health care delivery systems which depart from the fee for service concept, with the goal to encourage the provision of care in the most efficient and effective way possible.

One alternative to the fee for service system is the health maintenance organization (HMO). An HMO is an organized health care delivery system which provides comprehensive health care services to an enrolled population in exchange for a fixed periodic payment for each enrolled member.

HMOs effectively deliver health care services while emphasizing outpatient, preventive health services and, at the same time, keeping costs under control. Because HMOs are paid a fixed or predetermined premium for each client, the HMO is given an incentive to provide only those services which are needed and to emphasize preventive health care. If a client uses more health care services than anticipated,

the HMO loses money; if the person uses less, the HMO makes money. Under these conditions, providers of health care within an HMO system can benefit by helping clients to stay healthy, thus reducing inpatient hospital utilization.

One limitation on the use of HMOs for Medical Assistance recipients was the Federal requirement that HMOs must be Federally qualified under the Public Health Service Act. To encourage enrollment in HMOs, the Federal Omnibus Budget Reconciliation Act of 1981 eliminated this requirement. When HMOs were developed, their enrollments were limited to a maximum of 50 percent Medicare and Medical Assistance beneficiaries and at least 50 percent from the general public. The Tax Equity and Fiscal Responsibility Act (TEFRA) of 1982 raised the limit on the number of Medicaid and Medicare enrolled recipients in private HMOs to 75 percent in October 1982. This change provides an incentive for HMOs to expand their Medical Assistance/Medicare enrollment.

The department has encouraged recipient participation in prepaid capitation plans. Presently, the department has approximately 19,000 persons enrolled in HMOs in Philadelphia, Allegheny, Westmoreland, Bucks,

Alternative Health Care Delivery Systems (continued)

Program Analysis: (continued)

Washington, Luzerne, Wyoming, Armstrong, and Delaware counties. The Department will continue its efforts to increase enrollment in the HMOs which currently contract with the Medical Assistance Program and to encourage the other HMOs in the State to enter into contracts. These efforts are hampered in that many HMOs do not serve welfare recipients.

Another alternative means of health care delivery is the health insuring organization (HIO). Federal regulations define an HIO as a fiscal agent that pays for medical services provided to recipients in exchange for a premium or subscription charge paid by the State Medicaid Agency, and which assumes an underwriting risk. The HIO is paid a fixed amount of money per recipient, per month, and the HIO pays for all of the medical services required by its enrolled recipients. Like HMOs, HIOs are given an incentive to keep health care costs low by emphasizing preventive health care. If the HIO spends more money than it is paid, it loses money; if the HIO spends less money than it is paid, it makes a profit.

The department has implemented an HIO demonstration project for portions of the Philadelphia area. The new program, known as Health PASS (Philadelphia Accessible Services System), is operated by Maxicare Health Plans, Inc. and will serve approximately 96,000 recipients living in the south and west Philadelphia area. Enrollment of recipients for the program began in January 1986, with the first medical services provided through the HIO being provided in March 1986. Recipients are being phased into the program over a seven month period.

The Department of Public Welfare, in cooperation with the HIO contractor, assures that a primary care physician

is available for each recipient in the demonstration area. The

The Department of Public Welfare, in cooperation with the HIO contractor, assures that a primary care physician is available for each recipient in the demonstration area. The primary care physician will manage the recipient's access to other physician services and to hospital services under the program. The use of the case manager system is expected to reduce unnecessary service utilization, yet ensure that the enrolled recipients receive all necessary medical care.

The measures for this subcategory have changed from those printed previously. The measures printed last year anticipated start-up of the HIO in May, 1985 pending approval of the Federal waivers; however, this approval was not received until December, 1985 and the measures have been adjusted to reflect the delayed implementation. The measures for services provided by the alternate health care delivery systems have been adjusted beginning in Fiscal Year 1985-86 and beyond to reflect the inclusion of the utilization characteristics of the HIO. Because the HIO will serve all recipients in the defined area, it should reflect higher utilization mirroring the overall Medical Assistance Program, rather than the experience of the HMOs where Medical Assistance enrollment does not proportionately represent the categories of assistance found in the program as a whole.

The department will continue its exploration of alternatives to the fee for service system of health care delivery. The liberalization of regulations regarding HMO enrollments and the development of health insuring organizations should help to contain escalating costs while effectively meeting the health care needs of the eligible recipient population.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Medical Assistance—Capitation | <u>\$ 15,391</u> | <u>\$ 75,395</u> | <u>\$ 91,773</u> | <u>\$ 98,584</u> | <u>\$ 103,045</u> | <u>\$ 107,708</u> | <u>\$ 112,582</u> |

Preventive Health Services

OBJECTIVE: To reduce the intensity and incidence of disease by providing diagnostic and preventive health services.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 15,804 | \$ 14,942 | \$ 16,072 | \$ 16,610 | \$ 17,195 | \$ 17,809 | \$ 18,454 |
| Federal Funds | 25,137 | 25,443 | 25,115 | 25,990 | 26,977 | 28,002 | 29,065 |
| TOTAL | \$ 40,941 | \$ 40,385 | \$ 41,187 | \$ 42,600 | \$ 44,172 | \$ 45,811 | \$ 47,519 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Children screened | 122,613 | 126,000 | 132,000 | 132,660 | 133,323 | 133,990 | 134,660 |
| Children screened who were found to have abnormalities | 67,746 | 69,300 | 72,600 | 72,963 | 73,328 | 73,694 | 74,063 |
| Children and adults receiving: | | | | | | | |
| Preventive dental exams | 441,009 | 453,225 | 474,844 | 477,218 | 479,604 | 482,002 | 484,412 |
| Preventive vision exams | 57,494 | 59,087 | 61,905 | 62,215 | 62,526 | 62,838 | 63,152 |
| Preventive medical exams | 2,061 | 2,118 | 2,219 | 2,230 | 2,241 | 2,252 | 2,264 |

Program Analysis:

The first stage of the health care delivery system is the prevention of disease. A good health care delivery system will dedicate a significant amount of time, effort and money to the primary stages of health care delivery so that less suffering will occur and the use of resources will be reduced in the more intensive stages of health care. In large part, prevention is an individual responsibility. A person's overall health is dependent on a variety of personal habits, such as smoking, drinking, wearing automobile seat belts and exercise. Educating the individual to accept and understand this responsibility is part of prevention. The Department of Health's programs play a major role in this education process.

The Department of Public Welfare's responsibility for prevention of disease is being met by ensuring the availability of regular medical examinations and preventive health services. Regular check-ups and preventive services performed by physicians, optometrists, and dentists may help to prevent diseases from reaching advanced stages. The department pays practitioners and clinics for providing regular health examinations to Medical Assistance recipients, as well as special prenatal preventive health services, and medical screening for children. Preventative dental care has

been expanded to include additional procedures and has resulted in significant increase in services provided compared to those shown last year.

One of the most important forms of preventive health care is prenatal care. This is because infant morbidity and mortality is strongly related to the lack of prenatal care. Medical Assistance provides payment for prenatal care in the form of family planning services, routine examinations and vitamins for expectant mothers, as well as screening and counseling services. Through the provision of such prenatal health care services, families can learn of the possibilities of disease and can be assisted in the prevention of disease.

The Department of Public Welfare also conducts a program which periodically screens eligible children under 21 years of age, and refers those children requiring medical care to treatment. This program, called Early Periodic Screening, Diagnosis and Treatment (EPSDT), is offered to families on a voluntary basis. EPSDT was developed to bring needed medical care to eligible children during the early stages of disease.

The EPSDT program is the largest preventive health program available under Medical Assistance and is designed to provide recipients with relatively inexpensive tests and

Preventive Health Services (continued)**Program Analysis: (continued)**

observations in order to detect and treat conditions which would require costly medical care if left unchecked. Several national studies have indicated that the EPSDT program is not only good for children, but is also a major cost containment activity since children who are regularly screened have health care costs up to 40 percent lower than children of similar circumstances who do not participate in the program.

To encourage recipients to obtain preventive health services, EPSDT, family planning services and supplies, and

services furnished to pregnant women are exempted from the copayment requirements implemented by the department beginning September 1, 1984.

The measures have been adjusted to reflect estimated utilization by the number of persons eligible for Medical Assistance projected for 1986-87 and beyond. The measures for 1986-87 and beyond do not reflect the impact of increases in enrollment in capitation programs since it is not known at this time what the resulting decrease in utilization by specific service will be.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Medical Assistance—Outpatient | \$ 13,567 | \$ 12,807 | \$ 13,810 | \$ 14,278 | \$ 14,784 | \$ 15,317 | \$ 15,877 |
| Medical Assistance—Inpatient | 2,237 | 2,135 | 2,262 | 2,332 | 2,411 | 2,492 | 2,577 |
| GENERAL FUND TOTAL | <u>\$ 15,804</u> | <u>\$ 14,942</u> | <u>\$ 16,072</u> | <u>\$ 16,610</u> | <u>\$ 17,195</u> | <u>\$ 17,809</u> | <u>\$ 18,454</u> |

Treatment — Outpatient Services

OBJECTIVE: To assure adequate high quality outpatient health services to improve and maintain physical well-being and to avoid unnecessary inpatient care for the eligible population.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 257,991 | \$ 243,719 | \$ 252,623 | \$ 260,683 | \$ 269,663 | \$ 279,205 | \$ 289,151 |
| Special Funds | 8,182 | 8,528 | 9,330 | 9,797 | 10,286 | 10,800 | 11,340 |
| Federal Funds | 223,987 | 230,029 | 223,709 | 230,888 | 239,746 | 249,285 | 258,930 |
| Other Funds | 3,599 | 3,459 | 2,914 | 2,080 | 1,632 | 1,384 | 922 |
| TOTAL | \$ 493,759 | \$ 485,735 | \$ 488,576 | \$ 503,448 | \$ 521,327 | \$ 540,674 | \$ 560,343 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|------------|------------|------------|------------|------------|------------|------------|
| Visits: | | | | | | | |
| Physician | 4,744,317 | 4,286,398 | 4,243,990 | 4,240,622 | 4,258,389 | 4,279,681 | 4,301,079 |
| Dentist | 2,193,726 | 1,980,190 | 1,955,600 | 1,954,048 | 1,962,235 | 1,972,046 | 1,981,906 |
| Podiatrist | 122,026 | 108,035 | 107,329 | 107,244 | 107,693 | 108,231 | 108,772 |
| Chiropractor | 387,447 | 353,436 | 349,704 | 349,426 | 350,890 | 352,645 | 354,408 |
| Outpatient clinic visits: | | | | | | | |
| Independent Medical/Surgical Clinic | 333,826 | 302,505 | 298,954 | 298,717 | 299,968 | 301,468 | 302,975 |
| General Hospital | 4,449,793 | 4,046,020 | 4,001,832 | 3,998,656 | 4,015,410 | 4,035,487 | 4,055,664 |
| Rural Health Clinic | 43,496 | 42,032 | 41,593 | 41,560 | 41,734 | 41,943 | 42,153 |
| Prescriptions and orders filled: | | | | | | | |
| Pharmacy | 12,996,655 | 11,711,635 | 11,664,209 | 11,654,954 | 11,703,784 | 11,762,303 | 11,821,115 |
| Medical Supplier | 162,177 | 154,221 | 154,749 | 154,626 | 155,274 | 156,050 | 156,831 |

Program Analysis:

Outpatient services include the majority of services offered to a person who does not need 24 hour care in a health care facility. Outpatient services include clinic and office care (medical, podiatric, chiropractic, dental, rehabilitation, rural health, and drug and alcohol), pharmaceutical services, ambulance transportation, home health care, medical appliances and prosthetic devices. Currently under the Medical Assistance program, medically needy persons are not covered for pharmaceutical services and medical appliances and prosthetic devices. Only medically needy individuals under the age of twenty one are eligible for dental services. The medically needy are persons who do not receive cash assistance grants, but spend a significant portion of their income for medical expenses.

In the outpatient portion of the Medical Assistance

program, providers of service are primarily reimbursed on a fee for service basis, according to the Medical Assistance Fee Schedule.

While fee increases have been implemented, the department has initiated several measures to contain program costs. These include recipient co-payments, stricter admission criteria for short procedure unit (SPU) services, single billing for methadone maintenance services, centralized prior authorization of selected services and establishment of state maximum allowable cost (MAC) for selected multi-source drugs.

In addition to the regular State MAC program, the department is establishing a special State MAC on all minor tranquilizers (Schedule C-IV Antianxiety Agents classified as benzodiazepines and carbamate derivatives) which have

Treatment—Outpatient Services (continued)

Program Analysis: (continued)

generically equivalent products listed in the Department of Health's Generic Drug Formulary. This special State MAC will be set at 110 percent of the lowest priced generically equivalent product in the same strength and dosage form listed in the Generic Drug Formulary.

The initial list of State MAC drugs will contain no more than 60 generic entities and the second list will contain no more than 100 generic entities. Further additions to this list will be made with the consultation and recommendation of the Medical Assistance Advisory Committee who, together with the department, will determine if the application of the State MAC is cost effective for a particular drug. The State MAC will be updated every six months, if necessary.

Several other program changes are being proposed. The department will (1) add the drug, IBUPROFEN, to its list of compensable nonlegend analgesics, (2) expand the list of exemptions to the dispensing fee limitation for drugs dispensed in a nursing home to include all Schedule C-II drugs, oral liquid anticonvulsants, oral liquid potassium supplements, and legend cough and cold oral liquid preparations, (3) allow a five day grace period to accommodate prescriptions filled and delivered prior to the normal thirty day cycle, (4) preclude payment for all laxatives, legend and nonlegend, when prescribed for a recipient in a nursing home, and (5) preclude payment for any drug which has no approved indicated use to treat a medical condition or illness.

The department is also deleting any reference to a specific pricing guide in the regulations and instead, will use general terminology. The pricing service will be one that is currently under contract with the Department and one that uses a nationally recognized pricing guide. The pricing service will be selected by competitive bids and must be able to supply all necessary services in accordance with the regulations.

The department is in the process of transferring the administrative responsibilities for Medical Assistance covered outpatient psychiatric services (clinic and partial hospitalization programs) to the Office of Mental Health. Claims processing and most utilization review functions will remain with the Office of Medical Assistance. This change will place all oversight responsibilities for these programs in the Office of Mental Health which is most closely identified with the programs and which is responsible for their state licensing and approval. This will also help to assure that Medical Assistance requirements are consistent with licensing requirements.

The program measures presented in this subcategory represent actual and anticipated utilization under the fee for service system by those persons eligible for Medical Assistance. The average monthly number of persons eligible for Medical Assistance is projected to increase slightly in 1986-87 and beyond from the average monthly number eligible in 1985-86. However, the projected utilization in 1986-87 and beyond is not simply a straight percentage increase, but rather a function of aid category utilization patterns for each outpatient provider type. Because each aid category tends to utilize a particular service in different intensities, changes in the case mix in a given year (i.e. proportionately more high utilizers to the total eligibility than previously or vice versa) will be reflected in changes in the number of services for that provider type.

The measures presented for the years 1986-87 and beyond represent utilization before the impact of increased enrollment in capitation programs is taken into account. While this initiative will reduce fee for service utilization, this decrease is not reflected due to the uncertainty of the impact on a service by service basis. The impact is reflected, however, in the dollar projections.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Medical Assistance — Outpatient | \$ 255,991 | \$ 242,284 | \$ 251,343 | \$ 259,852 | \$ 269,079 | \$ 278,766 | \$ 288,954 |
| State General Hospitals | 1,000 | 1,435 | 1,280 | 831 | 584 | 439 | 197 |
| State General Hospital—Philipsburg | 1,000 | | | | | | |
| GENERAL FUND TOTAL | <u>\$ 257,991</u> | <u>\$ 243,719</u> | <u>\$ 252,623</u> | <u>\$ 260,683</u> | <u>\$ 269,663</u> | <u>\$ 279,205</u> | <u>\$ 289,151</u> |
| LOTTERY FUND | | | | | | | |
| Medicare Part B Payments | \$ 8,182 | \$ 8,528 | \$ 9,330 | \$ 9,797 | \$ 10,286 | \$ 10,800 | \$ 11,340 |
| LOTTERY FUND TOTAL | <u>\$ 8,182</u> | <u>\$ 8,528</u> | <u>\$ 9,330</u> | <u>\$ 9,797</u> | <u>\$ 10,286</u> | <u>\$ 10,800</u> | <u>\$ 11,340</u> |

Treatment — Inpatient Services

OBJECTIVE: To insure the availability of quality inpatient services to the eligible population in order to reduce morbidity and length of disability and to minimize time in the hospital.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 539,053 | \$ 529,849 | \$ 523,103 | \$ 537,508 | \$ 554,919 | \$ 573,907 | \$ 592,892 |
| Federal Funds | 390,358 | 370,115 | 371,593 | 370,600 | 375,005 | 382,401 | 387,619 |
| Other Funds | 36,386 | 30,138 | 28,450 | 20,941 | 16,913 | 14,681 | 10,523 |
| TOTAL | \$ 965,797 | \$ 930,102 | \$ 923,146 | \$ 929,049 | \$ 946,837 | \$ 970,989 | \$ 991,034 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Persons eligible for Medical Assistance | 1,156,680 | 1,149,999 | 1,160,306 | 1,166,107 | 1,171,938 | 1,177,747 | 1,183,686 |
| Inpatient hospital admissions: | | | | | | | |
| DRG hospitals | 219,036 | 220,175 | 223,720 | 224,839 | 225,963 | 227,093 | 228,228 |
| Non-DRG hospitals | 35,749 | 35,935 | 36,514 | 36,697 | 36,880 | 37,064 | 37,250 |
| Average length of stay in days: | | | | | | | |
| Rehabilitation hospitals | 13.79 | 13.76 | 13.76 | 13.76 | 13.76 | 13.76 | 13.76 |
| Private psychiatric hospitals | 15.26 | 15.26 | 15.26 | 15.26 | 15.26 | 15.26 | 15.26 |
| Average cost per day: | | | | | | | |
| Rehabilitation hospitals | \$260.68 | \$291.50 | \$302.95 | \$312.95 | \$323.28 | \$333.95 | \$344.97 |
| Private psychiatric hospitals | \$263.97 | \$282.86 | \$308.84 | \$319.03 | \$329.56 | \$340.44 | \$351.67 |
| Average cost per case: | | | | | | | |
| DRG hospitals | \$2,196 | \$2,215 | \$2,266 | \$2,318 | \$2,371 | \$2,426 | \$2,482 |
| Admissions disallowed as a result of hospital utilization review: | | | | | | | |
| DRG hospitals | 5,792 | 5,822 | 5,916 | 5,946 | 5,975 | 6,005 | 6,035 |
| Non-DRG hospitals | 3,057 | 3,073 | 3,123 | 3,139 | 3,154 | 3,170 | 3,186 |
| Days disallowed as a result of hospital utilization review: | | | | | | | |
| DRG day outliers | 7,087 | 7,124 | 7,239 | 7,275 | 7,312 | 7,348 | 7,385 |
| Non-DRG hospitals | 23,702 | 23,825 | 24,209 | 24,330 | 24,452 | 24,574 | 24,697 |

Program Analysis:

Inpatient hospital care is intensive and costly in comparison to those health services described in the preceding subcategories. This subcategory includes care for Medical Assistance patients in general, rehabilitation, and private psychiatric hospitals, as well as care for any patient in State General Hospitals and care provided in selected other hospitals.

The Commonwealth currently operates six general hospitals and assists two chronic disease hospitals. Originally, the State General Hospitals were intended to provide low cost care to patients in the coal mining regions of the State. With the advent of Medicare, Medical Assistance and third party insurers such as Blue Cross, patients are now being fully charged for using the facilities. With increasing third

Treatment—Inpatient Services (continued)

Program Analysis: (continued)

party support, it is anticipated that the local communities will take over the institutions and manage them with the intention of gearing the institutions to the particular needs of each area. On September 6, 1985, Connellsville State General Hospital was divested. On September 27, 1986, Hazelton

State General Hospital was transferred to community ownership. There are still six hospitals in the State General Hospital system. Future divestiture will depend upon the formation of local community boards willing to assume operating responsibility.

| | Patient Capacity July 1986 | Projected Capacity July 1987 | Population July 1986 | Projected Population July 1987 | Projected Percent of Capacity July 1987 |
|--------------------------------|----------------------------------|------------------------------------|-------------------------|--------------------------------------|--|
| State General Hospitals | | | | | |
| Ashland | 183 | 183 | 95 | 82 | 45% |
| Coaldale | 156 | 156 | 91 | 98 | 63% |
| Nanticoke | 93 | 94 | 49 | 45 | 48% |
| Philipsburg | 123 | 130 | 54 | 51 | 39% |
| Scranton | 172 | 172 | 59 | 45 | 26% |
| Shamokin | 96 | 86 | 47 | 37 | 43% |
| TOTAL | 823 | 821 | 365 | 358 | 44% |

Coverage is provided to eligible Medical Assistance recipients on a 24 hour basis for room, board and professional services. The Medical Assistance patient is entitled to the same quality and standard of care as is normally furnished other patients. Initially a recipient can only be eligible for admission under Medical Assistance upon the recommendation of a physician, dentist or podiatrist. Payment will not be made for diagnostic tests and procedures that are not related to the diagnoses that require that particular inpatient stay. Hospital care solely for cosmetic procedures as well as diagnostic or therapeutic procedures solely for experimental, research, or educational purposes are not payable through Medical Assistance.

The Department changed the payment system used to reimburse general hospitals from a retrospective reasonable cost system to a prospective payment system. Under the prospective payment system (PPS) acute care general hospitals are paid a predetermined amount per discharge based on the patient's diagnosis, the procedures performed, the recipient's age, sex, and discharge status. The system used to classify the various diagnoses according to the amount of resources hospitals customarily use to treat them is referred to as the DRG (Diagnosis Related Groups) system. Since payment rates for the various diagnoses are pre-established, there is no year-end adjustment to account for actual allowable costs as there was under the cost reimbursement system. If the hospital stay meets the re-

quirements for either a day or cost outlier, as defined by the Department, the prospective payment amount is augmented. An outlier represents an inpatient hospital case having either an extremely long length-of-stay or extraordinarily high costs in comparison to most discharges for the same DRG. When inpatient care is provided to an eligible recipient, the Department makes separate payments to the practitioner for direct care services provided by that practitioner (licensed physician, dentist, podiatrist, or midwife) who is under salary or contract with the hospital. These services are reimbursed in accordance with the fees established under the Medical Assistance Program Fee Schedule through the Medical Assistance — Outpatient appropriation.

For fiscal years 1986-87 and hereafter, the department's payment for compensable inpatient hospital services under the DRG payment system will be based on the hospital's group average cost per case. For children's hospitals, payment is made with each hospital considered its own group.

Drug and alcohol free standing treatment/rehabilitation hospitals, psychiatric, and rehabilitation hospitals, as well as psychiatric units of general hospitals and Department of Health approved drug and alcohol treatment/rehabilitation units of general hospitals are excluded from the prospective payment system. Since DRGs were based on acute care data from a nationwide sample of acute care general hospitals, classifying patients into groups that are clinically similar and are comparable with respect to use of resources,

Treatment — Inpatient Services (continued)**Program Analysis: (continued)**

they are not clinically appropriate for these services. The methods of treatment and associated length of stay for these services have a wide range of variation based on the ability of a patient to respond to the treatment and how providers define the minimum length of stay to complete their program. Payment for these services continues to be made on a retrospective cost related basis subject to limitations.

The Department has found that extraordinary amounts have been spent for acute care hospital detoxification services provided to a small number of recipients who have obtained frequent, short-term inpatient services. In an extreme example, the Department paid for over 25 detoxification related admissions in one year. To control this situation and in an attempt to direct such individuals into more appropriate treatment under the state-county drug and alcohol system, the Department has initiated a policy change which limits acute care hospital payments for detoxification services to situations where there is an immediate acute care medical need. Under this policy, hospitals must refer drug and alcohol patients to their local drug and alcohol Single County Authority for appropriate follow-up.

As of October 1, 1986, the department began to incorporate capital costs for buildings and fixtures into the prospective payment rates. The phase-in period for this process is seven years. Payments will consist of an add-on percentage to the group average cost per case and a hospital specific pass-through payment. Over the seven year period, the percentage paid as a hospital specific amount will gradually decrease while the percentage of the payment calculated as an add-on will gradually increase.

In fiscal year 1986-87, the department placed a moratorium on payment of capital costs for new or additional psychiatric and drug and alcohol treatment/rehabilitation beds. In recent years, there has been considerable growth in inpatient psychiatric beds both in Pennsylvania and nationally. This has been attributed, in part, to the efforts of hospitals to keep excess acute care beds in operation rather than to take them out of service and to the fact that these beds are exempt from the prospective payment system. If this trend continues, and the department continues to pay for these new beds, the result will be that funds will be diverted from patient care to subsidized capital expansion.

Payment for direct medical education is also made in addition to the prospective payment rates. Beginning in 1985-86, and for future years, increases in direct medical education costs were limited to the projected rate of inflation.

Two initiatives have been undertaken for 1986-87 as part of the State's cost containment efforts. Payment procedures for ambulatory surgical centers were developed and the pay-

ment system for hospital-based short procedure units, facilities where same day surgery is performed, were being revised. This revision is anticipated to reduce funding requirements by \$10.4 million (\$6.0 million in State funds) in 1987-88.

Since the Department will be paying for short procedure unit (SPU) services as outpatient services in Fiscal Year 1987-88, the costs associated with these services were removed from the inpatient database prior to calculating DRG rates for Fiscal Year 1987-88. These costs were considered when determining inflation factors utilized in calculating projected inpatient hospital expenditures for Fiscal Year 1987-88.

For Fiscal Year 1987-88, rates for hospitals reimbursed under the prospective payment system will be increased 2.3 percent. The medical education pass-through amount for these hospitals will be increased 4.2 percent. Per diem rate ceilings for hospitals and hospital units excluded from prospective payment will be set at 3.3 percent.

Beginning in February 1982, the department implemented Concurrent Hospital Review (CHR) activities to cover all Medical Assistance hospital admissions. The recommended budget anticipates that the present concurrent review of inpatient hospital admissions will be replaced by out service review program for elective inpatient hospital services and for ambulatory services provided in short procedure units and ambulatory surgical centers. The Department anticipates savings of \$6.8 million (\$4.3 million in state funds) in Fiscal Year 1987-88 from these two initiatives. Outlier days and outlier costs for neonatal and burn cases are also reviewed for medical necessity after discharge. Any admission, outlier, or extension of stay not deemed medically necessary will not be reimbursed.

The department continues to emphasize that third party resources, such as Medicare and other insurance, available to a recipient be utilized as a method of containing Medical Assistance program costs. Savings under third party liability can be realized in several ways. First, the provider of service is aware that other medical coverage is available and collects payment from that resource, with that payment not being billed to the department. Claims for reimbursement are also checked by the department's automated claims processing system to identify if third party resources are available to the individual. If such is the case, the claim is rejected, the provider is informed of what resources are available and where to bill, and Medical Assistance expenditures are avoided. In addition, the department periodically runs computerized tape matches with insurers such as Blue Cross, Blue Shield, and Medicare to determine whether Medical Assistance eligibles have additional health care coverage available to them. If it is found that Medical

Treatment — Inpatient Services (continued)

Program Analysis: (continued)

Assistance has paid for services that are reimbursable under other third party coverage, those payments are recovered from the appropriate source, and the computerized Medical Assistance eligibility file is updated so that claims can be appropriately paid by third party resources. Cost recoveries are also made by the Medical Recovery Unit in the Office of Fraud and Abuse Investigation and Recovery in the department. That unit is responsible for collecting third party resources available to Medical Assistance recipients for the payment of medical services. This Office is also responsible for recovering monies erroneously paid to or fraudulently claimed by providers of medical services.

The program measures for this category have been revis-

ed from those printed previously due to the changes that have taken place in the Medical Assistance inpatient hospital program as discussed above. Since the current payment system for acute care community general hospitals is based on the prospective payment system using DRGs, measures have been added to show hospital admissions, average cost per case and other information on DRG and non-DRG hospitals. Data continues to be shown on average length of stay and cost per day for two types of hospitals--rehabilitation hospitals and private psychiatric hospitals--and those units which are not covered by the DRG payment system.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 1,654 | \$ 1,512 | \$ 1,598 | \$ 1,659 | \$ 1,738 | \$ 1,824 | \$ 1,904 |
| County Administration—Statewide | 6,611 | 8,135 | 14,338 | 14,911 | 15,510 | 16,125 | 16,770 |
| County Assistance Offices | 24,111 | 31,488 | 34,437 | 37,968 | 40,815 | 43,746 | 46,959 |
| Medical Assistance—Inpatient | 488,879 | 466,734 | 450,166 | 464,072 | 479,773 | 496,006 | 512,787 |
| Medical Assistance—Outpatient | 9,598 | 9,060 | 11,049 | 11,422 | 11,828 | 12,253 | 12,701 |
| State General Hospitals | 7,000 | 12,920 | 11,515 | 7,476 | 5,255 | 3,953 | 1,771 |
| State General Hospital—Philipsburg | 1,000 | ..... | ..... | ..... | ..... | ..... | ..... |
| Mercy Hospital Study | 200 | ..... | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | <u>\$ 539,053</u> | <u>\$ 529,849</u> | <u>\$ 523,103</u> | <u>\$ 537,508</u> | <u>\$ 554,919</u> | <u>\$ 573,907</u> | <u>\$ 592,892</u> |

Long-Term Care Services

OBJECTIVE: To insure the availability of high quality care in skilled nursing facilities (SNF) or intermediate care facilities (ICF) for those who do not require intensive care but cannot be maintained within a family household unit.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 127,570 | \$ 134,143 | \$ 149,106 | \$ 163,957 | \$ 184,708 | \$ 207,934 | \$ 233,931 |
| Special Funds | 141,652 | 141,973 | 142,505 | 142,630 | 142,760 | 142,900 | 143,050 |
| Federal Funds | 350,256 | 389,690 | 409,324 | 440,958 | 469,674 | 500,264 | 532,850 |
| Other Funds | 473 | 490 | 500 | 500 | 500 | 500 | 500 |
| TOTAL | \$ 619,952 | \$ 666,296 | \$ 701,435 | \$ 748,045 | \$ 797,642 | \$ 851,598 | \$ 910,331 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Average monthly number of recipients receiving institutional long-term care: | | | | | | | |
| Skilled nursing care | 7,445 | 7,308 | 7,375 | 7,513 | 7,655 | 7,801 | 7,951 |
| Intermediate care | 40,030 | 41,556 | 42,407 | 43,295 | 44,209 | 45,151 | 46,121 |
| Nursing care cases reviewed | 52,664 | 55,823 | 111,647 | 118,346 | 125,447 | 132,974 | 140,952 |

Program Analysis:

The provision of skilled nursing or intermediate care to persons eligible for Medical Assistance is the primary emphasis of this subcategory. Funds for the State restoration center, mental health and mental retardation institutional patients are not reflected here.

Nursing homes certified to participate in the Medical Assistance program provide one or both of two levels of care in accordance with established standards. The most intense level, skilled nursing care, involves skilled nursing and rehabilitation services rendered under the general direction of a licensed physician. Such services are furnished by or under the supervision of licensed professional nursing personnel or by other professional health personnel. In addition, services are required and provided on a daily basis and as a practical matter, can only be provided on an inpatient basis. The less intense level of care, intermediate care, is a planned program of health care and management that is provided under the direction of a physician to recipients with a mental or physical disability whose needs cannot be met in a less intensive setting.

Skilled nursing facilities and intermediate care facilities provide services to two major categories of patients: (1) those who need temporary care in order to be restored to the community and (2) those who need continuing care on a long-term basis. The first category of patients consists most

often of persons discharged from an inpatient hospital setting who require medical services while convalescing after intensive medical services, such as surgery. These persons may be of any age. The second category of patients consists of persons who may or may not have been in an inpatient hospital setting but who have a chronic disabling condition which would prevent them from returning to the community. Most of the persons in this category are 65 years of age or older. While some of the patients are Medical Assistance recipients at the time of their admission to a nursing home, the majority of the Medical Assistance nursing home recipients enter the nursing home as private pay patients, and become eligible for Medical Assistance only after exhausting their personal resources.

Private profit and nonprofit nursing homes and facilities operated under the County Institution District Law are reimbursed allowable costs up to ceilings calculated for each Metropolitan Statistical Area (MSA) and non-MSA within the State according to the department's established methodology. For private nursing homes, four MSA groupings are used, with two MSA groupings used for county nursing facilities. Special rehabilitation and hospital-based nursing facilities are currently reimbursed their allowable costs up to Statewide ceilings for each group. The ceilings are used to limit operating costs only. Payment for

Long-Term Care Services (continued)

Program Analysis: (continued)

capital depreciation and interest are paid outside of the ceilings. During Fiscal Year 1986-87, the Department had proposed to discontinue the statewide grouping of hospital-based nursing facilities for ceiling setting purposes, and instead, incorporate these facilities into the four MSA or Non-MSA groups for private nursing facilities according to the geographic location of the hospital-based facilities. In lieu of this, the Department entered into discussions with the Hospital Association of Pennsylvania, which represents the hospital-based nursing facilities, with the desired goal of having these facilities agree to accept ventilator dependent patients, who may otherwise receive care in more expensive inpatient settings, in exchange for retaining the statewide hospital-based ceiling setting group. In addition, the Department anticipates that the new reimbursement system, discussed below, will make the current ceilings and grouping processes obsolete. Therefore, the Department has maintained the separate statewide group for hospital-based facilities.

During 1986-87, the department entered into a contract with a reimbursement consultant to redesign the reimbursement methodology for general and county nursing facilities. The department anticipates that the new reimbursement system will more closely link long-term care dollars with patient needs and streamline the complexity of reimbursement for nonpatient care areas, such as administrative and capital. It is anticipated that the new reimbursement system will become effective on January 1, 1990.

During 1986-87, the Department anticipated adding additional staff to perform more frequent reviews of recipients' level of care needs. Because of the special client characteristic data required by the new reimbursement system, the Department has somewhat modified its original implementation plans and now hopes to implement the program with a combination of contract and Department staff. This utilization management function also includes a review of the applicants' need for institutional versus

community care for non-LAMP (Long-Term Care Assessment and Management Program) counties.

The Federal Deficit Reduction Act of 1984 was signed into law on July 18, 1984. One provision of the act amends Title XIX of the Social Security Act in regard to payment for depreciation, interest, and other costs related to the negotiation or settlement of the sale or purchase of any capital asset of any hospital or nursing facility enrolled in the Medical Assistance program. The law requires that the Medical Assistance program adjust its payment for services on or after October 1, 1984 to preclude a step-up in cost basis for any asset that was purchased on or after July 18, 1984, in order to ensure receipt of Federal matching funds. For asset transfers affected by the law, a step-up in cost basis was permitted from the date of the transfer through September 30, 1984. Effective October 1, 1984 the cost basis was adjusted to reflect no step-up.

While long-term care has traditionally been associated with institutionalized care, the emphasis in recent years has begun to change as the proportion of elderly individuals to the total population increases and as the cost of nursing home care continues to escalate. Attention is increasingly being given to developing alternative programs and support services which allow an individual to remain in the community in the least restrictive setting appropriate for that person.

In Pennsylvania, a number of long-term care alternatives have been developed, using a multi-agency approach and utilizing funding from State, Federal, and Lottery Fund sources. These changes are designed to strengthen both informal and formal community support systems and attempt to decrease the emphasis on the use of nursing home care.

These changes include extending the Supplemental Security Income (SSI) payments to persons residing in licensed personal care boarding homes and establishing a Long-Term Care Assessment and Management Program (LAMP) and an attendant care program for senior citizens.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Long-Term Care Facilities | \$ 127,570 | \$ 134,143 | \$ 149,106 | \$ 163,957 | \$ 184,708 | \$ 207,934 | \$ 233,931 |
| LOTTERY FUND | | | | | | | |
| Medical Assistance — Long-Term Care | | | | | | | |
| Facilities | \$ 140,000 | \$ 140,000 | \$ 140,000 | \$ 140,000 | \$ 140,000 | \$ 140,000 | \$ 140,000 |
| Pre-Admission Assessment | 1,652 | 1,973 | 2,305 | 2,630 | 2,760 | 2,900 | 3,050 |
| LOTTERY FUND TOTAL | \$ 141,652 | \$ 141,973 | \$ 142,505 | \$ 142,630 | \$ 142,670 | \$ 142,900 | \$ 143,050 |

Community Mental Health Services

OBJECTIVE: To reduce dependence on the mental health service system by enabling mentally disabled individuals to live in as independent manner as possible through the provision of an array or residential rehabilitation services and supportive vocational and social rehabilitative services.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 123,613 | \$ 139,017 | \$ 149,462 | \$ 156,104 | \$ 163,041 | \$ 170,289 | \$ 177,858 |
| Federal Funds | 26,353 | 23,219 | 22,025 | 22,441 | 22,422 | 22,422 | 22,422 |
| Other Funds ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| TOTAL | \$ 149,966 | \$ 162,232 | \$ 171,487 | \$ 178,545 | \$ 185,463 | \$ 192,711 | \$ 200,280 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Total persons provided mental health services in the county program | 219,469 | 222,102 | 224,768 | 227,465 | 230,195 | 232,957 | 235,752 |
| Persons receiving outpatient services | 156,092 | 155,608 | 155,126 | 154,645 | 154,165 | 153,687 | 153,211 |
| Persons receiving partial hospitalization services | 26,225 | 25,881 | 25,542 | 25,208 | 24,878 | 24,552 | 24,230 |
| Persons receiving inpatient services | 14,476 | 13,720 | 13,004 | 12,325 | 11,682 | 11,072 | 10,494 |
| Days of inpatient services | 288,599 | 282,510 | 276,549 | 270,713 | 265,001 | 259,410 | 253,936 |
| Persons receiving community residential rehabilitation services | 5,215 | 5,813 | 6,489 | 7,233 | 8,062 | 8,986 | 10,015 |
| Persons receiving vocational rehabilitation services | 4,428 | 4,760 | 5,117 | 5,500 | 5,913 | 6,357 | 6,834 |
| Persons receiving social rehabilitation services | 15,191 | 15,396 | 15,640 | 15,815 | 16,028 | 6,244 | 16,464 |
| Persons receiving emergency and crisis intervention services | 63,059 | 68,709 | 74,865 | 81,573 | 88,882 | 96,882 | 105,524 |
| Persons receiving case management services | 124,524 | 127,002 | 129,529 | 132,107 | 134,736 | 137,417 | 140,152 |

Program Analysis:

The Mental Health/Mental Retardation Act of 1966 mandates that an array of mental health services be available at the local level, including information and referral, unified intake, short-term inpatient, partial hospitalization, outpatient, social and vocational rehabilitation, and aftercare. The law further requires that these services be administered by county government either alone or in county jointures, that local advisory boards be established to provide community input into the administration of the mental health program, and that funding be on a 90 percent State/10 percent county basis, except for inpatient and

partial hospitalization services which are to be fully funded by the State. Forty-four (44) administrative units have been developed to cover the 67 counties and 89 mental health catchment areas. In addition, the Office of Mental Health works with the Eastern Pennsylvania Psychiatric Institute (EPPI) and Western Pennsylvania Institute and Clinic (WPIC) in the development and implementation of training for community program as well as state mental hospital staff. EPPI and WPIC also receive State funds to develop and implement mental health research institutes.

Below is a description of each of the mandated community

Community Mental Health Services (continued)

Program Analysis: (continued)

mental health services. The change in the number of persons served differs substantially from the previous year's projection because the data now provides unduplicated counts.

Outpatient Services are clinic services provided to mentally ill persons in the community. Services are supported by State funds, Medical Assistance, client fees, and third-party insurance funds. Outpatient services include individual, group and family treatment modalities. Services are provided on a schedule that is appropriate for the person's mental health needs. Outpatient services provide the individual with a high degree of independence, and services are restricted to less than three hours per day.

Hours of outpatient services are expected to decrease by 4.56 percent in the coming year. The data in this measure indicates that persons receive an average of slightly more than eight hours of outpatient services per year.

Partial Hospitalization Services provide intensive day treatment programs designed as an alternative to inpatient care. Services are funded primarily through Medical Assistance, State funds and client fees.

Partial hospitalization services provide care and treatment to those persons not able to maintain or immediately resume full-time community roles and responsibilities upon discharge from inpatient treatment and to prevent unnecessary hospitalization. These services are more intensive than 24-hour care. Services are provided on a planned and regularly scheduled basis for parts of days, nights or weeks. The flexibility allows persons to maintain contact with their community, family and employment.

It is projected that there will be a 1.3 percent annual decrease in the number of persons receiving these services but that the hours of partial hospitalization services provided will increase 1.3 percent annually.

Inpatient Services are short-term psychiatric hospitalization services provided in general hospital psychiatric units and private psychiatric hospitals for a maximum of 60 days. State funds are used to supplement client fees for persons who are not covered by their own resources, third-party insurance or Medical Assistance.

The intensive, 24-hour service is designed to treat acute episodes of mental illness while enabling the patient to maintain contact with family and friends. Inpatient treatment in the community helps to decrease the likelihood of long-term treatment in a State mental hospital and dependence on the mental health system.

It is anticipated that the number of persons receiving community inpatient services will decrease at an annual rate of about 5.22 percent, and the days of inpatient service will decrease at an annual rate of 2.11 percent. Currently, each community inpatient episode lasts an average of 20 days.

Community Residential Rehabilitation (CRR) Services are a continuum of supervised residential living arrangements consisting of group homes and apartment programs for persons with chronic mental illness, particularly former hospital patients. There are also a limited number of CRR spaces for children and adolescents. Services are funded primarily with State funds. Client personal funds or entitlement funds pay for most of the food and housing costs.

CRR facilities provide transitional living arrangements and rehabilitative training in community living skills for those mental health clients who are unable to make a successful adjustment to independent community living. After a period of time in the program, most individuals are expected to be capable of functioning in an independent living situation with minimal supervision or to be ready for placement in a long-term sheltered setting, such as domiciliary care, foster care, or a personal care home.

In a CRR program, the provider acts as a landlord to the client; i.e., the provider owns or leases the residential site and subleases to the client. Various levels of residential programming are available based on the level of supervision provided. During Fiscal Year 1986-87, 5,813 persons are expected to be served in 3,618 CRR spaces with an average length of residence of 6.2 months per person.

Vocational Rehabilitation Services are services designed to integrate the mentally ill into the work force consistent with the client's interests and abilities. Services are supported primarily through the Office of Vocational Rehabilitation and State mental health funds.

Vocational rehabilitation services facilitate the individual's independence and integration into the community and are oriented toward assisting an individual to achieve the highest level of vocational adaptation. Vocational rehabilitation activities include vocational evaluation, job counseling, work adjustment training, and sheltered and supported employment.

An estimated 4,760 persons will receive 327,774 days of vocational rehabilitation services in fiscal year 1986-1987. It is anticipated that the number of persons served will increase at an annual rate of 7.5 percent and the days of service will increase at a rate of 9.0 percent annually.

Social Rehabilitation Services are designed to teach or improve self-care, personal behavior, and social adjustment to make community or independent living possible, and/or improve the quality of life for persons with mental illness. Services are funded primarily with State funds. The services are directed towards increasing an individual's level of social competency and decreasing the need for structured supervision. Activities include social education, adult day training programs, in-home training, day and evening

Community Mental Health Services (continued)

Program Analysis: (continued)

recreation and socialization programs, drop-in centers and psychiatric resocialization programs.

It is anticipated that during fiscal year 1986-87, 15,396 clients will receive 327,225 hours of social rehabilitative services.

Emergency/Crisis Intervention Services are provided to individuals facing psychiatric "crisis" situations. Services are funded through Medical Assistance and State funds.

Emergency services are available on a 24-hour basis to persons who need immediate mental health care. Usually, emergency care is needed to prevent aggressive behavior by a person toward self or others. Emergency services increase a person's likelihood of stabilization from emotional distress and frequently prevent the need for inpatient care.

For Fiscal Year 1987-1988, it is anticipated that 74,865 persons will require emergency mental health services. It is estimated that 303,995 hours of service will be provided to these individuals. It should be noted that these hours are face-to-face contacts with the client and do not include other types of emergency services. The hours of face-to-face contact and the number of persons receiving these services are projected to increase at a rate of 2.0 percent annually.

Case Management Services are a set of client and system support functions designed to assure that client needs are

appropriately assessed and a viable service plan is designed, implemented, and coordinated. Case management services include identification and coordination of mental health, income, social and other support services to assure continuity of care and improve client functioning. Services are funded primarily through state mental health funds.

Case management services are reported as face-to-face client contacts. Although case management services include considerable collateral activities, fact-to-face client contact is a standard, measurable unit of service. In fiscal year 1986-1987, 433,943 hours of case management are expected to be provided to 127,002 persons.

Additionally, \$750,000 in State funds have been included in the Community Mental Health Services appropriation specifically for case management services for Supplemental Security Income (SSI) recipients who reside in Personal Care Boarding Homes (PCBHs).

The fiscal year 1987-88 Recommended Budget includes initiatives which further expand: Teen Suicide Prevention/Student Assistance Program (SAP) in providing mental health services addressing the problem of teenage depression suicide, and substance abuse (\$475,000); and forensic mental health services to persons in county jails and on parole/probation (\$1,250,000).

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Community Mental Health Services | \$ 110,315 | \$ 124,800 | \$ 134,690 | \$ 140,751 | \$ 147,084 | \$ 153,704 | \$ 160,620 |
| Teen Suicide Center | | 250 | 250 | 250 | 250 | 250 | 250 |
| Eastern Pennsylvania Psychiatric Institute | 6,776 | 7,115 | 7,400 | 7,696 | 8,004 | 8,324 | 8,656 |
| Western Psychiatric Institute and Clinic . | 6,522 | 6,848 | 7,122 | 7,407 | 7,703 | 8,011 | 8,332 |
| GENERAL FUND TOTAL | <u>\$ 123,613</u> | <u>\$ 139,013</u> | <u>\$ 149,462</u> | <u>\$ 156,104</u> | <u>\$ 163,041</u> | <u>\$ 170,289</u> | <u>\$ 177,858</u> |

State Mental Hospital Services

OBJECTIVE: To reduce the mental disabilities of individuals and to restore their capacity to function in a community setting or an alternate treatment or residential setting in as short a period of time as possible by providing high quality, intensive inpatient psychiatric care, treatment, and programs.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 304,578 | \$ 292,691 | \$ 308,356 | \$ 313,690 | \$ 331,219 | \$ 346,859 | \$ 360,733 |
| Federal Funds | 121,574 | 109,952 | 91,248 | 89,684 | 89,814 | 90,020 | 90,226 |
| Other Funds | 37,519 | 39,899 | 37,658 | 36,800 | 36,800 | 38,600 | 36,800 |
| TOTAL | \$ 463,671 | \$ 442,542 | \$ 437,262 | \$ 440,174 | \$ 457,833 | \$ 475,479 | \$ 487,759 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Rated bed capacity in State mental hospitals | 9,165 | 8,040 | 8,040 | 8,040 | 8,040 | 8,040 | 8,040 |
| State Mental Hospital population at end of fiscal year | 7,823 | 7,452 | 7,452 | 7,452 | 7,452 | 7,452 | 7,452 |
| Length of stay for residents of State mental hospitals: | | | | | | | |
| From: - but less than: | | | | | | | |
| 0 - 6 months | 1,963 | 1,846 | 1,846 | 1,846 | 1,846 | 1,846 | 1,846 |
| 6 months - 1 year | 753 | 721 | 721 | 721 | 721 | 721 | 721 |
| 1 year - 3 years | 1,455 | 1,372 | 1,372 | 1,372 | 1,372 | 1,372 | 1,372 |
| 3 years - 5 years | 799 | 746 | 746 | 746 | 746 | 746 | 746 |
| 5 years - 10 years | 1,089 | 1,042 | 1,042 | 1,042 | 1,042 | 1,042 | 1,042 |
| 10 years - 20 years | 623 | 598 | 598 | 598 | 598 | 598 | 598 |
| 20 - years | | | | | | | |
| Persons readmitted to State mental hospitals within 30 days of discharge ... | 331 | 303 | 278 | 256 | 235 | 215 | 197 |
| Persons referred to and served by a base service unit upon discharge | 5,847 | 5,939 | 6,057 | 6,178 | 6,302 | 6,428 | 6,556 |

Program Analysis:

The State mental hospitals provide inpatient psychiatric services for patients who require intermediate and long-term inpatient care as well as specialized treatment programs for children and adolescents needing longer treatment than is available in a community setting, mentally ill adult and juvenile offenders and defendants who require treatment in a secure setting, and former State mental hospital psychiatric patients who require skilled or intermediate nursing care. Since fiscal year 1965-66 the State mental hospital

inpatient population has declined approximately 85 percent. This decline is attributed to improved treatment services, trained professional staff, and increased availability of community-based treatment centers which enable mentally disabled individuals to remain in the community.

The availability of community resources such as nursing homes, personal care homes, and community residential facilities has enhanced the State hospitals discharge capabilities.

State Mental Hospital Services (continued)

Program Analysis: (continued)

The patient census at the close of fiscal year 1985-86 totalled 7,823. The end of the fiscal year patient census was 69 percent adult psychiatric, three percent children and youth, five percent forensic, and 23 percent long-term care patients. The potential for community placements continues to increase for long-term care patients and will contribute to the future decline in the hospital patient census over the next six years. As a result of the decline in the number of long-term care patients, State mental hospital resources will focus increasingly on the delivery of specialized psychiatric

services to the most seriously disabled chronically mentally ill and other population groups (i.e. young adults, children and youth, elderly, and forensic.) The 1987-88 Recommended Budget includes a State funds savings of \$743,000 as a result of these actions.

Additionally, an initiative of \$2.3 million in State funds has been included in the budget for the establishment of a 40 bed Central Pennsylvania forensic unit on the grounds of a State Mental Hospital proximate to major referral sources in central and northeast areas.

The hospital and restoration center populations for the prior, current and upcoming year are:

| | Projected Patient Capacity July 1987 | Population July 1985 | Population July 1986 | Projected Population July 1987 | Projected Percent of Capacity July 1987 |
|---|---|-------------------------|-------------------------|--------------------------------------|--|
| State Mental Hospitals | | | | | |
| Allentown..... | 438 | 460 | 422 | 410 | 94% |
| Clarks Summit | 472 | 511 | 466 | 430 | 91% |
| Danville | 535 | 589 | 527 | 489 | 91% |
| Eastern State School and Hospital | 184 | 154 | 143 | 184 | 100% |
| Farview | 240 | 236 | 184 | 240 | 100% |
| Harrisburg | 466 | 438 | 449 | 436 | 94% |
| Haverford | 434 | 380 | 423 | 401 | 92% |
| Mayview | 711 | 774 | 695 | 656 | 92% |
| Norristown | 994 | 1,001 | 966 | 922 | 93% |
| Philadelphia | 592 | 655 | 575 | 550 | 93% |
| Somerset | 303 | 290 | 292 | 283 | 93% |
| Torrance | 448 | 503 | 441 | 411 | 92% |
| Warren | 572 | 564 | 552 | 534 | 93% |
| Wernersville | 497 | 532 | 490 | 455 | 91% |
| Woodville | 574 | 589 | 565 | 552 | 92% |
| South Mountain | 580 | 742 | 633 | 527 | 91% |
| TOTAL | 8,040 | 8,364 | 7,823 | 7,453 | 93% |

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|------------------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| State Mental Hospitals | <u>\$ 304,578</u> | <u>\$ 292,691</u> | <u>\$ 308,356</u> | <u>\$ 313,690</u> | <u>\$ 331,219</u> | <u>\$ 346,859</u> | <u>\$ 360,733</u> |

Youth Development Services

OBJECTIVE: To minimize the incidence of juvenile delinquency and to develop the capacity for constructive community living among court adjudicated youths that are committed to the Commonwealth's youth development facilities and forestry camps.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 27,217 | \$ 27,029 | \$ 30,909 | \$ 31,892 | \$ 33,160 | \$ 34,490 | \$ 35,870 |
| Federal Funds | 1,506 | 1,577 | 1,475 | 1,480 | 1,410 | 1,340 | 1,270 |
| Other Funds | 55 | 105 | 105 | 110 | 110 | 110 | 120 |
| TOTAL | \$ 28,778 | \$ 28,711 | \$ 32,489 | \$ 33,482 | \$ 34,680 | \$ 35,940 | \$ 37,260 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Court adjudicated juveniles in the Commonwealth committed to a placement facility | 3,700 | 4,000 | 4,200 | 4,400 | 4,400 | 4,400 | 4,400 |
| Court adjudicated juveniles admitted to State children and youth programs | 862 | 865 | 900 | 920 | 920 | 920 | 920 |
| Average daily census of State-operated programs: | | | | | | | |
| Non-secure programs | 311 | 350 | 350 | 350 | 350 | 350 | 350 |
| Security programs | 245 | 265 | 285 | 290 | 290 | 290 | 290 |

Program Analysis:

The primary purpose of the Youth Development Center and Youth Forestry Camp (YDC/YFC) system is to bring about positive change in the court adjudicated juveniles committed to its care. The services provided by the YDCs and YFCs will enable these juveniles to return to the community and function in a socially responsible manner. More specifically this program system serves committed delinquents ages 12 to 18, with special focus on those youth who are serious offenders or have special needs.

Pennsylvania's juvenile justice system is designed in a manner that enables a youth to receive the intensity of treatment required in the least restrictive setting possible. This structure is in keeping with the department's efforts to minimize widespread institutionalization while recognizing that confinement in a treatment environment is necessary for certain juveniles who pose a threat to themselves or others. As a result, additional secure beds are being provided at existing facilities.

The YDC/YFC system consists of three distinct types of residential programs: youth development centers, youth forestry camps, and secure treatment units.

Specialized program services have been developed within the YDC system. At the New Castle YDC, five specialized programs are operating. The first is a program entitled "Project 5". This is a 16-bed treatment unit designed to serve the emotionally disturbed male delinquent. Youths are admitted who exhibit severe emotional problems but do not meet the criteria for placement into the mental health system.

The second specialized program at New Castle is a sexual offender unit. This program serves male offenders 15-17 years of age who are committed for serious sexual offenses. Programming occurs within a secure setting and is designed to impress upon the youth the seriousness of his crime and provide alternatives for him in managing his behavior.

The third specialized program at YDC New Castle is a program for female offenders. This program provides 14 residential and 20 secure beds for female offenders ranging in age from 13 to 20. The goal is to alter the delinquent behavior of its residents by focusing on the adolescents physical and sexual victimization.

New Castle YDC also operates a specialized program for youth who owe court-ordered restitution. This 16-bed

Youth Development Services (continued)

Program Analysis: (continued)

| | Projected Capacity July 1987 | Population July 1985 | Population July 1986 | Projected Population July 1987 | Projected Percent Capacity July 1987 |
|--|------------------------------------|-------------------------|-------------------------|--------------------------------------|---|
| Security Program | | | | | |
| Cornwells Heights | 110 | 87 | 105 | 110 | 100% |
| Loysville | 76 | 46 | 54 | 76 | 100% |
| New Castle | 112 | 64 | 111 | 112 | 100% |
| Camp 2 — Hickory Run | 20 | 21 | 22 | 20 | 100% |
| Total Security Program | 318 | 218 | 292 | 318 | 100% |
| Residential Program | | | | | |
| Cornwells Heights | 64 | 63 | 83 | 64 | 100% |
| Loysville | 82 | 66 | 72 | 82 | 100% |
| New Castle | 92 | 76 | 114 | 92 | 100% |
| Camp 2 — Hickory Run | 52 | 42 | 52 | 52 | 100% |
| Camp 3 — Trough Creek | 62 | 45 | 53 | 62 | 100% |
| Total Residential Program | 352 | 292 | 374 | 352 | 100% |
| TOTAL ALL PROGRAMS | 670 | 510 | 666 | 670 | 100% |

restitution program provides opportunity for youth to learn job skills, work in apprenticeship positions, and earn money to repay restitution.

The final specialized program at New Castle is a 16-bed drug and alcohol unit. This unit is designed to serve male delinquents who severely abuse and are addicted to chemicals.

The Loysville YDC also has an array of specialized services to meet the needs of Pennsylvania's delinquent youth. At this facility, youngsters live in 16 bed cottage units. Each cottage is programmatically designed around a specialty area. One cottage services the younger immature aggressive delinquent while another provides services to the borderline, mildly retarded youth with social and cultural limitations. Two other cottage units manage the hard-core anti-social youngster who is not suitable for security and the delinquent with dull normal intelligence who has the verbal skills to engage in an insight oriented approach to changing his behavior.

Two satellite secure units are administratively connected to the Loysville YDC: The North Central Secure Treatment Unit and South East Secure Treatment Unit.

The North Central Secure Treatment Unit provides three specialized programs. The first is a community reentry program designed to provide community living experience to the youth prior to his release from the facility. Apprenticeship programs with local merchants and life skills training are the major thrusts of this program design. Second, is an intensive wilderness challenge experience. The purpose of this program is to identify for youth, while they are in placement, their capacities so that they have realistic goals to work toward. Third, is a program for youth who owe court-ordered restitution. This program provides youth the opportunity to learn job skills and work in apprenticeship positions to earn money to repay restitution.

The South East Secure Treatment Unit is designed to serve male juveniles between the ages of 14-18 who have committed serious offenses and are also mentally retarded.

At the Bensalem YDC, specialized programming exists for sexual offenders. This 14-bed unit exists in a secure setting and assists the youth in recognizing the precipitating factors in his offending behavior and helps him to develop alternate ways of dealing with his problem.

A second specialized program at Bensalem YDC is a

Youth Development Services (continued)

Program Analysis: (continued)

14-bed secure unit for offenders with drug and alcohol related problems. In addition to providing counseling, group therapy, drug education and family counseling, strong emphasis is given to connecting the youth with outpatient and aftercare services available in his community.

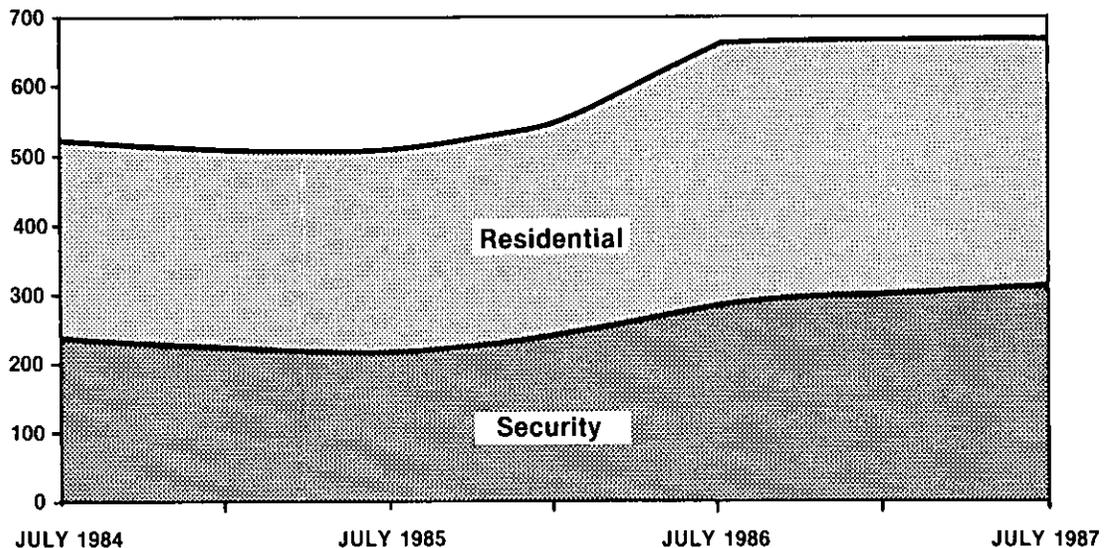
A final specialized program at Bensalem YDC is a 14-bed firesetter's unit. This unit is designed for the offender who has established a long-term pattern of setting fires due to pathological behavior.

The department operates two youth forestry camps which

are small non-secure facilities located in state parks. Youth Forestry Camp 3 provides specialized wilderness programming designed to push the youngster to his physical and emotional limits so that he can realize his true capacities. This program also provides mental health and drug and alcohol services.

The Department also contracts for secure care services at the Weaversville Intensive Treatment Unit. This 20-bed unit is located on the grounds of the Allentown State Hospital and provides secure care for serious and violent offenders.

YOUTH DEVELOPMENT CENTER AND FORESTRY CAMP POPULATION



Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Youth Development Centers and Forestry Camps..... | \$ 27,217 | \$ 27,029 | \$ 30,909 | \$ 31,892 | \$ 33,160 | \$ 34,490 | \$ 35,870 |

PUBLIC WELFARE

Family Support Services

OBJECTIVE: To promote and strengthen family life and to prevent the breakup of the family unit because of emotional, economic or social problems.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 157,015 | \$ 180,204 | \$ 198,336 | \$ 205,942 | \$ 213,578 | \$ 221,446 | \$ 229,473 |
| Federal Funds | 159,019 | 168,718 | 168,314 | 167,916 | 167,286 | 167,546 | 166,916 |
| Augmentations | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| TOTAL | <u>\$ 316,035</u> | <u>\$ 348,923</u> | <u>\$ 366,651</u> | <u>\$ 373,859</u> | <u>\$ 380,865</u> | <u>\$ 388,993</u> | <u>\$ 396,390</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Incidence of reported child abuse | 20,980 | 21,900 | 22,800 | 23,700 | 24,600 | 25,600 | 27,600 |
| Children receiving child welfare services: | | | | | | | |
| In home | 45,904 | 46,000 | 46,600 | 47,300 | 48,000 | 48,600 | 49,100 |
| In placement out of home | 12,901 | 12,900 | 13,200 | 13,200 | 13,200 | 13,200 | 13,200 |
| In placement two years or more | 5,147 | 5,000 | 3,750 | 3,600 | 3,450 | 3,300 | 3,150 |
| Agency arranged adoptions | 562 | 580 | 720 | 740 | 755 | 770 | 780 |
| Children receiving day care | 23,171 | 23,992 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Domestic violence: | | | | | | | |
| Clients | 43,000 | 50,000 | 52,000 | 52,000 | 52,000 | 52,000 | 52,000 |
| Days of shelter provided | 127,000 | 144,000 | 145,000 | 145,000 | 145,000 | 145,000 | 145,000 |
| Rape crisis/sexual assault: | | | | | | | |
| Clients | 12,100 | 12,300 | 14,000 | 14,000 | 14,000 | 14,000 | 14,000 |
| Service hours | 102,000 | 105,000 | 112,000 | 112,000 | 112,000 | 112,000 | 112,000 |
| Legal service clients | 47,000 | 48,000 | 43,000 | 43,000 | 43,000 | 43,000 | 43,000 |
| Family planning clients | 82,000 | 82,000 | 83,200 | 83,200 | 83,200 | 83,200 | 83,200 |
| Visually handicapped services provided | 35,099 | 36,152 | 35,800 | 35,900 | 36,000 | 36,100 | 36,200 |

Program Analysis:

The provision of services to children who are in need of care and protection is the joint responsibility of the Department of Public Welfare and county government. Each county is responsible for developing and administering a program of services designed to treat and prevent child abuse, neglect, and exploitation and to provide services which reduce dependency and delinquency. The county children and youth program includes services to parents and children to enable children to remain in their own homes

and communities; temporary placement services for children who cannot live with their own family; adoption services; assistance to provide a permanent legal family for any child who cannot be returned to his own family; and any service or care ordered by the court for children who have been adjudicated dependent or delinquent.

The Department of Public Welfare emphasizes treatment in a child's home when outside intervention and care is considered necessary. Protective services, homemaker

Family Support Services (continued)

Program Analysis: (continued)

services, life skills education, and counseling are all delivered with this objective in mind.

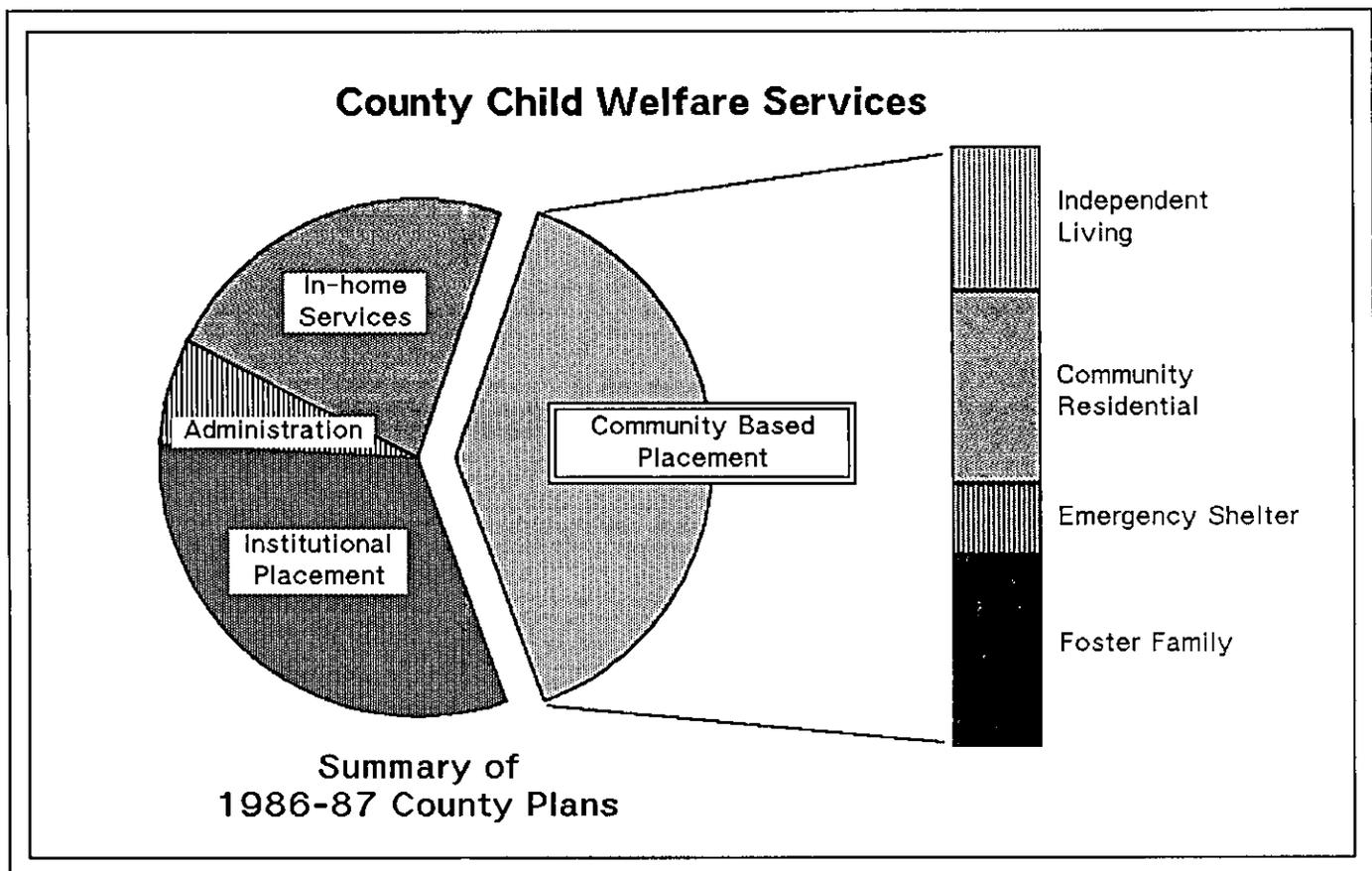
Another child welfare service objective is reduction of the time children must remain in temporary placement away from their families. Case planning and case review procedures have been established to insure that children will remain in placement only as long as necessary.

In those cases where a child in placement cannot be returned home, the department is placing more emphasis on adoption. The program measures for agency arranged adoptions show a decrease from those reported a year ago in the number of children whose adoptions have been finalized. Two resources are being used to address this situation. First, the Federal Adoption Assistance program is providing additional funding to support adoption of children with special needs. The department also is working

to implement Act 64 of 1984 which mandates registration of hard to place children with the Pennsylvania Adoption Cooperative Exchange. This statewide network seeks to match children needing adoptive parents with potential parent applicants.

In recognition of the need to protect children, this budget recommends a Program Revision of \$2.5 million for the provision of new child abuse prevention, treatment and family support services. Additional information on this Program Revision follows this subcategory.

The following graph summarizes the 1986-87 county plans for the provision of child welfare services grouped according to the four major service categories. Since nearly forty percent of the funding will be allocated to community based placement, the subcategories of service within community based placement are also depicted.



Family Support Services (continued)

Program Analysis: (continued)

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. Parents pay a portion of the cost of care based on their income and family size. A sliding fee scale is in effect for all clients with an income. Fees range from \$5 to \$20 a week.

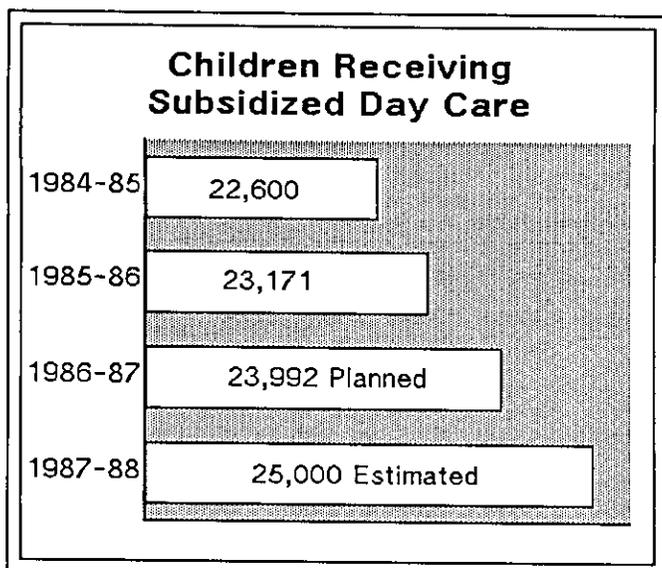
Subsidized day care is limited to the purchase of day care services in day care centers, group homes, and family day care homes which are licensed or registered by the Department of Public Welfare. To become licensed or registered, facilities and day care homes must meet health and safety standards developed by the department.

The department is strictly enforcing Act 33 which became effective January 1, 1986. This law requires all prospective employees of child care services to undergo criminal history records checks and other screening for indications as to whether the applicant was a perpetrator of child abuse.

Day care services for latchkey children received additional emphasis in 1986 when \$1.5 million was allocated to provide care to school-age children before and after school. These services will be continued in the budget year.

State funding recommended for day care in 1987-88 is \$28.2 million — an increase of fifteen percent.

This funding will provide subsidized day care to additional children as shown on the graph below.



Legal Services

The department also contracts for a legal services program designed to provide low income people with access to legal assistance in civil matters. The emphasis of the service delivery is directed to providing emergency legal services for situations which threaten the basic needs of individuals. These services do not include political activities, services to organizations, or services in criminal matters.

Family Planning and Breast Cancer Screening

Family planning services are made available through fee-for-service contracts with four Family Planning Councils throughout the Commonwealth. These contracts are integrated with the Medical Assistance program and the Department of Health's program in order to avoid duplication of service. Family planning service meets contraceptive needs or infertility problems through the provision of educational, medical and social services. Persons 16 years of age and over are served at 140 clinics in the State. A fee is charged for service to persons 18 years of age and over whose income exceeds 100 percent of the Federal poverty level.

Breast cancer screening for low income women is directed toward those at high risk of developing breast cancer. The target group is all new family planning clients, all those 35 years of age and older, and those with a family history of breast cancer.

Blindness and Visual Services

Blindness and visual services provide a full range of services to blind and visually handicapped individuals.

The Vocational Rehabilitation Services Program includes the direct provision or purchase of services which assist blind or visually handicapped persons to obtain and/or maintain gainful employment. This program includes the operation of the Business Enterprise Program which establishes, maintains, and supervises small business facilities operated by blind people.

The Social Casework Services Program consists of special activities to assist blind persons to adjust to blindness, to enable them to cope with the activities of daily living, and allows them to function independently in the least costly manner within their family and community, preventing any need for institutionalization.

Rehabilitation Teaching and Orientation and Mobility Services provides instruction on the adaptive skills needed to function in the home, community, and workplace.

Family Support Services (continued)

Program Analysis: (continued)

Attendant Care

An Attendant Care Program will continue for adults ages 18-59 who are physically disabled/mentally alert. This service, which began in Fiscal Year 1984-85, provides attendant care through the administration of a variety of program models. Ten contracted providers will be serving about 755 clients in 41 counties between July 1, 1986 and June 30, 1987. Service enables recipients to remain in or return to their own homes and remain independent for as long as possible. Over 800 persons will be employed as attendants through June 30, 1987. This budget recommends an increase of over \$3 million so that attendant care may be expanded to all 67 counties of the Commonwealth. Approximately 1,100 persons will receive these services in 1987-88 — an increase of 45 percent from the current service level. In addition, persons aged 60 and over receive attendant care through funding provided to the Department of Aging.

Human Services Development Fund

The Human Services Development Fund provides counties with a flexible source of funding to be used within the six human services programs for which the counties are responsible: Adult Services, Aging, Children and Youth, Drug and Alcohol, and the Community Mental Health/Mental Retardation Programs. These funds may be used to expand existing services in any or all of the six program areas, for the coordination of services among those programs, and for innovative or generic services. Funding recommended for 1987-88 totals \$27.4 million.

Domestic Violence and Rape Crisis

Domestic violence services are provided through a contract with a statewide coalition which, in turn, subcontracts for services at the local level. The services to victims of domestic violence include: crisis intervention, counseling, victim advocacy, information and referral and temporary shelter for victims and their dependent children. Prevention and education programs are provided by local groups to lessen the risk of domestic violence in the community at large. State funding recommended for 1987-88

is increased by \$582,000 or 21 percent more than the current amount.

Rape crisis programs provide crisis intervention services, counseling, victim advocacy, information and referral and accompaniment through police, medical and judicial systems. Prevention and educational programs are also provided by the local providers to lessen the risk of sexual assault for adults and children in the community at large. These services will also receive a 21 percent increase of \$189,000 in State funding.

Homeless Assistance

The homeless assistance program provides temporary shelter to homeless individuals. It also provides up to one month of rental assistance to those in immediate danger of becoming homeless. Shelter may be provided in large mass shelters or in hotels and motels through a voucher system.

Bridge housing will assist homeless individuals for up to a year, providing housing and arranging supportive services, with the goal of returning clients to the most independent life situation possible. The program began with 27 projects as a demonstration in Fiscal Year 1985-1986 and was expanded to include more projects in Fiscal Year 1986-1987.

Housing assistance is a cash payment to an individual or family to prevent or end homelessness. Housing assistance can include assistance to prevent homelessness by intervening in cases where an eviction is imminent. In addition to preventing homelessness, housing assistance is available to move people out of temporary shelters into permanent housing.

Specialized residences for the mentally ill homeless are being provided as a demonstration in a small number of counties with concentrations of mentally ill homeless individuals. The program provides housing for mentally ill homeless people for an indefinite period of time, providing protective and supportive services that will enable the client to move to a long-term semi-independent or independent living situation. A Program Revision, following this subcategory provides a \$4.3 million expansion of the homeless assistance program.

PUBLIC WELFARE

Family Support Services (continued)

Program Analysis: (continued)

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 3,405 | \$ 3,114 | \$ 3,277 | \$ 3,392 | \$ 3,514 | \$ 3,650 | \$ 3,770 |
| County Child Welfare | 109,259 | 112,161 | 115,530 | 119,000 | 122,600 | 126,300 | 130,000 |
| Child Abuse Prevention | 6,991 | 7,827 | 10,570 | 11,100 | 11,600 | 12,200 | 12,800 |
| Day Care Services | 22,991 | 24,500 | 28,235 | 30,000 | 31,500 | 33,000 | 34,500 |
| Breast Cancer Screening | 100 | 225 | 232 | 235 | 235 | 235 | 235 |
| Domestic Violence | 1,772 | 2,729 | 3,311 | 3,476 | 3,650 | 3,830 | 4,020 |
| Rape Crisis | 665 | 895 | 1,084 | 1,138 | 1,195 | 1,255 | 1,320 |
| Legal Services | 1,500 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Human Services Development Fund | 2,000 | 13,069 | 13,069 | 13,500 | 14,000 | 14,500 | 15,000 |
| Homeless Assistance | 2,000 | 7,000 | 11,300 | 11,900 | 12,500 | 13,100 | 13,800 |
| Attendant Care | 474 | 1,020 | 4,051 | 4,300 | 4,650 | 5,000 | 5,400 |
| Ruldolphy Residence—Blind | 160 | ..... | ..... | ..... | ..... | ..... | ..... |
| Overbrook School — Blind | 150 | 150 | ..... | ..... | ..... | ..... | ..... |
| Visually Handicapped | 5,402 | 5,368 | 5,526 | 5,747 | 5,977 | 6,216 | 6,465 |
| Beacon Lodge Camp — Blind Services .. | 40 | 40 | 42 | 42 | 42 | 42 | 42 |
| Arsenal Family and Children's Center ... | 106 | 106 | 109 | 112 | 115 | 118 | 121 |
| GENERAL FUND TOTAL | \$ 157,015 | \$ 180,204 | \$ 198,336 | \$ 205,942 | \$ 213,578 | \$ 221,446 | \$ 229,473 |

**Family Support Services
Program Revision: Child Abuse Prevention**

Recommended Program Revision Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u> </u> | <u> </u> | <u>\$ 2,500</u> | <u>\$ 2,612</u> | <u>\$ 2,730</u> | <u>\$ 2,853</u> | <u>\$ 2,982</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|----------------------------|---------|---------|---------|---------|---------|---------|---------|
| Children Repeatedly Abused | | | | | | | |
| Current | | | 1,450 | 1,580 | 1,820 | 2,090 | 2,400 |
| Program Revision | | | 1,380 | 1,480 | 1,590 | 1,710 | 1,840 |

Program Analysis:

This Program Revision provides for development of new child abuse prevention, treatment and family support services.

Program development will be divided into three areas: (a) intensive family support services; (b) sexual abuse treatment; and (c) child abuse and neglect prevention.

a. Intensive Family Support Services

Without additional services to support families, county children and youth agencies will be forced to rely more and more on expensive out-of-home placement to protect children from abuse and neglect. Additional funding will be used to create a continuum of support services for families with children at risk of abuse, neglect or delinquency. These programs will provide intensive, short-term, in-home services that focus on coping skills, family-based counseling and other assistance to keep the family unit together. These programs have been shown to be cost effective in reducing the placement of children and saving program dollars.

b. Sexual Abuse Treatment Program

Because sexual abuse often involves complex family relationships and serious emotional problems for the perpetrator and the victim, treatment is often beyond the

ability of the child welfare agency and the community to provide. County agencies need immediate and ongoing training and technical assistance in case evaluation and service planning and increased funding to develop sexual abuse treatment services. The Sexual Abuse Treatment Program will provide funds to counties for: treatment resources for victims, perpetrators and nonabusing parents of abused children; psychological and psychiatric evaluations of sexually abused children; staff training in investigating reports of sexual abuse, conducting interviews and evaluating evidence; and training and education on sexual abuse for law enforcement and judicial personnel.

c. Child Abuse and Neglect Prevention Program

The key to controlling child neglect and abuse depends on community involvement and education. The Child Abuse and Neglect Prevention Program will provide funds to county children and youth agencies for community prevention and education programs in child abuse and neglect.

Community prevention and education programs keep citizens sensitized to the problem of child abuse and neglect, improve reporting and encourage support for services to help abused children and their parents.

Recommended Program Revision Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|------------------------------|-------------------------------|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Child Abuse Prevention | <u> </u> | <u> </u> | <u>\$ 2,500</u> | <u>\$ 2,612</u> | <u>\$ 2,730</u> | <u>\$ 2,853</u> | <u>\$ 2,982</u> |

**Family Support Services
Program Revision: Homeless Assistance**

Recommended Program Revision Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|---------|----------|----------|----------|----------|----------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | | | \$ 4,300 | \$ 4,670 | \$ 4,900 | \$ 5,150 | \$ 5,400 |

Program Analysis:

This Program Revision provides for the expansion of services to homeless individuals and families. Programs that will be expanded include:

Bridge Housing— a residential program which assists homeless individuals — for as long as a year — by providing housing while arranging for supportive services that assist the individual to return to the most independent life style possible. This is a transitional housing service that serves homeless clients who are *in temporary* need of housing while preparing to live independently. Currently 27 bridge housing programs receive funds.

Housing Assistance — a payment for rent, security deposit or utilities to an individual or family to prevent or end homelessness by maintaining the individual in their own residence. Housing assistance may include payments to prevent eviction or to expedite the movement of people from temporary emergency shelters into more permanent housing. Currently 6 housing assistance programs receive funding.

Housing for the Chronically Mentally Ill — serves individuals with behavioral problems that make them unable to care for themselves in other residential programs such as community residential rehabilitation, drug and alcohol

therapeutic communities or bridge housing. Residents of these facilities are most commonly referred to as “street people” and enter an organized residential program only under the most extreme pressure.

Emergency Shelter Programs — provides housing to individuals in immediate need of shelter. This is normally mass housing with a high client turnover. Every effort should be made by staff of emergency shelter programs to move eligible clients to more permanent housing arrangements. Currently 40 emergency shelter programs receive funding.

Single Room Occupancy or SRO Housing — low cost single room residences for the homeless and other low income individuals. Both kitchen and bathing facilities are made available to SRO residents on a shared basis. Under the State program existing structures are to be converted into SRO facilities — new structures are not to be constructed. Currently nine SRO programs receive funds.

In addition to the General Fund amounts included in this Program Revision it is anticipated that the Pennsylvania Housing Finance Agency will provide \$5 million from its fund to assist in mitigating the problems of housing for the homeless.

Recommended Program Revision Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------|-------------------------------|---------|----------|----------|----------|----------|----------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Homeless Assistance | | | \$ 4,300 | \$ 4,670 | \$ 4,900 | \$ 5,150 | \$ 5,400 |

Community Mental Retardation Services

OBJECTIVE: To enable mentally retarded individuals to live in a community setting by providing services and support to the family and/or mentally retarded individual.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 204,054 | \$ 219,804 | \$ 248,943 | \$ 267,519 | \$ 279,727 | \$ 292,486 | \$ 305,812 |
| Special Funds | 2,200 | 2,200 | ..... | ..... | ..... | ..... | ..... |
| Federal Funds | 32,843 | 42,075 | 62,471 | 74,217 | 76,611 | 79,112 | 81,723 |
| TOTAL | \$ 239,097 | \$ 264,079 | \$ 311,414 | \$ 341,736 | \$ 356,338 | \$ 371,598 | \$ 387,535 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Persons potentially eligible for mental retardation services | 107,201 | 107,395 | 107,588 | 107,782 | 107,995 | 108,169 | 108,363 |
| Persons receiving mental retardation services at end of fiscal year | 44,021 | 45,218 | 45,747 | 46,216 | 46,630 | 47,998 | 47,329 |
| Persons living in independent and family arrangements | 93,142 | 92,799 | 92,949 | 93,143 | 93,356 | 93,530 | 93,724 |
| Active persons in county MR caseload at end of fiscal year | 41,932 | 42,532 | 43,061 | 43,530 | 43,944 | 44,312 | 44,643 |
| Persons added to county MR caseload during fiscal year | 7,353 | 7,410 | 7,424 | 7,437 | 7,450 | 7,463 | 7,477 |
| Persons removed from county MR caseload during fiscal year | 6,656 | 6,809 | 6,894 | 6,968 | 7,035 | 7,094 | 7,146 |
| Persons receiving Early Intervention Services | 8,523 | 8,540 | 8,550 | 8,550 | 8,550 | 8,550 | 8,550 |
| Persons receiving Family Support Services .. | 15,189 | 15,200 | 15,830 | 15,830 | 15,830 | 15,830 | 15,830 |
| Persons receiving Adult Day Services | 14,337 | 15,636 | 16,261 | 16,261 | 16,261 | 16,261 | 16,261 |
| Persons on waiting lists to receive adult day services | 2,552 | 2,752 | 3,452 | 3,452 | 3,452 | 3,452 | 3,452 |
| Community residential services: (Community Residential Facilities) | | | | | | | |
| Residents at the end of the fiscal year .. | 6,692 | 7,153 | 7,778 | 7,878 | 7,978 | 8,078 | 8,178 |
| Additions during fiscal year | 811 | 750 | 625 | 100 | 100 | 100 | 100 |
| Residents transferred to independent or family living arrangements | 336 | 325 | 325 | 325 | 325 | 325 | 325 |
| Additional community residential service capacity: | | | | | | | |
| for those residing in institutions | 363 | 500 | 500 | 500 | 500 | 500 | 500 |
| for those residing in the community | 80 | 250 | 225 | 225 | 225 | 225 | 225 |

Community Mental Retardation Services (continued)

Program Analysis:

The mental retardation service delivery system provides a continuum of supportive services which are available in a variety of modalities from most restrictive to least restrictive depending upon individual clients needs. The service delivery system is founded on the principle of normalization which requires that persons with mental retardation have access to patterns and conditions of everyday life which are as close as possible to the norms and patterns of the mainstream of society.

In the past two decades, Pennsylvania has created a strong local system of education, training, and support for its citizens with mental retardation. This is in accord with the Mental Health and Mental Retardation Act of 1966 mandate for each community to provide a complete service system capable of satisfying the needs of all persons with mental retardation. In the spring of 1985, the department sought to evaluate the extent to which this ideal has been achieved. Two consistent findings emerged demonstrating that most people with retardation now live, learn, work, and worship in their own communities, and many people with retardation are on waiting lists because community service demand far exceeds community service availability.

The initial contact with the mental retardation (MR) service system is through community mental retardation services, which are comprised of residential and nonresidential programs. Nonresidential services include specific programs such as early intervention services, family support services, and adult day services. Community nonresidential services are the least restrictive available to meet the needs of persons with mental retardation and present a prime alternative to placement in residential settings. The community residential mental retardation facilities (CRF) program provides the least restrictive residential alternative for persons unable to live independently or with their families. Through this program, persons with mental retardation have an opportunity to live in culturally normative residential settings within the community.

All services are made available to clients and their families through the county mental retardation program, primarily through case management. Case management is provided by all county mental retardation programs and is designed to perform a coordinating function linking consumers with necessary services.

Following the evaluation and program plan development for a client with mental retardation, appropriate services must be provided if the client is to reach optimal functioning in society. In some cases, the client may be able to continue residence in the family or in an independent setting. In other cases, the client may need a more structured residential program in the community as preparation for independent or family living.

The program measure, persons potentially eligible for MR services, is an estimate of the number of persons who may be eligible, at a particular point in time, for any of the MR services. This estimate was calculated at 0.9 percent of the total State population and is related to the projected prevalence of mental retardation in the general population. This measure reflects for fiscal years 1985-86, 1986-87, and for the planning years, slightly lower figures than were projected last year, due to a revised, lower estimate of population for Pennsylvania. The measure, persons receiving MR services at the end of the fiscal year, is comprised of persons who currently receive services through county MR programs, including those in State-operated, State-funded and private Intermediate Care Facility (ICFs/MR) residential programs. The measure, persons living in independent and family arrangements, reflects all persons who are eligible for service and are living in their own homes.

The next three program measures depict client flow in the county MR program. Actual year figures are aggregates based on consolidated community reporting (CCR) by individual counties. At the end of fiscal year 1985-86, 41,932 persons comprised the county MR caseload. This number is higher than estimated due to an accumulation of clients resulting from higher admissions than terminations for several consecutive years. Actual data show that 7,353 persons were added to the caseload in fiscal year 1985-1986. Projections for subsequent years are based on a ratio of county caseload additions to persons potentially eligible for MR services, which was 6.9 percent. Actual data reported show 6,656 removals for fiscal year 1985-86. Projections for the measure, persons removed from county MR caseloads, for subsequent years are calculated at 13.8 percent of the total caseload based on the actual removal rate in relation to the actual caseload (clients at the beginning of the fiscal year plus admissions during the fiscal year) for fiscal year 1985-86.

The numbers served in the active county caseload rise gradually over the planning years reflecting service to an increasing population of new service recipients and clients who are shifting from one type of service to another, for example, a State center client moving to a community residential setting and receiving adult day services, or a client moving home from a State facility and receiving family support services.

To improve case manager-to-client ratios and to ensure that clients are receiving services which are appropriate to their needs, fiscal year 1987-88 reflects the addition of funding (\$410,000) for 66 new case managers.

The budget provides for the services associated with the additional 625 community waiver placements. Other initiatives funded in the recommended budget under

Community Mental Retardation Services (continued)

Program Analysis: (continued)

Community Mental Retardation Services include the funding of 50 county MH/MR positions (\$303,000) to assist in the responsibility of administering the Medicaid Waiver program by assuring program and financial compliance with Federal requirements, and contracts for the assessment of county provisions of services and assessment of 500 clients' development and satisfaction with the county services (\$191,000).

NON-RESIDENTIAL SERVICES

Early Intervention Services

Early intervention services are designed to enhance the developmental progress of children and mental disabilities, or at risk of developing mental disabilities and to facilitate their entry into the public school system. Services include, but are not limited to, psychological services, physical, occupational, recreational and speech therapy, medical services, assessment, evaluation services and other services necessary to assure the child's maximum growth. The majority of children served in these programs are able to advance into higher level programs in the public schools either in general or special education classes. The need for more specialized services, including residential placements, is averted to the extent that children's needs are addressed early in life through this program.

Early intervention services for preschool children are usually conducted in day care settings and include training and instruction in the areas of self-help skills, fine and gross motor coordination, socialization, communication, and related skills. Homebound programs are also provided. In a limited number of settings where appropriate and with proper supports, handicapped children receive early intervention services with other nonhandicapped children in a least restrictive environment. The basic program promotes development specified in the child's individualized program plan. Parent participation and support is an integral part of the child's plan of development.

During fiscal year 1984-85, the department signed an interdepartmental cooperative agreement with the Departments of Education and Health to coordinate the delivery of services to handicapped infants and preschool children, and establish clear responsibilities for both State and local agencies. Under this agreement, the department has primary responsibility for serving mentally disabled children or children at risk of developing a mental disability. The Department of Education also provides services to some mentally disabled children primarily of the age range of 3 to minimum school age through intermediate units (IUs), and to some children with physical disabilities. The agreement also commits the Department of Health to assist in identifying and referring disabled children to the

appropriate service programs in the Departments of Public Welfare and Education. In addition, local agencies providing early intervention services are required to develop annual interagency agreements with other providers of early intervention in their area.

Early intervention programs encourage and support prevention activities by cooperating with local screening resources and assisting State and local agencies in planning for prevention of mental retardation and other developmental disabilities.

The measure, preschool handicapped children receiving early intervention services, shows the actual number of children served through these programs in fiscal year 1985-86 as reported through the consolidated community reporting system (CCR). The actual number served (8,523) is higher than last year's projection due primarily to the continued efforts to identify children who are eligible for services. In fiscal year 1986-87, the department initiated an intensive effort to improve the planning and coordination of early intervention services at the State, county, and provider levels. Throughout the planning years, efforts will be made to maintain current levels of programming and to serve new children in need of early intervention services.

Family Support Services

Family support services are designed to provide support to persons with mental retardation in the least restrictive setting appropriate to meet individual needs. Services are provided to individuals and their families with the objectives of preventing institutionalization and assisting persons with mental retardation in the successful adjustment from an institutional to a community life-style.

Family support services include various types of family and client supports such as (1) respite care—a temporary residence for a person with mental retardation when his family is experiencing stress, personal crisis, illness, or need of a vacation; (2) family aid—sitter or companionship services for a few hours at a time which will allow the family to participate in various activities; (3) homemaker services to perform essential household duties; (4) in-home therapy—occupational, physical, or other rehabilitative therapies for the homebound person; (5) family education/training services designed to assist parents and other family members in dealing appropriately with the family member with mental retardation; (6) recreation and socialization services—the provision of leisure time programs; (7) special innovative services—unique services which cannot be classified in other categories, such as specialized driver's education; (8) communications training—the provision of speech therapy, audiologic training, and dactylogic therapy to enable the retarded persons to communicate effectively in his/her environment;

Community Mental Retardation Services (continued)

Program Analysis: (continued)

(9) hearing aid evaluations to benefit persons with hearing deficits; (10) mobility training — to enable the retarded person to function more independently at home and in the community; (11) behaviorial programming—training to assist the retarded person in acquiring appropriate behavior; (12) adaptive appliances—therapeutic equipment and special devices to enable retarded persons who are physically handicapped to be maintained at home and integrated into activities in the community; (13) home rehabilitation—minor renovations to the home to enable the family to care for a retarded person in the home; and (14) special diets — assistance in planning or preparation of meals for medically involved persons.

Of the total number of persons living either independently, or with their families, 15,189 persons and/or their families were provided one or more family support services in fiscal year 1985-86. The number of persons served in fiscal year 1985-86 was greater than previously projected due to State and local efforts to expand the availability of family support services. The number in fiscal year 1986-87 is expected to remain relatively stable.

The budget includes funding (\$658,000) for the expansion of family support services for 300 community residents who without the support may return to more costly living facilities. Additionally, family driven supports for another 320 persons have been funded.

Adult Day Services

Adult day services prepare clients for employment opportunities through prevocational, vocational and supported employment programs. The Office of Mental Retardation (OMR) five-year plan emphasizes the improvement of services by structuring service models to enhance movement into competitive employment. It is anticipated that redirection of adult day services for persons with mental retardation will be a long-term project requiring the cooperation of public and private agencies at all levels. This long-term effort is designated to improve existing types of services by structuring them in such a way as to promote a greater degree of movement of trainees into higher level habilitation programs and into competitive employment. Another important aspect of this planning effort is the expansion of the range and types of vocational training and employment opportunities for adults with mental retardation to include an emphasis on the merits of nontraditional training alternatives such as mobile work forces, transitional employment and work stations in industry, and the introduction of supported employment to the service system.

The measure, persons receiving adult day services, for fiscal year 1985-86 reflects an increase of clients to 14,337 due to: (1) the jointly funded program between the department and the Office of Vocational Rehabilitation, (2)

the increase of persons in the community due to the Medicaid community waiver program, (3) an intensive effort to provide appropriate transitional training programs for graduates of intermediate unit programs, and (4) an interagency initiative to develop supported employment opportunities for persons with disabilities in selected areas of the State. Traditional services have included adult day care which provides a program of activity to prepare adults for entry into vocational training. Traditional vocational training services have included assessment, vocational and work evaluations, personal and work adjustment, and skill training usually provided in the work activity center or regular work program of a sheltered workshop.

The number of persons receiving adult day services will increase in fiscal year 1986-87 due to additional State funding for initiatives in adult day services and supported employment (500), dual diagnosis clients not placed in fiscal year 1985-86 (49) and Medicaid community waiver program (750). Data for the measure, persons on waiting lists to receive adult day services, shows an increase in fiscal year 1986-87. Even though 500 new individuals will be served by the expansion in fiscal year 1986-87, the addition of 700 new IU graduates to the waiting list the following year will result in a net increase in the number of clients waiting for service.

Pennsylvania intends to expand the range and types of vocational opportunities for adults with mental retardation through the Community Mental Retardation Partnership; therefore, the number of persons receiving adult day services is expected to increase through the planning years. Efforts will be continued to provide appropriate programs for recent intermediate unit graduates; and, therefore, address the needs of clients on the waiting lists.

COMMUNITY RESIDENTIAL SERVICES

When family situations or clients' needs make it impossible for persons with mental retardation to live in their own homes, Pennsylvania provides a range of alternate residential arrangements outside the natural home. These programs have been developed to serve persons with varying degrees of disability in family-scale settings. Programs range from highly supervised and structured therapeutic settings to semi-independent and family living programs. Community residential mental retardation facilities (CRFs) are developed to varying degrees in each county mental retardation program.

Community residential mental retardation facilities serve both privately and publicly funded clients. CRF programs are licensed by the department under the Regulations for Community Residential Mental Retardation Facilities and are administered through the county program. The ultimate goal is to help individuals become as economically self-

Community Mental Retardation Services (continued)

Program Analysis: (continued)

sufficient and independent as possible and encourage each person to become an active participant in community life. Individualized services necessary to fulfill development needs are available through programs for both children and adults. Special medical and/or behavior shaping services are available in these settings to address individual needs.

For the most part, community residential facilities have been developed on the "family" model. They are relatively small and are most often fully integrated into local housing areas. In order to further promote the objectives of developmental growth and full citizenship in the community, all future residential arrangements will conform to an integrated family model.

The first three measures under community residential service show the client flow in the community residential program. The first measure shows the number of residents at the end of the fiscal year. For fiscal year 1985-86, 6,692 persons resided in CRFs, including 279 Medicaid community waiver clients started up in fiscal year 1985-86. Eight hundred eleven (811) persons entered the program during fiscal year 1985-86. The 336 residents moving to independent or family living arrangements is higher than projected, implying the success of the CRF program in preparing clients for independent or family living, and the increased support services in the community. Two hundred eighty-nine (289)

residents at Elwyn were transferred to private ICF/MR status during fiscal year 1986-87.

The measures, additional community residential service capacity required for those residing in institutions and in the community, for fiscal year 1985-86 report the actual increase in existing CRF bed capacity. The fiscal year 1986-87 fiscal year figures represent activity based on available funding and the future year projections reflect the estimated need based on the OMR's five year plan.

The Community Mental Retardation Partnership provides for additional development in community residential services. For fiscal year 1986-87, an additional 750 clients will be placed in community residential programs—500 will be former residents of State-operated facilities and 250 will be persons living in the community who are in immediate need of residential services. The budget provides for the expansion of the community residential services for an additional 625 new community waiver placements in fiscal year 1987-88.

Currently, the Community Mental Retardation Services—Elderly program is funded from the Lottery Fund. However, due to increasing costs in the PACE program and declining Lottery Fund balances, this program will be funded from the General fund during fiscal year 1987-88.

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government | \$ 1,143 | \$ 1,045 | \$ 1,099 | \$ 1,137 | \$ 1,178 | \$ 1,224 | \$ 1,264 |
| Monitoring Community Residential | | | | | | | |
| Contracts | 69 | 100 | 105 | 109 | 114 | 118 | 123 |
| Community Based Services—Mentally | | | | | | | |
| Retarded | 60,233 | 68,891 | 78,796 | 84,776 | 88,636 | 92,669 | 96,884 |
| Elwyn Institute | 200 | 200 | ..... | ..... | ..... | ..... | ..... |
| Early Intervention | 15,700 | 16,328 | 17,063 | 17,831 | 18,633 | 19,472 | 20,348 |
| Community Residential Services for the | | | | | | | |
| Mentally Retarded | 126,501 | 133,032 | 151,880 | 163,666 | 171,166 | 179,003 | 187,193 |
| Philadelphia Association of Retarded | | | | | | | |
| Citizens | 208 | 208 | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | \$ 204,054 | \$ 219,804 | \$ 248,943 | \$ 267,519 | \$ 279,727 | \$ 292,486 | \$ 305,812 |
| LOTTERY FUND | | | | | | | |
| Community Mental Retardation | | | | | | | |
| Services—Elderly | \$ 2,200 | \$ 2,200 | ..... | ..... | ..... | ..... | ..... |
| LOTTERY FUND TOTAL | \$ 2,200 | \$ 2,200 | ..... | ..... | ..... | ..... | ..... |

Private Intermediate Care Facilities

OBJECTIVE: To enable institutionalized mentally retarded individuals to increase their capacity for community and family living by promoting the acquisition of requisite skills and behavior, and to move them into community settings.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 35,015 | \$ 44,815 | \$ 54,509 | \$ 62,567 | \$ 65,380 | \$ 68,323 | \$ 71,397 |
| Federal Funds | 46,970 | 59,712 | 72,999 | 83,874 | 87,649 | 91,592 | 95,714 |
| Other Funds | 524 | ..... | ..... | ..... | ..... | ..... | ..... |
| TOTAL | \$ 82,509 | \$ 104,527 | \$ 127,508 | \$ 146,441 | \$ 153,029 | \$ 159,915 | \$ 167,111 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Persons served in private ICF/MR program: | | | | | | | |
| In facilities with sixteen or less beds..... | 517 | 762 | 1,195 | 1,195 | 1,195 | 1,195 | 1,195 |
| In facilities with more than sixteen beds . | 1,573 | 1,924 | 1,924 | 1,924 | 1,924 | 1,924 | 1,924 |

Program Analysis:

The Private Intermediate Care Facility for the Mentally Retarded (ICF/MR) program is part of the Federal/State Medicaid (Title XIX) Program. The private ICF/MR program provides intensive habilitative services to mentally retarded persons and persons with related conditions. Large facilities are single or multiple buildings on campus-like sites accommodating more than 16 persons. Small facilities are located on noncontiguous sites in the community and serve 16 or less persons. The measures have been revised to reflect new Federal definition of facility size from 15 to 16 beds.

Persons enter in private ICFs/MR by way of referrals from county MR programs, State centers, other ICF/MR, and the community. Persons served are typically more disabled and require more intensive services than those currently served in community residential MR facilities. The majority of persons are severely or profoundly retarded with many secondary handicaps.

Private ICFs/MR are required to meet stringent Federal requirements for licensure and certification. The requirements pertain to the program services and staffing of the facilities, as well as the environment and safety of the persons served. The Pennsylvania Department of Health, as the State Survey Agency, is responsible for conducting survey activities and recommends licensure and certification to the Department of Public Welfare (DPW). DPW both licenses and certifies ICFs/MR.

During Fiscal Year 1985-1986, small private ICFs/MR (16 beds or less) served 517 persons. During Fiscal Year 1986-1987, the number of persons served increased to 762 due primarily to the development of 250 new community ICF/MR beds (228 small, 22 large) as part of year one of the Community Mental Retardation Partnership which includes 41 community ICF/MR beds developed by Philadelphia County and another 35 community ICF/MR beds developed to accommodate the movement of persons from Pennhurst. In addition, during Fiscal Year 1986-1987, 17 community ICF/MR beds were developed to serve persons who previously resided at the Norristown State Hospital.

During the 1985-86 fiscal year, the large private ICFs/MR (16 beds or greater) served 1,573 persons. This number has expanded to 1,924 persons due to the conversion during Fiscal Year 1986-87 of previously State funded beds at Elwyn, Overbrook School and St. Edmond's Home.

Additional small ICF/MR development is planned for future fiscal years as part of the OMR's five-year plan for continuing Community Mental Retardation Program expansion. The 1987-88 Recommended Budget provides for the development of 433 new ICF/MR placements, 58 at Norristown and 375 in the community (\$4.1 million State, \$5.4 Federal).

Program Cost by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Intermediate Care Facilities — Mentally Retarded..... | \$ 35,015 | \$ 44,815 | \$ 54,509 | \$ 62,547 | \$ 65,380 | \$ 68,323 | \$ 71,397 |

State Centers

OBJECTIVE: To provide a structured program environment for mentally retarded individuals to increase their capacity in as short a time as possible for community and family living by promoting the acquisition of requisite skills and behavior and to move them into appropriate alternative community settings.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 106,650 | \$ 97,904 | \$ 97,911 | \$ 101,308 | \$ 105,738 | \$ 110,346 | \$ 115,138 |
| Federal Funds | 149,667 | 140,714 | 137,726 | 142,221 | 147,908 | 153,658 | 159,974 |
| Other Funds | 12,334 | 11,500 | 10,493 | 9,450 | 9,450 | 9,450 | 9,450 |
| TOTAL | \$ 268,651 | \$ 250,118 | \$ 246,130 | \$ 252,979 | \$ 263,096 | \$ 273,454 | \$ 284,562 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| People living in State centers at end of fiscal year | 4,832 | 4,398 | 4,009 | 4,009 | 4,009 | 4,009 | 4,009 |
| People living in mental retardation units at end of fiscal year | 446 | 359 | 248 | 198 | 148 | 98 | ... |
| People moving from State centers and mental retardation units to community residential settings | 323 | 500 | 500 | 50 | 50 | 50 | 98 |

Program Analysis:

In the continuum of mental retardation services, the most restrictive settings include the nine State-owned centers and five mental retardation units located on the grounds of State mental hospitals. The population of these facilities has steadily decreased since the late sixties; a trend directly attributable to the continued emphasis on provision of supportive services in the community. The primary goal of the centers and MR units now is to prepare clients for community living and to move them into appropriate alternative settings as soon as they are ready.

For the past three years, the department has been developing and utilizing the Medicaid Community Waiver Program and the small (now 16 beds or less) intermediate care facilities for the mentally retarded (ICFs/MR) as a means of providing community alternatives to institutionalization.

The total June 30, 1986 resident population for all State centers and mental retardation units was 5,278. State center population was reduced by approximately 650 clients in fiscal Year 1985-86. Major reductions were achieved through the continuation and expansion of the Medicaid Community Waiver Program and the transfer of Woodhaven Center to private ICF/MR status. The measure, people moving from

State centers and mental retardation units to community residential settings, indicates a continuing effort to provide clients with the most appropriate treatment in the least restrictive setting. Three hundred twenty-three (323) clients were placed into community residential programs during fiscal year 1985-86.

The resident profile for June 30, 1986 indicates that approximately 3 percent of all residents are under 21 years of age, 90 percent are between the ages of 21 and 64, and 7 percent are 65 years of age and older. The resident profile also reflects that 7 percent of all residents are mildly retarded, 10 percent are moderately retarded, 23 percent are severely retarded and 60 percent are profoundly retarded. These figures reflect continued movement toward a more aged and disabled population due mainly to fewer overall admissions, and placements of higher functioning residents in community settings.

The measure, people living in State centers at the end of the fiscal year for 1986-87, indicates a continued effort to move clients to community placements. It is expected that additional placements from these facilities will occur in fiscal year 1987-88.

State Centers (continued)

Program Analysis: (continued)

The measure, people moving from State centers and mental retardation units to community residential settings, indicates the continuing effort being made to provide clients with the most appropriate treatment in the least restrictive setting.

The current Department of Public Welfare Five-Year Plan for mental retardation facilities defines statewide goals and objectives with specific time frames for the attainment of each objective. The overall objective of the five-year plan is to continue to reduce the population in State operated facilities through the 2176 Medicaid Waiver program.

The department has negotiated a settlement agreement

with the plaintiffs in the Pennhurst case which provides for the closure of Pennhurst in Fiscal Year 1986-1987. By June 30, 1986, Pennhurst client census was reduced to 177 residents. By June 1987, State-operated MR facilities will be reduced from 17 to 14. In addition to Pennhurst Center, two MR units on the grounds of State hospitals will close. All MR Centers and Units will continue to maintain Medical Assistance certification throughout Fiscal Year 1986-87.

Funding of \$2,140,000 for food services improvements at Selinsgrove State Center has been included in the recommended budget for the State Centers for the Mentally Retarded.

The State Centers population for the prior, current, and upcoming year are:

| | Projected Bed Capacity July 1987 | Population July 1985 | Population July 1986 | Projected Population July 1987 | Projected Percent Capacity July 1987 |
|---|---|-------------------------|-------------------------|--------------------------------------|---|
| State Centers | | | | | |
| Altoona | 138 | 131 | 132 | 135 | 97% |
| Ebensburg | 557 | 611 | 588 | 497 | 89% |
| Embreeville | 369 | 299 | 305 | 274 | 74% |
| Hamburg | 432 | 428 | 414 | 410 | 94% |
| Laurelton | 375 | 346 | 345 | 320 | 85% |
| Pennhurst | | 329 | 179 | | |
| Polk | 1,000 | 1,019 | 930 | 871 | 87% |
| Selinsgrove | 971 | 1,004 | 921 | 871 | 89% |
| Western | 520 | 504 | 485 | 500 | 96% |
| White Haven | 553 | 538 | 533 | 520 | 94% |
| Woodhaven | | 271 | | | |
| TOTAL STATE CENTERS | 4,915 | 5,480 | 4,832 | 4,398 | 89% |
| Mentally Retarded Units | | | | | |
| Allentown | | 39 | 37 | | |
| Clarks Summit | 48 | 40 | 39 | 41 | 85% |
| Mayview | 120 | 116 | 98 | 96 | 80% |
| Somerset | 100 | 96 | 93 | 93 | 93% |
| Torrance | 80 | 93 | 79 | 80 | 100% |
| Wernersville | | 38 | 41 | | |
| Philadelphia | 77 | 66 | 59 | 49 | 63% |
| TOTAL MENTALLY RETARDED UNITS .. | 425 | 488 | 446 | 359 | 84% |
| GRAND TOTAL | 5,340 | 5,968 | 5,278 | 4,757 | 89% |

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-----------|-----------|------------|------------|------------|------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| State Centers for the Mentally Retarded . | \$ 106,650 | \$ 97,904 | \$ 97,911 | \$ 101,308 | \$ 105,738 | \$ 110,346 | \$ 115,138 |

Income Maintenance

OBJECTIVE: To insure that all handicapped, dependent or incipiently dependent individuals are enabled to live at minimum standards of health and decency by providing cash grants.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 817,097 | \$ 816,696 | \$ 827,595 | \$ 865,524 | \$ 880,118 | \$ 889,056 | \$ 903,543 |
| Special Funds | 17,600 | 17,600 | ..... | ..... | ..... | ..... | ..... |
| Federal Funds | 735,380 | 742,717 | 729,699 | 754,879 | 763,377 | 781,142 | 797,427 |
| Other Funds | 69,512 | 78,455 | 103,083 | 104,230 | 107,409 | 93,315 | 85,256 |
| TOTAL | <u>\$1,639,589</u> | <u>\$1,655,468</u> | <u>\$1,660,377</u> | <u>\$1,724,633</u> | <u>\$1,750,904</u> | <u>\$1,763,513</u> | <u>\$1,786,226</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Average monthly number of persons receiving cash grants | 697,718 | 679,100 | 677,100 | 694,500 | 702,400 | 706,500 | 713,500 |
| Aged, blind and disabled persons receiving supplemental grants | 166,335 | 173,300 | 179,500 | 186,200 | 192,700 | 199,100 | 205,500 |
| Amount of reimbursement collections (in thousands) | \$99,288 | \$107,300 | \$113,000 | \$118,700 | \$124,600 | \$130,800 | \$137,300 |
| Cash value of food stamps issued each month (in thousands) | \$45,630 | \$45,500 | \$45,400 | \$45,400 | \$45,400 | \$45,400 | \$45,400 |
| Persons eligible who have been referred to Work Registration Program | 141,608 | 140,000 | 140,000 | 140,000 | 140,000 | 140,000 | 140,000 |
| Persons eligible for public assistance cash grants on the basis of income level (in thousands) | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 |

Program Analysis:

The Income Maintenance personload includes the following categories of assistance: Aid to Families with Dependent Children (AFDC); General Assistance (GA); State Blind Pension (SBP); Food Stamp Program; and Supplemental Security Income (SSI). GA, SBP and the SSI supplement are completely State funded. AFDC receives approximately 57 percent in Federal funds and 43 percent in State funds. Eligibility for assistance is determined by the staff in county assistance offices. As of June 1986, AFDC represented approximately 64 percent of the total personload; GA represents 17 percent; SSI 19 percent; and SBP less than one percent. Food stamps are used by persons

of all categories of assistance and by non-public assistance persons as well.

The 1987-88 budget includes funding for a five percent grant increase. For more information refer to the Program Revision following this subcategory.

The Welfare Reform legislation mandated a work registration program which involves the Office of Employment Security and the department's Pennsylvania Employment Program. The Pennsylvania Employment Program (PEP) was initially a demonstration program authorized by the 1976 amendments to the Public Welfare Code. As a demonstration, 31 counties participated in the

Income Maintenance (continued)**Program Analysis: (continued)**

program. Act 1982-75 required that the program be expanded statewide. The Community Work Experience Program (CWEP) provides work experience for recipients who have not located full-time employment through the Office of Employment Security or the Pennsylvania Employment Program.

Another aspect of the work registration effort is carried out through the Employment Incentive Payment Program (EIPP), under which Federal and State tax credits are granted up to three years to employers who employ a cash assistance recipient for at least one year.

The Commonwealth is in the third year of a three-year Federally awarded Work Saturation in an Urban Area Project, which integrates new programs with the existing Pennsylvania Work Registration Program in Philadelphia. Some of the new programs include: the use of an instrument to assess job readiness and to refer individuals to appropriate programs; intensive remedial education and work experience program; and job readiness/search workshops.

Development continues with the Family Assistance Management Information System (FAMIS), which is a computerized client data file that enhances the department's ability to administer various programs such as cash assistance, food stamps and the work registration program. During fiscal year 1986-87 the food stamp data base was integrated with the medical assistance and cash assistance data base.

The Office of Fraud and Abuse Investigation and Recovery is the department's primary unit for benefits recovery. The office establishes and collects claims which arise when a client, through fraud or error, has previously received more benefits than the client was entitled to receive. The goal of the office is to maximize collections in a cost efficient manner and to provide a deterrent to welfare fraud. During 1985-86, actual collections amounted to \$99.3 million.

The Office of Income Maintenance is charged with conducting reviews of cases to assure compliance with regulations and eliminate fraud. The result of the reviews have assisted CAOs in establishing effective corrective action plans for the reduction and prevention of case ineligibilities and fraud.

The department is mandated by the Federal government to increase accuracy rates in the AFDC, Medical Assistance, and Food Stamp Programs. Fiscal sanctions may be taken if certain accuracy rates are not reached by specified time periods.

Another program of assistance is the supplemental grants which complement Supplemental Security Income (SSI), a Federal program for aged, blind and disabled low income persons. The Federal government administers the program

and provides a basic monthly rate of \$336.00 for an individual and \$504.00 for a couple. To these Federal levels, the Commonwealth adds a maximum of \$32.40 and \$48.70 respectively. Currently a portion of this program is funded from the Lottery Fund and a portion from the General Fund. However, due to increasing costs in the PACE program and declining Lottery Fund balances, the entire SSI program will be funded from the General Fund during fiscal year 1987-88.

A special monthly State supplement is paid to Supplemental Security Income eligible persons in domiciliary care facilities and personal care boarding homes. Act 105 of 1980 requires the licensing of personal care boarding homes which are integrated with and on the same grounds as a skilled nursing or intermediate care facility.

The domiciliary care program became operational with the placement of its first clients in May 1976. This program provides those SSI recipients aged 18 and over with functional limitations with the opportunity to live in the community in a home approved by a State certified placement agency as a domiciliary home. The primary program goals are to provide an appropriate level of care to meet essential needs without inducing avoidable dependency, and to provide an alternative to institutional care for those whose needs can be met more appropriately in the community. In November 1982, this special supplement was also provided to SSI recipients residing in personal care boarding homes (PCBHs) licensed under Act 105 of 1980. In January 1985, the special supplement was extended to SSI recipients in PCBHs attached to nursing facilities which will effectively increase the number of recipients for the special supplement.

In order to help the mentally and physically disabled obtain Federal SSI benefits and eliminate unnecessary use of the State General Assistance Program, the department of Public Welfare has implemented a statewide Disability Advocacy Program (DAP). The DAP report from April 1, 1985 to August 31, 1986 shows 5,115 cases as having been approved for SSI/SSDI benefits.

The department administers and funds Medical Assistance Transportation which began on October 1, 1983. Under this program, State and Federal funding is made available to county governments and private contractors to provide necessary non-emergency medical transportation to public assistance clients.

The department also administers the Low-Income Home Energy Assistance Program (LIHEAP) which provides financial assistance to those families least able to afford to heat their homes. Cash payments are made to fuel distributors and utility companies on behalf of eligible families or directly to those households who have the cost of home heating included in their rental payments. A crisis

Income Maintenance (continued)

Program Analysis: (continued)

component of the program helps with heating emergencies by providing for emergency deliveries of fuel and repairs to faulty heating systems.

This budget recommends \$134.8 million to assist low-income households with their heating needs. The LIHEAP block grant will provide \$102.9 million and \$31.9 million will be distributed from the Energy Conservation and Assistance Fund.

This subcategory area also includes the county assistance offices and the staff which administer the cash assistance, energy assistance, food stamp, medical assistance eligibility and work registration programs. An additional \$2.3 million is also included to improve the working environment in the Department of Public Welfare's county assistance offices. In addition to promoting improved levels of service, this will provide better facilities for the recipients.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 3,355 | \$ 3,068 | \$ 3,230 | \$ 3,346 | \$ 3,476 | \$ 3,619 | \$ 3,751 |
| Cash Grants | 584,270 | 581,346 | 583,742 | 613,881 | 620,216 | 620,754 | 626,670 |
| Medical Assistance Transportation | 10,205 | 9,889 | 10,334 | 10,747 | 11,177 | 11,624 | 12,089 |
| County Assistance Offices | 129,235 | 123,007 | 128,235 | 131,132 | 134,985 | 138,954 | 143,041 |
| County Administration—Statewide | 19,267 | 16,877 | 12,002 | 12,480 | 12,980 | 13,500 | 14,040 |
| Supplemental Grants—Aged, Blind and Disabled | 50,151 | 54,645 | 77,070 | 80,438 | 83,246 | 86,011 | 88,776 |
| Program Accountability | 7,114 | 6,824 | 6,942 | 7,218 | 7,505 | 7,800 | 8,110 |
| Pennsylvania Employment Program | 6,400 | 6,040 | 6,040 | 6,282 | 6,533 | 6,794 | 7,066 |
| Disaster Assistance (1984, 1985, and 1986) | 7,100 | 15,000 | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | <u>\$ 817,097</u> | <u>\$ 816,696</u> | <u>\$ 827,595</u> | <u>\$ 865,524</u> | <u>\$ 880,118</u> | <u>\$ 889,056</u> | <u>\$ 903,543</u> |
| LOTTERY FUND | | | | | | | |
| Supplemental Grants—Aged, Blind and Disabled | \$ 17,600 | \$ 17,600 | ..... | ..... | ..... | ..... | ..... |
| LOTTERY FUND TOTAL | <u>\$ 17,600</u> | <u>\$ 17,600</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> | <u>.....</u> |

**Income Maintenance
Program Revision: Cash Grant Increase**

Recommended Program Revision Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|--------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | | | \$ 16,552 | \$ 35,736 | \$ 36,278 | \$ 36,447 | \$ 36,881 |
| Federal Funds | | | 12,190 | 24,143 | 26,027 | 25,278 | 26,351 |
| TOTAL | | | \$ 28,742 | \$ 59,879 | \$ 62,305 | \$ 61,725 | \$ 63,232 |

Program Analysis:

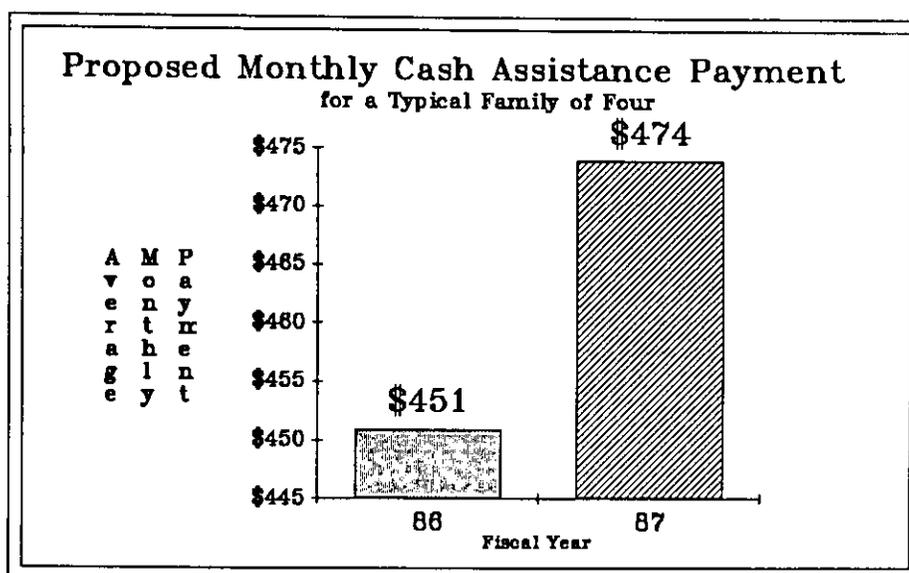
This Program Revision provides for an average five percent grant increase for public assistance recipients, both Aid to Families with Dependent Children (AFDC) and General Assistance (GA). Previous increases were implemented in January 1980, July 1982, October 1984, and January 1986.

The Commonwealth currently uses the Comprehensive Poverty Standard (CPS) to define a minimally acceptable standard of health and decency for public assistance recipients. The CPS is in part based on the Bureau of Labor Statistics (BLS) lower budget for a family of four which is based on a pricing of all items of consumption updated annually by applying the Consumer Price Index.

The BLS lower budget standard was refined by excluding: transportation costs since this is provided by Medical

Assistance Transportation; medical care because this is provided under the Medical Assistance program; and income taxes and Social Security contributions because these are not incurred by the recipient.

It is the intent of this Program Revision to implement this grant increase on January 1, 1988. Grants will be adjusted so that the benefit levels among all family sizes are equal as a higher percentage of the standard. The accompanying graph indicates the proposed grant increase for a typical family of four individuals. This will result in an increase for all family sizes. Assuming a January 1, 1988 effective date, the total estimated cost of implementing the grant increase in 1987-88 is \$16,552,000 in State funds. This includes \$15,452,000 in the Cash Assistance appropriation and \$1,100,000 in additional Medical Assistance costs.



**Income Maintenance
Program Revision: Cash Grant Increase: (continued)**

Recommended Program Revision Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|--------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Cash Grants..... | <u>.....</u> | <u>.....</u> | <u>\$ 15,452</u> | <u>\$ 31,936</u> | <u>\$ 32,378</u> | <u>\$ 32,547</u> | <u>\$ 32,981</u> |

In addition to the amount shown above, this program revision is also included in the following subcategory.

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|--------------|---------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Treatment — Outpatient Services | | | | | | | |
| GENERAL FUND | | | | | | | |
| Medical Assistance — Outpatient | <u>.....</u> | <u>.....</u> | <u>\$ 375</u> | <u>\$ 1,624</u> | <u>\$ 1,724</u> | <u>\$ 1,724</u> | <u>\$ 1,724</u> |

| | | | | | | | |
|---------------------------------------|--------------|--------------|---------------|-----------------|-----------------|-----------------|-----------------|
| Treatment — Inpatient Services | | | | | | | |
| GENERAL FUND | | | | | | | |
| Medical Assistance — Inpatient..... | <u>.....</u> | <u>.....</u> | <u>\$ 725</u> | <u>\$ 2,176</u> | <u>\$ 2,176</u> | <u>\$ 2,176</u> | <u>\$ 2,176</u> |

Department of Revenue

The Department of Revenue collects all tax levies as well as various fees, fines and other monies due the Commonwealth. The Department also supervises the administration and collection of monies for various special funds.

The department prepares the official estimates of the tax yield due the Commonwealth while also analyzing the effect on revenues of proposed changes in either the laws or the tax structure of the Commonwealth.

DEPARTMENT OF REVENUE
Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| General Government Operations | \$ 67,300 | \$ 67,000 | \$ 70,001 |
| Job Creation Tax Credit Administration ..... | ..... | 100 | ..... |
| Commissions — Inheritance and Realty Transfer Tax Collections | 1,700 | 2,000 | 2,900 |
| Subtotal | <u>\$ 69,000</u> | <u>\$ 69,100</u> | <u>\$ 72,901</u> |
| Grants and Subsidies | | | |
| Distribution of Public Utility Realty Tax | \$ 83,242 | \$ 87,315 | \$ 88,138 |
| TOTAL STATE FUNDS | <u>\$ 152,242</u> | <u>\$ 156,415</u> | <u>\$ 161,039</u> |
| Augmentations | \$ 7,461 | \$ 7,309 | \$ 7,086 |
| GENERAL FUND TOTAL | <u>\$ 159,703</u> | <u>\$ 163,724</u> | <u>\$ 168,125</u> |
| Motor License Fund | | | |
| General Government | | | |
| Collection—Liquid Fuels Tax | \$ 4,483 | \$ 5,105 | \$ 5,258 |
| Refunding Liquid Fuels Tax | 6,900 | 7,300 | 7,500 |
| MOTOR LICENSE FUND TOTAL | <u>\$ 11,383</u> | <u>\$ 12,405</u> | <u>\$ 12,758</u> |
| Lottery Fund | | | |
| General Government | | | |
| General Government Operations | \$ 38,744 | \$ 38,612 | \$ 39,784 |
| Personal Income Tax for Lottery Prizes | 15,192 | 14,291 | 13,603 |
| Payment of Prize Money | 161,596 | 185,232 | 146,299 |
| Payment of Commissions | 109 | ..... | ..... |
| Refunding Lottery Monies | 7 | 10 | 10 |
| Subtotal | <u>\$ 215,648</u> | <u>\$ 238,145</u> | <u>\$ 199,696</u> |
| Grants and Subsidies | | | |
| Property Tax and Rent Assistance for the Elderly | \$ 98,861 | \$ 124,150 | \$ 120,681 |
| Senior Citizens Inflation Dividend | 34,503 | 35,895 | 34,653 |
| Subtotal | <u>\$ 133,364</u> | <u>\$ 160,045</u> | <u>\$ 155,334</u> |
| TOTAL STATE FUNDS | <u>\$ 349,012</u> | <u>\$ 398,190</u> | <u>\$ 355,030</u> |
| Augmentations | \$ 2,145 | \$ 2,581 | \$ 3,025 |
| LOTTERY FUND TOTAL | <u>\$ 351,157</u> | <u>\$ 400,771</u> | <u>\$ 358,055</u> |

DEPARTMENT OF REVENUE

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

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Racing Fund | | | |
| General Government | | | |
| Collections—Racing | \$ 139 | \$ 119 | \$ 124 |
| RACING FUND TOTAL | <u>\$ 139</u> | <u>\$ 119</u> | <u>\$ 124</u> |
| Department Total — All Funds | | | |
| General Fund | \$ 152,242 | \$ 156,415 | \$ 161,039 |
| Special Funds | 360,534 | 410,714 | 367,912 |
| Augmentations | 9,606 | 9,890 | 10,111 |
| TOTAL ALL FUNDS | <u>\$ 522,382</u> | <u>\$ 577,019</u> | <u>\$ 539,062</u> |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| State Funds | \$ 69,000 | \$ 69,100 | \$ 72,901 |
| Augmentations | 7,461 | 7,309 | 7,086 |
| TOTAL | <u>\$ 76,461</u> | <u>\$ 76,409</u> | <u>\$ 79,987</u> |

Directs enforcement of all tax statutes of the Commonwealth. Major activities include determining and implementing policies and procedures for tax collection and tax settlements, preparing the official Commonwealth revenue estimates, conducting field audits, preparing and mailing out tax forms and instructions, and the processing of returns.

Major taxes administered and enforced include sales tax, personal income tax, corporation taxes and cigarette and beverage taxes.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| General Government Operations | \$ 67,300 | \$ 67,000 | \$ 70,001 |
| Job Creation Tax Credit Administration ..... | ..... | 100 | ..... |
| Executive Authorization: | | | |
| Commissions — Inheritance and Realty Transfer Tax | | | |
| Collections | 1,700 | 2,000 | 2,900 |
| Augmentations: | | | |
| Audit of State Authorities | 1 | 1 | 1 |
| Cigarette Fines and Penalties | 16 | 16 | 16 |
| Reimbursement For Cost of Services Provided to Special Funds | 3,520 | 3,442 | 3,535 |
| Reimbursement For Cost of Escheat Sales | 283 | 476 | 375 |
| Reimbursement For EDP and Staff Support | 3,577 | 3,312 | 3,099 |
| Reimbursement For Providing Tax Information | 60 | 60 | 60 |
| Seminar Registration Fees | 4 | 2 | ..... |
| TOTAL | <u>\$ 76,461</u> | <u>\$ 76,409</u> | <u>\$ 79,987</u> |

GRANTS AND SUBSIDIES

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|-------------------|---|-------------------|
| Distribution of Public Utility Realty Tax | | | |
| State Funds | \$ 83,242 | \$ 87,315 | \$ 88,138 |

Provides for the distribution of the money that local taxing authorities could have received had they been able to tax the realty of public utilities.

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| Distribution of Public Utility Realty Tax | <u>\$ 83,242</u> | <u>\$ 87,315</u> | <u>\$ 88,138</u> |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Collection—Liquid Fuels Tax | | | |
| State Funds | \$ 11,383 | \$ 12,405 | \$ 12,758 |

Administers and enforces the Liquid Fuels Tax Act, Fuel Use Tax Act and Motor Carriers Act and Bus Compact. Activities include issuing permits and performing annual audits. Act 78 of 1982 gave the department responsibility for making certain refunds including the Liquid Fuels Tax.

| | (Dollar Amounts in Thousands) | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| Collection — Liquid Fuels Tax | \$ 4,483 | \$ 5,105 | \$ 5,258 |
| Executive Authorization: | | | |
| Refunding Liquid Fuels Tax | 6,900 | 7,300 | 7,500 |
| TOTAL | <u>\$ 11,383</u> | <u>\$ 12,405</u> | <u>\$ 12,758</u> |

**LOTTERY FUND
GENERAL GOVERNMENT**

| General Operations | (Dollar Amounts in Thousands) | | |
|---------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 38,744 | \$ 38,612 | \$ 39,784 |
| Augmentations | 2,145 | 2,581 | 3,025 |
| TOTAL | <u>\$ 40,889</u> | <u>\$ 41,193</u> | <u>\$ 42,809</u> |

Provides for the operation of the Lottery Bureau and provides for the administration of the Commonwealth's program of property tax and rent rebate for the elderly and the senior citizen's inflation dividend.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Executive Authorization: | | | |
| General Operations | \$ 38,744 | \$ 38,612 | \$ 39,784 |
| Augmentations: | | | |
| License Fees | 100 | 100 | 103 |
| Reimbursement for Telephone Lines | 2,044 | 2,481 | 2,922 |
| Sale of Vehicles | 1 | . | . |
| TOTAL | <u>\$ 40,889</u> | <u>\$ 41,193</u> | <u>\$ 42,809</u> |

| Personal Income Tax For Lottery Prizes | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 15,192 | \$ 14,291 | \$ 13,603 |

Act 29 of 1983 exempted Pennsylvania Lottery winnings from the Pennsylvania Income Tax for the prize winner but required a transfer from the Lottery Fund to the General Fund of the tax liability. This appropriation provides for that transfer.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Executive Authorization: | | | |
| Personal Income Tax For Lottery Prizes | <u>\$ 15,192</u> | <u>\$ 14,291</u> | <u>\$ 13,603</u> |

OTHER SPECIAL FUNDS

REVENUE

| | (Dollar Amounts in Thousands) | | |
|-------------------------------|-------------------------------|------------|------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Payment of Prize Money | | | |
| State Funds | \$ 161,596 | \$ 185,232 | \$ 146,299 |

Provides funds to pay the winners of Commonwealth Lotteries.

| | (Dollar Amounts in Thousands) | | |
|---------------------------------|-------------------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Source of Funds | | | |
| Executive Authorization: | | | |
| Payment of Prize Money | <u>\$ 161,596</u> | <u>\$ 185,232</u> | <u>\$ 146,299</u> |

| | (Dollar Amounts in Thousands) | | |
|-------------------------------|-------------------------------|-----------|---------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Payment of Commissions | | | |
| State Funds | \$ 109 | ..... | ..... |

Provided for commissions on sales of lottery tickets. With electronic transfer of ticket proceeds, it is no longer necessary to pay banks a commission.

| | (Dollar Amounts in Thousands) | | |
|---------------------------------|-------------------------------|--------------|--------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Source of Funds | | | |
| Executive Authorization: | | | |
| Payment of Commissions | <u>\$ 109</u> | <u>.....</u> | <u>.....</u> |

| | (Dollar Amounts in Thousands) | | |
|---------------------------------|-------------------------------|-----------|---------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Refunding Lottery Monies | | | |
| State Funds | \$ 7 | \$ 10 | \$ 10 |

Provides for refunds of lottery monies.

| | (Dollar Amounts in Thousands) | | |
|---------------------------------|-------------------------------|--------------|--------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Source of Funds | | | |
| Executive Authorization: | | | |
| Refunding Lottery Monies | <u>\$ 7</u> | <u>\$ 10</u> | <u>\$ 10</u> |

OTHER SPECIAL FUNDS

REVENUE

GRANTS AND SUBSIDIES

| | (Dollar Amounts in Thousands) | | |
|-----------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Assistance for the Elderly | | | |
| State Funds | \$ 133,364 | \$ 160,045 | \$ 155,334 |

Allows for a partial rebate of both the property taxes and rent that is paid by the elderly. In December 1979, the passage of Act No. 131 established an inflation dividend program to provide additional grants to persons receiving property tax or rent rebates.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Executive Authorizations: | | | |
| Property Tax and Rent Assistance for the Elderly | \$ 98,861 | \$ 124,150 | \$ 120,681 |
| Senior Citizens Inflation Dividend | 34,503 | 35,895 | 34,653 |
| TOTAL | <u>\$ 133,364</u> | <u>\$ 160,045</u> | <u>\$ 155,334</u> |

**RACING FUND
GENERAL GOVERNMENT**

| | (Dollar Amounts in Thousands) | | |
|-----------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Collections — Racing | | | |
| State Funds | \$ 139 | \$ 119 | \$ 124 |

Provides for the financial administration of pari-mutuel betting at racing tracks. Activities include providing forms and maintaining systems of accounting, examining books and records of the corporations conducting harness racing, and collecting taxes from the corporations.

| | (Dollar Amounts in Thousands) | | |
|---------------------------------|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Executive Authorization: | | | |
| Collections — Racing | <u>\$ 139</u> | <u>\$ 119</u> | <u>\$ 124</u> |

DEPARTMENT OF REVENUE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 6,769 | \$ 7,095 | \$ 7,000 | \$ 7,280 | \$ 7,571 | \$ 7,874 | \$ 8,189 |
| Fiscal Management | \$ 366,774 | \$ 394,967 | \$ 360,649 | \$ 368,733 | \$ 376,295 | \$ 384,145 | \$ 392,291 |
| Revenue Collection and Administration .. | 283,532 | 307,652 | 272,511 | 277,105 | 281,038 | 285,116 | 289,341 |
| Public Utility Realty Payments | 83,242 | 87,315 | 88,138 | 91,628 | 95,257 | 99,029 | 102,950 |
| Homeowners and Renters Assistance | \$ 139,233 | \$ 165,067 | \$ 161,302 | \$ 159,713 | \$ 157,963 | \$ 156,246 | \$ 154,564 |
| Homeowners and Renters Assistance | 139,233 | 165,067 | 161,302 | 159,713 | 157,963 | 156,246 | 154,564 |
| DEPARTMENT TOTAL | <u>\$ 512,776</u> | <u>\$ 567,129</u> | <u>\$ 528,951</u> | <u>\$ 535,726</u> | <u>\$ 541,829</u> | <u>\$ 548,265</u> | <u>\$ 555,044</u> |

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 6,769 | \$ 7,095 | \$ 7,000 | \$ 7,280 | \$ 7,571 | \$ 7,874 | \$ 8,189 |
| Other Funds | 4,020 | 4,122 | 4,022 | 4,073 | 4,112 | 4,132 | 4,165 |
| TOTAL | <u>\$ 10,789</u> | <u>\$ 11,217</u> | <u>\$ 11,022</u> | <u>\$ 11,353</u> | <u>\$ 11,683</u> | <u>\$ 12,006</u> | <u>\$ 12,354</u> |

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by

the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | <u>\$ 6,769</u> | <u>\$ 7,095</u> | <u>\$ 7,000</u> | <u>\$ 7,280</u> | <u>\$ 7,571</u> | <u>\$ 7,874</u> | <u>\$ 8,189</u> |

REVENUE

Revenue Collection and Administration

OBJECTIVE: To assure the availability of resources for the Commonwealth's programs through the equitable and efficient administration of Pennsylvania's revenue system.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 62,231 | \$ 62,005 | \$ 65,901 | \$ 69,271 | \$ 71,942 | \$ 74,178 | \$ 77,603 |
| Special Funds | 221,301 | 245,647 | 206,610 | 207,834 | 209,096 | 210,398 | 211,738 |
| Other Funds | 5,586 | 5,768 | 6,089 | 6,158 | 6,205 | 6,246 | 6,301 |
| TOTAL | <u>\$ 289,118</u> | <u>\$ 313,420</u> | <u>\$ 278,600</u> | <u>\$ 283,263</u> | <u>\$ 287,243</u> | <u>\$ 291,362</u> | <u>\$ 295,642</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|-----------|-----------|-----------|-----------|------------|------------|------------|
| Total General Fund state receipts collected by the Department of Revenue (millions) | \$8,607.2 | \$9,074.0 | \$9,289.1 | \$9,888.0 | \$10,540.8 | \$11,101.9 | \$11,676.0 |
| Total Motor License Fund receipts collected by the Department of Revenue (in millions) | \$1,002.6 | \$1,007.9 | \$1,023.5 | \$1,021.7 | \$1,029.8 | \$1,033.9 | \$1,031.3 |
| Total lottery ticket sales (millions) | \$1,320.2 | \$1,295.5 | \$1,295.5 | \$1,295.5 | \$1,295.5 | \$1,295.5 | \$1,295.5 |
| Revenue collection costs per \$100 of General Fund receipts | \$.78 | \$.74 | \$.75 | \$.74 | \$.72 | \$.71 | \$.70 |
| Revenue collection costs per \$100 of Motor License Fund receipts | \$.45 | \$.51 | \$.51 | \$.53 | \$.54 | \$.55 | \$.57 |
| Lottery Bureau operating costs as a percent of ticket sales | 2.49% | 2.59% | 2.61% | 2.69% | 2.78% | 2.86% | 2.95% |
| Collections from delinquent accounts (in millions) | \$219.0 | \$221.0 | \$225.4 | \$229.9 | \$234.5 | \$239.2 | \$244.0 |
| Percent of money deposited on the day received | 92% | 94% | 96% | 96% | 96% | 96% | 96% |
| Amounts due as a result of audit assessments (Millions) | \$87.1 | \$90.0 | \$92.7 | \$95.4 | \$98.2 | \$101.0 | \$104.0 |
| Tax returns processed (Thousands) | 6,710 | 6,730 | 6,730 | 6,730 | 6,730 | 6,730 | 6,730 |
| Personal Income | 5,100 | 5,100 | 5,100 | 5,100 | 5,100 | 5,100 | 5,100 |
| Sales and Use | 1,460 | 1,480 | 1,480 | 1,480 | 1,480 | 1,480 | 1,480 |
| Corporation | 150 | 150 | 150 | 150 | 150 | 150 | 150 |
| Average processing time (in work days) | | | | | | | |
| Personal Income | 2.75 | 2.25 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Sales and Use | 2.5 | 2.25 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Average settlement time for corporation tax documents (in calendar days) | 249 | 270 | 270 | 270 | 270 | 270 | 270 |
| Average processing time for personal income tax refund (in calendar days) | 21 | 30 | 30 | 30 | 30 | 30 | 30 |

Revenue Collection and Administration (continued)

Program Analysis:

This program provides for the thorough and equitable administration of all the Commonwealth's revenue statutes and for the assessment and collection of various taxes. Among the taxes collected are all corporation taxes, inheritance taxes, the Realty Transfer Tax, Cigarette and Beverage Taxes, the Sales Use and Hotel Occupancy Tax, the Personal Income Tax, taxes imposed under the Liquid Fuels Tax Act, Fuels Use Tax Act, Motor Carriers Road Tax and Bus Compact Fuels Tax, and taxes received from corporations conducting horse and harness racing.

In addition this program administers the Pennsylvania Lottery which provides funds to benefit senior citizens.

A truly successful revenue collection program must be cost effective in its administration as well as equitable and it is the intent of this program to keep collection costs under \$.90 for every \$100 collected in any tax category.

Past efforts to keep administrative costs down have involved issuing coupon books for tax collection which resulted in a reduction in postage costs by providing taxpayers with all relevant material in one mailing, as well as the expanded use of computers and automated remittance processing.

The automated processing system permits more timely depositing of tax payments, provides for better response to licensee inquiries and enables quicker identification of non-filers.

The measure reflecting collections from delinquent accounts shows a slight decrease from previous projections as it is now believed that a base level of collections has been reached and no significant growth is projected.

Average processing time for Personal Income Tax also shows a decrease from earlier projections and this is a result of the automated processing equipment which allows for more timely processing.

The settlement time for Corporation Taxes shows an increase over prior estimates primarily as a result of the complexity of corporation tax structure and the difficulty in analyzing it.

Auditing of taxpayer records is a crucial function of any tax collection program. To increase the efficiency of its auditing operations, \$200,000 is being recommended to develop a computer program to select the accounts to be audited. Such a program should ensure that those accounts where there is a high probability of collecting additional taxes are the ones that are audited.

Funding in the amount of \$85,000 is also being recommended to replace the current system of manually processing Personal Income returns with a computerized system and \$438,000 is recommended to expand the computerized tax collection program to include delinquent Sales and Use Tax accounts as well as delinquent Corporation Tax and Personal Income Tax accounts.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 60,531 | \$ 59,905 | \$ 63,001 | \$ 65,521 | \$ 68,142 | \$ 70,868 | \$ 73,703 |
| Job Creation Tax Credit Administration | | 100 | | | | | |
| Commissions — Inheritance and Realty Transfer Tax | 1,700 | 2,000 | 2,900 | 3,750 | 3,800 | 3,850 | 3,900 |
| GENERAL FUND TOTAL | \$ 62,231 | \$ 62,005 | \$ 65,901 | \$ 69,271 | \$ 71,942 | \$ 74,718 | \$ 77,603 |
| MOTOR LICENSE FUND | | | | | | | |
| Collections—Liquid Fuels Tax | \$ 4,483 | \$ 5,105 | \$ 5,258 | \$ 5,403 | \$ 5,564 | \$ 5,730 | \$ 5,902 |
| Refunding Liquid Fuels Taxes | 6,900 | 7,300 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 |
| MOTOR LICENSE FUND TOTAL | \$ 11,383 | \$ 12,405 | \$ 12,758 | \$ 12,903 | \$ 13,064 | \$ 13,230 | \$ 13,402 |
| LOTTERY FUND | | | | | | | |
| General Operations | \$ 32,875 | \$ 33,590 | \$ 33,816 | \$ 34,890 | \$ 35,987 | \$ 37,119 | \$ 38,283 |
| Personal Income Tax for Lottery Prizes | 15,192 | 14,291 | 13,603 | 13,603 | 13,603 | 13,603 | 13,603 |
| Payment of Prize Money | 161,596 | 185,232 | 146,299 | 146,299 | 146,299 | 146,299 | 146,299 |
| Payment of Commissions | 109 | | | | | | |
| Refunding Lottery Monies | 7 | 10 | 10 | 10 | 10 | 10 | 10 |
| LOTTERY FUND TOTAL | \$ 209,779 | \$ 233,123 | \$ 193,728 | \$ 194,802 | \$ 195,899 | \$ 197,031 | \$ 198,195 |
| RACING FUND | | | | | | | |
| Collections — Racing | \$ 139 | \$ 119 | \$ 124 | \$ 129 | \$ 133 | \$ 137 | \$ 141 |

Public Utility Realty Payments

OBJECTIVE: To provide equitable distribution to all local taxing authorities of the tax on realty of public utilities.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>\$ 83,242</u> | <u>\$ 87,315</u> | <u>\$ 88,138</u> | <u>\$ 91,628</u> | <u>\$ 95,257</u> | <u>\$ 99,029</u> | <u>\$ 102,950</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Taxing authorities receiving funds..... | 3,094 | 3,105 | 3,137 | 3,137 | 3,137 | 3,137 | 3,137 |

Program Analysis:

Pursuant to an amendment to the State Constitution adopted in 1968, this program provides for the distribution to each reporting local taxing authority of its share of the funds that the local taxing authority would have received from public utilities had they been allowed to tax the realty of the utilities in their respective jurisdictions.

The distribution is based on the ratio between the total tax receipts of a local taxing authority and the total tax receipts of all reporting tax authorities. This ratio is then applied to the total amount of taxes that reporting authorities could have collected had they been able to tax the realty of public utilities.

During recent years this program has received significant increases in funding for two primary reasons. First, some utilities have undertaken major renovations, thereby increasing the assessed value of their property and, secondly, there have been increases in the tax rates of various taxing authorities.

The measures for the first two years reflect the exact number of taxing authorities receiving funds, while the remaining years indicate the total number of authorities eligible to receive funds. Generally there is less than 100 percent participation as some authorities who are eligible for only nominal amounts do not file a request for their share.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Distribution of Public Utility Realty Tax | <u>\$ 83,242</u> | <u>\$ 87,315</u> | <u>\$ 88,138</u> | <u>\$ 91,628</u> | <u>\$ 95,257</u> | <u>\$ 99,029</u> | <u>\$ 102,950</u> |

REVENUE

Homeowners and Renters Assistance

OBJECTIVE: To increase the economic stability of citizens of the Commonwealth by providing to eligible citizens assistance in maintaining their place of residence.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Special Funds | <u>\$ 139,233</u> | <u>\$ 165,067</u> | <u>\$ 161,302</u> | <u>\$ 199,713</u> | <u>\$ 157,963</u> | <u>\$ 156,246</u> | <u>\$ 154,564</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Applications for property tax or rent assistance | 477,700 | 512,000 | 498,000 | 484,000 | 470,000 | 456,000 | 442,000 |
| People provided property tax or rent assistance | 459,300 | 494,000 | 479,000 | 465,000 | 452,000 | 438,000 | 424,000 |
| Percent provided property tax or rent assistance | 96.1% | 96.4% | 96.1% | 96.1% | 96.2% | 96.1% | 95.9% |
| Percent of checks mailed on July 1 | 96.3% | 90.0% | 90.0% | 90% .0 | 90.0% | 90.0% | 90.0% |

Program Analysis:

This program aids citizens of the Commonwealth by providing property tax and rent assistance to those who meet certain requirements.

Property tax and rent assistance rebates are available to the elderly, widows and widowers and permanently disabled citizens and are intended to allow these people to lead fuller lives by restoring part of their limited income. Maintaining them in their home, or in rented homes through rent assistance, adds to their personal dignity and emotional security as well as being of financial benefit.

The Property Tax and Rent Assistance for the Elderly program provides a percentage rebate of property tax or rent based on income while the Senior Citizens Inflation Dividend provides a flat dollar amount based on income.

Historically, the eligible population declines as pension increases result in people moving into higher income categories and eventually losing their eligibility.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| LOTTERY FUND | | | | | | | |
| General Operations | \$ 5,869 | \$ 5,022 | \$ 5,968 | \$ 6,157 | \$ 6,351 | \$ 6,550 | \$ 6,756 |
| Property Tax and Rent Assistance for the Elderly | 98,861 | 124,150 | 120,681 | 119,474 | 118,280 | 117,097 | 119,926 |
| Senior Citizens Inflation Dividend | 34,503 | 35,895 | 34,653 | 34,082 | 33,332 | 32,599 | 31,882 |
| LOTTERY FUND TOTAL | <u>\$ 139,233</u> | <u>\$ 165,067</u> | <u>\$ 161,302</u> | <u>\$ 159,713</u> | <u>\$ 157,963</u> | <u>\$ 156,246</u> | <u>\$ 154,564</u> |

Securities Commission

The Securities Commission oversees the State controlled securities industry to ensure compliance with Commonwealth statutes.

SECURITIES COMMISSION

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| General Government Operations | \$ 2,154 | \$ 2,346 | \$ 2,529 |
| TOTAL STATE FUNDS | <u>\$ 2,154</u> | <u>\$ 2,346</u> | <u>\$ 2,529</u> |
| Augmentations ..... | ..... | \$ 20 | \$ 20 |
| GENERAL FUND TOTAL | <u>\$ 2,154</u> | <u>\$ 2,366</u> | <u>\$ 2,549</u> |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| State Funds | \$ 2,154 | \$ 2,346 | \$ 2,529 |
| Augmentations ..... | ..... | 20 | 20 |
| Total | <u>\$ 2,154</u> | <u>\$ 2,366</u> | <u>\$ 2,549</u> |

Protects the investing public through the registration and regulation of salesmen and companies dealing in securities. Issues orders to persons and corporations attempting to sell securities without approval and seeks prosecution of violators of the Pennsylvania Securities Act. Determines the eligibility for exemption from registration of securities proposed to be issued in the Commonwealth.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| General Government Operations | \$ 2,154 | \$ 2,346 | \$ 2,529 |
| Augmentation: | | | |
| Reimbursement from Crime Commission ..... | ..... | 20 | 20 |
| TOTAL | <u>\$ 2,154</u> | <u>\$ 2,366</u> | <u>\$ 2,549</u> |

SECURITIES COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Consumer Protection | \$ 2,154 | \$ 2,346 | \$ 2,529 | \$ 2,693 | \$ 2,745 | \$ 2,855 | \$ 2,969 |
| Regulation of Securities Industry | 2,154 | 2,346 | 2,529 | 2,693 | 2,745 | 2,855 | 2,969 |
| DEPARTMENT TOTAL | <u>\$ 2,154</u> | <u>\$ 2,346</u> | <u>\$ 2,529</u> | <u>\$ 2,693</u> | <u>\$ 2,745</u> | <u>\$ 2,855</u> | <u>\$ 2,969</u> |

SECURITIES COMMISSION

Regulation of Securities Industry

OBJECTIVE: To reduce the incidence of fraud to prevent public investors from being unfairly taken advantage of in securities transactions, while at the same time facilitating legitimate capital formation in the State.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 2,154 | \$ 2,346 | \$ 2,529 | \$ 2,693 | \$ 2,745 | \$ 2,855 | \$ 2,969 |
| Other Funds ..... | ..... | 20 | 20 | 20 | 20 | 20 | 20 |
| TOTAL | \$ 2,154 | \$ 2,366 | \$ 2,549 | \$ 2,713 | \$ 2,765 | \$ 2,875 | \$ 2,989 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Dollar amount of securities applications received (in billions) | \$1,986 | \$3,000 | \$3,000 | \$3,000 | \$3,000 | \$3,000 | \$3,000 |
| Dollar amount of securities cleared for sale (in billions) | \$1,939 | \$2,500 | \$3,000 | \$3,000 | \$3,000 | \$3,000 | \$3,000 |
| Securities filings received | 7,115 | 9,000 | 10,800 | 13,000 | 15,000 | 16,800 | 18,000 |
| Securities filings cleared | 6,220 | 7,600 | 9,300 | 10,800 | 13,600 | 16,400 | 19,200 |
| Broker-dealers registered | 1,473 | 2,022 | 2,465 | 2,800 | 3,100 | 3,400 | 3,700 |
| Agents registered | 45,965 | 64,000 | 81,000 | 98,000 | 115,000 | 132,000 | 149,000 |
| Investment Advisers registered | 246 | 330 | 656 | 750 | 850 | 950 | 1,050 |

Program Analysis:

Act 68 of 1986, effective August 25, 1986, amended the Pennsylvania Securities Act of 1972 to better equip the commission to carry out its investor protection responsibilities under the original 1972 act by being able to: deny registration as a broker-dealer, agent or investment adviser to an applicant who has been the subject of federal commodities law violation; to immediately and effectively stop, through the issuance of a Cease and Desist Order, suspected unlawful or fraudulent activities such as pyramid and Ponzi schemes; investigate sales of unregistered securities by unregistered persons and boiler room operations. Citizens of the Commonwealth will also be given an additional year in which to bring a civil action for securities fraud.

The primary function of the Pennsylvania Securities Commission is to encourage the financing of legitimate business and industry in the Commonwealth while protecting the in-

vesting public from fraudulent and unfair practices in the securities industry. The commission works toward this objective under the Pennsylvania Securities Act of 1972, which requires the registration of securities broker-dealers, agents, and investment advisers.

In order for securities to be offered for sale in Pennsylvania, the issuer must comply with the registration requirements of the Pennsylvania Securities Act of 1972. Securities offered and sold in Pennsylvania must be registered under this act unless eligible for an exemption. This applies to all securities sold in Pennsylvania, including securities which have been registered under Federal requirements. In cases of some exemptions, a filing must be made with the Pennsylvania Securities Commission. Registration statements under Sections 205 and 206 of the 1972 act are analyzed and reviewed for full accurate

Regulation of Securities Industry (continued)

Program Analysis: (continued)

disclosure of all relevant data to determine completeness, correctness and compliance with registration requirements. The decrease in the dollar amount of both securities filings received compared to previous estimates is the result of investment companies reducing their offerings to levels that more accurately reflect their sales experience in the Commonwealth.

In addition to the review and analysis of securities filings, the commission requires certain companies to file post-effective reporting forms because such companies are not required to file similar materials with the U.S. Securities and Exchange Commission. These forms disclose, among other things, the amount of securities sold, use of proceeds, financial information, copies of all company communications with stockholders, significant changes in business of the company, etc. The purpose of these post-effective filings is to determine that monies are used in a manner consistent with the disclosure materials; that the companies are providing investors with accurate reporting of the activities of the companies; and that investors are provided with complete and proper financial information.

In addition to enforcing the Securities Act of 1972, the commission has responsibility for administering the provisions of the Takeover Disclosure Law of 1976. This law provides protection for Pennsylvania corporations, shareholders, employees and the public from the use of takeover offers without a complete disclosure of information concerning the offers.

Through its representation on various committees of the North American Securities Administrators Association, Inc., the commission has been working 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 in-

volved in complying with various state and Federal filing procedures.

The commission continues to actively monitor its existing regulations and guidelines with a view toward: 1) potential conflicts with other Federal, State or local government rules; 2) changes in industry and market conditions; 3) the continuing need for the rule or regulation; and 4) possible simplification of the rule or regulation. The number of agents and investment advisers registered increased over last years' estimates. Increases in the number of agents are due to revised procedures involving registration of broker-dealer firms and their agents in more than one state. The measure for investment advisers increased due to a proposal to require certain financial planners to register as investment advisers.

The commission is continuing its policy of maintaining cooperative investigatory programs with Federal, other state and other Commonwealth agencies in pursuing those enforcement activities where securities' violations have occurred. In May of 1982, the commission became the second Pennsylvania State agency to join the Leviticus Project—a multi-state law enforcement network created to combat coal-related crimes.

The commission's application for Leviticus membership was prompted by the large number of filings it receives in energy-related offerings being made to Pennsylvanians. During the past fiscal year, the commission has continued its participation in the Leviticus project.

Initiatives totalling \$160,000 are included in the 1987-88 Budget. Of that amount, \$100,000 is for additional electronic data processing workstations; \$44,000 for three positions funded to look into hostile takeovers and \$16,000 for one position to assist in the Division of Enforcement and Compliance.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | <u>\$ 2,154</u> | <u>\$ 2,346</u> | <u>\$ 2,529</u> | <u>\$ 2,693</u> | <u>\$ 2,745</u> | <u>\$ 2,855</u> | <u>\$ 2,969</u> |

Department of State

The Department of State compiles, publishes and certifies all election returns; issues all commissions to elected and appointed officials; records and punctuates all laws passed by the General Assembly; administers corporate and selected noncorporate business laws; administers the professional and occupational licensing boards; and regulates solicitation activities, boxing and wrestling matches.

The Department of State is administered by the Secretary of the Commonwealth and includes the State Athletic Commission, the Commission on Charitable Organizations, and 25 professional and occupational licensing boards.

DEPARTMENT OF STATE

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| General Government Operations | \$ 3,078 | \$ 2,644 | \$ 2,770 |
| Publishing Constitutional Amendments | 45 | 60 | 60 |
| Subtotal | <u>\$ 3,123</u> | <u>\$ 2,704</u> | <u>\$ 2,830</u> |
| Grants and Subsidies | | | |
| Voting of Citizens in Military Service | \$ 8 | \$ 8 | \$ 8 |
| Voter Registration by Mail | 273 | 350 | 350 |
| County Election Expenses | 30 | | |
| Subtotal | <u>\$ 311</u> | <u>\$ 358</u> | <u>\$ 358</u> |
| TOTAL STATE FUNDS | <u>\$ 3,434</u> | <u>\$ 3,062</u> | <u>\$ 3,188</u> |
| | | | |
| Augmentations | \$ 642 | \$ 548 | \$ 627 |
| Restricted Revenue | 10,077 | 10,310 | 10,535 |
| GENERAL FUND TOTAL | <u>\$ 14,153</u> | <u>\$ 13,920</u> | <u>\$ 14,350</u> |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| State Funds | \$ 3,078 | \$ 2,644 | \$ 2,770 |
| Augmentations | 1,242 | 1,098 | 1,177 |
| Restricted Revenues | 10,077 | 10,310 | 10,535 |
| TOTAL | <u>\$ 14,397</u> | <u>\$ 14,052</u> | <u>\$ 14,482</u> |

Provides intra-agency administrative support; maintains current information on corporations and charitable organizations; monitors the election process; and issues commissions to State and local officials. Protects the public from unqualified practitioners in the various professional and skilled service areas licensed by the department.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Appropriation: | | | |
| General Government Operations | \$ 3,078 | \$ 2,644 | \$ 2,770 |
| Augmentations: | | | |
| Reimbursement from Professional Licensure Augmentation | | | |
| Account | 600 ^a | 550 ^a | 550 ^a |
| Fees — Registration of Charitable Organizations | 252 | 220 | 299 |
| Auctioneers Licenses | 94 | 98 | 94 |
| Boxing and Wrestling Fees | 296 | 230 | 234 |
| Restricted Revenues: | | | |
| Professional Licensure Augmentation Account ^b | 8,763 | 8,753 | 8,968 |
| Medical Fees ^b | 1,042 | 1,212 | 1,243 |
| Osteopathic Fees ^b | 192 | 238 | 238 |
| Podiatry Fees ^b | 80 | 107 | 86 |
| TOTAL | <u>\$ 14,397</u> | <u>\$ 14,052</u> | <u>\$ 14,482</u> |

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Publishing Constitutional Amendments | | | |
| State Funds | \$ 45 | \$ 60 | \$ 60 |

Meets the cost of publishing all proposed constitutional amendments three months prior to the November election and the primary election in at least two newspapers of general circulation in all counties where newspapers are published.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Executive Authorization: | | | |
| Publishing Constitutional Amendments | <u>\$ 45</u> | <u>\$ 60</u> | <u>\$ 60</u> |

^aNot carried forward to the Summary by Fund and Appropriation to avoid double counting.

^bAppropriation from Restricted Revenue Account.

GRANTS AND SUBSIDIES

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|-------------------|---|-------------------|
| Voting of Citizens in Military Services | | | |
| State Funds | \$ 8 | \$ 8 | \$ 8 |

Reimburses county boards of election at the rate of \$.40 per ballot for each military absentee ballot cast during an election.

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| Voting of Citizens in Military Services | <u>\$ 8</u> | <u>\$ 8</u> | <u>\$ 8</u> |

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|-----------------------------------|-------------------|---|-------------------|
| Voter Registration by Mail | | | |
| State Funds | \$ 273 | \$ 350 | \$ 350 |

Reimburses county boards of election and the United States Post Office for all mailing costs incurred in registering voters by mail.

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|----------------------------------|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| Voter Registration by Mail | <u>\$ 273</u> | <u>\$ 350</u> | <u>\$ 350</u> |

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|----------------------------------|-------------------|---|-------------------|
| Special Election Expenses | | | |
| State Funds | \$ 30 | | |

Provides payment to county boards of election for expenses incurred in special elections.

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---------------------------------|-------------------|---|-------------------|
| Source of Funds | | | |
| Executive Authorization: | | | |
| County Election Expenses | <u>\$ 30</u> | <u>. . . .</u> | <u>. . . .</u> |

DEPARTMENT OF STATE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 800 | \$ 768 | \$ 649 | \$ 675 | \$ 702 | \$ 730 | \$ 759 |
| Consumer Protection | \$ 1,616 | \$ 1,253 | \$ 1,316 | \$ 1,369 | \$ 1,424 | \$ 1,481 | \$ 1,540 |
| Regulation of Consumer Products and Promotion of Fair Business Practices | 1,616 | 1,253 | 1,316 | 1,369 | 1,424 | 1,481 | 1,540 |
| Maintenance of Professional and Occupational Standards ^a ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Electoral Process | \$ 1,018 | \$ 1,041 | \$ 1,223 | \$ 1,261 | \$ 1,288 | \$ 1,323 | \$ 1,359 |
| Maintenance of Electoral Process | 1,018 | 1,041 | 1,223 | 1,261 | 1,288 | 1,323 | 1,359 |
| DEPARTMENT TOTAL | <u>\$ 3,434</u> | <u>\$ 3,062</u> | <u>\$ 3,188</u> | <u>\$ 3,305</u> | <u>\$ 3,414</u> | <u>\$ 3,534</u> | <u>\$ 3,658</u> |

^aAll funds are other than General Fund or Special Fund.

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 800 | \$ 768 | \$ 649 | \$ 675 | \$ 702 | \$ 730 | \$ 759 |
| Other Funds | 600 | 550 | 550 | 550 | 550 | 550 | 550 |
| TOTAL | \$ 1,400 | \$ 1,318 | \$ 1,199 | \$ 1,225 | \$ 1,252 | \$ 1,280 | \$ 1,309 |

Program Analysis:

This subcategory includes the executive offices and the legal and administrative services which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The Department of State, through these administrative support programs, has a plan-

ning capability which assists program directors in improving their services to the public. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|---------|---------|---------|---------|---------|---------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 800 | \$ 768 | \$ 649 | \$ 675 | \$ 702 | \$ 730 | \$ 759 |

Regulation of Consumer Products and Promotion of Fair Business Practices

OBJECTIVE: To prevent fraudulent solicitation or misrepresentation of sporting events and to maintain accurate records of corporate charters.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 1,616 | \$ 1,253 | \$ 1,316 | \$ 1,369 | \$ 1,424 | \$ 1,481 | \$ 1,540 |
| Other Funds | 548 | 450 | 533 | 533 | 533 | 533 | 533 |
| TOTAL | \$ 2,164 | \$ 1,703 | \$ 1,849 | \$ 1,902 | \$ 1,957 | \$ 2,014 | \$ 2,073 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Application reviews of fictitious names, businesses, corporations, trademarks, etc | 78,364 | 80,000 | 82,000 | 84,000 | 86,000 | 88,000 | 90,000 |
| Corporation name reservations and information requests issued | 181,574 | 185,000 | 190,000 | 195,000 | 200,000 | 205,000 | 210,000 |
| Estimate of currently soliciting groups requiring licensing | 12,400 | 12,500 | 12,600 | 12,700 | 12,800 | 12,800 | 12,800 |
| Currently soliciting groups complying with regulations | 6,000 | 6,500 | 7,000 | 7,500 | 8,000 | 8,500 | 8,500 |
| Investigations of Charities Act violations .. | 40 | 50 | 60 | 70 | 80 | 90 | 100 |
| Cease and desist letters issued | 225 | 215 | 210 | 105 | 100 | 100 | 100 |
| Boxing and wrestling events requiring regulation | 270 | 270 | 270 | 270 | 270 | 270 | 270 |

Program Analysis:

This program encompasses the activities of the Corporation Bureau, the Commission on Charitable Organizations and the Athletic Commission.

The Corporation Bureau is responsible for registering all businesses in the Commonwealth, and currently has an estimated 1,797,400 fictitious names, businesses, corporations and secured filings on file. The goal of the Corporation Bureau is to promote a more favorable atmosphere for commerce to enter Pennsylvania.

The Commission 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.

Violations of the Charitable Solicitations Act usually arise from failure to register, renew registration or comply with Cease and Desist Letters. Act 30 of 1986 revised registration requirements and specifically excluded certain organizations from these requirements. Organizations no longer required to register include religious organizations, fire and ambulance companies, veterans' organizations, libraries, hospitals and educational institutions.

There are currently approximately 6,500 registrations of charitable organizations. Charitable organization listings are now also computerized.

The major objective of the bureau is to increase the awareness and understanding of the Charitable Solicitations

Regulation of Consumer Products and Promotion of Fair Business Practices (continued)

Program Analysis: (continued)

Act among Pennsylvania consumers and charitable organizations. To achieve this objective increased activity through seminars, public service announcements and speaking engagements before small groups is expected. Inquiries and investigations of suspected violations are now emphasized. Special efforts are also made to include outside legal assistance to aid in speedy criminal litigations of charities which continue to operate against a cease and desist order. The commission has developed reciprocity with the postal inspector, State District Attorney's Association, and referral to the Attorney General's Office. The Corporation Bureau has reinstated a 15-day reminder letter to comply

with registration followed by a cease and desist order. With this action there should be a decrease in the number of cease and desist letters in the future.

The State Athletic Commission is charged with licensing boxers, wrestlers, and officials, as well as the regulation of boxing and wrestling events. The Athletic Commissioners are attempting to stimulate boxing and wrestling activity in Pennsylvania as a means to increase revenue. Potential promoters are being cultivated and negotiations are under way to bring championship events into the Commonwealth.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|----------|----------|----------|----------|----------|----------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 1,616 | \$ 1,253 | \$ 1,316 | \$ 1,369 | \$ 1,424 | \$ 1,481 | \$ 1,540 |

Maintenance of Professional and Occupational Standards

OBJECTIVE: To minimize the number of professional and occupational practitioners and establishments failing to meet specified standards of entry and performance.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------|-------------------------------|----------|-----------|-----------|-----------|-----------|-----------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Other Funds | \$ 9,571 | \$ 9,858 | \$ 10,079 | \$ 10,495 | \$ 10,898 | \$ 11,317 | \$ 11,753 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Licenses and renewals issued | 497,700 | 235,000 | 485,000 | 240,000 | 490,000 | 240,000 | 490,000 |
| Applicants passing examination | 27,394 | 29,000 | 29,000 | 29,000 | 29,000 | 29,000 | 29,000 |
| Applicants failing examinations for license . | 21,960 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Investigations | 1,760 | 1,800 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Routine inspections | 12,263 | 19,000 | 19,000 | 19,500 | 19,500 | 20,000 | 20,500 |
| Complaints processed by legal staff | 1,745 | 2,100 | 2,200 | 2,000 | 2,200 | 2,200 | 2,200 |
| Suspensions and revocations by boards | 131 | 170 | 170 | 170 | 170 | 170 | 170 |

Program Analysis:

The focus of this program is one of assuring acceptable professional and technical services to the Commonwealth's residents. To accomplish this, twenty-five 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.

The use of the legal and investigatory machinery of the bureau has also been a major means of monitoring the vast numbers of licensees.

Continued emphasis has been placed on improving the performance of the entire enforcement area, which includes the Automated Case Tracking System (ACTS) as well as the

Law Enforcement Division. The ACTS system has been upgraded with a more powerful computer program, which provides more meaningful tracking of complaints. The Law Enforcement Division has implemented an automated tracking system of investigations and other assignments. The complaints office is undergoing significant changes during 1986-87 including additional staff included in Act 9-A of 1986 to analyze complaints and provide meaningful assistance to consumers. Complaint handling procedures are also being revised. Previous initiatives to improve the productivity in this area, including an "800" hot-line for consumer complaints, board newsletters and local newspaper advertisements of punitive board actions against licensees, are established and will remain ongoing.

BPOA is participating with other agencies to develop a joint program to reduce inappropriate and unnecessary use of prescription drugs in Pennsylvania and is now meeting with other concerned agencies to develop an efficient, cost-effective method of identifying drug diversion and diverters. A program sponsored by the American Medical Associa-

Maintenance of Professional and Occupational Standards (continued)**Program Analysis: (continued)**

tion with the designation of Prescription Abuse Data Synthesis (PADS) is the focus of the initial attempt to deal with this problem from a cooperative agency perspective.

The program measures reflect the major functions of the bureau: testing, licensing and enforcement. The first three measures reflect the testing and licensing functions, while the last four reflect the enforcement functions.

The decrease in the measure dealing with the number of investigations can be attributed to the implementation of an automated tracking system which clearly distinguishes investigations from other law enforcement assignments. These investigation statistics reflect legal office requests resulting from consumer complaints.

During 1985-86, the feasibility of contracting out the inspection function to the private sector was considered. This activity as well as staff turnover resulted in a decrease in routine inspections. It is expected that inspection volume will increase now that staffing has returned to previous levels.

Effective July 1, 1978, Act 124 created a restricted Professional Licensure Augmentation (PLAA) account 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 earmarked funds, considered for budgetary purposes as "Other" funds, rather than from a General Fund appropriation.

After seven year's experience with the PLAA concept and the current exposure to the sunset review process, it has been determined that every individual board should 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.

In accordance with Act 11-A of 1985, funds authorized for the Bureau of Professional and Occupational Affairs are no longer treated as augmentations to State's General Fund appropriation, but are accounted for as a separate appropriation. Also, as a result of Act 9-A of 1986, the State Board of Medicine, State Board of Osteopathic Medicine and the State Board of Podiatry are each accounted for as separate appropriations. Funds for the administrative reimbursement to the department are included in the General Administration and Support subcategory, while BPOA program funds are shown here.

Maintenance of the Electoral Process

OBJECTIVE: To insure that the electoral process conforms to legally defined specifications, that appointed and elected officials meet the legal requirements for their respective positions, and that an official record of the laws and resolutions of the legislative branch and the official acts of the executive branch is maintained.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|----------|----------|----------|----------|----------|----------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 1,018 | \$ 1,041 | \$ 1,223 | \$ 1,261 | \$ 1,288 | \$ 1,323 | \$ 1,359 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Voting age population (in thousands)..... | 9,023 | 9,100 | 9,100 | 9,200 | 9,200 | 9,200 | 9,200 |
| Percent of voting age population actually voting | 31% | 47% | 30% | 49% | 30% | 49% | 30% |
| Voter registration by mail | 274,500 | 342,000 | 274,500 | 525,000 | 352,000 | 352,000 | 352,000 |
| Total voter registration transactions | 357,500 | 455,000 | 357,500 | 700,000 | 455,000 | 455,000 | 455,000 |
| Persons filing for vacant offices | 1,341 | 206 | 1,788 | 210 | 1,235 | 210 | 1,700 |
| Gubernatorial commissions issued | 495 | 550 | 660 | 600 | 600 | 600 | 600 |
| Notary public commissions issued | 17,985 | 17,985 | 18,300 | 18,300 | 18,300 | 18,300 | 18,300 |
| Campaign expense audits | 3 | 28 | 35 | 30 | 30 | 30 | 30 |

Program Analysis:

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. This is particularly distressing in a democracy because those who do not vote may be interested but regard the franchise as a useless exercise. The measures dealing with voter participation reflect the entire voting age population rather than just those who have registered. This more accurately reflects the scope of the voter apathy problem.

Efforts in this program are, therefore, keyed towards ensuring efficiency, honesty and uniformity in the administration of the Election Code. Some of the more serious problems within the election system have included: often burdensome registration and voting procedures; the lack of easily obtainable published information concerning the

State's electoral process; instances of unfair and unjust administration of election processes; and a pervading lack of consistency in activities at all levels of election administration.

A number of programs have been implemented to rectify the problem areas identified. Efficiency-oriented solutions include administration of the voter registration by mail program; enfranchising new groups of citizens not formerly accessible to registration and voting; comprehensive revision of the Election Code; and distribution of various public information publications detailing election laws and procedures. To assure honesty of elections, a monitoring system for campaign finance reports has been implemented; a detailed examination of petitions is conducted to ensure all requirements are met; and continuing certification of ballot information is maintained concerning candidates and their status throughout the election year.

Maintenance of the Electoral Process (continued)

Program Analysis: (continued)

The number of candidates filing for vacant offices has declined from the prior years' projected figure. The decline is attributed to increased petition signature requirements which became effective with the enactment of Act 190 of 1984 in time for the 1985-86 elections.

Other functions in this program fall under the commissioning area and include commissioning gubernatorial appointees to boards and commissions and preparing commissions for judges, justices of the peace and notaries public. In addition, extraditions are prepared for the Governor and bond issues for the Commonwealth are processed. Finally, a record of all legislation passed by the General Assembly

is maintained by docketing the bills and assigning act numbers.

There was a significant decrease compared to prior estimates for voter registration transactions in 1985-86. The decline is attributed to the aftermath of a presidential election, since voters only remain on the rolls for a two calendar year period.

The number of notary public commissions issued has significantly exceeded projections. This is attributed to increased requests for notary applications from automotive dealerships, insurance companies and legal offices.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 662 | \$ 623 | \$ 805 | \$ 837 | \$ 870 | \$ 905 | \$ 941 |
| Publishing Constitutional Amendments .. | 45 | 60 | 60 | 60 | 60 | 60 | 60 |
| Electoral College Expenses ..... | ..... | ..... | ..... | 6 | ..... | ..... | ..... |
| Voting of Citizens in Military Service ... | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| Voter Registration by Mail | 273 | 350 | 350 | 350 | 350 | 350 | 350 |
| County Election Expense | 30 | ..... | ..... | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | \$ 1,018 | \$ 1,041 | \$ 1,223 | \$ 1,261 | \$ 1,288 | \$ 1,323 | \$ 1,359 |

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 EMPLOYES' RETIREMENT SYSTEM

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| Grants and Subsidies | | | |
| National Guard — Employer Contribution | \$ 1,403 | \$ 1,193 | \$ 679 |
| GENERAL FUND TOTAL | \$ 1,403 | \$ 1,193 | \$ 679 |
| Other Funds | \$ 5,020 | \$ 4,882 | \$ 5,723 |
| TOTAL ALL FUNDS | \$ 6,423 | \$ 6,075 | \$ 6,402 |

GRANTS AND SUBSIDIES

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| National Guard — Employer Contribution | | | |
| State Funds | \$ 1,403 | \$ 1,193 | \$ 679 |

Provides for amortization of the present and future deficits in the accounts of certain National Guard members of the system for whom the Federal government is not making the required employer contribution.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| National Guard — Employer Contribution | <u>\$ 1,403</u> | <u>\$ 1,193</u> | <u>\$ 679</u> |

OTHER FUNDS**STATE EMPLOYEES' RETIREMENT SYSTEM**

o

Amounts Not Previously Detailed

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---|-------------------|---|-------------------|
| State Employees' Retirement Fund | | | |
| Administration | \$ 5,020 | \$ 4,882 | \$ 5,723 |
| DEPARTMENT TOTAL | <u>\$ 5,020</u> | <u>\$ 4,882</u> | <u>\$ 5,723</u> |

STATE EMPLOYES' RETIREMENT SYSTEM

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-----------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 1,403 | \$ 1,193 | \$ 679 | \$ 679 | \$ 679 | \$ 679 | \$ 679 |
| General Administration and Support | 1,403 | 1,193 | 679 | 679 | 679 | 679 | 679 |
| DEPARTMENT TOTAL | <u>\$ 1,403</u> | <u>\$ 1,193</u> | $ 679 | $ 679 | $ 679 | $ 679 | <u>\$ 679</u> |

STATE EMPLOYEES' RETIREMENT SYSTEM

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 1,403 | \$ 1,193 | \$ 679 | \$ 679 | \$ 679 | \$ 679 | \$ 679 |
| Other Funds | 5,020 | 4,882 | 5,723 | 5,952 | 6,190 | 6,438 | 6,696 |
| TOTAL | \$ 6,423 | \$ 6,075 | \$ 6,402 | \$ 6,631 | \$ 6,869 | \$ 7,117 | \$ 7,375 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Benefit payments processed | 12,252 | 12,200 | 11,600 | 11,600 | 11,600 | 11,600 | 11,600 |
| Average processing time for benefit payments (in days) | 15 | 12 | 12 | 12 | 12 | 12 | 12 |
| Return on investment (in millions) | \$431.0 | \$470.0 | \$512.0 | \$558.2 | \$608.4 | \$663.2 | \$722.8 |

Program Analysis:

The State Employees' Retirement System (SERS) was established to administer the pension plan created by statute in 1924. Contributions by the employee and the employing agency are made to the State Employees' Retirement Fund which uses those moneys and interest earnings for administration of the system and payment of benefits. This special fund presentation is shown in the appendix to Volume 1 of this Budget.

The Commonwealth's benefits for its annuitants are funded through agency contributions to the State Employees' Retirement System. In 1986-87 agency contributions to the system total over \$376 million; the combined employer/employee cost is about 18 percent of payroll.

The 1987-88 employer retirement contribution has been budgeted at an overall rate of 12.3 percent with differential billing levels to take into consideration the cost to the system of the age 50 retirement offered to enforcement personnel and legislators. The billing rate will be 12 percent of payroll for the general population and 14.8 percent for the affected payrolls of the Department of Public Welfare, Liquor Control Board, Corrections, and the State Police. The rate for the Legislature will be changed proportionately. The rate as determined by the actuary assumes an employee contribution rate of 6.25 percent for employees hired after July 22, 1983 in accordance with Act 31 of 1983.

This budget includes funds to continue the twenty year amortization of the deficiency in National Guard employee accounts created by the Federal government's inadequate employer contributions. Those employees were assured of full retirement benefits when they joined the State system in 1968. Refusal of the Federal government, which is their employer, to increase its contributions as the system's contribution rate increases would result, without the Commonwealth's intervention, in reduced retirement eligibility for those employees as they retire. Although the 1987-88 contribution rate for retirement will be 12 percent the Federal government refuses to contribute more than the 7 percent they began contributing in 1968 for both retirement and social security. Since Social Security must be funded first and Social Security exceeds 7 percent in this fiscal year there will be no contribution to the system for retirement costs. The funding of that deficit over the next fourteen years will fulfill the State's commitment to employees affected by the deficit.

Administration of the system is funded by interest earnings of the fund; the Legislature annually appropriates the moneys for administration within the fund. That appropriation is shown above as other funds. Funding is included to continue the field office program which is being established to enhance the retirement counseling function.

STATE EMPLOYEES' RETIREMENT SYSTEM

General Administration and Support (continued)

Program Analysis: (continued)

The measure showing the number of benefit payments processed by the agency is higher than had been projected for 1985-86 and 1986-87 because it includes a substantial number of early retirement window payments.

Currently one of the largest statewide public plans in the nation, the State Employees' Retirement System serves a membership of over 179,000. Once an employe becomes a member of the system, he begins making contributions from each paycheck. The system, in conjunction with the Commonwealth Management Information Center, maintains on computer approximately 112,000 active

account records and credits interest to these accounts each quarter year. Other functions of the SERS are the processing of applications for reinstatement of prior State service, for purchase of credit for military service, and for conversion of one type of coverage to another.

The Retirement System oversees a portfolio of investments valued at more than 6.8 billion dollars. The Retirement Board and its staff, working with the legal, investment, and actuarial advisors to the system, strive to maintain a system that is financially sound, efficient and responsive to the requirements of its membership.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------------------|-------------------------------|-----------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| National Guard—Employer Contribution | <u>\$ 1,403</u> | <u>\$ 1,193</u> | $ 679 | $ 679 | $ 679 | $ 679 | <u>\$ 679</u> |

State Police

The State Police enforce the law and preserve the peace through the detection of crime and the apprehension of criminals, the patrol of highways, the enforcement of the Vehicle Code and the abatement of certain fire hazards.

The State Police receive a General Fund appropriation for criminal law enforcement and a Motor License Fund transfer for traffic patrol activities. In 1987-88, the ratio will be 33 percent General Fund and 67 percent Motor License Fund. In addition, the State Police receive augmentations from the Turnpike Commission for turnpike patrol and from the sale of patrol cars replaced by new vehicles.

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revision:

| Appropriation | Title | 1987-88 State Funds (in thousands) |
|----------------------------------|--|---|
| General Fund | | |
| General Government Operations | Automated Fingerprint Identification System (AFIS) | \$ 3,358 |

This Program Revision provides for a computerized fingerprint search-and-match system to more quickly and accurately identify crime suspects.

| | |
|------------------|-----------------|
| DEPARTMENT TOTAL | <u>\$ 3,358</u> |
|------------------|-----------------|

STATE POLICE

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| General Government Operations | \$ 63,099 | \$ 66,500 | \$ 74,967 |
| Municipal Police Training | 1,747 | 2,314 | 2,314 |
| Soft Body Armor | 50 | ..... | ..... |
| Patrol Vehicles ..... | ..... | ..... | 2,970 |
| Officer Uniforms ..... | ..... | ..... | 825 |
| | <hr/> | <hr/> | <hr/> |
| TOTAL STATE FUNDS | <u>\$ 64,896</u> | <u>\$ 68,814</u> | <u>\$ 81,076</u> |
| | | | |
| Federal Funds | \$ 2,143 | \$ 3,601 | \$ 1,377 |
| Augmentations | 12,177 | 12,204 | 13,145 |
| | <hr/> | <hr/> | <hr/> |
| GENERAL FUND TOTAL | <u>\$ 79,216</u> | <u>\$ 84,619</u> | <u>\$ 95,598</u> |
| | | | |
| Motor License Fund | | | |
| General Government | | | |
| Transfer to General Fund — General Government Operations .. | \$ 145,866 | \$ 149,704 | \$ 152,205 |
| Transfer to General Fund — Municipal Police Training | 2,246 | 2,314 | 2,314 |
| Transfer to General Fund — Patrol Vehicles ..... | ..... | ..... | 6,030 |
| Transfer to General Fund — Officer Uniforms ..... | ..... | ..... | 1,675 |
| | <hr/> | <hr/> | <hr/> |
| MOTOR LICENSE FUND TOTAL | <u>\$ 148,112</u> | <u>\$ 152,018</u> | <u>\$ 162,224</u> |
| | | | |
| Department Total — All Funds | | | |
| General Fund | \$ 64,896 | \$ 68,814 | \$ 81,076 |
| Special Funds | 148,112 | 152,018 | 162,224 |
| Federal Funds | 2,143 | 3,601 | 1,377 |
| Augmentations | 12,177 | 12,204 | 13,145 |
| | <hr/> | <hr/> | <hr/> |
| TOTAL ALL FUNDS | <u>\$ 227,328</u> | <u>\$ 236,637</u> | <u>\$ 257,822</u> |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| State Funds | \$ 64,896 | \$ 68,814 | \$ 81,076 |
| Federal Funds | 2,143 | 3,601 | 1,377 |
| Augmentations | 160,289 | 164,222 | 175,369 |
| TOTAL | \$ 227,328 | \$ 236,637 | \$ 257,822 |

Provides administrative support for all line and staff activities of the department. Seeks to reduce traffic accidents through highway patrol, operator qualifications examinations and periodic investigation of vehicle inspection stations. Maintains a juvenile crime prevention program as well as a criminal law enforcement program, which includes training of municipal police, in an effort to reduce crime and instances of civil disorder. Provides assistance during natural disasters and any other emergencies. Inspects all proposed flammable tank installations.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| General Government Operations | \$ 63,099 | \$ 66,500 | \$ 74,967 |
| Municipal Police Training | 1,747 | 2,314 | 2,314 |
| Soft Body Armor | 50 | ..... | ..... |
| Patrol Vehicles ..... | ..... | ..... | 2,970 |
| Officer Uniforms ..... | ..... | ..... | 825 |
| Federal Funds: | | | |
| DEA — Aid to Drug Law Enforcement | 82 | 248 | 44 |
| NHTSA — Northwestern University Traffic Institute Training | 20 | 3 | ..... |
| NHTSA — Highway Traffic Safety Educational Training Program | 25 | ..... | ..... |
| NHTSA — Summer Slowdown — 55 | 475 | ..... | ..... |
| NHTSA — Operation C.A.R.E. | 231 | 397 | 200 |
| NHTSA — Program Management | 11 | 30 | 23 |
| NHTSA — Evaluation Project — Traffic ..... | ..... | 7 | 6 |
| NHTSA — Traffic Evaluation Project ..... | ..... | 30 | 27 |
| NHTSA — Spare Highway Line Markings ..... | ..... | 475 | 470 |
| NHTSA — Speed Enforcement Task Force | 372 | 138 | ..... |
| NHTSA — Driver Improvement Course | 2 | ..... | ..... |
| NHTSA — Increased DUI Enforcement | 300 | 9 | ..... |
| NHTSA — Selective Traffic Accident Prevention | 9 | 8 | 6 |
| NHTSA — Alcohol Safety Education | 3 | 6 | 4 |
| NHTSA — Evaluation Project for Highway Traffic Safety ..... | ..... | 7 | 6 |
| NHTSA — Alcohol Safety Training | 2 | 38 | 32 |
| NHTSA — Unconventional Vehicles | 500 | 500 | ..... |
| NHTSA — Instructor Training | 8 | 20 | ..... |
| NHTSA — Northwestern Retraining | 2 | ..... | ..... |
| NHTSA — Selective Traffic Enforcement ..... | ..... | 405 | 100 |
| NHTSA — Automated Fingerprint Identification | 11 | 30 | ..... |
| NHTSA — Blood Alcohol Testing Equipment | 25 | 85 | ..... |
| NHTJA — Alcohol Program Management ..... | ..... | 20 | ..... |
| NHTJA — Special Traffic and DUI Enforcement ..... | ..... | 450 | ..... |
| NHTJA — Summer Traffic Enforcement ..... | ..... | ..... | 300 |
| WDA — Law Enforcement — Allegheny National Forest ..... | ..... | 14 | ..... |
| FHWA — Motor Carrier Safety Assistance | 65 | 681 | 159 |

GENERAL FUND

STATE POLICE

| <i>Source of Funds (continued)</i> | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|--------------------------|--------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Augmentations: | | | |
| Transfer From Turnpike Commission for Traffic Control..... | \$ 10,041 | \$ 10,181 | \$ 10,880 |
| Transfer From Motor License Fund — General Government Operations ^a | 145,866 | 149,704 | 152,205 |
| Transfer From Motor License Fund — Municipal Police Training ^a | 2,246 | 2,314 | 2,314 |
| Transfer from Motor License Fund — Patrol Vehicles ^a..... | ..... | ..... | 6,030 |
| Transfer from Motor License Fund — Officer Uniforms ^a..... | ..... | ..... | 1,675 |
| Reimbursement for Tuition of Municipal Police | 286 | 250 | 250 |
| Sale of Automobiles | 673 | 675 | 675 |
| Reimbursement for Electronic Surveillance Training | 13 | 20 | 30 |
| Criminal History Record Information Fee | 979 | 975 | 1,200 |
| Photo License Centers Billings..... | 43 | 43 | 43 |
| Training School Fees | 28 | 30 | 30 |
| Photographic Services Fees..... | 7 | 10 | 12 |
| Reimbursement for Services | 107 | 20 | 25 |
| TOTAL | <u>\$ 227,328</u> | <u>\$ 236,637</u> | <u>\$ 257,822</u> |

^aThe transfers from the Motor License Fund are not carried forward to the Summary By Fund and Appropriation to avoid double counting.

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|---------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Highway Activities | | | |
| State Funds | \$ 148,112 | \$ 152,018 | \$ 158,539 |

Provides reimbursement to the General Fund for State Police relating to highway safety, traffic patrol and municipal police training.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Transfer to General Fund — General Government Operations . . | \$ 145,866 | \$ 149,704 | \$ 152,205 |
| Transfer to General Fund — Municipal Police Training | 2,246 | 2,314 | 2,314 |
| Transfer to General Fund — Patrol Vehicles ..... | ..... | ..... | 6,030 |
| Transfer to General Fund — Officer Uniforms ..... | ..... | ..... | 1,675 |
| TOTAL | <u>\$ 148,112</u> | <u>\$ 152,018</u> | <u>\$ 162,224</u> |

STATE POLICE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 26,171 | \$ 27,576 | \$ 31,577 | \$ 28,970 | \$ 28,436 | \$ 28,779 | \$ 29,136 |
| Traffic Safety and Supervision | \$ 129,985 | \$ 132,991 | \$ 139,093 | \$ 143,911 | \$ 147,907 | \$ 154,395 | \$ 161,143 |
| Operator Qualifications Control | 5,862 | 5,813 | 6,103 | 7,871 | 7,871 | 7,271 | 7,271 |
| Vehicle Standards Control | 2,736 | 2,787 | 2,934 | 2,934 | 2,934 | 2,934 | 2,934 |
| Traffic Supervision | 121,387 | 124,391 | 129,497 | 133,106 | 137,102 | 144,190 | 150,938 |
| Control and Reduction of Crime | \$ 55,620 | \$ 59,131 | \$ 71,441 | \$ 73,958 | \$ 76,455 | \$ 79,439 | \$ 82,541 |
| Crime Prevention | 866 | 822 | 793 | 825 | 858 | 892 | 928 |
| Criminal Law Enforcement | 54,754 | 58,309 | 70,648 | 73,133 | 75,597 | 78,547 | 81,613 |
| Maintenance of Public Order | \$ 625 | \$ 663 | \$ 793 | \$ 910 | \$ 910 | \$ 910 | \$ 910 |
| Emergency Assistance | 625 | 663 | 793 | 910 | 910 | 910 | 910 |
| Community Safety | \$ 607 | \$ 471 | \$ 396 | \$ 412 | \$ 428 | \$ 445 | \$ 463 |
| Fire Prevention | 607 | 471 | 396 | 412 | 428 | 445 | 463 |
| DEPARTMENT TOTAL | <u>\$ 213,008</u> | <u>\$ 220,832</u> | <u>\$ 243,300</u> | <u>\$ 248,161</u> | <u>\$ 254,136</u> | <u>\$ 263,968</u> | <u>\$ 274,193</u> |

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 8,044 | \$ 8,549 | \$ 9,191 | \$ 9,314 | \$ 9,545 | \$ 9,888 | \$ 10,245 |
| Special Funds | 18,127 | 19,027 | 22,386 | 19,656 | 18,891 | 19,891 | 18,891 |
| Federal Funds | 84 | 144 | 55 | 55 | 55 | 55 | 55 |
| TOTAL | \$ 26,255 | \$ 27,720 | \$ 31,632 | \$ 29,025 | \$ 28,491 | \$ 28,834 | \$ 29,191 |

Program Analysis:

General Administration and Support provides direction and coordination for all line and staff activities of the State Police, including the administrative and overhead systems for the operation of the various substantive law enforcement programs. Included in this subcategory are the provision of protection to the Governor and visiting dignitaries, security of the executive residence, and background investigations on State job applicants. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support.

Also included in this subcategory is funding to acquire adequate replacement patrol vehicles. Presently, many

vehicles are on the road until they reach mileages of around 100,000 or more. This additional money will enable the State Police to reach their 70,000 mile vehicle turnover objective in the second year of the appropriation. Additional funding is also included under two additional subcategories - Traffic Supervision and Criminal Law Enforcement.

Funding is also provided in the budget year to upgrade and replace State Police officers' uniforms and related equipment. As with the patrol vehicles, additional funding is also included in the Traffic Supervision and Criminal Law Enforcement subcategories.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 8,044 | \$ 8,549 | \$ 7,926 | \$ 8,243 | \$ 8,573 | \$ 8,916 | \$ 9,273 |
| Patrol Vehicles ..... | ..... | ..... | 990 | 1,071 | 972 | 972 | 972 |
| Officer Uniforms ..... | ..... | ..... | 275 | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | \$ 8,044 | \$ 8,549 | \$ 9,191 | \$ 9,314 | \$ 9,545 | \$ 9,888 | \$ 10,245 |
| MOTOR LICENSE FUND | | | | | | | |
| Transfer to General Fund—General Government Operations | \$ 18,127 | \$ 19,027 | \$ 19,818 | \$ 17,577 | \$ 17,085 | \$ 17,085 | \$ 17,085 |
| Transfer to General Fund—Patrol Vehicles ..... | ..... | ..... | 2,010 | 2,079 | 1,806 | 1,806 | 1,806 |
| Transfer to General Fund—Officer Uniforms ..... | ..... | ..... | 558 | ..... | ..... | ..... | ..... |
| MOTOR LICENSE FUND TOTAL ... | \$ 18,127 | \$ 19,027 | \$ 22,386 | \$ 19,656 | \$ 18,891 | \$ 18,891 | \$ 18,891 |

Operator Qualifications Control

OBJECTIVE: To minimize the number of traffic accidents attributable to physically and mentally unqualified operators.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Special Funds | \$ 5,862 | \$ 5,813 | \$ 6,103 | \$ 7,871 | \$ 7,871 | \$ 7,271 | \$ 7,271 |
| Federal Funds | 27 | 36 | 14 | ..... | ..... | ..... | ..... |
| Other Funds | 43 | 43 | 43 | 43 | 43 | 43 | 43 |
| TOTAL | \$ 5,932 | \$ 5,892 | \$ 6,160 | \$ 7,914 | \$ 7,914 | \$ 7,314 | \$ 7,314 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Accidents investigated by State Police attributable to unqualified drivers | 53,513 | 55,000 | 55,500 | 56,000 | 56,500 | 57,000 | 57,500 |
| Licensed operators | 7,555,006 | 7,630,556 | 7,706,124 | 7,783,922 | 7,861,761 | 7,940,378 | 8,019,781 |
| Reexamined operators | 152,333 | 140,000 | 140,000 | 140,000 | 140,000 | 140,000 | 140,000 |
| Safety education classes held | 6,142 | 6,167 | 6,192 | 6,217 | 6,242 | 6,267 | 6,292 |

Program Analysis:

The Commonwealth's Driver Licensing Program has been developed to assure that persons operating vehicles on the highways of the Commonwealth are physically and mentally qualified to do so in a safe manner. For this reason, it has been and continues to be necessary to examine new driver license applicants and reexamine existing licensed drivers to determine their driving ability, physical and mental qualifications, and knowledge of the rules of safe driving.

The driver licensing program is a combined effort of the State Police and the Department of Transportation. The Department of Transportation performs administrative direction and maintains records, while the State Police performs the actual task of examining new applicants and reexamining existing licensed drivers. Driver examinations are conducted for new operators, school bus operators, motorcycle operators, applicants desiring to operate trucks, truck tractors and semi-trailers, pedalcycle operators and special driver examinations as directed by the Department of Transportation's Bureau of Traffic Safety Operations. These special examinations are normally: (1) random operator reexaminations which entail a vision test by State Police Driver License Examiners and a physical examination by a physician to certify that there is no medical condition which

would impair the operator's driving ability; and (2) required reexaminations for those drivers who have accumulated excessive points under the Commonwealth's point system for driver control.

The State Police operate 42 off-street, 35 on-street and three visual examination sites throughout the State, thereby providing convenient accessibility to all citizens of the Commonwealth. Fifty enlisted and 101 civilian Driver License Examiners are stationed at various locations around the State to administer the driver license examinations.

Personnel performing the driver licensing examinations have received additional specialized training in the operation of the various types of vehicles for which a driver's license is required. Specialized training has been received from the Motorcycle Safety Foundation in the safe operation of motorcycles and the Pennsylvania Motor Truck Association in the operation of trucks, truck-tractors and semi-trailers. School bus seminars have also been held in conjunction with the Department of Transportation to continually improve testing procedures for school bus drivers.

The department's automated driver testing program is continuing in an effort to provide a uniform system of testing throughout the State and to enable more driver

Operator Qualifications Control (continued)**Program Analysis: (continued)**

license examiners to be available for the driving portions of a driver's examination. The State Police now have 21 examination points equipped with those testing units and one mobile van with automated testing equipment. Additionally, Federal funds have enabled the State Police to acquire new vision testing equipment and automated testing equipment.

The traffic safety education programs of the State Police are an integral part of the Operator Qualifications Program. Each county troop has a Safety Education Officer assigned who, as part of his activities, presents defensive driving and other traffic safety education programs geared to meet specific traffic safety needs of a particular age group or geographical area. Special emphasis is placed on youthful drivers, ages 16 to 24, who, statistics indicate, have more accidents than older drivers. Specific programs are provided on drunk driving, motorcycle safety, bicycle safety and pedestrian safety programs and selected accident prevention programs which are all a part of the total highway safety effort.

Total accidents showed an increase of 4.1 percent from the previous year and miles driven in the State also increased significantly to 75.4 billion miles. It is assumed that both increases are a direct result of the upturn in the economy

and the access to cheaper and more accessible fuel supplies. A slight increase in licensed operators is also reflected in driver licensing activities, the result of a large number of teenagers reaching the driving age. Teenagers contributed to a disproportionate number of alcohol-related fatal accidents in 1985. The overall increase in accidents signifies the need to maintain increased special enforcement efforts and also to continue the efforts to encourage the general public to abide by the 55 MPH National Speed Limit. Since 1981, there has been a considerable increase in the number of operators re-examined as a result of the point program which now requires re-exams rather than attendance at driver improvement schools. In the 1985-86 fiscal year, there was an increase in the number of re-examinations which is probably the result of a considerable increase in suspension and traffic arrests.

The driver licensing program responsibility of the State Police is conducted by both enlisted and civilian Driver License Examiners. In the last several years, the State Police has been able to hire and train a number of new civilian Driver License Examiners which has allowed them to reduce enlisted personnel temporarily assigned to this function and to replace some enlisted members who had been permanently assigned as Driver License Examiners.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|----------|----------|----------|----------|----------|----------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| MOTOR LICENSE FUND | | | | | | | |
| Transfer to General Fund — | | | | | | | |
| General Government Operations | \$ 5,862 | \$ 5,813 | \$ 6,103 | \$ 7,871 | \$ 7,871 | \$ 7,271 | \$ 7,271 |

Vehicle Standards Control

OBJECTIVE: To minimize the number of traffic accidents attributable to vehicle mechanical defects.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|----------|----------|----------|----------|----------|----------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Special Funds | \$ 2,736 | \$ 2,787 | \$ 2,934 | \$ 2,934 | \$ 2,934 | \$ 2,934 | \$ 2,934 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Accidents investigated by State Police attributable to mechanical failure | 3,709 | 3,800 | 3,900 | 4,000 | 4,000 | 4,000 | 4,000 |
| Certified inspection stations | 21,951 | 22,000 | 22,500 | 22,500 | 22,500 | 22,500 | 22,500 |
| Inspection station visitations | 18,193 | 18,500 | 18,500 | 18,500 | 18,500 | 18,500 | 18,500 |
| School bus and mass transit vehicle inspections: | | | | | | | |
| Number inspected | 21,375 | 21,500 | 21,500 | 21,500 | 21,500 | 21,500 | 21,500 |
| Number rejected | 3,084 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 |

Program Analysis:

The vehicle inspection program within the Commonwealth is currently conducted jointly by the Pennsylvania Department of Transportation and the Pennsylvania State Police. This program was established to provide automotive safety through the periodic inspection of motor vehicles and the removal of unsafe vehicles from the Commonwealth's highways. The private sector inspects registered vehicles under the oversight of the State Police and Department of Transportation. The Department of Transportation administers the selling and distribution of inspection stickers while the State Police monitor the program through inspection station supervisors located at county troops throughout the State. Seventy enlisted members are currently assigned as inspection station supervisors with 59 alternates providing additional assistance as needed.

The field work performed by State Police Inspection Station Supervisors consists primarily of visiting each inspection station once a year, and investigating applicants for inspection stations. During these unannounced visits, the station is checked for sufficient and proper tools, qualified mechanics, accurate record keeping and an exact inventory of, and sufficient security for, inspection stickers. Inspection Station Supervisors are also responsible for examining

mechanics desiring to be certified to perform vehicle inspections, investigating applicants for car dealer licenses, messenger services and full agents for issuance of temporary registration plates, inspecting specially constructed and reconstructed vehicles, and personally performing the annual inspection of all school buses. Other duties include the examination of vehicles involved in fatal accidents for which vehicle failure was listed as the cause, the investigation of complaints about improper inspections and fraudulent repairs, checking and verifying serial numbers on stolen vehicles or out-of-state vehicles with serial plates missing, and the inspection of salvage lots. The State Police are also required to supervise the vehicle inspection programs mandated for all mass transit vehicles in the Commonwealth.

School bus safety inspections are a major portion of State Police mandated responsibilities, with troopers performing the actual safety inspection prior to operation during the school year. This responsibility was entrusted to the State Police as many of the school bus mechanical systems had been neglected in the past resulting in unsafe conditions for the children riding these buses. The inspections are normally conducted in July and August of each year with monthly school bus spot checks conducted during each school year.

Vehicles Standards Control (continued)

Program Analysis: (continued)

The State Police also has one member assigned fulltime to the Southeastern Pennsylvania Transit Authority (SEPTA) to oversee their vehicle inspection program, with other mass transit systems throughout the Commonwealth overseen on an as-needed basis. In the past year, school bus and mass transit vehicles inspected totaled 21,375 and 3,084 respectively. Two new program measures have been added to reflect the activity of this program.

The vehicle inspection program, mandated by the Pennsylvania Vehicle Code, is a key element of the highway safety efforts of the Commonwealth. Accidents attributable to mechanical failure are low in comparison to those attributable to unqualified drivers and the actions of motor vehicle operators; however, the program's objective is to prevent accidents by keeping mechanically defective vehicles off the Commonwealth's highways. Since no data are available concerning the number of accidents prevented through the vehicle inspection process, the effectiveness of the program can only be determined through analysis of the number of accidents which have occurred as a result of mechanical

failure. Accidents attributable to mechanical failure increased slightly in fiscal year 1985-86. It is anticipated that this number will continue to increase slightly in future years because motorists are driving more miles on both highways and other roads. For the fourth year in a row there has been a slight increase in the number of inspection stations and inspection station visitations. However, both remain relatively constant when compared with previous years. These measures are expected to continue at these levels for future years.

A new program, the Motor Carrier Safety Assistance Program (MCSAP) Truck Inspection Program, is a combined effort of the State Police, Pennsylvania Department of Transportation and the Public Utilities Commission to conduct complete driver and vehicle inspections in addition to enforcing the truck weight safety program. This program is performed in accordance with Act 20 of 1985 and is primarily financed through a Federal grant administered by the Pennsylvania Department of Transportation.

Program Costs by Appropriation:

| | 1985-86 | 1986-87 | (Dollar Amounts in Thousands) | | | | | |
|----------------------------------|----------|----------|-------------------------------|----------|----------|----------|----------|--|
| | | | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 | |
| MOTOR LICENSE FUND | | | | | | | | |
| Transfer to General Fund—General | | | | | | | | |
| Government Operations | \$ 2,736 | \$ 2,787 | \$ 2,934 | \$ 2,934 | \$ 2,934 | \$ 2,934 | \$ 2,934 | |

Traffic Supervision

OBJECTIVE: To minimize the number of traffic accidents and to aid local police in traffic law enforcement through proper training and traffic assistance.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | | | \$ 1,265 | \$ 1,071 | \$ 972 | \$ 972 | \$ 972 |
| Special Funds | \$ 121,387 | \$ 124,391 | \$ 128,232 | \$ 132,035 | \$ 136,130 | \$ 143,218 | \$ 149,966 |
| Federal Funds | 1,936 | 2,953 | 1,129 | 300 | 300 | 300 | 300 |
| Other Funds | 10,773 | 10,819 | 11,524 | 11,102 | 11,102 | 11,102 | 11,102 |
| TOTAL | \$ 134,096 | \$ 138,163 | \$ 142,150 | \$ 144,508 | \$ 148,504 | \$ 155,592 | \$ 162,340 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Accidents investigated by State Police attributable to actions of the operator ... | 20,048 | 20,500 | 21,000 | 21,000 | 21,000 | 21,000 | 21,000 |
| Traffic citations issued | 423,562 | 425,000 | 425,000 | 425,000 | 425,000 | 425,000 | 425,000 |
| Arrests for hazardous moving violations ... | 283,214 | 285,000 | 285,000 | 285,000 | 285,000 | 285,000 | 285,000 |
| Incidents of motorist assistance | 73,780 | 70,000 | 70,000 | 70,000 | 70,000 | 70,000 | 70,000 |
| State Police arrests for intoxication | 4,913 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Tests administered by State Police for intoxication | 2,179 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| Tests administered by State Police for municipalities | 1,881 | 1,900 | 1,900 | 1,900 | 1,900 | 1,900 | 1,900 |
| Local police trained in basic course | 589 | 870 | 1,185 | 1,070 | 1,070 | 1,070 | 1,070 |
| Responses by State Police for assistance in traffic cases | 64,651 | 65,000 | 65,000 | 65,500 | 65,500 | 65,500 | 65,500 |

Program Analysis:

Enforcing the Commonwealth's traffic laws is a major responsibility of the Pennsylvania State Police. The emphasis of the department is 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 throughout the State in those municipalities where there are no full-time police departments, and on all Interstate highways. Traffic assistance is also provided, upon request, to municipalities with full-time police departments.

The Pennsylvania State Police utilize various patrol and enforcement techniques; however, the very presence of visible police patrols continues to have the greatest impact

in the reduction of traffic accidents. In this regard, the State Police attempt to allocate patrol activities to those areas and locations with high traffic and accident volume. Additional programs have also been incorporated into enforcement activities which have had a positive effect. Specifically, the Aerial Speed Enforcement Program and the use of unconventional patrol vehicles have been effective in combating those speeders that utilize CB radios and radar detecting devices. The State Police also provide enforcement activities in commercial vehicle weight enforcement, and will ultimately provide vehicle noise enforcement as mandated by the Vehicle Code.

The Aerial Speed Enforcement Program currently utilizes

Traffic Supervision (continued)**Program Analysis: (continued)**

seven State Police helicopters statewide on designated highways identified by the Department of Transportation as having a high incidence of speeding or speed related accidents. The State Police have also acquired three fixed wing aircraft with Federal funds specifically for 55 miles-per-hour enforcement which has further improved efforts in the program, particularly as an effective enforcement tool against commercial vehicles.

Previous Federal funding has also enabled the State Police to conduct various enforcement programs and acquire new and replacement equipment. These programs include: providing a concentrated accident reduction effort over major holiday periods on Interstate highways; utilizing off-duty enlisted personnel during the summer weekends for 55 miles-per-hour enforcement on non-interstate highways; utilizing off-duty enlisted personnel for special alcohol enforcement efforts throughout the year; operating a week day speed enforcement task force on non-interstate highways; and acquiring replacement breath testing instruments. Additionally, the State Police continue to utilize 47 unconventional vehicles of various makes and models throughout the State for 55 miles-per-hour enforcement. All of these programs are aimed at enforcing the 55 miles-per-hour national maximum speed limit and increasing highway traffic safety.

The Vehicle Weight Enforcement Program, which is a combined effort of the State Police and the Department of Transportation, consists of thirty mobile weighing teams working throughout the State enforcing the Commonwealth's vehicle weight and size limitations. There is also one permanent weigh station located on Interstate 80. State Police members provide the enforcement activity while Transportation personnel are responsible for the scale operations.

The State Police perform other non-enforcement activities in this program, including the investigation of accidents, providing assistance to motorists, the control and orderly movement of traffic, serving of warrants for traffic violations, and assisting the Department of Transportation in picking up suspended driver licenses and recovering monies due the Commonwealth because of bad checks issued for driver licenses or vehicle registrations.

The State Police also provide a number of traffic services even to those municipalities with full-time police departments. Assistance is provided in accident investigation, traffic direction, traffic control for major activities which the local department cannot handle, radar enforcement on local highways with a high incidence of speed violations, helicopter and fixed wing aircraft patrol, breath testing services, and, in some situations, communications. Additionally, the State Police provide basic police training for municipal police officers and offer an assortment of short traffic courses for in-service training. These courses are offered at the State Police Academy in Hershey and at four regional training centers located in Wyoming, Colledgeville, Greensburg, Meadville, and other certified training institutions throughout the Commonwealth.

The decrease of intoxication tests administered is attributed to problems with testing equipment, emphasis on blood-alcohol testing, increased testing refusals by suspects plus the addition of eleven county booking centers. The county booking center employees administer blood-alcohol testing and process appropriate paperwork which frees valuable police officer time for both municipal and State Police. The decrease in local police trained compared to previous estimates is basically attributed to the Philadelphia Police Department not attaining their projected goal.

Traffic Supervision (continued)

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Patrol Vehicles ..... | ..... | ..... | \$ 990 | \$ 1,071 | \$ 972 | \$ 972 | \$ 972 |
| Officer Uniforms ..... | ..... | ..... | 275 | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | <u>.....</u> | <u>.....</u> | <u>\$ 1,265</u> | <u>\$ 1,071</u> | <u>\$ 972</u> | <u>\$ 972</u> | <u>\$ 972</u> |
| MOTOR LICENSE FUND | | | | | | | |
| Transfer to General Fund—General Government Operations | \$ 119,141 | \$ 122,077 | \$ 123,350 | \$ 127,549 | \$ 131,821 | \$ 138,809 | \$ 145,453 |
| Transfer to General Fund—Municipal Police Training | 2,246 | 2,314 | 2,314 | 2,407 | 2,503 | 2,603 | 2,707 |
| Transfer to General Fund — Patrol Vehicles ..... | ..... | ..... | 2,010 | 2,079 | 1,806 | 1,806 | 1,806 |
| Transfer to General Fund—Officer Uniforms ..... | ..... | ..... | 558 | ..... | ..... | ..... | ..... |
| MOTOR LICENSE FUND TOTAL ... | <u>\$ 121,387</u> | <u>\$ 124,391</u> | <u>\$ 128,232</u> | <u>\$ 132,035</u> | <u>\$ 136,130</u> | <u>\$ 143,218</u> | <u>\$ 149,966</u> |

Crime Prevention

OBJECTIVE: To minimize the incidence of crime through a reduction in the opportunity for potential violators to commit unlawful acts and by motivating juvenile violators to avoid any future unlawful activity.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|---------|---------|---------|---------|---------|---------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 866 | \$ 822 | \$ 793 | \$ 825 | \$ 858 | \$ 892 | \$ 928 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| National juvenile crime rate (per 100,000 population) | 2,943 | 3,000 | 3,100 | 3,100 | 3,100 | 3,100 | 3,100 |
| State juvenile crime rate (per 100,000 population) | 2,409 | 2,500 | 2,550 | 2,550 | 2,550 | 2,550 | 2,550 |
| Juveniles arrested by State Police | 10,135 | 10,500 | 11,000 | 11,000 | 11,000 | 11,000 | 11,000 |
| Juveniles receiving State Police preventive contacts | 3,098 | 3,128 | 3,158 | 3,188 | 3,218 | 3,248 | 3,278 |
| Juvenile offenders handled informally | 3,907 | 3,946 | 3,985 | 4,024 | 4,063 | 4,102 | 4,141 |
| Liaison visits to courts, schools, police departments, etc. | 6,568 | 6,633 | 6,699 | 6,765 | 6,831 | 6,897 | 6,963 |
| Attendance at youth aid programs | 140,964 | 141,400 | 141,900 | 142,400 | 142,900 | 143,400 | 143,900 |
| Attendance at crime prevention programs .. | 90,578 | 91,405 | 92,310 | 93,215 | 94,120 | 95,025 | 95,930 |

Program Analysis:

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. Crime decreased by 1.0 percent in 1985 while initial statistics for the first half of 1986 reveal an increase of 1.8 percent. In order to reverse this slight upward trend, persons of all ages, sex, and socioeconomic backgrounds need to be made aware of, and become involved in, crime prevention.

Since many crimes are preventable, the State Police have elicited citizen participation by providing guidance as to: 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. The State Police have specific programs to deal with rape, burglary, child molestation, and bunco. These programs are presented to "target audiences" composed of the category of persons most likely to be victims of that particular crime. Additionally, State agencies, communities, neighborhood groups, citizens, rural electric utilities, and independent petroleum companies are encouraged through the State Police Public Education and Awareness Programs to participate in other crime prevention activities such as: Neighborhood Crime Watch Groups, Operation Identification, Block Parents, and Utility Watch. Further emphasis is provided through the news media by utilizing news releases to issue crime prevention tips and to alert the public to any crimes which may be occurring frequently during a given time period within a community. In addition to crime prevention, the department has implemented a

Crime Prevention (continued)

Program Analysis: (continued)

statewide crime stoppers/solvers program. This program will utilize the police, the community, and the news media in an approach to obtain information to solve crimes and to apprehend the criminals. This program raises funds through a nonprofit community organization that authorizes payment of rewards to informants. The news media features the crimes and fugitives, and the police gather the resulting information from anonymous informants and investigate the incident in an attempt to effect an arrest.

The State Police, in fiscal year 1987-88, will continue to implement its crime prevention efforts through assistance in organizing communities and neighborhoods to mount a sustained effort of preventing crime and assisting the police in increasing crime solution and conviction rates. The department has trained officers as crime prevention officers. However, their participation is in addition to their regular duties. High priority crime prevention programs, such as neighborhood watch programs are becoming more popular and have shown considerable impact on decreasing the crime rate in the communities and neighborhoods where programs are ongoing.

Youth aid continues to be a part of crime prevention activities, even though it has been combined with community relations activities. This activity includes: the counseling of juveniles who appear to be drifting toward a conflict with

the law, and in those cases when increased parental guidance is indicated, counseling with the juvenile's parents or guardians; conducting liaison visits with the courts, schools and police departments relative to juvenile problems which are of a common interest; and the development of Youth Aid Programs. Additionally, the State Police is participating in an "Operation Home Free" program which is designed to provide for the return of runaway/missing children.

Both the national and state juvenile crime index arrest rates increased slightly while the number of juveniles arrested by the State Police showed an increase of 12.9 percent. The most significant areas of increase were: runaways, 41.6 percent and simple and minor assaults, 59.5 percent. This increase is reflected in the program measure for the number of juveniles arrested by the State Police from 1984-85 to 1985-86. The third year for the program measure designed to report attendance at youth aid programs shows a slight decrease which is the result of a change in reporting methods intended to better reflect the actual number of youths attending these programs and an increase in the number of program presentations. The number of liaison visits to courts, schools, police departments, etc. increased significantly as a result of greater emphasis on youth groups in prevention type programs.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | <u>\$ 866</u> | <u>\$ 822</u> | <u>\$ 793</u> | <u>\$ 825</u> | <u>\$ 858</u> | <u>\$ 892</u> | <u>\$ 928</u> |

Criminal Law Enforcement

OBJECTIVE: To maximize the percentage of sound crime case clearances and the percentage of convictions, and to aid local police in crime case clearances through training criminal case assistance and technical support.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 54,754 | \$ 58,309 | \$ 68,638 | \$ 71,054 | \$ 73,791 | \$ 76,741 | \$ 79,807 |
| Special Funds ..... | ..... | ..... | 2,569 | 2,079 | 1,806 | 1,806 | 1,806 |
| Federal Funds | 96 | 468 | 179 | 179 | 179 | 179 | 179 |
| Other Funds | 1,361 | 1,342 | 1,578 | 1,578 | 1,578 | 1,578 | 1,578 |
| TOTAL | \$ 56,211 | \$ 60,119 | \$ 72,964 | \$ 74,890 | \$ 77,354 | \$ 80,304 | \$ 83,370 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Statewide crimes against persons | 38,843 | 40,000 | 41,000 | 41,000 | 41,000 | 41,000 | 41,000 |
| Statewide crimes against property | 320,441 | 325,000 | 330,000 | 330,000 | 330,000 | 330,000 | 330,000 |
| Crimes against persons investigated by State Police: | | | | | | | |
| Total | 2,543 | 2,600 | 2,650 | 2,650 | 2,650 | 2,650 | 2,650 |
| Percent resulting in arrests | 60.8% | 57.0% | 57.0% | 57.0% | 57.0% | 57.0% | 57.0% |
| Percent of those arrested who are convicted | 63.8% | 60% | 60% | 60% | 60% | 60% | 60% |
| Crimes against property investigated by State Police: | | | | | | | |
| Total | 36,347 | 37,000 | 37,500 | 37,500 | 37,500 | 37,500 | 37,500 |
| Percent resulting in arrests | 20.6% | 20% | 20% | 20% | 20% | 20% | 20% |
| Percent of those arrested who are convicted | 79.1% | 77% | 77% | 77% | 77% | 77% | 77% |
| Criminal investigations regarding arson | 3,356 | 3,600 | 3,600 | 3,600 | 3,600 | 3,600 | 3,600 |
| Arson arrests | 315 | 400 | 400 | 400 | 400 | 400 | 400 |

Program Analysis:

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 in which 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.

Clearance rates for crimes against persons (murder, rape, robbery, kidnapping and assault) are consistently higher than for other crimes for several reasons: there is a victim; there is usually a witness (often the victim); and the occurrence of these types of crimes afford the investigator more substantial evidence with which to conduct the investigation. On the other hand, crimes against property (burglary, larceny, auto theft, etc.) have a lower clearance rate because there is usually no witness to the crime and there is less concrete evidence with which the investigator can work.

The State Police are responsible for conducting criminal

Criminal Law Enforcement (continued)

Program Analysis: (continued)

investigations any where in the Commonwealth where there is no organized police agency, and also for providing investigative and technical assistance to any full-time municipal police department on request. Additionally, the State Police provide investigative assistance in the areas of drugs and narcotics, organized crime, white collar crime, public corruption, arson, etc. Investigations of these activities involve covert operations, intelligence gathering and reporting, surveillance, and expertise in a specific field. These specific crimes have placed increased responsibilities upon the State Police, as well as enhancing the role of the State Police through its technical expertise and support.

The Pennsylvania State Police Division of Drug Law Enforcement continues to combat the importation, manufacture, distribution and use of illegal drugs in the Commonwealth through overt and covert operations initiated and conducted by enlisted members both alone and in conjunction with other municipal, State and Federal agencies.

The Organized Crime Division comprised of White Collar Crime Units, Fraud Investigation Units and Organized Crime Units, is involved in many major criminal investigations throughout the Commonwealth. The White Collar Crime Units conduct investigations in the area of public corruption, official oppressions, major thefts, forgery and similar crimes. The Fraud Investigation Units concentrate on covert investigations such as "sting" operations and infiltrations of highly structured criminal groups which specialize in all types of property crime. The Organized Crime Units conduct and assist other law enforcement agencies in conducting undercover investigations of major illegal gambling enterprises, major criminal organizations, outlaw motorcycle gang members and career criminals.

Arson investigation has also become increasingly emphasized and specialized over the last several years due to state and national awareness. The State Police utilize 44 fire marshals in the field and three administrative personnel at department headquarters who actively investigate and coordinate all arson or suspicious fire-related occurrences. These fire marshals are augmented by 57 trained alternates, some of whom are being utilized almost full-time, to perform fire investigative services when required. In addition, the State Police continues to improve its arson analysis and detection capabilities through the use of mass spectrometers and hydrocarbon indicators, cameras, and tools used by fire marshals in the field.

The Motor Vehicle Theft Unit provides investigative assistance to all police agencies of the Commonwealth and Federal investigative agencies by providing investigative expertise in motor vehicle theft operations, the identification

of suspect vehicles and current modus operandi of professional vehicle theft rings and vehicle thieves. This unit also provides assistance to all levels of police authority in instances where vehicles are involved in the commission of a crime. Working with the Department of Transportation's Bureau of Motor Vehicles, the assistance is rendered in a timely fashion so as to enhance the investigation of vehicle related crime.

The Pennsylvania State Police are actively involved in conducting a course of training in the legal and technical aspects of wiretapping and electronic surveillance for investigative and law enforcement officers of the Commonwealth. The training, under regulations and standards established by the Attorney General and the Commissioner of the State Police, provides for the certification and periodic recertification of Commonwealth investigative or law enforcement officers eligible to conduct wiretapping or electronic surveillance. The State Police have a number of criminal investigation unit members who are certified to conduct wiretapping and electronic surveillance and who have been called upon to conduct one party consent and court-ordered wiretaps and electronic surveillance for municipal, county and State agencies of the Commonwealth.

The Missing Persons Unit, established on October 4, 1985, serves as Pennsylvania's Clearinghouse and central repository for missing persons information. It will interact with similar organizations in other states and at the Federal level for inter and intra state coordination and exchange of information. This unit is utilized as a resource center and information exchange service and will compliment the National Crime Information Center (NCIC) and Commonwealth Law Enforcement Assistance Network (CLEAN) missing person file data base system. Additional services available from the unit will be the preparation and dissemination of missing persons flyers, preparations and production of informational brochures pertaining to missing and exploited children, and a directory of available resources providing assistance in locating missing persons. Upon request, the unit will also provide training seminars for interested law enforcement agencies, awareness programs for civic groups and public schools, and will provide assistance and technical advice to all Federal, State and local law enforcement authorities concerning missing, wanted, and unidentified persons.

The State Police serve as the Commonwealth's central repository for criminal history record information, which includes criminal identification records, fingerprint records and gun registration records. The State Police have traditionally provided criminal investigative training courses to municipal police. Local police have access to the CLEAN system and the statewide crime laboratories of the State

Criminal Law Enforcement (continued)
Program Analysis: (continued)

Police. In addition, the State Police provide routine criminal investigative services including background investigations for police applicants, as well as for other departments of State government, expert witness testimony in court, investigative assistance in the areas of missing persons, and the correlation of investigation information. The State Police also perform investigative services for out of State and Federal law enforcement agencies.

The State Police has recently implemented a statewide Crime Stoppers/Solvers Program. This program utilizes the police, the community, and the news media to obtain information to solve crimes and to apprehend the criminals. This program raises funds through a nonprofit community organization that authorizes payment of rewards to informants. The news media features the crimes and fugitives, and the police gather the resulting information from anonymous informants and investigate the incident in an attempt to effect an arrest.

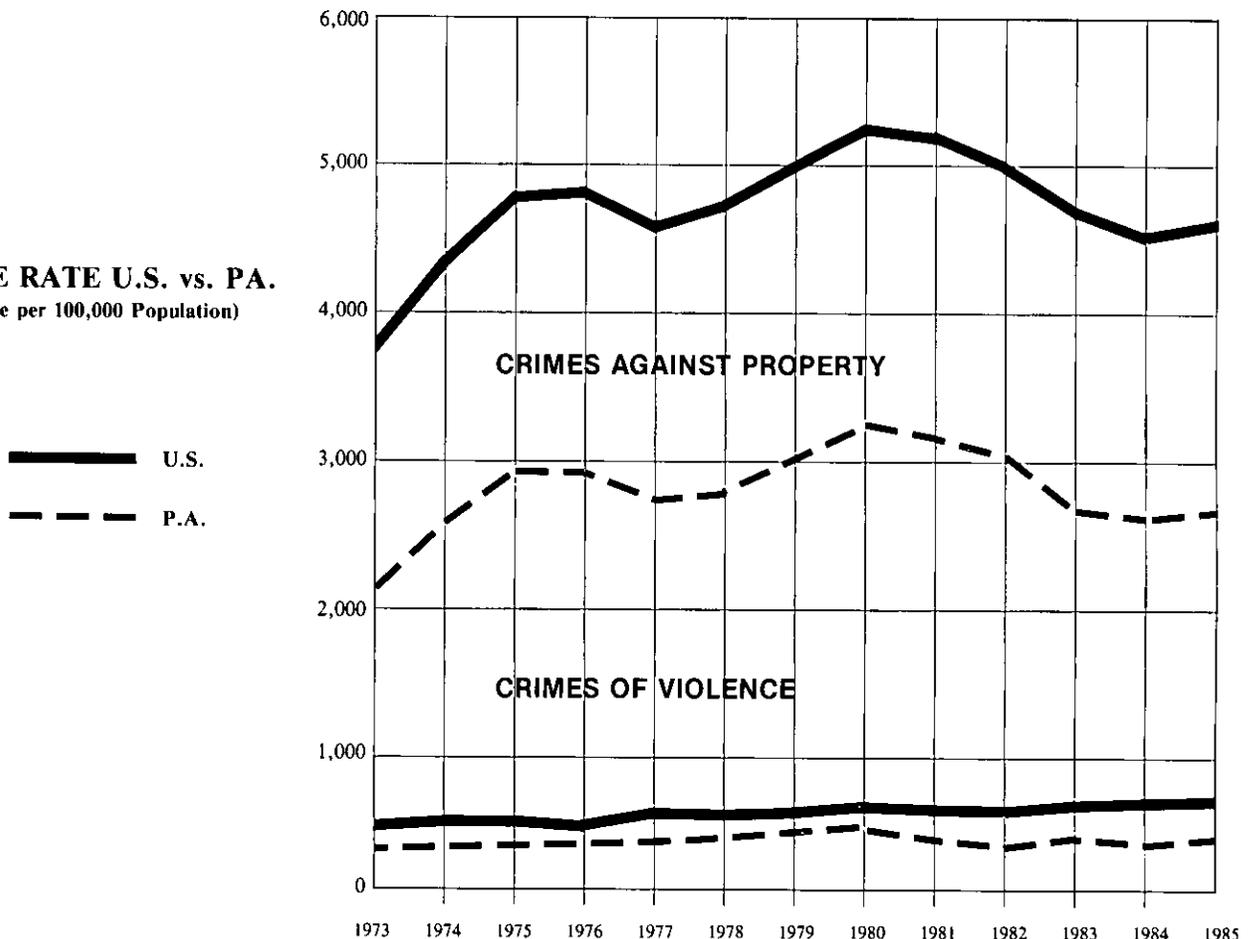
The total number of crimes reported in 1985 increased 2.5 percent over the number reported in 1984, according to the Pennsylvania Uniform Crime Report. Part I Offenses,

the more serious offenses, decreased by 1.0 percent, while Part II Offenses, the lesser offenses, increased by 5.2 percent. Through the first six months of 1986, crime in Pennsylvania continued to show an increase with Part I Offenses up by 1.8 percent and Part II Offenses up by 5.4 percent. It appears that the downward trend in crime has bottomed out and will remain relatively constant or increase slightly over the next several years. While crime has remained relatively constant, recent economic conditions have caused some municipal police departments to be disbanded, resulting in the State Police acquiring additional areas of primary jurisdiction for criminal and traffic enforcement.

An additional \$65,000 is recommended for a narcotic dog program. These funds will enable the State Police to acquire and train a narcotic dog and handler for four troops. This initiative will provide the department with an effective tool to combat the drug abuse problem.

Additional funds are also recommended for an Automated Fingerprint Identification System (AFIS). Details are provided in the program revision following this subcategory.

CRIME RATE U.S. vs. PA.
 (Crime per 100,000 Population)



Criminal Law Enforcement (continued)

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | \$ 52,957 | \$ 55,995 | \$ 65,059 | \$ 67,576 | \$ 70,315 | \$ 73,165 | \$ 76,127 |
| Municipal Police Training | 1,747 | 2,314 | 2,314 | 2,407 | 2,503 | 2,603 | 2,707 |
| Soft Body Armor | 50 | ..... | ..... | ..... | ..... | ..... | ..... |
| Patrol Vehicles ..... | ..... | ..... | 990 | 1,071 | 973 | 973 | 973 |
| Officer Uniforms ..... | ..... | ..... | 275 | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | \$ 54,754 | \$ 58,309 | \$ 68,638 | \$ 71,054 | \$ 73,791 | \$ 76,741 | \$ 79,807 |
| MOTOR LICENSE FUND | | | | | | | |
| Transfer to General Fund — Patrol | | | | | | | |
| Vehicles ..... | ..... | ..... | 2,010 | 2,079 | 1,806 | 1,806 | 1,806 |
| Transfer to General Fund — Officer | | | | | | | |
| Uniforms ..... | ..... | ..... | 559 | ..... | ..... | ..... | ..... |
| MOTOR LICENSE FUND TOTAL ... | ..... | ..... | \$ 2,569 | \$ 2,079 | \$ 1,806 | \$ 1,806 | \$ 1,806 |

**Criminal Law Enforcement
Program Revision: Automated Fingerprint Identification System (AFIS)**

Recommended Program Revision Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|---------------|-----------------|-----------------|-----------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u> </u> | <u> </u> | <u>\$ 3,358</u> | <u>\$ 3,333</u> | <u>\$ 2,004</u> | <u>\$ 350</u> | <u>\$ 350</u> |

Program Analysis:

This budget includes recommended funding for an Automated Fingerprint Identification System (AFIS) to perform rapid fingerprint search-and-match functions that are now performed manually.

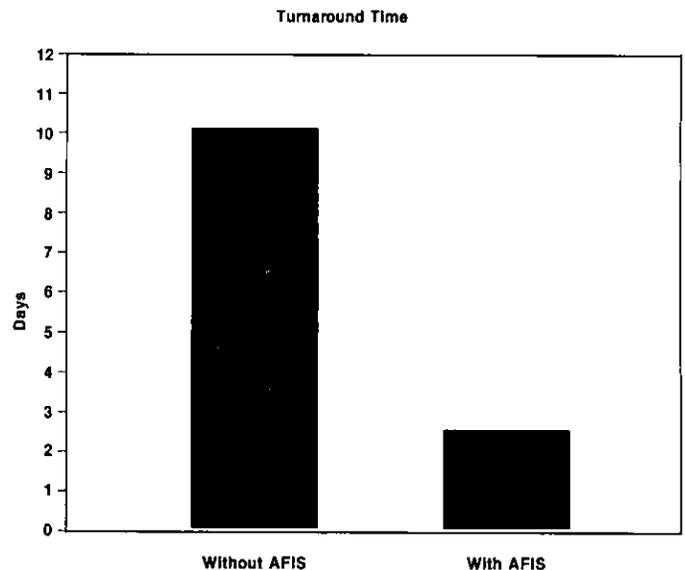
Presently, a suspect must be known to compare latent prints at crime scenes with specific ten-print fingerprint cards. This system will enable, through the use of modern computer techniques, the matching of minute fingerprint patterns with the ten-print card. It will permit the selection, with a high degree of accuracy, of one or a very few suspects. Fingerprint data could then be transmitted rapidly and inexpensively over ordinary telephone lines. The system will be able to build its own files and maintain, update and clear duplicate and poor-quality prints.

Presently the turnaround time for processing fingerprint cards is 10 days but with the system in effect, the turnaround time will be reduced to an average of 2.5 days or better.

Automated Fingerprint Identification Systems are in operation or are being installed or acquired in 16 states. The California Attorney General estimated that this new technology will solve as many as 22,000 crimes once the system is operational in that state. Pennsylvania has over 4,500 current unsolved cases which have identifiable latent prints with no suspects, many of which could be solved once an AFIS is a reality in the Commonwealth.

Costs are based on a statewide system consisting of seven (7) regional forensic laboratories with the central core site at State Police headquarters. Costs for the first three years of the program provide for system hardware and software expenses with maintenance expenses beginning in Fiscal Year 1990-91.

FINGERPRINT PROCESSING



Recommended Program Revision Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|---------------|-----------------|-----------------|-----------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | <u> </u> | <u> </u> | <u>\$ 3,358</u> | <u>\$ 3,333</u> | <u>\$ 2,004</u> | <u>\$ 350</u> | <u>\$ 350</u> |

Emergency Assistance

OBJECTIVE: To respond to special situations in order to minimize loss of life, bodily injury, property loss and other economic losses through the prevention of civil disorder and the control of riotous and natural or man-made disaster situations.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|---------|---------|---------|---------|---------|---------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 625 | \$ 663 | \$ 793 | \$ 910 | \$ 910 | \$ 910 | \$ 910 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Emergency assistance situations requiring State Police response | 37 | 25 | 25 | 25 | 25 | 25 | 25 |
| Arrests by State Police stemming from emergency assistance situations | 18 | 50 | 50 | 50 | 50 | 50 | 50 |
| Total person hours spent on disorders | 13,581 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |

Program Analysis:

The State Police are normally called upon whenever any special situations occur within the Commonwealth. The department has primary police jurisdiction in large areas of the Commonwealth and also provides assistance to a variety of local and State agencies, particularly law enforcement agencies. This department treats emergency assistance as two separate classifications: civil disorder and disturbances and emergency management.

Civil disorder and disturbances are incidents that are or will very likely become criminal in nature in such categories as labor disorders, strikes, campus-school disorders, youth group disorders, terrorism and hostage situations. Within each troop assigned, Community Relations Officers and alternates provide continuous maintenance of liaison and communications with law enforcement personnel, elective offices, unions, community groups and organizations affected directly or indirectly by tension, for the purpose of identifying problem areas in order to prevent and mitigate escalation.

In September 1986, the State Police developed a Special Emergency Response Team (SERT) in the Southeastern region of the State. The SERT team is comprised of carefully selected and specially equipped officers who are responsible for high-risk and special emergency situations. The team consists of a negotiation unit responsible for hostage and tactical negotiations and a tactical unit responsible for actual

physical intervention. The primary goal of the SERT team is to save lives.

Emergency management deals with prevention, mitigation and response to natural and/or man-made hazards to prevent, minimize and alleviate loss of life or injury to human or animal life, public and private property loss, economic loss and disruption of normal living conditions. The Pennsylvania State Police have been given specific responsibilities under the Pennsylvania Disaster Operations Plan, Annex "E" relative to fixed nuclear incidents, and Act 147 of 1985 relative to spent nuclear fuel shipments.

Two accident areas which require specialized training for emergency responses are nuclear and hazardous substance accidents. The State Police have instituted a radiological monitoring course for all cadets to cover nuclear transportation accidents and their response plans for nuclear accidents. Statewide, there were 1,053 hazardous substance accidents reported during the last five years. In addition, when notified, State Police personnel provide escorts for methyl isocyanate shipments and spent nuclear fuel shipments.

Activities in this program can vary considerably from year to year due to the uncertainties surrounding the many causes which produce special situations. There was a substantial increase in the number of emergency assistance requiring State Police response in 1985-86. This increase is partly due

Emergency Assistance (continued)

to 18 responses to the strike at the McCreary Rubber Company, Indiana County and 12 responses to various incidents in the Philadelphia area.

However, there was a decrease in the number of man-hours spent on emergency situations in 1985-86 due to the moderate nature of these situations. Situations requiring State Police response during the last several years has been rather low in comparison to previous years due to relatively calm labor years in terms of strikes, and the absence of fuel shortages. Any large strikes such as occurred several years ago in the coal and trucking industries, or anti-nuclear demonstrations, would increase activity considerably as was

the case when 82 arrests were made at a Three Mile Island demonstration.

As in previous years, the needs, outputs and impacts of this program for future years cannot be accurately projected. Individual civil disorders tend to occur over particular actions or inactions on the part of individuals or groups. Certain events can somewhat be anticipated in advance, such as impending strikes which can develop into civil disorders, and appropriate action may be taken to try and avoid any disturbances. Other instances are spontaneous and cannot initially be eliminated through preventive contacts.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | <u>\$ 625</u> | <u>\$ 663</u> | <u>\$ 793</u> | <u>\$ 910</u> | <u>\$ 910</u> | <u>\$ 910</u> | <u>\$ 910</u> |

Fire Prevention

OBJECTIVE: To minimize fire hazards endangering persons or property.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>\$ 607</u> | <u>\$ 471</u> | <u>\$ 396</u> | <u>\$ 412</u> | <u>\$ 428</u> | <u>\$ 445</u> | <u>\$ 463</u> |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Corrections formally ordered and made ... | 3 | 10 | 10 | 10 | 10 | 10 | 10 |
| Accidental fires reported to State Police ... | 693 | 700 | 700 | 700 | 700 | 700 | 700 |

Program Analysis:

Currently, fire prevention activities involve primarily the inspection of flammable tank installations, including modifications to existing installations, the enforcement of the regulations governing the storage and handling of flammable liquids and the investigation of arson and fires reported as suspicious or undetermined.

Activities in the approval and inspection of flammable and combustible liquid tank installations decreased slightly for the year and the number of corrections ordered and made decreased from 10 in 1984-85 to 3 in 1985-86

Efforts have been made by the department over the last several years to transfer activities relating to the approval and inspection of flammable and combustible liquid tank installations to other state agencies. Currently, discussions involving a transfer have been undertaken with the Department of Environmental Resources. This is an attempt to consolidate activities in an agency which performs similar

regulatory services. Should this occur, State Police fire marshals would be free to devote all of their time to the investigation of suspicious fires and the prevention of arson.

Other duties performed by State Police Fire Marshals within this program include the investigation of reported fire hazards, the presentation of fire prevention programs to community groups, and the coordination of fire prevention activities with local, State and private-related organizations. The State Police also have a statewide chain of 1,905 assistants to the Fire Marshal exclusive of Allegheny and Philadelphia counties, normally local Fire Chiefs or Assistant Fire Chiefs appointed by the Commissioner, who are provided training along with locally appointed Fire Marshals on fire investigation techniques and cause recognition. Assistance is also provided to local Fire Marshals, when requested, in the investigation of fires of undetermined origin.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | <u>\$ 607</u> | <u>\$ 471</u> | <u>\$ 396</u> | <u>\$ 412</u> | <u>\$ 428</u> | <u>\$ 445</u> | <u>\$ 463</u> |

Tax Equalization Board

The State Tax Equalization Board determines annually the aggregate market value of assessed taxable real property throughout the Commonwealth for use in determining the amount and allocation of Commonwealth subsidies to school districts, for use in determining State support of public libraries, and in determining certain tax limitations.

TAX EQUALIZATION BOARD
Summary by Fund and Appropriation

| | 1985-86 | (Dollar Amounts in Thousands) 1986-87 | 1987-88 |
|-------------------------------------|---------------|--|-----------------|
| | Actual | Available | Budget |
| General Fund | | | |
| General Government | | | |
| General Government Operations | \$ 945 | \$ 933 | \$ 1,015 |
| GENERAL FUND TOTAL | <u>\$ 945</u> | <u>\$ 933</u> | <u>\$ 1,015</u> |

| | |
|---------------------|-------------------------------|
| GENERAL FUND | TAX EQUALIZATION BOARD |
|---------------------|-------------------------------|

GENERAL GOVERNMENT

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | | 1987-88 Budget |
|--------------------------------------|-------------------|---|--|-------------------|
| General Government Operations | | | | |
| State Funds | \$ 945 | \$ 933 | | \$ 1,015 |

Determines the aggregate market value of assessed taxable real property in each political subdivision and school district in the Commonwealth for use in determining Commonwealth subsidies to school districts and public libraries and for determining certain tax limitations.

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | | 1987-88 Budget |
|-------------------------------------|-------------------|---|--|-------------------|
| Source of Funds | | | | |
| Appropriation: | | | | |
| General Government Operations | <u>\$ 945</u> | <u>\$ 933</u> | | <u>\$ 1,015</u> |

TAX EQUALIZATION BOARD

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 945 | \$ 933 | \$ 1,015 | \$ 1,056 | \$ 1,098 | \$ 1,142 | \$ 1,188 |
| General Administration and Support | \$ 945 | \$ 933 | \$ 1,015 | \$ 1,056 | \$ 1,098 | \$ 1,142 | \$ 1,188 |
| DEPARTMENT TOTAL | <u>\$ 945</u> | <u>\$ 933</u> | <u>\$ 1,015</u> | <u>\$ 1,056</u> | <u>\$ 1,098</u> | <u>\$ 1,142</u> | <u>\$ 1,188</u> |

TAX EQUALIZATION BOARD

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | <u>\$ 945</u> | <u>\$ 933</u> | <u>\$ 1,015</u> | <u>\$ 1,056</u> | <u>\$ 1,098</u> | <u>\$ 1,142</u> | <u>\$ 1,188</u> |

Program Analysis:

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 447 of 1947, P.L. 1046 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.

The Board performed 98 percent of the field validation and appraisal of state owned properties for the original audit of the General Fixed Asset Real Property Account. The task involved 12,000 state owned buildings of which approximately 3,000 required appraisal work.

The Board will continue to administer and maintain, on an as needed basis, a continuing program of valuation services for the Commonwealth.

Act 192 of 1986 requires the Board to certify assessors for the valuation of real property for ad valorem taxation purposes.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------------|-------------------------------|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| General Government Operations | <u>\$ 945</u> | <u>\$ 933</u> | <u>\$ 1,015</u> | <u>\$ 1,056</u> | <u>\$ 1,098</u> | <u>\$ 1,142</u> | <u>\$ 1,188</u> |

Department of Transportation

The responsibility of the Department of Transportation is to provide for the fast, efficient and safe movement of people and goods within the Commonwealth through a balanced transportation system. 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.

Restricted revenue appropriated for aviation operations, airport development and the real estate tax rebate program and executively authorized for the advance construction interstate, bridge improvement and local road turnback programs are shown as "Restricted Revenue" on the Summary by Fund and Appropriation and detail pages and as "Other Funds" in the appropriate subcategories.

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

| Appropriation | Title | 1987-88 State Funds (in thousands) |
|--|---------------------------|---|
| General Fund | | |
| Southeastern Pennsylvania Public Transit Authority (SEPTA) | Predictable Funding | \$ 10,009 |
| Port Authority Transit (PAT) | Predictable Funding | 4,136 |
| Small Urban Operators | Predictable Funding | 1,626 |
| <i>Bus Rehabilitation</i> | | -500 ^a |

This Program Revision proposes fundamental changes to the current mass transportation operating assistance allocation formula to provide predictable funding for the Commonwealth's mass transit operators.

| | |
|------------------|-----------|
| DEPARTMENT TOTAL | \$ 15,271 |
|------------------|-----------|

^aNonrecurring in 1986-87.

DEPARTMENT OF TRANSPORTATION

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| Mass Transportation Operations | \$ 1,200 | \$ 1,142 | \$ 1,173 |
| Comprehensive Rail Study | 250 | 250 | ..... |
| Railroad Bridge Inspections ..... | ..... | 175 | 175 |
| Transfer to Motor License Fund — Vehicle Sales Tax Collection | 1,461 | 1,505 | 1,550 |
| Pennsylvania Coordinate System | 145 | 100 | ..... |
| High Speed Intercity Rail Passenger Commission | 882 | 500 | 300 |
| Welcome Centers ..... | ..... | ..... | 711 |
| Subtotal | <u>\$ 3,938</u> | <u>\$ 3,672</u> | <u>\$ 3,909</u> |
| Grants and Subsidies | | | |
| Mass Transportation Assistance | \$ 174,355 | \$ 180,000 | ..... |
| SEPTA ..... | ..... | ..... | \$ 137,275 |
| PAT ..... | ..... | ..... | 49,599 |
| Small Urban Operators ..... | ..... | ..... | 8,397 |
| Rural and Intercity Rail and Bus Transportation | 4,049 | 5,435 | 5,249 |
| Freight Rail Assistance | 3,244 | 3,748 | 3,860 |
| Civil Air Patrol | 300 | 325 | 200 |
| Coast Guard Auxiliary Board ..... | ..... | 200 | ..... |
| Benjamin Franklin Bridge Lighting ..... | ..... | ..... | 250 |
| Subtotal | <u>\$ 181,948</u> | <u>\$ 189,708</u> | <u>\$ 204,830</u> |
| TOTAL STATE FUNDS | <u>\$ 185,886</u> | <u>\$ 193,380</u> | <u>\$ 208,739</u> |
| | | | |
| Federal Funds | \$ 13,635 | \$ 13,298 | \$ 9,958 |
| Augmentations | 1,711 | 752 | 731 |
| GENERAL FUND TOTAL | <u>\$ 201,232</u> | <u>\$ 207,430</u> | <u>\$ 219,428</u> |

DEPARTMENT OF TRANSPORTATION

Summary by Fund and Appropriation (continued)

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|--------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Motor License Fund | | | |
| General Government | | | |
| General Government Operations | \$ 20,540 | \$ 20,901 | \$ 21,528 |
| Refunding Monies Collected Through the Department of Transportation | 1,663 | 1,725 | 1,725 |
| Highway and Safety Improvement | 129,000 | 147,485 | 162,560 |
| Advance Construction Interstate | 15,800 | ..... | ..... |
| Highway Maintenance | 548,181 | 548,638 | 567,609 |
| Highway Maintenance—Supplemental | 5,401 | 10,947 | 16,766 |
| Salt Storage Buildings | 1,500 | 1,500 | 1,500 |
| Heavy Equipment Acquisition | 15,500 | ..... | ..... |
| One-time Maintenance Payment ..... | ..... | 20,000 | ..... |
| Highway Restorations-Highway Transfer ..... | ..... | 5,000 | ..... |
| Local Bridge Inspection ..... | ..... | 1,740 | 800 |
| Secondary Roads — Maintenance and Resurfacing | 51,843 | 51,362 | 52,391 |
| Safety Administration and Licensing | 47,740 | 48,416 | 44,483 |
| Subtotal | <u>\$ 837,168</u> | <u>\$ 857,714</u> | <u>\$ 869,362</u> |
| Debt Service Requirements | | | |
| State Highway and Bridge Authority Rentals | <u>\$ 28,677</u> | <u>\$ 27,900</u> | <u>\$ 26,200</u> |
| Grants and Subsidies | | | |
| Local Road Maintenance and Construction Payments | \$ 146,769 | \$ 147,158 | \$ 151,533 |
| Supplemental Local Road Maintenance and Construction Payments | 5,000 | 5,000 | 5,000 |
| Philadelphia Payment — Franchise Tax | 1,101 | 927 | 882 |
| Subtotal | <u>\$ 152,870</u> | <u>\$ 153,085</u> | <u>\$ 157,415</u> |
| TOTAL STATE FUNDS | <u>\$1,018,715</u> | <u>\$1,038,699</u> | <u>\$1,052,977</u> |
| Federal Funds | \$ 793,300 | \$ 874,723 | \$ 773,281 |
| Augmentations | 15,087 | 27,809 | 28,070 |
| Restricted Revenue | 97,167 | 206,224 | 114,490 |
| MOTOR LICENSE FUND TOTAL | <u>\$1,924,269</u> | <u>\$2,147,455</u> | <u>\$1,968,818</u> |

DEPARTMENT OF TRANSPORTATION

Summary by Fund and Appropriation (continued)

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Lottery Fund | | | |
| General Government | | | |
| Ridership Verification | \$ 75 | \$ 100 | \$ 100 |
| Grants and Subsidies | | | |
| Elderly Free Transit | \$ 65,292 | \$ 71,469 | \$ 75,784 |
| Shared Rides | 37,702 | 38,000 | 38,000 |
| Demand Response Equipment Grants | 1,957 | 2,300 | 2,300 |
| Transfer to Motor License Fund — Vehicle Registration — Elderly | 2,500 | 4,700 | 2,500 |
| Subtotal | \$ 107,451 | \$ 116,469 | \$ 118,584 |
| TOTAL LOTTERY FUND | \$ 107,526 | \$ 116,569 | \$ 118,684 |
| Department Total — All Funds | | | |
| General Fund | \$ 185,886 | \$ 193,380 | \$ 208,739 |
| Special Funds | 1,126,241 | 1,155,268 | 1,171,661 |
| Federal Funds | 806,935 | 888,021 | 783,239 |
| Augmentations | 16,798 | 28,561 | 28,801 |
| Restricted Revenue | 97,167 | 206,224 | 114,490 |
| SUBTOTAL ALL FUNDS | \$2,233,027 | \$2,471,454 | \$2,306,930 |
| Other Funds | \$ 79,989 | \$ 173,600 | \$ 229,726 |
| TOTAL ALL FUNDS | \$2,313,016 | \$2,645,054 | \$2,536,656 |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Public Transit and Goods Movement | | | |
| State Funds | \$ 1,450 | \$ 1,567 | \$ 1,348 |
| Federal Funds | 7,051 | 5,898 | 3,058 |
| Augmentations | 186 | 285 | 264 |
| TOTAL | <u>\$ 8,687</u> | <u>\$ 7,750</u> | <u>\$ 4,670</u> |

Provides administrative coordination, planning and support for all urban, rural and intercity mass transportation as well as rail freight transportation. Efficient and effective urban mass transportation is promoted through analysis of local transit operations and procedures, coordination and funding of urban area planning and study projects, and review of local operating subsidy and capital project requests. Activities designed to continue and improve rail and bus service between Pennsylvania's urbanized areas and bus service in rural areas include: preparing and coordinating needs studies; analyzing existing and proposed service levels; and evaluating the overall effectiveness of the program. Administrative direction of the Elderly Transit program is also funded as part of this General Fund appropriation, while the actual subsidies to transit operators are paid from the Lottery Fund.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Mass Transportation Operations | \$ 1,200 | \$ 1,142 | \$ 1,173 |
| Comprehensive Rail Study | 250 | 250 | ..... |
| Railroad Bridge Inspections ..... | ..... | 175 | 175 |
| Federal Funds: | | | |
| Urban Mass Transportation Technical Studies Grants | 602 | 407 | 422 |
| Title IV Rail Assistance — Program Operations and Planning .. | 230 | 155 | 116 |
| Capital Assistance Elderly and Handicapped Programs — | | | |
| Administration | 69 | 70 | 95 |
| Surface Transportation Assistance — Program Operations and | | | |
| Planning | 516 | 441 | 425 |
| Ride Sharing — Operation and Planning | 4 | 20 | ..... |
| Urban Mass Transportation Capital Assistance | 3,000 | 800 | ..... |
| Urban Mass Transportation Capital Grants | 47 | 5 | ..... |
| Urban Mass Transportation Capital Improvement Grants | 2,583 | 4,000 | 2,000 |
| Petroleum Violation Escrow Account ..... | ..... | ..... | ..... |
| Augmentations: | | | |
| Reimbursements from Aviation Restricted Revenue | 53 | 95 | 89 |
| Lease Recovery Costs — Ridesharing | 73 | 120 | 120 |
| MLF Reimbursement — Schuylkill Expressway Project | 1 | 4 | ..... |
| Rail Line Right of Way Appraisal | 15 | ..... | ..... |
| Reimbursements — Administrative — Comprehensive Rail | | | |
| Study ..... | ..... | 11 | ..... |
| User Fees — Ridesharing | 44 | 55 | 55 |
| TOTAL | <u>\$ 8,687</u> | <u>\$ 7,750</u> | <u>\$ 4,670</u> |

| | |
|---------------------|-----------------------|
| GENERAL FUND | TRANSPORTATION |
|---------------------|-----------------------|

| | | (Dollar Amounts in Thousands) | | |
|-------------------------------------|----------|-------------------------------|----------|--|
| | 1985-86 | 1986-87 | 1987-88 | |
| | Actual | Available | Budget | |
| Vehicle Sales Tax Collection | | | | |
| State Funds | \$ 1,461 | \$ 1,505 | \$ 1,550 | |

Provides for the collection of the General Fund's Motor Vehicle Sales Taxes.

| | | (Dollar Amounts in Thousands) | | |
|--|-----------------|-------------------------------|-----------------|--|
| | 1985-86 | 1986-87 | 1987-88 | |
| | Actual | Available | Budget | |
| Source of Funds | | | | |
| Appropriation: | | | | |
| Transfer to Motor License Fund — Vehicle Sales Tax | | | | |
| Collection | <u>\$ 1,461</u> | <u>\$ 1,505</u> | <u>\$ 1,550</u> | |

| | | (Dollar Amounts in Thousands) | | |
|---------------------------------------|---------|-------------------------------|---------|--|
| | 1985-86 | 1986-87 | 1987-88 | |
| | Actual | Available | Budget | |
| Pennsylvania Coordinate System | | | | |
| State Funds | \$ 145 | \$ 100 | ..... |  |

Provides for the placing of survey markers at various locations throughout the State for the purpose of developing maps and determining boundary lines.

| | | (Dollar Amounts in Thousands) | | |
|--------------------------------------|---------------|-------------------------------|--------------|--|
| | 1985-86 | 1986-87 | 1987-88 | |
| | Actual | Available | Budget | |
| Source of Funds | | | | |
| Appropriation: | | | | |
| Pennsylvania Coordinate System | <u>\$ 145</u> | <u>\$ 100</u> | <u>.....</u> | |

GENERAL FUND

TRANSPORTATION

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| High Speed Intercity Rail Passenger Commission | | | |
| State Funds | \$ 882 | \$ 500 | \$ 300 |
| Federal Funds | 140 | ..... | ..... |
| Augmentations | 25 | ..... | ..... |
| TOTAL | <u>\$ 1,047</u> | <u>\$ 500</u> | <u>\$ 300</u> |

Provides for the continued funding of the High Speed Intercity Rail Passenger Commission which is empowered to investigate, study, and make recommendations concerning the need for and establishment and operation of a high speed intercity rail passenger system in the Commonwealth.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| High Speed Intercity Rail Passenger Commission | \$ 882 | \$ 500 | \$ 300 |
| Federal Funds: | | | |
| High Speed Rail Study | 140 | ..... | ..... |
| Augmentations: | | | |
| Contributions from Other Governments | 25 | ..... | ..... |
| TOTAL | <u>\$ 1,047</u> | <u>\$ 500</u> | <u>\$ 300</u> |

| | (Dollar Amounts in Thousands) | | |
|------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Welcome Centers | | | |
| State Funds | | | \$ 711 |

Provides for the operation of welcome centers located on major interstate routes into the Commonwealth. The centers assist travelers and promote tourism through the provision of directions to tourism attractions and lodging. The 1987-88 recommended amount was previously part of the Department of Commerce budget.

| | (Dollar Amounts in Thousands) | | |
|------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Welcome Centers | <u>.....</u> | <u>.....</u> | <u>\$ 711</u> |

GENERAL FUND

TRANSPORTATION

GRANTS AND SUBSIDIES

| | (Dollar Amounts in Thousands) | | |
|---------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Mass Transportation Assistance | | | |
| State Funds | \$ 174,355 | \$ 180,000 | \$ 195,271 |

Assists in developing improved, coordinated, and efficient mass transportation systems in the Commonwealth's urban areas.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Mass Transportation Assistance | \$ 174,355 | \$ 180,000 | ..... |
| SEPTA ..... | ..... | ..... | \$ 137,275 |
| PAT ..... | ..... | ..... | 49,599 |
| Small Urban Operators ..... | ..... | ..... | 8,397 |
| TOTAL | <u>\$ 174,355</u> | <u>\$ 180,000</u> | <u>\$ 195,271</u> |

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Rural and Intercity Rail and Bus Transportation | | | |
| State Funds | \$ 7,293 | \$ 9,183 | \$ 9,109 |
| Federal Funds | 6,444 | 7,400 | 6,900 |
| Augmentations | 1,500 | 467 | 467 |
| TOTAL | <u>\$ 15,237</u> | <u>\$ 17,050</u> | <u>\$ 16,476</u> |

Ensures continuation of vital rail services by assisting financially in the purchase, rehabilitation and subsidization of rail lines that were not included in the Consolidated Rail Corporation (ConRail) system; and provides operating subsidies for passenger rail and bus service in small urban and rural areas and between urbanized areas that lack adequate public transportation.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Rural and Intercity Rail and Bus Transportation..... | \$ 4,049 | \$ 5,435 | \$ 5,249 |
| Freight Rail Assistance | 3,244 | 3,748 | 3,860 |
| Federal Funds: | | | |
| Title IV Rail Assistance — Capital (Current Revenues) | 11 | ..... | ..... |
| Surface Transportation Assistance — Operating Subsidy | 3,140 | 3,400 | 3,400 |
| Surface Transportation Assistance — Capital (Bond Projects) .. | 3,293 | 4,000 | 3,500 |
| Northern Central Railroad Branch Rehabilitation Project | | | |
| Augmentations: | | | |
| Local Reimbursements — Intercity Transportation Projects | 1,500 | 467 | 467 |
| TOTAL | <u>\$ 15,237</u> | <u>\$ 17,050</u> | <u>\$ 16,476</u> |

| | |
|---------------------|-----------------------|
| GENERAL FUND | TRANSPORTATION |
|---------------------|-----------------------|

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|-------------------------|-------------------|---|-------------------|
| Civil Air Patrol | | | |
| State Funds | \$ 300 | \$ 325 | \$ 200 |

Pays for instructional aids and other equipment used in local civil air patrol programs.

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|------------------------|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriation: | | | |
| Civil Air Patrol..... | <u>\$ 300</u> | <u>\$ 325</u> | <u>\$ 200</u> |

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|------------------------------------|-------------------|---|-------------------|
| Coast Guard Auxiliary Board | | | |
| State Funds | | \$ 200 | ..... |

Provides funding for the local chapters of the Coast Guard Auxiliary Board.

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|-----------------------------------|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriations: | | | |
| Coast Guard Auxiliary Board | <u>.....</u> | <u>\$ 200</u> | <u>.....</u> |

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|--|-------------------|---|-------------------|
| Benjamin Franklin Bridge Lighting | | | |
| State Funds | | | \$ 250 |

Provides funding for the lighting of the Benjamin Franklin Bridge in celebration of the U.S. Constitution's 200 anniversary.

| | 1985-86 Actual | (Dollar Amounts in Thousands) 1986-87 Available | 1987-88 Budget |
|---|-------------------|---|-------------------|
| Source of Funds | | | |
| Appropriations: | | | |
| Benjamin Franklin Bridge Lighting | <u>.....</u> | <u>.....</u> | <u>\$ 250</u> |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|--------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Government Operations | | | |
| State Funds | \$ 22,203 | \$ 22,626 | \$ 23,253 |
| Augmentations | 597 | 715 | 760 |
| TOTAL | \$ 22,800 | \$ 23,341 | \$ 24,013 |

Develops basic policy guidelines for the highway program, while directing and coordinating specific construction, maintenance and safety and licensing activities. Among the various managerial responsibilities, support is provided in legal, budgetary, accounting, personnel, procurement, information systems and public relations matters. In addition to supervisory functions performed by departmental employees, the work of the Inspector General's office, the State Transportation Commission and the Advisory Committee are included within this program. Transportation also provides certain reproduction services to other State agencies on a reimbursable basis.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| General Government Operations | \$ 20,540 | \$ 20,901 | \$ 21,528 |
| Executive Authorization: | | | |
| Refunding Monies Collected Through Department of Transportation | 1,663 | 1,725 | 1,725 |
| Augmentations: | | | |
| Reimbursements from General Fund — Mass Transportation... | 297 | 300 | 300 |
| Reimbursements for Commonwealth Duplicating Services | 63 | 255 | 300 |
| Reimbursements for Commonwealth Photographic Services | 44 | | |
| Reimbursements from Aviation Restricted Revenue | 147 | 160 | 160 |
| Reimbursement For Video Services | 44 | | |
| Sale of Equipment | 2 | | |
| TOTAL | \$ 22,800 | \$ 23,341 | \$ 24,013 |

MOTOR LICENSE FUND

TRANSPORTATION

| Highway and Safety Improvement | (Dollar Amounts in Thousands) | | |
|---------------------------------------|-------------------------------|----------------------|--------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 144,800 | \$ 147,485 | \$ 162,560 |
| Federal Funds | 634,545 | 681,515 | 590,100 |
| Augmentations | 2,575 | 6,200 | 6,250 |
| Restricted Revenue ^a | 72,021 | 281,300 | 245,971 |
| TOTAL | \$ 853,941 | \$1,116,500 | \$1,004,881 |

Provides for the improvement of highways and bridges that contribute to the economic growth of the Commonwealth and the mobility of the State's citizens, while undertaking safety improvements that reduce personal injury and property damage. The scope of this program covers all 67 counties within the State and includes Federal Interstate, Primary, Secondary, Urban and Appalachia Roads as well as roads on the 100 percent State system. Within the limitations of funding available from Federal aid, local construction contributions and State current revenues, Transportation is charged with the responsibility of developing and executing a program that will correct the most critical deficiencies on the State-administered highway system.

The highway improvement process begins with research, involving long range planning of highway needs and testing of materials and methods to improve the quality and safety of highways improved. To achieve a safe and efficient highway system, plans are formulated for the design, redesign and location of roadways, bridges and structures. Technical matters involved in the acquisition of necessary rights-of-way are also handled. Finally, the construction, reconstruction and safety improvement of roads and bridges on the State highway system are supervised by Transportation personnel who inspect these activities for adherence to established standards.

The Highway and Safety Improvement program also involves improvements to those State-owned bridges enumerated in the Highway Bridge Capital Budget Act of 1982-83 and the Bridge Capital Act of 1986. These improvements are funded from truck axle tax revenues deposited in a restricted account within the Motor License Fund and with Federal funds. Bond expenditures which are scheduled to begin in 1986-87 are shown in the Capital Budget section of this budget. Debt Service expenditures from the restricted revenues are shown in the Treasury Department as "Restricted Revenue." State funds expended from the restricted account are shown above as "Restricted Revenue" and the accompanying Federal funds are also shown in the amounts above.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|--------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Highway and Safety Improvement | \$ 129,000 | \$ 147,485 | \$ 162,560 |
| Advance Construction Interstate | 15,800 | ..... | ..... |
| Federal Funds: | | | |
| Highway Research, Planning and Construction | 487,625 | 563,115 | 478,700 |
| Federal-Aid-Highway Bridge Projects | 118,095 | 96,800 | 95,000 |
| Appalachia Development Highway System | 28,358 | 21,200 | 16,000 |
| Forest Highways ..... | ..... | 100 | 100 |
| Highway Safety Program | 467 | 300 | 300 |
| Augmentations: | | | |
| Bridge—Construction Contributions | 132 | 150 | 200 |
| Bridge—Reimbursements from Local Governments | 8 | 50 | 50 |
| Highway Construction Contributions | 2,065 | 5,730 | 5,730 |
| Reimbursements from Aviation Restricted Revenues | 31 | 80 | 80 |
| Reimbursements from General Fund — Mass Transportation | 339 | 170 | 170 |
| Rental Reimbursement — Photo ID Program ..... | ..... | 20 | 20 |
| Restricted Revenue: | | | |
| Highway Bridge Projects ^a | 64,006 | 149,800 | 38,400 |
| ACI Project Expenditures ^b | 8,015 | 131,500 | 207,571 |
| TOTAL | \$ 853,941 | \$1,116,500 | \$1,004,881 |

^aExecutive Authorization from restricted revenue account.

^bThis executive authorization is not carried forward to the Summary by Fund and Appropriation to avoid double counting.

MOTOR LICENSE FUND

TRANSPORTATION

| Highway Maintenance | (Dollar Amounts in Thousands) | | |
|---------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 622,425 | \$ 639,187 | \$ 639,066 |
| Federal Funds | 155,380 | 188,200 | 173,200 |
| Augmentations | 6,603 | 15,000 | 15,000 |
| TOTAL | \$ 784,408 | \$ 842,387 | \$ 827,266 |

Performs maintenance activities necessary to keep roadway surfaces in a safe and usable condition. Work carried out by Transportation forces or by contract includes patching, surface treatment, resurfacing, restabilization and minor betterment projects, plus repair of bridges, tunnels and minor storm damage. Snow and ice control services are performed on all State-administered highways as well as on an additional one thousand miles of selected city streets which were assigned to the department by Act 60 of the 1970 Legislative Session. Other important maintenance activities, not involved directly with the roadway surface itself, include washing, manufacturing and repairing highway signs, repainting pavement markings, and repairing or replacing such safety features as traffic signals, guard-rails, median barriers and right-of-way fences.

Repairs to flood-damaged highways are financed through this program, with most of these costs being reimbursed by the Federal Government. Federal assistance is also available for resurfacing, restoration, rehabilitation and reconstruction (4-R Program) work.

Separate authorization and accounting is provided under this program for the one cent of the gasoline tax used for secondary roads maintenance and resurfacing funds as required by Act 161 of the 1974 session of the Legislature.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Highway Maintenance | \$ 548,181 | \$ 548,638 | \$ 567,609 |
| Highway Maintenance — Supplemental | 5,401 | 10,947 | 16,766 |
| Salt Storage Buildings | 1,500 | 1,500 | 1,500 |
| Heavy Equipment Acquisition | 15,500 | ..... | ..... |
| One-time Maintenance Payment ..... | ..... | 20,000 | ..... |
| Highway Restorations — Highway Transfer ..... | ..... | 5,000 | ..... |
| Local Bridge Inspection ..... | ..... | 1,740 | 800 |
| Executive Authorization: | | | |
| Secondary Roads — Maintenance and Resurfacing | 51,843 | 51,362 | 52,391 |
| Federal Funds: | | | |
| Highway Research, Planning and Construction | 152,686 | 181,800 | 169,800 |
| State and Community Highway Safety | 74 | 200 | 200 |
| Federal Emergency Management Agency | 2,620 | 3,000 | ..... |
| Local Bridge Inspection ..... | ..... | 3,200 | 3,200 |
| Augmentations: | | | |
| Highway Maintenance Contributions | 2,026 | 2,695 | 2,695 |
| Reimbursements from Other State Agencies — Equipment | | | |
| Rental | 11 | 25 | 25 |
| Sale of Automobiles | 146 | 150 | 150 |
| Sale of Equipment | 516 | 700 | 700 |
| Vendor Surcharge — Breach of Contract | 1 | 10 | 10 |
| Reimbursements for Heavy Hauling — Bonded Roads | 566 | 4,000 | 4,000 |
| Reimbursements — Manufacture and Sale of Signs | 68 | 225 | 225 |
| Reimbursements — Accident Damage Claims | 3,207 | 7,000 | 7,000 |
| Reimbursements — Rental Photo ID Program ..... | ..... | 10 | 10 |
| Litter Fine Receipts ..... | ..... | 100 | 100 |
| Keep Pennsylvania Beautiful Contributions | 29 | 50 | 50 |
| Recovered Permit Compliance Cost | 10 | 10 | 10 |
| Reimbursement from Aviation Restricted Revenues | 23 | 25 | 25 |
| TOTAL | \$ 784,408 | \$ 842,387 | \$ 827,266 |

MOTOR LICENSE FUND

TRANSPORTATION

| Safety Administration and Licensing | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 47,740 | \$ 48,416 | \$ 44,483 |
| Federal Funds | 1,937 | 2,520 | 3,880 |
| Augmentations | 5,916 | 6,500 | 6,675 |
| TOTAL | <u>\$ 55,593</u> | <u>\$ 57,436</u> | <u>\$ 55,038</u> |

Provides for processing applications and collecting fees for all vehicle registration and operator licenses. Additional functions are to enforce the driver point system; to keep records of State vehicle safety and emission inspections, to maintain a public safety education and information section; and to supply certified copies of records of traffic accidents to other agencies both within and outside the State. Other responsibilities include: providing assistance to Commonwealth agencies, municipalities and nonprofit organizations, regulating the transportation of hazardous substances on the highway and operating a data collection system for accident analysis. Location and cause of accident information is utilized to arrange a priority listing of dangerous road sections; actual safety improvement work is funded within the Highway and Safety Improvement program and Highway Maintenance program.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Safety Administration and Licensing | \$ 47,740 | \$ 48,416 | \$ 44,483 |
| Federal Funds: | | | |
| State and Community Highway Safety | 1,937 | 2,520 | 3,880 |
| Augmentations: | | | |
| Reimbursements from Other State Agencies — Computer Support | 132 | 150 | 150 |
| Reimbursements — Photo ID Program | 3,198 | 3,200 | 3,600 |
| Reimbursements From General Fund — Motor Vehicle Sales Tax ¹ | 1,461 | 1,505 | 1,550 |
| Reimbursement — Emission Mechanic Training Courses | 8 | 20 | 20 |
| Reimbursement — Motorcycle Safety Program | 862 | 1,325 | 1,355 |
| Reimbursement — CAT Fund | 255 | 300 | |
| TOTAL | <u>\$ 55,593</u> | <u>\$ 57,436</u> | <u>\$ 55,038</u> |

¹This transfer from the General Fund is not carried forward to the Summary by Fund and Appropriation to avoid double counting.

MOTOR LICENSE FUND

TRANSPORTATION

| | (Dollar Amounts in Thousands) | | |
|---------------------------------------|-------------------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Aviation Operations | | | |
| Federal Funds | \$ 1,324 | \$ 2,208 | \$ 5,901 |
| Augmentations | 850 | 879 | 885 |
| Restricted Revenue ^a | 5,742 | 7,093 | 6,887 |
| TOTAL | <u>\$ 7,916</u> | <u>\$ 10,180</u> | <u>\$ 13,673</u> |

Maintains and operates the Bureau of Aviation within the Department of Transportation, and all State-owned airports—the two largest being Harrisburg International (HIA) and Capital City. In addition to the costs shown, bond funds are used to finance direct capital project costs within this program. Bond expenditures are reflected in the Capital Budget section of this budget. Restricted revenue appropriated for Aviation Operations is shown as “Restricted Revenue.”

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Source of Funds | | | |
| Federal Funds: | | | |
| Airport Development Aid Program | \$ 23 | \$ 72 | \$ 94 |
| Federal Reimbursement — Airport Inspection ..... | ..... | ..... | 20 |
| Federal Aid — HIA..... | 1,238 | 1,416 | 2,958 |
| Federal Aid — Other State Airports | 63 | 720 | 2,829 |
| Augmentations: | | | |
| Reimbursements for Cost of Utility Services — HIA | 443 | 450 | 453 |
| Reimbursements for Cost of Utility Services — Other | 73 | 89 | 92 |
| Reimbursements — Flight Operations | 316 | 340 | 340 |
| Sale of Automobiles and Other Vehicles | 18 | ..... | ..... |
| Restricted Revenue: | | | |
| Aviation Operations ^a | 5,742 | 5,320 | 6,887 |
| Aviation Operations ^a —Recommended Supplemental ..... | ..... | 1,773 | ..... |
| TOTAL | <u>\$ 7,916</u> | <u>\$ 10,180</u> | <u>\$ 13,673</u> |

^aAppropriation from restricted revenue account.

DEBT SERVICE REQUIREMENTS

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Highway and Bridge Authority Rentals | | | |
| State Funds | \$ 28,677 | \$ 27,900 | \$ 26,200 |

Makes rental payments to the State Highway and Bridge Authority for highways and bridges constructed with funds borrowed by the authority as a means of expanding the construction program beyond the level permitted by current revenues in previous years.

Bond borrowings since 1968 were made as General Obligations of the Commonwealth, for which debt service requirements are appropriated to the Treasury Department. State Highway and Bridge Authority rentals will continue for those projects currently under rental.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| State Highway and Bridge Authority Rentals | <u>\$ 28,677</u> | <u>\$ 27,900</u> | <u>\$ 26,200</u> |

GRANTS AND SUBSIDIES

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Local Road and Bridge Assistance | | | |
| State Funds | \$ 152,870 | \$ 153,085 | \$ 157,415 |
| Federal Funds | 114 | 280 | 200 |
| Augmentations | 7 | 20 | 50 |
| Restricted Revenue ^a | 24,461 | 45,100 | 63,960 |
| TOTAL | \$ 177,452 | \$ 198,485 | \$ 221,625 |

Provides financial aid to local municipalities to assist them in the maintenance and construction of their portion of the total highway system. With the passage of Act 32 of 1983 the local subsidy was set at 20 percent of the flat fuel tax and 20 percent of a portion (3.5 percent) of the current 6 percent oil franchise tax paid into the Motor License Fund. As part of the 1981 oil franchise tax legislation (which pre-empted all other similar taxes within the Commonwealth) Philadelphia receives a separate appropriation annually in an amount equal to two percent of the retail sales within the city less the increased allocation to Philadelphia. In addition, the General Assembly established in 1980 an annual appropriation of \$5 million to be returned to local governments for further highway improvements.

Payment of the funds to municipalities is closely regulated and controlled to determine that monies are expended for maintenance and construction of roads according to law. The distribution is made on a 50 percent mileage and 50 percent population formula.

Provides grants to local governments of up to 80 percent of the non-Federal cost of repairing, removing or replacing local bridges enumerated in the Highway Bridge Capital Budget Act of 1982-83 and the Bridge Capital Act of 1986. These grants are made from a restricted revenue account in the Motor License Fund and are shown above as "Restricted Revenue." Accompanying Federal funds are also shown in the amounts above.

Also provides funds from a restricted revenue account in the Motor License Fund for restoration projects and annual maintenance payments associated with the local turnback program. State funds expended from the restricted account are shown above as "Restricted Revenue."

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Local Road Maintenance and Construction Payments | \$ 146,769 | \$ 147,158 | \$ 151,533 |
| Supplemental Local Road Maintenance and Construction Payments | 5,000 | 5,000 | 5,000 |
| Executive Authorization: | | | |
| Philadelphia Payment — Franchise Tax | 1,101 | 927 | 882 |
| Federal Funds: | | | |
| Federal Aid — Local Grants for Bridge Projects | 114 | 280 | 200 |
| Augmentations: | | | |
| Reimbursements — Local Governments..... | 7 | 20 | 50 |
| Restricted Revenue: | | | |
| Local Grants for Bridge Projects ^a | 10,995 | 29,400 | 49,600 |
| Annual Maintenance Payments — Highway Transfer ^a | 4,546 | 5,813 | 7,089 |
| Restoration Projects — Highway Transfer ^a | 8,920 | 9,887 | 7,271 |
| TOTAL | \$ 177,452 | \$ 198,485 | \$ 221,625 |

^aExecutive Authorization from Restricted Revenue Account.

MOTOR LICENSE FUND**TRANSPORTATION**

| | (Dollar Amounts in Thousands) | | |
|---------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Airport Development | | | |
| Restricted Revenue ^a | \$ 2,750 | \$ 4,000 | \$ 5,000 |

Provides assistance to local governments and authorities for development of aeronautical facilities and rehabilitation of runways. Restricted revenues appropriated for Airport Development and Runway Rehabilitation are shown as "Restricted Revenue."

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Restricted Revenue: | | | |
| Airport Development ^a | \$ 2,750 | \$ 3,500 | \$ 4,500 |
| Runway Rehabilitation ^a..... | ..... | 500 | 500 |
| TOTAL | <u>\$ 2,750</u> | <u>\$ 4,000</u> | <u>\$ 5,000</u> |

| | (Dollar Amounts in Thousands) | | |
|---------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Real Estate Tax Rebate | | | |
| Restricted Revenue ^a | \$ 208 | \$ 231 | \$ 243 |

As provided in Act 164 of 1984 all aviation gasoline revenues are dedicated to a real-estate rebate program for privately-owned public use airports within the Commonwealth. Restricted revenue appropriated for the Real Estate Tax Rebate Program is shown as "Restricted Revenue".

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Source of Funds | | | |
| Restricted Revenue: | | | |
| Real Estate Tax Rebate ^a | <u>\$ 208</u> | <u>\$ 231</u> | <u>\$ 243</u> |

^aAppropriation from restricted revenue account.

OTHER SPECIAL FUNDS

TRANSPORTATION

**LOTTERY FUND
GENERAL GOVERNMENT**

| | (Dollar Amounts in Thousands) | | |
|-------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Ridership Verification | | | |
| State Funds | \$ 75 | \$ 100 | \$ 100 |

Provides for rider verification audits within the Department of Transportation's Elderly Free Transit and Elderly Shared Rides Programs.

| | (Dollar Amounts in Thousands) | | |
|------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| <i>Source of Funds</i> | | | |
| Appropriation: | | | |
| Ridership Verification | <u>\$ 75</u> | <u>\$ 100</u> | <u>\$ 100</u> |

GRANTS AND SUBSIDIES

| | (Dollar Amounts in Thousands) | | |
|--------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Transit for the Elderly | | | |
| State Funds | \$ 104,951 | \$ 111,769 | \$ 116,084 |

Allows elderly citizens to ride the Commonwealth's transit systems without charge during non-peak hours through the week and all day on weekends and holidays by providing the systems with cash subsidies. Also provides demand-responsive services and equipment grants particularly in rural areas that do not have fixed route systems.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| <i>Source of Funds</i> | | | |
| Executive Authorizations: | | | |
| Elderly Free Transit | \$ 65,292 | \$ 71,469 | \$ 75,784 |
| Elderly Shared Rides | 37,702 | 38,000 | 38,000 |
| Demand Response Equipment Grants | 1,957 | 2,300 | 2,300 |
| TOTAL | <u>\$ 104,951</u> | <u>\$ 111,769</u> | <u>\$ 116,084</u> |

OTHER SPECIAL FUNDS**TRANSPORTATION**

| | (Dollar Amounts in Thousands) | | |
|-----------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Vehicle Registration | | | |
| State Funds | \$ 2,500 | \$ 4,700 | \$ 2,500 |

Transfers to the Motor License Fund as general revenue the amount of fees lost as a result of lower vehicle registration fees paid by the Commonwealth's Senior Citizen population.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Executive Authorization: | | | |
| Transfer to Motor License Fund — Vehicle Registration — Elderly | <u>\$ 2,500</u> | <u>\$ 4,700</u> | <u>\$ 2,500</u> |

OTHER FUNDS

TRANSPORTATION

Amounts Not Previously Detailed

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|--------------------------|--------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| Federal Grants — Capital Assistance Elderly and Handicapped Programs ..... | ..... | ..... | ..... |
| Van Pool Leases — Contingency Costs ..... | ..... | ..... | ..... |
| Federal Grants — Railroad Freight Rehabilitation | \$ 623 | \$ 2,000 | \$ 2,000 |
| Federal Grants — Ridesharing Program ..... | ..... | ..... | ..... |
| Local Share — Railroad Freight Rehabilitation ..... | ..... | 50 | ..... |
| Reimbursements from Grantees — Ridesharing ..... | ..... | ..... | ..... |
| User Fees — Ridesharing — State Employees ..... | ..... | 16 | ..... |
| GENERAL FUND TOTAL | <u>\$ 623</u> | <u>\$ 2,066</u> | <u>\$ 2,050</u> |
| Motor License Fund | | | |
| Federal Reimbursements to Political Subdivisions — Highway Safety Program | \$ 2,338 | \$ 4,000 | \$ 4,000 |
| Federal Reimbursements to Political Subdivisions — TOPICS .. | 254 | 3,000 | 2,800 |
| Federal Grants — Airport Development Aid Program | 998 | 2,500 | 2,500 |
| Federal Reimbursements for Roads off the State System Costs . | 3,746 | 5,000 | 5,200 |
| Federal Urban System Funds | 13,883 | 20,000 | 21,000 |
| Reimbursements to Municipalities — Vehicle Code Fines and Penalties | 10,134 | 10,000 | 10,100 |
| Reimbursement for Right-of-Way Costs | 1 | ..... | ..... |
| Federal Reimbursements — Flood Related Costs | 2,620 | 2,000 | 2,000 |
| Reimbursement to Other States — Apportioned Registration Plan | 5,424 | 4,000 | 5,000 |
| Federal Reimbursements — Bridge Projects | 14,355 | 16,000 | 17,000 |
| Motorcycle Safety Education | 862 | 1,000 | 1,000 |
| Cash Security Deposits — Motor Vehicle Responsibility | 88 | 50 | 75 |
| Equipment Rental Security Deposits ..... | ..... | ..... | ..... |
| Carpool Service Costs ..... | ..... | 25 | 25 |
| Advance Construction Interstate — FRANS ..... | ..... | 78,000 | 130,000 |
| MOTOR LICENSE FUND TOTAL | <u>\$ 54,703</u> | <u>\$ 145,575</u> | <u>\$ 200,700</u> |
| Highway Beautification Fund | | | |
| Control of Junkyards | \$ 27 | \$ 272 | \$ 231 |
| Control of Outdoor Advertising | 297 | 346 | 378 |
| HIGHWAY BEAUTIFICATION FUND TOTAL | <u>\$ 324</u> | <u>\$ 618</u> | <u>\$ 609</u> |
| Liquid Fuels Tax Fund | | | |
| Payments to Counties | \$ 24,339 | \$ 25,341 | \$ 26,367 |
| LIQUID FUELS TAX FUND TOTAL | <u>\$ 24,339</u> | <u>\$ 25,341</u> | <u>\$ 26,367</u> |
| DEPARTMENT TOTAL | <u>\$ 79,989</u> | <u>\$ 173,600</u> | <u>\$ 229,726</u> |

DEPARTMENT OF TRANSPORTATION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Administration and Support | \$ 22,360 | \$ 22,976 | \$ 23,656 | \$ 24,273 | \$ 25,175 | \$ 26,113 | \$ 27,089 |
| Transportation Systems and Services | \$1,132,195 | \$1,158,086 | \$1,191,112 | \$1,140,669 | \$1,141,506 | \$1,148,628 | \$1,156,698 |
| State Highway Construction/ Reconstruction | 165,270 | 167,000 | 184,471 | 139,539 | 117,969 | 105,800 | 94,232 |
| State Highway Maintenance | 609,425 | 614,447 | 625,266 | 613,500 | 627,000 | 637,000 | 647,000 |
| Local Highway Assistance | 152,870 | 159,825 | 158,215 | 158,298 | 159,044 | 159,848 | 160,658 |
| Urban Mass Transportation | 174,962 | 180,577 | 195,864 | 203,699 | 211,847 | 220,321 | 229,135 |
| Rural and Intercity Rail and Bus Transportation | 8,741 | 10,412 | 9,896 | 9,433 | 9,446 | 9,459 | 9,473 |
| Air Transportation | 300 | 325 | 200 | 200 | 200 | 200 | 200 |
| State Bridges | 20,627 | 25,500 | 17,200 | 16,000 | 16,000 | 16,000 | 16,000 |
| Highway Safety | \$ 49,926 | \$ 50,906 | \$ 46,833 | \$ 47,960 | \$ 48,876 | \$ 50,286 | \$ 51,737 |
| Highway Safety Projects | 725 | 985 | 800 | 600 | 600 | 600 | 600 |
| Safety Administration and Licensing .. | 49,201 | 49,921 | 46,033 | 47,360 | 48,276 | 49,686 | 51,137 |
| Elderly Transit | \$ 107,646 | \$ 116,680 | \$ 118,799 | \$ 120,112 | \$ 121,446 | \$ 122,888 | \$ 124,175 |
| Elderly Transit | 107,646 | 116,680 | 118,799 | 120,112 | 121,446 | 122,888 | 124,175 |
| DEPARTMENT TOTAL | <u>\$1,312,127</u> | <u>\$1,348,648</u> | <u>\$1,380,400</u> | <u>\$1,333,014</u> | <u>\$1,337,003</u> | <u>\$1,347,915</u> | <u>\$1,359,699</u> |

TRANSPORTATION

General Administration and Support

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

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 157 | \$ 350 | \$ 403 | \$ 159 | \$ 165 | \$ 172 | \$ 179 |
| Special Funds | 22,203 | 22,626 | 22,253 | 24,114 | 25,010 | 25,941 | 26,910 |
| Other Funds | 617 | 746 | 789 | 789 | 789 | 789 | 789 |
| TOTAL | \$ 22,977 | \$ 23,722 | \$ 24,445 | \$ 25,062 | \$ 25,964 | \$ 26,902 | \$ 27,878 |

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary

concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services. In celebration of the U.S. Constitution's 200 anniversary \$250,000 is provided to participate in the lighting of the Benjamin Franklin Bridge.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Mass Transportation Operations | \$ 157 | \$ 150 | \$ 153 | \$ 159 | \$ 165 | \$ 172 | \$ 179 |
| Coast Guard Auxiliary Board ..... | ..... | 200 | ..... | ..... | ..... | ..... | ..... |
| Benjamin Franklin Bridge Lighting ..... | ..... | ..... | 250 | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | \$ 157 | \$ 350 | \$ 403 | \$ 159 | \$ 165 | \$ 172 | \$ 179 |
| MOTOR LICENSE FUND | | | | | | | |
| General Government Operations | \$ 20,540 | \$ 20,901 | \$ 21,528 | \$ 22,389 | \$ 23,285 | \$ 24,216 | \$ 25,185 |
| Refunding Monies Collected Through the Department of Transportation | 1,663 | 1,725 | 1,725 | 1,725 | 1,725 | 1,725 | 1,725 |
| MOTOR LICENSE FUND TOTAL | \$ 22,203 | \$ 22,626 | \$ 23,253 | \$ 24,114 | \$ 25,010 | \$ 25,941 | \$ 26,910 |

TRANSPORTATION

State Highway Construction/Reconstruction

OBJECTIVE: To provide a highway system capable of meeting the more vital economic and recreational needs of the Commonwealth by affording a reasonably accessible means of transporting passengers and cargo.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 145 | \$ 100 | \$ 711 | \$ 739 | \$ 769 | \$ 800 | \$ 832 |
| Special Funds | 165,125 | 166,900 | 183,760 | 138,800 | 117,200 | 105,000 | 93,400 |
| Federal Funds | 451,444 | 519,000 | 457,900 | 299,800 | 413,800 | 349,800 | 287,800 |
| Other Funds | 2,433 | 84,218 | 136,409 | 141,211 | 6,224 | 6,237 | 6,250 |
| TOTAL | \$ 619,147 | \$ 770,218 | \$ 778,780 | \$ 580,550 | \$ 537,993 | \$ 461,837 | \$ 388,282 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Vehicles miles traveled: | | | | | | | |
| Interstate highways (billions) | 9,082 | 9,264 | 9,449 | 9,638 | 9,831 | 10,027 | 10,228 |
| All other highways (billions) | 47,485 | 48,909 | 50,376 | 51,888 | 53,444 | 55,048 | 56,700 |
| Miles of highway requiring construction or reconstruction | 892 | 847 | 802 | 777 | 757 | 787 | 717 |
| Miles of highway constructed or reconstructed | 97 | 125 | 125 | 95 | 100 | 100 | 100 |
| Value of highway projects designed (thousands) | \$708,000 | \$580,000 | \$550,000 | \$325,000 | \$250,000 | \$250,000 | \$250,000 |
| Value of highway construction lettings (thousands) | \$454,000 | \$740,000 | \$525,000 | \$275,000 | \$275,000 | \$250,000 | \$250,000 |

Program Analysis:

The State Highway Improvement Construction/Reconstruction involves major construction and reconstruction of the interstate highway system and the construction of high priority missing links. Bridge projects are included in the State Bridge subcategory.

A major priority of the transportation program continues to be the completion and reconstruction of Pennsylvania's interstate highway system. The Department of Transportation has committed the maximum amount of available Federal interstate restoration funds to this effort. Included in this program has been the transfer of \$471 million of interstate completion apportionments to interstate restoration over four years as permitted by Federal Law.

A related objective is to have all interstate construction gaps under construction during the budget year and to have all segments open to traffic by 1990. Interstate completion funds have been authorized by Congress through 1990.

Based on the imposition of projected Federal obligation limits Pennsylvania will not have sufficient Federal Funds to continue a high level of interstate restoration and have all interstate gaps completed by 1990. An alternative included in a provision of Federal Law allows the Commonwealth to utilize 100 percent State Funds in advance of future Federal Reimbursements. Under Advance Construction Interstate (ACI) states can undertake construction projects with current revenues or with borrowing Federal Revenue

State Highway Construction/Reconstruction (continued)

Program Analysis: (continued)

Anticipation Notes (FRANS) until Federal Funds become available. FRANS indebtedness was authorized by the General Assembly initially in 1985-86 and again in 1986-87. The budget proposes the issuance of FRANS in the amount of \$130 million in 1987-88 to continue the Commonwealth's restoration at a high level and to have all Interstate completion gaps open to traffic by 1990.

The Department's interstate completion program includes I-78 in Lehigh and Northampton Counties, I-95 in Philadelphia, the I-279/579 complex in Pittsburgh, I-476 (Blue Route) in Delaware County and I-676 (Vine Street) in Philadelphia. All remaining main line construction contracts will be let during 1986-87. Economic revitalization of the Commonwealth will be further stimulated by the completion of various non-interstate "missing links." Previously completed projects include the Allegheny Valley Expressway in the Tarentum area, the Route 22-220 complex in Blair

and Cambria Counties, and the State College Bypass. New projects under construction include the Southern Tier Highway in Erie County, TR 220 completion from Bedford to Altoona and the I-70 Connector in Westmoreland County.

Beginning in 1987-88 it is proposed that the administrative responsibilities for the Commonwealth's Welcome Centers be transferred from the Department of Commerce to the Department of Transportation. These centers have been established to aid the traveler with directions to tourist attractions and lodging.

The Recommended Program Costs include as part of Other Funds expenditures from the Highway Beautification Fund. These funds are expended by the department for control of outdoor advertising, control of junkyards, and landscaping and scenic development.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Pennsylvania Coordinate System | \$ 145 | \$ 100 | ..... | ..... | ..... | ..... | ..... |
| Welcome Centers ..... | ..... | ..... | \$ 711 | \$ 739 | \$ 769 | \$ 800 | \$ 832 |
| GENERAL FUND TOTAL | <u>\$ 145</u> | <u>\$ 100</u> | <u>\$ 711</u> | <u>\$ 739</u> | <u>\$ 769</u> | <u>\$ 800</u> | <u>\$ 832</u> |
| MOTOR LICENSE FUND | | | | | | | |
| Highway and Safety Improvement | \$ 120,648 | \$ 139,000 | \$ 157,560 | \$ 114,500 | \$ 99,000 | \$ 92,600 | \$ 86,400 |
| Advance Construction Interstate | 15,800 | ..... | ..... | ..... | ..... | ..... | ..... |
| State Highway and Bridge Authority | | | | | | | |
| Rentals | 28,677 | 27,900 | 26,200 | 24,300 | 18,200 | 12,400 | 7,000 |
| MOTOR LICENSE FUND TOTAL | <u>\$ 165,125</u> | <u>\$ 166,900</u> | <u>\$ 183,760</u> | <u>\$ 138,800</u> | <u>\$ 117,200</u> | <u>\$ 105,000</u> | <u>\$ 93,400</u> |

State Highway Maintenance

OBJECTIVE: To provide general routine maintenance, betterments and resurfacing necessary to preserve the quality of existing State-administered roads and to provide prompt winter services to enable the safe passage of vehicles.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Special Funds | \$ 609,425 | \$ 614,447 | \$ 625,266 | \$ 613,500 | \$ 627,000 | \$ 637,000 | \$ 647,000 |
| Federal Funds | 144,380 | 174,000 | 159,000 | 159,000 | 159,000 | 159,000 | 159,000 |
| Other Funds | 9,311 | 17,050 | 17,075 | 17,090 | 17,115 | 17,140 | 17,165 |
| TOTAL | \$ 763,116 | \$ 805,497 | \$ 801,341 | \$ 789,590 | \$ 803,115 | \$ 813,140 | \$ 823,165 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Miles of State maintained highways | 43,192 | 42,608 | 42,359 | 42,143 | 41,962 | 41,795 | 41,647 |
| Miles of State maintained highway improved: | | | | | | | |
| Resurfaced | 435 | 585 | 548 | 568 | 658 | 763 | 788 |
| Surface treated | 5,772 | 6,656 | 5,448 | 5,448 | 5,448 | 5,448 | 5,448 |
| Total | 6,207 | 7,241 | 5,996 | 6,016 | 6,106 | 6,211 | 6,236 |
| Maintenance: | | | | | | | |
| Tons of patching material applied | 201,000 | 174,000 | 185,000 | 185,000 | 185,000 | 185,000 | 185,000 |
| Miles of shoulder grading and cutting | 27,000 | 25,814 | 26,000 | 26,000 | 26,000 | 26,000 | 26,000 |
| Value of major maintenance contract lettings (in thousands) | 223,100 | 299,200 | 220,000 | 227,500 | 240,000 | 250,000 | 260,000 |
| Value of other maintenance contracts (in thousands) | 69,700 | 81,700 | 77,800 | 77,800 | 77,800 | 77,800 | 77,800 |
| Hauling and Occupancy Permits Issued: | | | | | | | |
| Over weight/over size | 203,411 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 |
| Posted Highway/Bridge/Hill | 950 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Occupancy | 25,638 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Truck weight and safety enforcement | | | | | | | |
| Trucks weighed | 427,270 | 461,000 | 498,000 | 538,000 | 565,000 | 565,000 | 565,000 |
| Weight violations | 6,468 | 6,000 | 6,100 | 6,200 | 6,300 | 6,300 | 6,300 |
| Trucks inspected | 15,892 | 6,500 | 52,000 | 53,000 | 53,000 | 53,000 | 53,000 |
| Safety violations | 14,418 | 14,000 | 14,300 | 14,600 | 14,900 | 15,200 | 15,200 |

Program Analysis:

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.

Revenue initiatives passed by the General Assembly in 1983 have assured the critical funding necessary for surface improvements and general maintenance.

The 1987-88 highway maintenance budget will allow the department to continue to emphasize Pennsylvania's program for durable resurfacing of high-volume primary highways. Pennsylvania has about 10,000 miles of primary highways which carry high volumes of truck traffic. The department has labelled these highways the Priority Commercial Network. Rehabilitation projects on the

State Highway Maintenance (continued)**Program Analysis: (continued)**

Priority Commercial Network, which cost \$250,000 per mile and up, involve drainage improvements, base repair, guiderail installation, shoulder stabilization, and bituminous overlays of 1.5-5 inches or joint repair/slab replacement for certain concrete sections.

The department no longer uses thin bituminous overlays which in the past had been used both on primary highways and secondary roads. These applications had an unacceptably high failure rate with failures creating a series of shallow potholes. Instead, the department has extended its surface treatment program along the lines of other states and many local governments. Surface treatment projects, which cost \$20,000 per mile and up, involve drainage improvements, base repair, bituminous "scratch coat" where needed to restore the road's cross-section, and an oil-aggregate application. Double oil-aggregate applications and pre-coated aggregate can be used on higher volume roads. Over 30,000 miles of the State system can be economically repaired using surface treatment techniques (surface treatment is not applicable to the State's 2,000 miles of stabilized roads).

Department efforts have been reoriented toward preventive maintenance on all roads. Drainage-related activities are those which get water off the road and keep it off the road. These include pipe replacement, ditch cleaning, shoulder cutting/grading, oil and aggregate skin patching and joint/crack sealing.

The department has set a goal of over 6,000 miles of surface improvement for 1987-88. The highway maintenance request of \$620 million will provide for approximately 548 miles of resurfacing and approximately 5,448 miles of surface treatment and surface repairs. All the higher cost per mile resurfacing and approximately 50 percent of the surface treatment miles will be completed by contract. The total miles of surface improvement on State highways for the future years is kept at a relatively constant level by applying projected productivity savings to the surface improvement program and moving aggressively on the State highway turnback program. The level of resurfacing and surface treatment as projected in future years provides for a desired 15-20 year and 5-7 year improvements cycle, respectively. In addition to the \$620 million to be allocated

utilizing revised maintenance formula factors, this budget recommends \$16.8 million for the highway maintenance supplemental appropriation to insure that counties do not receive less than their 1986-87 allocation.

A separate appropriation of \$1.5 million is recommended to continue the third year of the department's four-year salt storage building program.

The department issues special permits to truck operators in the cases of weight restrictions or special operating restrictions on certain highways and bridges. By issuing these permits the department is able to facilitate economic growth in the Commonwealth without adversely affecting the structural integrity of the highways and bridges or the safe and convenient passage of traffic.

The truck weight and safety enforcement program is credited with reducing maintenance costs for highways and bridges and increasing the safety of the public by minimizing the number of dangerously overloaded trucks. A new concept in weighing high volumes of trucks has been implemented. Semi-permanent weigh stations incorporate mobile, high-speed, weigh-in-motion equipment and instrumentation with existing road side rest areas. The program yields greater effectiveness at a fraction of the cost to construct permanent weigh stations. In August 1985, the department began conducting Federal motor carrier safety inspections as a participant (along with the Pennsylvania State Police and Public Utility Commission) in a combined effort to more closely monitor compliance in the Commonwealth. This budget proposes expansion of the Motor Carrier Safety Assistance Program to take advantage of the increase in Federal participation. The program measures for truck inspections reflect this expansion. As a result of the 1985-86 safety enforcement efforts, approximately 226 driver and 1,450 vehicle out-of-state violations were discovered during inspections conducted by weight enforcement teams.

In response to the concern over the transporting of hazardous materials, the department plans to define high exposure areas and implement risk reduction strategies.

State bridge projects funded out of the Highway Maintenance appropriation are shown within the State Bridge subcategory.

| |
|-----------------------|
| TRANSPORTATION |
|-----------------------|

Safety Highway Maintenance (continued)

| Program Costs by Appropriation: | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| MOTOR LICENSE FUND | | | | | | | |
| Highway Maintenance | \$ 535,181 | \$ 535,638 | \$ 554,609 | \$ 559,339 | \$ 574,061 | \$ 583,774 | \$ 593,478 |
| Highway Maintenance Supplemental | 5,401 | 10,947 | 16,766 | ..... | ..... | ..... | ..... |
| Secondary Roads—Maintenance and Resurfacing | 51,843 | 51,362 | 52,391 | 52,661 | 52,939 | 53,226 | 53,522 |
| Salt Storage Buildings | 1,500 | 1,500 | 1,500 | 1,500 | ..... | ..... | ..... |
| Heavy Equipment Acquisition | 15,500 | ..... | ..... | ..... | ..... | ..... | ..... |
| Onetime Maintenance Payment ..... | ..... | 15,000 | ..... | ..... | ..... | ..... | ..... |
| MOTOR LICENSE FUND TOTAL ... | \$ 609,425 | \$ 614,447 | \$ 625,266 | \$ 613,500 | \$ 627,000 | \$ 637,000 | \$ 647,000 |

Local Highway Assistance

OBJECTIVE: To assist local governments in the maintenance and construction of their portion of the total highway system.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Special Funds | \$ 152,870 | \$ 159,825 | \$ 158,215 | \$ 158,298 | \$ 159,044 | \$ 159,848 | \$ 150,658 |
| Federal Funds | 114 | 3,480 | 3,400 | 3,400 | 3,400 | 3,400 | 3,400 |
| Other Funds | 90,925 | 121,486 | 143,702 | 134,803 | 114,689 | 115,965 | 119,052 |
| TOTAL | \$ 243,909 | \$ 284,791 | \$ 305,317 | \$ 296,501 | \$ 277,133 | \$ 279,213 | \$ 283,110 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|---------|---------|---------|---------|---------|---------|---------|
| Miles of highway locally administered: | | | | | | | |
| Total | 68,998 | 69,778 | 70,233 | 70,661 | 71,082 | 71,469 | 71,816 |
| Percent of all highways in the Commonwealth | 61.5% | 62.1% | 62.4% | 62.6% | 62.9% | 63.1% | 63.3% |
| Miles of local highways improved | 1,423 | 1,350 | 1,300 | 1,250 | 1,200 | 1,150 | 1,100 |
| Local bridges: | | | | | | | |
| Total (Greater than 8 feet) | 20,000 | 20,007 | 20,014 | 20,021 | 20,028 | 20,035 | 20,042 |
| Deficient/Obsolete Bridges | 6,331 | 6,693 | 7,048 | 7,358 | 7,638 | 7,908 | 8,158 |
| Posted or Closed | 8,100 | 8,273 | 8,441 | 8,578 | 8,673 | 8,782 | 8,877 |
| Brought up to standard through axle-tax bridge program | 38 | 45 | 90 | 120 | 130 | 150 | 150 |

Program Analysis:

The Commonwealth provides a number of financial programs to assist municipalities in the maintenance and construction of their highway bridge systems.

Nearly twenty percent of Pennsylvania's twelve cents per gallon liquid fuels tax and twenty percent of the thirty-five mills of the oil franchise tax are currently made available to local governments for use on their roads as a result of the following legislatively mandated programs. The first one-half cent of the twelve cent gallonage tax is deposited directly into the Liquid Fuels Tax Fund and apportioned to the 67 counties. Of the remaining eleven and one-half cent fuels tax, twenty percent is distributed from the Motor License Fund to 2,572 municipalities. Also included in the distribution to municipalities is twenty percent of 3.5 percent of the current 6 percent oil franchise tax. As part of the oil franchise tax legislation, Philadelphia receives a separate payment annually in an amount equal to two percent of the retail sales within the City less the increased allocation to Philadelphia. In addition, the General Assembly established in 1980 an annual appropriation of \$5 million to be returned to local governments for further highway improvements.

Since the distribution of the above mentioned State grants between maintenance and construction activities is determined by local governments, the number of local miles improved shown for 1985-86 and future years represents a rough estimate of program outputs. It is assumed that in the future all estimated road improvements will begin to decrease as the local municipalities place more of an emphasis on road maintenance as opposed to road reconstruction.

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 collected into this account are used for restoration work to bring the road up to acceptable standard and to provide an annual maintenance payment in the amount of \$2,500 per mile. The department has the funding mechanism and legal authority to pursue a long standing proposal to return approximately 12,000 miles of functionally-local highways to the Commonwealth's municipalities. At the current level of funding about 5,800 miles of State roads will eventually be turned back to local

Local Highway Assistance (continued)

Program Analysis: (continued)

governments. The restoration and annual maintenance payment executive authorizations are shown only as a part of Other Funds in the Recommended Program Costs.

Currently approximately 32 percent of the over 28,000 local bridges are substandard. In recognition of this bridge problem at the local, as well as the State level, the General Assembly passed the Highway Bridge Capital Act of 1982-83. Provided with this legislation, the Department of Transportation has taken an active role in assisting Pennsylvania's municipalities in the replacement and rehabilitation of their bridges. The department possesses the authority to grant monies to local governments for the replacement and repair of more than 400 local bridges throughout the Commonwealth. The 1985-86 data for local bridges brought up to standard through the axle tax bridge program is lower than what was shown in last years budget due to a slower rate of local bridge project lettings than anticipated. The data for the future years show increases in order to reflect the impact of a second phase of the Bridge Restoration and Replacement Program authorized by the General Assembly in 1986. While Phase I does not expire until 1988, authorization of Phase II was needed to ensure proper time for design and planning. Phase II added 3,580 State, Local and railroad bridge projects at a total cost of \$1.6 billion. The local bridge executive authorization from the axle tax-bridge restricted

revenue account is shown as a part of Other Funds in the Recommended Program Costs.

As authorized in Act 234 of 1982, a \$36 per axle tax on heavy trucks is being used in conjunction with matching Federal and local funds as the mechanism to fund the local and State bridge projects. This tax is currently being challenged in the United States Supreme Court. In the event this revenue generating provision is determined to be unconstitutional remedial legislation will be sought to continue the necessary replacement and rehabilitation bridge projects.

In 1986 the General Assembly authorized a separate appropriation for local bridge inspection work. The work to be performed involves primarily "catch-up" postings which cannot carry legal loads at operating stress levels. The program is being administered by the department and is intended to assist local governments in meeting the requirements of National Bridge Inspection Standards as mandated by Federal law. This action will eliminate the potential loss of Federal aid for non-compliance with 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 the State funds needed to support this program be deducted from their liquid fuels tax allocations.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| MOTOR LICENSE FUND | | | | | | | |
| Highway Restorations—Highway | | | | | | | |
| Transfer | | \$ 5,000 | | | | | |
| Local Bridge Inspection | | 1,740 | \$ 800 | \$ 800 | \$ 800 | \$ 800 | \$ 800 |
| Local Road Maintenance and Construction Payments | \$ 146,769 | 147,158 | 151,533 | 151,633 | 152,400 | 153,224 | 154,056 |
| Supplemental Local Road Maintenance and Construction Payments | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Philadelphia Payment — Franchise Tax . | 1,101 | 927 | 882 | 865 | 844 | 824 | 802 |
| MOTOR LICENSE FUND TOTAL ... | <u>\$ 152,870</u> | <u>\$ 159,825</u> | <u>\$ 158,215</u> | <u>\$ 158,298</u> | <u>\$ 159,044</u> | <u>\$ 159,848</u> | <u>\$ 160,658</u> |

TRANSPORTATION

Urban Mass Transportation

OBJECTIVE: To provide frequent, fast, inexpensive transit services between residential neighborhoods and employment centers at a level sufficient to alleviate prevailing pressures on urban road systems caused by congestion and lack of parking facilities.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 174,962 | \$ 180,577 | \$ 195,864 | \$ 203,699 | \$ 211,847 | \$ 220,321 | \$ 229,135 |
| Federal Funds | 6,236 | 5,232 | 2,422 | 2,425 | 2,425 | 2,425 | 2,425 |
| Other Funds | 166 | 270 | 235 | 231 | 233 | 233 | 237 |
| TOTAL | \$ 181,364 | \$ 186,079 | \$ 198,521 | \$ 206,355 | \$ 214,505 | \$ 222,979 | \$ 231,797 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Urban mass transit person-trips: | | | | | | | |
| Millions annually | 379.8 | 382.4 | 385.3 | 389.8 | 394.2 | 398.8 | 403.5 |
| Urban passengers carried by State-assisted operators: (millions annually) | 361.9 | 364.5 | 367.4 | 371.9 | 376.3 | 380.9 | 385.6 |

Program Analysis:

The current mass transit operating subsidy (authorized by Act 101 of 1980) reimburses urban mass transit operators based on each system's operating deficit and on measures demonstrating improved operations. The State share of this payment is between 66-2/3 percent and 75 percent (less Federal funds) depending on the performance bonuses earned by each system. The remaining deficit is covered by local funds.

In recognition of the growing concerns expressed by the Commonwealth's urban transit systems over the current allocation process this budget proposes major changes to Act 101 of 1980. This proposal is discussed in depth in the following Program Revision request.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Mass Transportation Operations | \$ 607 | \$ 577 | \$ 593 | \$ 617 | \$ 642 | \$ 668 | \$ 695 |
| Mass Transportation Assistance | 174,355 | 180,000 | ..... | ..... | ..... | ..... | ..... |
| SEPTA ..... | ..... | ..... | 137,275 | 142,766 | 148,477 | 154,416 | 160,593 |
| PAT ..... | ..... | ..... | 49,599 | 51,583 | 53,646 | 55,792 | 58,024 |
| Small Urban Operators ..... | ..... | ..... | 8,397 | 8,733 | 9,082 | 9,445 | 9,823 |
| GENERAL FUND TOTAL | \$ 174,962 | \$ 180,577 | \$ 195,864 | \$ 203,699 | \$ 211,847 | \$ 220,321 | \$ 229,135 |

TRANSPORTATION

Urban Mass Transportation Program Revision: Predictable Funding

Recommended Program Revision Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|---------|-----------|-----------|-----------|-----------|-----------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | | | \$ 15,271 | \$ 23,083 | \$ 31,205 | \$ 39,653 | \$ 48,440 |

Program Analysis:

Since the passage of Act 101 in 1980, urban transit systems have expressed growing concerns over (a) the increase in prorate (the difference between the annual appropriation and the calculated grants based upon the transit system's budget projections), (b) the lack of predictable funding (not knowing what increase in funding to expect prior to a new budget year) and (c) disputes with the Commonwealth over the interpretation of various aspects of Act 101 (i.e., eligibility of certain expenses).

To address these issues, this budget proposes to establish a new Commonwealth funding base and sweeping changes to the current allocation formula. The new funding base proposed for 1987-88 is \$195,271,000, a \$15.3 million (8.5 percent) increase over the current fiscal year. The proposed legislative changes will contain the following features:

- The linkage between the size of a transit system's operating deficit and the amount of the state grant will be eliminated.
- All urban system grants will be based on fixed percentages of the statewide transit appropriation. These percentages will take into account historical funding, farebox revenue and vehicle miles.

- Generally, there will be a local funding commitment equal to not less than one-third of the state grant for all systems with some minor exceptions for selected small systems.
- Transit systems will be required to balance their budgets.
- Transit systems will be audited as in the past except Generally Accepted Accounting Principle standards are to be used in conducting future audits.
- Transit systems will be required to adopt service standard and performance measure goals. The performance levels actually achieved will be transmitted to the department and released to the public.

These changes will enable the Department of Transportation to advise the systems of their final state operating assistance grants before the fiscal year begins which will enable the systems to develop balanced budgets. The table on the following page compares an estimate of the 1986-87 allocation (based on Act 101 of 1980) and a projection for 1987-88 (based on the proposed legislation).

Recommended Program Revision Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------------|-------------------------------|---------|------------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| SEPTA | | | \$ 10,009 | \$ 15,501 | \$ 21,211 | \$ 27,150 | \$ 33,327 |
| PAT | | | 4,136 | 6,120 | 8,183 | 10,329 | 12,561 |
| Small Urban Operators | | | 1,626 | 1,962 | 2,311 | 2,674 | 3,052 |
| <i>Bus Rehabilitation</i> | | | -500 ^a | -500 ^a | -500 ^a | -500 ^a | -500 ^a |
| GENERAL FUND TOTAL | | | \$ 15,271 ⁱ | \$ 23,083 | \$ 31,205 | \$ 39,653 | \$ 48,440 |

^aNonrecurring in 1986-87.

TRANSPORTATION

Urban Mass Transportation Program Revision: Predictable Funding (continued)

MASS TRANSPORTATION FUNDING ALLOCATION BY SYSTEM

(Whole Dollars)

| System | 1986-87 | 1987-88 | Amount of Increase |
|--|----------------------|----------------------|----------------------|
| Southeastern Pennsylvania Public Transit Authority (SEPTA) | \$127,266,418 | \$137,275,513 | \$10,009,095 |
| Port Authority Transit (PAT) | 45,462,953 | 49,598,834 | 4,135,881 |
| CLASS 3A | | | |
| Altoona Metro Transit (AMTRAN) | 118,279 | 151,530 | 33,251 |
| Berks Area Reading Transportation Authority (BARTA) | 301,492 | 437,993 | 136,501 |
| Capital Area Transit (CAT) | 855,478 | 982,799 | 127,321 |
| County of Lackawanna Transit System (COLTS) | 686,995 | 774,640 | 87,645 |
| Erie Metropolitan Transit Authority (EMTA) | 972,298 | 1,055,440 | 83,142 |
| Lehigh and Northampton Transportation Authority (LANTA) | 667,406 | 748,474 | 81,068 |
| Luzerne County Transportation Authority (LCTA) | 278,066 | 639,708 | 361,642 |
| Red Rose Transit Authority (RRTA) | 231,287 | 305,013 | 73,726 |
| Subtotal | \$ 4,111,301 | \$ 5,095,597 | \$ 984,296 |
| CLASS 3B | | | |
| Beaver County Transportation Authority (BCTA) | \$ 379,307 | \$ 462,206 | \$ 82,899 |
| Centre County Transportation Authority (CATA) | 348,779 | 497,550 | 148,771 |
| Cambria County Transit Authority (CCTA) | 620,339 | 789,481 | 169,142 |
| Borough of Canonsburg (Canonsburg) .. | 19,539 | 25,971 | 6,432 |
| Borough of Pottstown (Pottstown) | 125,011 | 153,483 | 28,472 |
| Shenango Valley Council of Governments (SVSS) | 37,992 | 39,054 | 1,062 |
| City of Washington (Washington) | 146,495 | 173,791 | 27,296 |
| Westmoreland County Transit Authority (WCTA) | 168,072 | 200,739 | 32,667 |
| Williamsport Bureau of Transportation (WBT) | 394,407 | 453,810 | 59,403 |
| York Area Transportation Authority (YATA) | 231,670 | 280,800 | 49,130 |
| Capitol Bus | 24,308 | 35,344 | 11,036 |
| Mid-Mon Valley Transit Authority (MMVTA) | 163,409 | 188,827 | 25,418 |
| Subtotal | \$ 2,659,328 | \$ 3,301,056 | \$ 641,728 |
| CLASS 3 Subtotal | \$ 6,770,629 | \$ 8,396,653 | \$ 1,626,024 |
| <i>Bus Rehabilitation</i> | \$ 500,000 | ..... | \$ -500,000 |
| GRAND TOTAL | \$180,000,000 | \$195,271,000 | \$ 15,271,000 |

* Nonrecurring in 1986-87.

TRANSPORTATION

Rural and Intercity Rail and Bus Transportation

OBJECTIVE: To facilitate the development of improved rail passenger and cargo service between major urban areas of the Commonwealth, thereby providing relief for the frequent utilization beyond capacity of intercity highway and air systems, and to provide bus service that will increase the mobility of those rural Pennsylvanians who lack access to an automobile.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 8,741 | \$ 10,412 | \$ 9,896 | \$ 9,433 | \$ 9,446 | \$ 9,459 | \$ 9,473 |
| Federal Funds | 7,399 | 8,066 | 7,536 | 7,230 | 5,430 | 5,430 | 5,030 |
| Other Funds | 2,148 | 2,517 | 2,517 | 2,517 | 2,517 | 2,517 | 2,517 |
| TOTAL | \$ 18,288 | \$ 20,995 | \$ 19,949 | \$ 19,180 | \$ 17,393 | \$ 17,406 | \$ 17,020 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Bus Transportation: | | | | | | | |
| Rural and small urban passengers | 3,966,400 | 4,068,800 | 4,148,200 | 4,295,000 | 4,423,000 | 4,538,500 | 4,678,100 |
| Intercity passengers | 238,000 | 306,800 | 352,000 | 370,000 | 390,000 | 410,000 | 430,000 |
| Total State cost per passenger: | | | | | | | |
| Rural and small urban | \$1.88 | \$2.01 | \$2.09 | \$2.16 | \$2.22 | \$2.30 | \$2.36 |
| Intercity | \$11.97 | \$11.93 | \$11.45 | \$11.95 | \$12.40 | \$12.85 | \$13.45 |
| Average fare: | | | | | | | |
| Rural and small urban | \$.86 | \$.54 | \$.87 | \$.89 | \$.91 | \$.91 | \$.91 |
| Intercity | \$6.10 | \$6.00 | \$5.70 | \$5.98 | \$6.20 | \$6.40 | \$6.70 |
| Rail Passenger: | | | | | | | |
| Average fare | \$15.22 | \$15.11 | \$14.87 | \$14.59 | \$14.31 | \$14.05 | \$13.77 |
| State cost per patron on assisted runs ... | \$4.35 | \$5.63 | \$6.84 | \$6.85 | \$6.85 | \$6.85 | \$6.85 |
| Rail Freight: | | | | | | | |
| Miles of rail lines: | | | | | | | |
| State assisted | 436 | 428 | 430 | 430 | 430 | 430 | 430 |
| State owned | 181 | 155 | 155 | 155 | 155 | 155 | 155 |
| Miles of rail lines rehabilitated: | | | | | | | |
| Federal/local assistance program | 25 | 25 | 25 | 25 | 25 | 25 | 25 |
| Emergency rail freight assistance program | 230 | 330 | 300 | 250 | 250 | 250 | 250 |

Rural and Intercity Rail and Bus Transportation (continued)

Program Analysis:

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 Pennsylvania Department of Transportation with the legislative authorization to provide financial assistance to the Commonwealth's small urban and rural public transportation systems. In 1978, the Federal government passed similar legislation which made Federal funding available for rural and small urban transit systems. The Federal funds are apportioned to each state based on rural population distribution as determined by the U.S. Census Bureau. The Pennsylvania Department of Transportation administers the Federal funding apportioned to Pennsylvania.

Through 1985-86, nearly \$26 million in Federal funding has been obligated for rural transit projects in Pennsylvania. Approximately \$17 million has been expended for operating subsidies and \$9 million for facilities and equipment. During 1985-86, 19 rural transit systems shared in the allocation of \$2.7 million of Federal operating assistance, \$1.2 million of State operating assistance and \$1.2 million in Lottery Fund reimbursements. These 19 systems served all or parts of 23 counties and provided nearly 4 million rides.

In many areas, rural transit systems funded through this appropriation provide the only alternative to private auto transport. While the total funding request is not as large as other State administered transit programs, the importance of the programs and the financial impact on the State's rural communities are significant.

The department will continue to reward rural transit systems which exhibit improved performance and efficiency through a program of incentive grants. Systems which show improved performance through increases in ridership per hour of service offered, revenue per hour of service, or a decrease in subsidy per passenger, are awarded additional State operating assistance. The 1986-87 Budget includes a small allowance for the State share of small capital projects (total cost less than \$100,000) not eligible for bond financing under the State's system of capital project budgeting.

The 1987-88 Budget will enable the department to support continuation of essential intercity bus services on a minimum of fifteen routes, with provision for at least one new project. It is estimated that approximately 352,000 passengers will utilize these services during 1987-88.

Effects of the Federal Bus Regulatory Reform Act of 1982

are reflected in the 1987-88 Budget. The department continues to experience a significant increase in the number of inquiries regarding intercity bus operating assistance. With the regulation of service termination having been relaxed considerably, there has been a trend toward redirection of resources toward the more profitable charter market at the expense of scheduled public transportation services. There are numerous routes throughout the Commonwealth which transport a substantial number of passengers but operate below the break-even point. As private operators propose termination of such services, the department will continue to evaluate the economic and social impacts of service termination and the merits of public subsidy. Where warranted and providing adequate funding is available, the department will consider providing financial support to continue these services based on the following criteria: strong ridership base, reasonable cost recovery through passenger fares, reasonable expenses, availability of alternative modes of travel within the corridor and preserving the spirit of competition encouraged by deregulation.

The department will continue to review and revise (if appropriate) program policies to assure a viable network of intercity bus service throughout the Commonwealth, within the limits of available funding.

The higher cost per passenger and higher average fare for intercity bus transportation versus last year's budget is due to projected higher industry expenses and declining ridership.

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 it is operated as part of Amtrak's National System without financial assistance from the Commonwealth. However, service frequency or scheduling on some Amtrak routes has been found to be insufficient to meet Pennsylvania's needs, and in other cases, communities on routes not on the Amtrak System have asked that service be established. To meet such needs, the department has taken 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 funding ratio for operating deficits applicable to Pennsylvania's sponsored services planned for 1987-88 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.

Current state-supported service includes one daily round

Rural and Intercity Rail and Bus Transportation (continued)

Program Analysis: (continued)

trip between Pittsburgh and New York City (the Pennsylvania) and 23 weekly one-way trips between Harrisburg and Philadelphia (Keystone). It is anticipated that the budget amount will also support 12 months of one additional daily round trip between Harrisburg and Philadelphia. The program measures do not reflect funding for potential experimental services or an increased level of Commonwealth-supported marketing activities.

The higher "average fare" for rail passenger versus last year's budget is due to the increase in trip length of average fares. The lower "State cost per patron on assisted runs" versus last year's budget is due to increased ridership per trip.

The vast majority of the rail freight projects that have been implemented since 1976 were funded through the Federal Local Rail Service Assistance program, which provided from 70 to 100 percent Federal share of project costs (depending on the program year and type of project). Since lines that were excluded from the Conrail system ceased to be eligible for additional Federal funding in 1981, only those lines were continued that had a good chance at long-term operation. Those lines are being continued with a combination of State and local funds and have been acquired with Federal, State and local funds. In addition, operating assistance is being provided to the Delaware and Hudson Railway with State funds.

The Delaware and Hudson provides essential freight services to a number of communities in northeastern Pennsylvania. It also provides a through-route to New England which has the potential of being an important route for Pennsylvania coal. Twenty branch lines that are receiving some sort of assistance (maintenance, rehabilitation and/or

operating subsidies), carry approximately 25,000 carloads annually to 100 shippers. For the lines continuing in the program that were acquired by the Commonwealth or are already publicly owned, the State will fund one-half of the operating deficit (excluding maintenance-of-way). The State will bear 80 percent of the maintenance-of-way costs. The Federal program has been restructured, and continued Federal funds will be available for only rehabilitation, construction and acquisitions, at 70 percent of total project costs. Depending on the type and cost of projects selected for Federal funding, some State rail funds will be used as a partial match. Larger projects will be funded through a restricted receipt account with no State funding involved.

As a result of the Northeast Rail Service Act of 1981, Conrail was granted an expedited abandonment procedure. Conrail has abandoned in excess of 1,500 miles in Pennsylvania of which 400 miles were determined eligible for State assistance if purchased privately from Conrail. The department has provided assistance for emergency accelerated maintenance work on thirty-five branch lines totalling 260 miles purchased privately from Conrail. This assistance was at the 80 percent level. Currently, the department is monitoring the third round of the expedited abandonments by Conrail and is developing preservation strategies for branch lines acquired by local groups. Also, technical assistance is being provided by the department to any local groups that are interested in retaining rail freight service. This program provides funding for the second year of a two year program to inspect all 128 bridges on Commonwealth-owned rail lines.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------------------|-------------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Mass Transportation Operations | \$ 316 | \$ 304 | \$ 312 | \$ 324 | \$ 337 | \$ 350 | \$ 364 |
| Comprehensive Rail Study | 250 | 250 | ..... | ..... | ..... | ..... | ..... |
| Railroad Bridge Inspections ..... | ..... | 175 | 175 | ..... | ..... | ..... | ..... |
| Rural and Intercity Rail and Bus | | | | | | | |
| Transportation | 4,049 | 5,435 | 5,249 | 5,249 | 5,249 | 5,249 | 5,249 |
| Freight Rail Assistance | 3,244 | 3,748 | 3,860 | 3,860 | 3,860 | 3,860 | 3,860 |
| High Speed Intercity Rail Passenger | | | | | | | |
| Commission | 882 | 500 | 300 | ..... | ..... | ..... | ..... |
| GENERAL FUND TOTAL | <u>\$ 8,741</u> | <u>\$ 10,412</u> | <u>\$ 9,896</u> | <u>\$ 9,433</u> | <u>\$ 9,446</u> | <u>\$ 9,459</u> | <u>\$ 9,473</u> |

TRANSPORTATION

Air Transportation

OBJECTIVE: To promote the development of a system of airport facilities adequate to meet the passenger and cargo needs of the Commonwealth's citizens.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 300 | \$ 325 | \$ 200 | \$ 200 | \$ 200 | \$ 200 | \$ 200 |
| Federal Funds | 1,324 | 2,208 | 5,901 | 3,919 | 4,147 | 4,386 | 4,637 |
| Other Funds | 10,548 | 14,703 | 15,515 | 15,805 | 16,198 | 16,922 | 17,250 |
| TOTAL | \$ 12,172 | \$ 17,236 | \$ 21,616 | \$ 19,924 | \$ 20,545 | \$ 21,508 | \$ 22,087 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Total landing areas: | | | | | | | |
| Public use | 169 | 170 | 173 | 174 | 175 | 175 | 176 |
| Personal use | 660 | 668 | 715 | 735 | 760 | 785 | 810 |
| Harrisburg International Airport: | | | | | | | |
| Passengers handled | 875,565 | 940,213 | 942,192 | 1,012,687 | 1,088,822 | 1,149,822 | 1,264,804 |
| Flights handled | 181,197 | 205,210 | 231,018 | 260,440 | 293,981 | 314,842 | 346,326 |
| Tons of cargo handled | 21,646 | 22,761 | 23,788 | 24,866 | 26,088 | 28,301 | 31,131 |
| Operating surplus | \$1,078,000 | \$1,702,000 | \$2,107,000 | \$2,083,000 | \$2,047,000 | \$1,998,000 | \$1,934,000 |
| Capital expenditures | \$1,303,000 | \$1,645,570 | \$3,141,426 | \$1,800,000 | \$1,900,000 | \$2,000,000 | \$2,100,000 |
| Value of airport development grants (thousands) | \$2,750 | \$3,500 | \$4,500 | \$4,500 | \$4,500 | \$5,000 | \$5,000 |

Program Analysis:

Aviation plays a major role in the movement of passengers and cargo throughout the Commonwealth. With 838 landing areas, Pennsylvania is fifth nationally in both the number of airports and in landing facilities per square mile. In addition to facilitating the movement of people and goods, air transportation facilities bring substantial 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. To insure these benefits of air transportation, the Department of Transportation currently operates four airports and participates each year in the funding of numerous improvement projects at non-State owned public airports.

Air passenger service in Pennsylvania is provided by 14 of the nation's 35 major and national carriers, 18 regional airlines, and 2 foreign airlines. The State has two of the most active airports in the country—Pittsburgh ranks 12th and

Philadelphia ranks 14th nationally in terms of originating passengers. These two airports account for 90 percent of all airline enplanements in Pennsylvania. Four additional public airports provide scheduled passenger service with air carriers; 11 other public airports are served with commuter airlines. The other 139 public use airports in the State are general aviation fields, and the approximately 381 remaining airports in Pennsylvania are privately-owned and operated for corporate, agricultural, recreational or experimental use. In addition, 293 heliports and 8 seaplane bases provide for a total of 838 landing facilities in Pennsylvania. A landing facility is defined as any area suitable for landing aircraft and licensed as such by the Department of Transportation's Bureau of Aviation.

With the exception of Harrisburg International Airport (HIA), which is owned by the Commonwealth all airline service airports in Pennsylvania are operated by local

Air Transportation (continued)

Program Analysis: (continued)

governments or authorities. At the present time a task force comprised of residents of York, Dauphin and Cumberland counties is determining whether divestiture of the Harrisburg International and Capital City Airports is in the best interests of the tri-county area. Given that no divestiture decision has been made at this time this budget includes operating funding for 1987-88 and future years for both airports.

While air cargo has received less public attention than passenger service, airline freight has resumed the consistent growth pattern of the early 1970's and a promising future is predicted for air cargo. Given the aviation industry's inherent time advantages and the increased capability in handling cargo containers, tonnage is expected to rise. This increased activity is being experienced in particular at the Harrisburg International Airport and is reflected in the program measures. Harrisburg International Airport is also continuing to show steady growth in passengers handled. The number of passengers handled in 1985 at this State-owned facility increased over 1984. The data shown for "passengers handled" and "flights handled" is higher than the data shown in last year's budget due to an improving national economy and increased airline services at the Harrisburg International Airport. The data shown for "Harrisburg International Airport: Operating Surplus" is generally higher than in last years' budget due to recent increases in rental rates and landing fees and the fact that the department is holding the line on all unnecessary expenditures. The 1986-87 operating surplus amount includes \$809,000 reserved for Harrisburg International Airport debt service.

The Pennsylvania Transportation Commission's 12 year Aviation Program, combined with the Statewide Aviation Plan, provides basic guidelines for allocation of those resources available to the Commonwealth for aviation activities. However, economic and energy problems and the use of more fuel efficient aircraft have in the past had a deleterious effect on the restricted revenue account that provides funds for these programs. In recognition of this the General Assembly passed a comprehensive funding program. Act 164 of 1984 increased both the aviation and

jet fuels taxes and created the following new programs: a rebate program for real estate taxes paid by privately-owned public use airports, a revolving loan program for airport development, a runway marking program, a highway directional sign program to install directional signs to airports and a high visibility marker program to mark power lines near runways.

The pattern of air passenger service today continues to involve a heavy concentration of scheduled service for major cities, particularly Philadelphia and Pittsburgh, with reduced service between cities of moderate size. However, Central Pennsylvania has been an exception, receiving new carriers providing routes and improved service. The small to medium size communities that provide commuter service have fairly adequate service to the major terminals. As a result, the present system is apparently adequate to meet current needs of those citizens who utilize the major trunk line routes, but still needs some improvement to meet the needs of medium-sized and small communities.

Future needs of Pennsylvania's citizens will exceed the existing system, particularly adding to the congestion already affecting major air terminals. The continued increase of air passenger travel has added to the congestion of large city airport facilities, while creating additional demand for better facilities to serve smaller airports. The State aviation system plan does provide the basis for future development of adequate air passenger service for the Commonwealth.

The recommended aviation budget for 1987-88 includes the second year of a grant program to restore and extend the life of runways and taxiways at public airports. Many airports are experiencing cracking in these bituminous surfaces. This problem if left uncorrected will result in continued deterioration due to seepage of ice, water, and anti-skid materials. The grants will pay for the entire cost of the contract repair with the airport owner required to provide engineering and administrative work.

Appropriations from aviation restricted revenues are shown only as part of Other Funds in the Recommended Program Costs.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|-----------------------|-------------------------------|---------|---------|---------|---------|---------|---------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Civil Air Patrol..... | \$ 300 | \$ 325 | \$ 200 | \$ 200 | \$ 200 | \$ 200 | \$ 200 |

TRANSPORTATION

State Bridges

OBJECTIVE: To provide a highway bridge system capable of meeting the more vital economic and recreational needs of the Commonwealth by affording a reasonably accessible means of transporting passengers and cargo.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|-------------------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Special Funds | \$ 20,627 | \$ 25,500 | \$ 17,200 | \$ 16,000 | \$ 16,000 | \$ 16,000 | \$ 16,000 |
| Federal Funds | 186,376 | 165,000 | 136,700 | 127,900 | 127,900 | 127,900 | 127,900 |
| Other Funds | 64,423 | 150,300 | 38,750 | 10,450 | 25,250 | 26,650 | 26,050 |
| Subtotal | <u>\$ 271,426</u> | <u>\$ 340,800</u> | <u>\$ 192,650</u> | <u>\$ 154,350</u> | <u>\$ 169,150</u> | <u>\$ 170,550</u> | <u>\$ 169,950</u> |
| Bond Funds ^A ..... | ..... | \$ 52,000 | \$ 98,900 | \$ 96,500 | ..... | \$ 14,700 | ..... |
| TOTAL | <u>\$ 271,426</u> | <u>\$ 392,800</u> | <u>\$ 291,550</u> | <u>\$ 250,850</u> | <u>\$ 169,150</u> | <u>\$ 185,250</u> | <u>\$ 169,950</u> |

^AExcluded from all summary presentations.

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|-----------|-----------|-----------|----------|----------|-----------|-----------|
| Bridges maintained (larger than 8 feet) | 26,292 | 26,307 | 26,322 | 26,337 | 26,352 | 26,367 | 26,382 |
| Value of bridge lettings (in thousands) | \$257,000 | \$208,000 | \$177,000 | \$95,000 | \$91,000 | \$102,000 | \$108,000 |
| Deficient/obsolete bridges | 3,044 | 3,342 | 3,622 | 3,922 | 4,222 | 4,522 | 4,822 |
| Bridges closed and posted with weight restrictions | 1,536 | 1,648 | 1,654 | 1,774 | 1,894 | 2,014 | 2,134 |
| Bridges replaced/repared through Axle Tax Bridge Program | 116 | 114 | 120 | 153 | 122 | 135 | 140 |
| Bridges replaced/repared through other programs | 104 | 144 | 84 | 100 | 100 | 100 | 100 |

Program Analysis:

Pennsylvania with over 26,000 bridges has one of the largest state owned bridge systems in the nation. Many of these bridges are either structurally deficient, functionally obsolete or restricted because of vehicle weight considerations.

Recognizing the importance of bridges to the Commonwealth's transportation network, in 1982 the General Assembly passed companion bills (Acts 234 and 235) establishing a restricted revenue account within the Motor License Fund for the purpose of financing over 500 specified

State bridge projects. These bridge projects are funded with Federal, local and other funds. The other funds are generated through a \$36 per axle fee on all heavy trucks travelling within the Commonwealth. In addition to State bridge projects funded through the axle-tax bridge program, bridge funding will also continue to be available within the Highway Maintenance and Highway Construction/Reconstruction appropriations.

With the additional axle-tax revenues authorized by the State Legislature, the Department of Transportation is con-

State Bridges (continued)

Program Analysis: (continued)

tinuing the most comprehensive bridge replacement/rehabilitation program in the nation. The department's program will affect bridges of all sizes and in every region of the Commonwealth. Efforts will be concentrated on opening closed bridges and on repairing bridges in order to remove posted weight restrictions. In a effort to maintain the momentum created by Acts 234 and 235 of 1982, the General Assembly passed Act 100 of 1986 which authorized the second Billion Dollar Bridge Program. This was done to ensure proper time for design and planning on an additional 3,580 State, Local and railroad bridge projects as work on Phase I approaches completion in 1988. Some of the major bridges under construction include: the Clarks Ferry Bridge in Dauphin County, the McKees Rocks and the Mon-City Bridges in Allegheny County, the Catawissa Bridge in Columbia County and the Matsonford Bridge in Montgomery County. Major bridge projects scheduled for construction in fiscal year 1986-87 include: the Packer Island Bridges in Northumberland County, the Girard-Belmont Bridge in Philadelphia and the Mckeesport-Duquesne Bridge in Allegheny County. The Walnut Street Bridges in Philadelphia and the West End Bridge in Allegheny County are scheduled for construction in fiscal year 1987-88.

Beginning in 1985-86 the bridges with weight restrictions

program measure includes 990 State bridges which are expected to be weight restricted as a result of the Federal Government's strict enforcement of the National Bridge Inspection Standards requiring posting of bridges up to 40 tons. Current department policy is to only post bridges up to a 20 ton limit. Future year projections also reflect these stricter Federal standards.

The program measures for bridges replaced or repaired through Axle-Tax Bridge Program, bridges designed, and value of bridge lettings show increases in later planning years. These increases reflect the impact of a second phase of the Bridge Restoration and Replacement Program. Several of the program measures within this subcategory have been changed from those printed in the past in order to more adequately reflect measurable activities.

As mentioned above, the axle-tax is a major funding source for the State's bridge program. This tax is currently being challenged in the United State Supreme Court. In the event this revenue generating provision is determined to be unconstitutional, remedial legislation will be sought to continue the necessary replacement and rehabilitation of State bridge projects.

Executive authorizations from the axle-tax restricted revenue account are shown as other funds in the recommended program costs.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| MOTOR LICENSE FUND | | | | | | | |
| Highway and Safety Improvement | \$ 7,627 | \$ 7,500 | \$ 4,200 | \$ 3,000 | \$ 3,000 | \$ 3,000 | \$ 3,000 |
| Highway Maintenance | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 |
| One-Time Maintenance Payment ..... | ..... | 5,000 | ..... | ..... | ..... | ..... | ..... |
| MOTOR LICENSE FUND TOTAL ... | <u>\$ 20,627</u> | <u>\$ 25,500</u> | <u>\$ 17,200</u> | <u>\$ 16,000</u> | <u>\$ 16,000</u> | <u>\$ 16,000</u> | <u>\$ 16,000</u> |

TRANSPORTATION

Highway Safety Projects

OBJECTIVE: To decrease the incidence and severity of traffic accidents, injuries and fatalities on highways by improving highway design and traffic flow.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|-----------------|-----------------|-----------------|-----------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Special Funds | \$ 725 | \$ 985 | \$ 800 | \$ 600 | \$ 600 | \$ 600 | \$ 600 |
| Federal Funds | 7,725 | 8,515 | 6,500 | 4,300 | 4,300 | 4,300 | 4,300 |
| Other Funds | 2,388 | 4,100 | 4,100 | 4,100 | 4,100 | 4,100 | 4,100 |
| TOTAL | \$ 10,838 | \$ 13,600 | \$ 11,400 | \$ 9,000 | \$ 9,000 | \$ 9,000 | \$ 9,000 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|---|---------|---------|---------|---------|---------|---------|---------|
| Traffic accidents | 143,244 | 146,825 | 142,000 | 137,700 | 133,600 | 133,600 | 133,600 |
| Accident rate per 100 million miles of vehicle travel | 189.4 | 190.3 | 187.8 | 185.8 | 184.0 | 184.0 | 184.0 |
| Traffic fatalities | 1,809 | 2,015 | 1,960 | 1,915 | 1,860 | 1,790 | 1,750 |
| Fatality rate per 100 million miles of vehicle travel | 2.39 | 2.6 | 2.6 | 2.6 | 2.5 | 2.5 | 2.4 |
| Traffic injuries | 140,067 | 145,600 | 140,500 | 135,000 | 130,000 | 130,000 | 130,000 |
| Injury rate per 100 million miles of vehicle travel | 185.17 | 188.8 | 185.8 | 182.2 | 179.0 | 179.0 | 179.0 |

Program Analysis:

Highway accidents are generally the result of one or more of the following factors: driver error, vehicle failure, or hazardous roadway conditions. A grass roots movement to save lives through highway safety prevention measures is emerging. Traffic fatalities have declined from 2,204 in 1979 to 1,809 in 1985 as drunk driving is decreasing and the use of seat belts and child safety seats is increasing. A vigorous department safety program will contribute to saving additional lives through six key initiatives funded by Federal Highway Safety Funds. The key initiatives are: substantially increase the use of seat belts through a voluntary effort; decrease DUI accidents through enhanced enforcement and educational efforts; improve the effectiveness and response time of emergency medical services personnel, particularly in isolated, rural, high accident areas; conduct a vigorous truck safety inspection program; identify and rehabilitate

or suspend problem or high-risk drivers as identified by sophisticated data analysis and implement a comprehensive highway safety program for young drivers.

Logically, accidents attributable to driver error or vehicular failure should occur in random location patterns. Therefore, at those locations with disproportionately high numbers of accidents, it may be assumed that the roadway itself is a prime contributing factor to the accidents. Over 8,000 high accident locations on the State highway system are identified through the computerized accident records system. Major and minor safety and traffic flow improvement projects are developed to be implemented as funds become available. Federal funds for these projects are provided from the 1982 Surface Transportation Act and total approximately \$8 million annually.

The recommended program level is based on the amount

Highway Safety Projects (continued)

Program Analysis: (continued)

of Federal funds available, the department's continued emphasis on restoration of the existing highway network, and application of the current highway capital guidelines to this program. Under these definitions, the majority of the safety improvement projects will be accomplished as "betterments" using the Highway Maintenance appropriation rather than the Highway and Safety Improvement appropriation and are reflected in the Highway Maintenance subcategory.

The data shown in the program measures for traffic fatalities, injuries and accidents in the current budget and future years represent the best estimates available of the impact of planned increases in special enforcement, changing economic and traffic patterns, and increased awareness and enforcement of the Commonwealth's drunk driving laws. The program measures within this subcategory have been changed from those printed in the past in order to more adequately reflect measurable activities.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| MOTOR LICENSE FUND | | | | | | | |
| Highway and Safety Improvement | <u>\$ 725</u> | <u>\$ 985</u> | <u>\$ 800</u> | <u>\$ 600</u> | <u>\$ 600</u> | <u>\$ 600</u> | <u>\$ 600</u> |

TRANSPORTATION

Safety Administration and Licensing

OBJECTIVE: To minimize traffic accidents attributable to driver error and mechanically defective vehicles and to promote highway safety programs.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 1,461 | \$ 1,505 | \$ 1,550 | \$ 1,612 | \$ 1,676 | \$ 1,744 | \$ 1,813 |
| Special Funds | 47,740 | 48,416 | 44,483 | 45,748 | 46,600 | 47,942 | 49,324 |
| Federal Funds | 1,937 | 2,520 | 3,880 | 2,000 | 2,000 | 2,000 | 2,000 |
| Other Funds | 10,741 | 9,995 | 11,125 | 11,275 | 11,475 | 11,680 | 11,880 |
| TOTAL | \$ 61,879 | \$ 62,436 | \$ 61,038 | \$ 60,635 | \$ 61,751 | \$ 63,366 | \$ 65,017 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| State heavy truck registrations | 90,873 | 92,000 | 94,000 | 96,000 | 98,000 | 100,000 | 102,000 |
| State motor vehicle registrations | 7,860,497 | 7,939,000 | 8,018,000 | 8,098,000 | 8,179,000 | 8,261,000 | 8,344,000 |
| Vehicles inspected: | | | | | | | |
| Safety inspection | 7,782,000 | 7,860,000 | 7,939,000 | 8,017,000 | 8,097,000 | 8,178,000 | 8,261,000 |
| Emission inspection | 3,100,000 | 3,100,000 | 3,100,000 | 3,100,000 | 3,100,000 | 3,100,000 | 3,100,000 |
| Vehicles repaired: | | | | | | | |
| Safety inspection | 2,023,000 | 2,043,000 | 2,064,000 | 2,084,000 | 2,105,000 | 2,126,000 | 2,148,000 |
| Emission inspection | 589,000 | 589,000 | 589,000 | 589,000 | 589,000 | 589,000 | 589,000 |
| Licensed operators | 7,575,089 | 7,651,000 | 7,727,000 | 7,805,000 | 7,883,000 | 7,961,000 | 8,041,000 |
| Motor vehicle titles/sales tax returns processed | 2,843,000 | 2,871,000 | 2,900,000 | 2,929,000 | 2,958,000 | 2,988,000 | 3,018,000 |

Program Analysis:

A primary program responsibility of the Department of Transportation within the Safety Administration and Licensing program is to process applications and collect fees for all vehicle registrations and operator licenses. Last year, over 90,000 heavy trucks and over 7.8 million motor vehicles were registered within the Commonwealth. These figures are expected to rise slightly over the next five years due to moderately increasing sales trends in the auto industry. These vehicle and operator licensing activities produce more than 30 percent of all Motor License Fund receipts.

To assist the the department's mission of providing quality, cost effective transportation services to the citizenry of the Commonwealth, Safety Administration has been undertaking two major initiatives to redesign the primary data processing systems used for vehicle registrations/titling and driver licensing/control activities. These multi-year

efforts, scheduled for implementation during 1986-87, are expected to deliver numerous enhancements beneficial to both the public and the department. These benefits include reduced application turnaround time, same day depositing of funds received, on-line procedures and training, built-in quality control techniques and full service cash windows at counter locations. In addition to the implementation of these initiatives, this budget proposes a program to use computer and optical technologies to implement a "paperless" office within a portion of the department's driver licensing operation. The advantages include better document control, reduction of document handling and improved productivity. \$650,000 is included in the recommended amounts for 1987-88 and 1988-89 to implement this pilot program.

The testing, inspection and revocation aspects of the operator and vehicular licensing activities within this

Safety Administration and Licensing (continued)

Program Analysis: (continued)

program provide many opportunities to enforce safety standards. Another major activity, the accident analysis program, deals entirely with safety by assembling listings of high accident locations which are used to establish priorities for improvements funded through the Highway Safety Projects program. The department has achieved considerable success in its data collection system for accident locations. Computer programs have been written to arrange in priority order those highway locations which have experienced statistically more accidents than similar highways with similar traffic volumes. Another priority list arranges locations that have had an inordinate number of accidents in which vehicles ran off the road or hit fixed objects. Such ranking of nearly 8,000 high-accidents locations provides the department with a systematic means of selecting the highest priority locations for those actual improvements carried out within the Highway Safety Projects subcategory.

The objective of the driver point system is to discourage licensed drivers from violating traffic laws. Illegal actions by motorists, particularly drunken driving, constitute a significant percentage of the accidents in which driver error is the principle causal factor. The Court Reporting Network System, used to formulate corrective recommendations in drunk driving cases, has successfully provided recommendations to the courts that have permitted a more accurate treatment of offender problems. The department is empowered to suspend or revoke the licenses of motor vehicle drivers who have reached the 11 point limit or have committed certain severe traffic violations. Moderate increases are expected in both the areas of citations being issued and the number of drivers whose licenses are being suspended or revoked as they parallel the slight increase in the number of drivers being licensed. The department is currently engaged in driver improvement studies that are intended to guide the assignment of drivers to more specific and remedial treatments. In order to address highway safety on a much broader scale, this budget proposes a comprehensive highway safety initiative. Primarily this initiative would implement a driver, vehicle, highway

integrated approach to major serious highway segments, an urban pedestrian safety program in major urban areas, comprehensive safety belt programs in all counties within five years and a critical evaluation and redirection of the secondary education program. The recommended amounts include \$1,675,000 for 1987-88 and all future years to implement this program. Another portion of this highway safety initiative is discussed in the highway maintenance subcategory.

The safety inspection program for the Commonwealth's 7.8 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 assure compliance with approved safety standards. Based on a random sample of inspection station reports, an estimated 2 million vehicles will be repaired during the current fiscal year as a result of the inspection system. The norm for the past two years had been a 35 percent failure rate. Current statistics indicate that the failure rate for the annual inspection program has dropped to 26 percent.

The emission inspection program for the Commonwealth inspects 3.1 million vehicles annually and is intended to reduce subject vehicle carbon monoxide and hydrocarbon pollutants and improve the air quality. The areas affected are the Pittsburgh and Allentown-Bethlehem-Easton metropolitan areas (specific zip codes) and the Philadelphia region consisting of five counties. The department licenses inspection stations, trains and licenses vehicle inspection mechanics and periodically checks inspection stations, records and work of the mechanics to assure compliance with approved emission program requirements. Based on Federally mandated standards approximately 589,000 vehicles will be subject to adjustments or repairs as a result of the emission inspection program. This is a failure rate of 19 percent which is slightly lower than rates for the first few years of this program.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Collections — Vehicle Sales Tax | \$ 1,461 | \$ 1,505 | \$ 1,550 | \$ 1,612 | \$ 1,676 | \$ 1,744 | \$ 1,813 |
| MOTOR LICENSE FUND | | | | | | | |
| Safety Administration and Licensing | \$ 47,740 | \$ 48,416 | \$ 44,483 | \$ 45,748 | \$ 46,600 | \$ 47,942 | \$ 49,324 |

TRANSPORTATION

Elderly Transit

OBJECTIVE: To increase the mobility of the aged, enabling persons sixty-five and older to participate more fully in community life.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 120 | \$ 111 | \$ 115 | \$ 120 | \$ 125 | \$ 130 | \$ 135 |
| Special Funds | 107,526 | 116,569 | 118,684 | 119,992 | 121,321 | 122,758 | 124,040 |
| TOTAL | \$ 107,646 | \$ 116,680 | \$ 118,799 | \$ 120,112 | \$ 121,446 | \$ 122,888 | \$ 124,175 |

Program Measures:

| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
|--|------------|------------|------------|------------|------------|------------|------------|
| Free transit trips by the elderly | 65,364,000 | 67,006,000 | 67,841,000 | 68,693,000 | 69,576,000 | 70,424,000 | 71,269,000 |
| Trips on State assisted shared ride vehicles . | 5,886,000 | 6,196,000 | 6,196,000 | 6,196,000 | 6,196,000 | 6,196,000 | 6,196,000 |
| Cost to the Commonwealth per trip: | | | | | | | |
| Fare | 95¢ | \$1.12 | \$1.12 | \$1.12 | \$1.13 | \$1.13 | \$1.14 |
| On State assisted demand responsive vehicles | \$6.07 | \$6.02 | \$6.02 | \$6.02 | \$6.02 | \$6.02 | \$6.02 |

Program Analysis:

The Commonwealth's senior citizens have benefited from State lottery proceeds since 1973 with the implementation of the Free Transit Program for Senior Citizens. Under this program senior citizens 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 rail lines and the fare program was expanded to fund reduced fares for senior citizens on shared-ride demand responsive services. These programs recognize the limited availability of private transportation for Pennsylvania's senior citizens 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 they would like. These programs increase the mobility of the Commonwealth's citizens 65 years of age and older.

Currently more than 70 participating transit agencies are under contract with the Commonwealth to provide free fixed route service. Ridership has increased significantly over the years to its projected level of approximately 67 million (including transfers) free rides in 1986-87; due to the Southeastern Pennsylvania Transit Authority (SEPTA) strike in the spring of 1986, the 1985-86 ridership fell below

projected estimates to 65 million. The ridership in the planning years is projected to increase only about 1.2 percent each year. Shared-Ride coordination regulations became effective in February 1986 in order, in part, to encourage the use of more cost-effective fixed route service.

The reimbursement for fixed route service in 1985-86, 1986-87, 1987-88 and all planning years is based on 100 percent of the average or base fare, whichever is greater, times all originating and transfer senior citizen free trips (the adjustment for transfers was eliminated in 1985-86.) The increase in per trip cost to the Commonwealth from 1985-86 to 1986-87 reflects the increase in SEPTA's base fare from \$1.00 to \$1.25, effective July 1986. Neither SEPTA nor the Port Authority Transit Authority (PAT) projects any fare increases in the budget or planning years. The minor increases in the cost per trip in the planning years are due to fare increases projected by other urban and rural transit agencies.

The Shared-Ride Program for Senior Citizens authorized by Act 101 of 1980 as amended by Act 49 of 1984 permits senior citizens 65 years of age and older to ride on shared-ride services and pay only 25 cents or 10 percent of the shared-ride fare, whichever is greater. The State Lottery Fund generally reimburses the shared-ride transit opera-

Elderly Transit (continued)

Program Analysis: (continued)

tions the difference — 90 percent of the shared ride fare. Currently almost 100 transit agencies are under contract with the Commonwealth to provide shared-ride service to senior citizens. Some level of service is provided in each of the 67 counties. The Department of Transportation is currently reviewing this program in order to develop and provide for a responsible and economical program within the recommended \$38 million level. Program measures will be updated, if necessary, to reflect any changes to the current projections.

Act 49 of 1984 also provides for an annual \$2.3 million executive authorization for demand response equipment grants.

Act 171 of 1982 authorizes the Governor to annually transfer from the Lottery Fund to the Motor License Fund the amount of fees lost as a result of reduced vehicle registration fees paid by certain eligible senior citizens.

The 1987-88 recommended budget provides \$100,000 for the third year of the rider verification initiative.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Mass Transportation Operations | \$ 120 | \$ 111 | \$ 115 | \$ 120 | \$ 125 | \$ 130 | \$ 135 |
| LOTTERY FUND | | | | | | | |
| Ridership Verification | \$ 75 | \$ 100 | \$ 100 | \$ 100 | \$ 100 | \$ 100 | \$ 100 |
| Elderly Free Transit | 65,292 | 71,469 | 75,784 | 77,092 | 78,421 | 79,858 | 81,140 |
| Shared Rides | 37,702 | 38,000 | 38,000 | 38,000 | 38,000 | 38,000 | 38,000 |
| Transfer to Motor License Fund— | | | | | | | |
| Vehicle Registration—Elderly | 2,500 | 4,700 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| Demand Response Equipment Grants . . . | 1,957 | 2,300 | 2,300 | 2,300 | 2,300 | 2,300 | 2,300 |
| LOTTERY FUND TOTAL | \$ 107,526 | \$ 116,569 | \$ 118,684 | \$ 119,992 | \$ 121,321 | \$ 122,758 | \$ 124,040 |

Legislature

The General Assembly of Pennsylvania formulates and enacts the public policy of the Commonwealth. Through legislation and resolution, it defines the functions of the State Government, provides for revenue for the Commonwealth and appropriates money for the operation of State agencies and other purposes.

The General Assembly is composed of two bodies — the Senate and the House of Representatives. Its sessions begin on the first Tuesday of each year unless otherwise convened by the proclamation of the Governor.

LEGISLATURE

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| Senate | \$ 27,374 | \$ 29,521 | \$ 30,999 |
| House of Representatives | 59,224 | 65,724 | 71,305 |
| Legislative Reference Bureau | 3,183 | 3,342 | 3,654 |
| Legislative Budget and Finance Committee | 1,282 | 1,320 | 1,360 |
| Legislative Data Processing | 1,900 | 2,040 | 2,100 |
| Legislative Miscellaneous and Commissions | 6,451 | 11,334 | 10,201 |
| TOTAL STATE FUNDS | \$ 99,414 | \$ 113,281 | \$ 119,619 |
| | | | |
| Federal Funds ..... | ..... | \$ 16 | ..... |
| Augmentations | \$ 5 | 33 | \$ 33 |
| | | | |
| GENERAL FUND TOTAL | \$ 99,419 | \$ 113,330 | \$ 119,652 |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|-------------------|-------------------------------|-----------|-----------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Senate | | | |
| State Funds | \$ 27,374 | \$ 29,521 | \$ 30,999 |

Performs the duties and functions required of the Senate by Articles II and III of the Constitution of Pennsylvania.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|------------------|------------------|
| | 1985-86 | 1986-87 | 1987-88 |
| | Actual | Available | Budget |
| Source of Funds | | | |
| Appropriations: | | | |
| Salaries | | | |
| Fifty Senators | \$ 3,100 | \$ 3,200 | \$ 3,200 |
| Employees of Senate President | 140 | 140 | 147 |
| Employees of Chief Clerk | 1,875 | 2,150 | 2,250 |
| Salaried Officers and Employees | 2,900 | 3,000 | 3,100 |
| Postage | | | |
| Chief Clerk and Legislative Journal | 80 | 150 | 190 |
| Contingent Expenses | | | |
| President | 5 | 5 | 5 |
| President Pro Tempore | 20 | 20 | 20 |
| Floor Leader (D) | 6 | 6 | 6 |
| Floor Leader (R) | 6 | 6 | 6 |
| Whip (D) | 4 | 4 | 4 |
| Whip (R) | 4 | 4 | 4 |
| 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 |
| Miscellaneous Expenses | | | |
| Incidental Expense | 600 | 600 | 950 |
| Committee on Appropriations (D) | 706 | 812 | 812 |
| Committee on Appropriations (R) | 706 | 812 | 812 |
| Expenses — Senators | 600 | 600 | 600 |
| Legislative Printing and Expenses | 4,900 | 5,100 | 5,435 |
| Special Leadership Account (D) | 2,945 | 3,250 | 3,413 |
| Special Leadership Account (R) | 2,945 | 3,250 | 3,413 |
| Legislative Management Committee (D) | 2,900 | 3,190 | 3,300 |
| Legislative Management Committee (R) | 2,900 | 3,190 | 3,300 |
| TOTAL | <u>\$ 27,374</u> | <u>\$ 29,521</u> | <u>\$ 30,999</u> |

GENERAL FUND

LEGISLATURE

| | (Dollar Amounts in Thousands) | | |
|---------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| House of Representatives | | | |
| State Funds | \$ 59,224 | \$ 65,724 | \$ 71,305 |

Performs the duties and functions required of the House of Representatives by Articles II and III of the Constitution of Pennsylvania.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Salaries | | | |
| Members' Salaries, Speaker's Extra Compensation | \$ 10,950 | \$ 10,995 | \$ 10,995 |
| House Employes (R) | 4,396 | 4,399 | 5,059 |
| House Employes (D) | 4,171 | 4,399 | 5,059 |
| Speakers Office | 417 | 459 | 528 |
| Bi-Partisan Committee, Chief Clerk, Comptroller | 4,681 | 5,150 | 5,923 |
| Mileage | | | |
| Representatives, Officers and Employes | 554 | 554 | 554 |
| Postage | | | |
| Chief Clerk and Legislative Journal | 395 | 425 | 425 |
| Contingent Expenses | | | |
| Speaker | 20 | 20 | 20 |
| Chief Clerk | 290 | 390 | 390 |
| Floor Leader (R) | 6 | 6 | 6 |
| Floor Leader (D) | 6 | 6 | 6 |
| Whip (R) | 4 | 4 | 4 |
| Whip (D) | 4 | 4 | 4 |
| Chairman—Caucus (R) | 3 | 3 | 3 |
| Chairman—Caucus (D) | 3 | 3 | 3 |
| Secretary—Caucus (R) | 3 | 3 | 3 |
| Secretary—Caucus (D) | 3 | 3 | 3 |
| Chairman—Appropriations Committee (R) | 6 | 6 | 6 |
| Chairman—Appropriations Committee (D) | 6 | 6 | 6 |
| Chairman—Policy Committee (R) | 2 | 2 | 2 |
| Chairman—Policy Committee (D) | 2 | 2 | 2 |
| Caucus Administrator (R) | 2 | 2 | 2 |
| Caucus Administrator (D) | 2 | 2 | 2 |
| Administrator for Staff (D) | 20 | 20 | 20 |
| Administrator for Staff (R) | 20 | 20 | 20 |
| Comptroller Special Transfer Account | 2 | 2 | 2 |
| Miscellaneous Expenses | | | |
| Legislative Office for Research Liaison | 343 | 354 | 371 |
| School for New Members ..... | ..... | 15 | ..... |
| Incidental Expenses | 5,000 | 5,200 | 5,200 |
| Committee on Appropriations (D) | 706 | 812 | 934 |
| Committee on Appropriations (R) | 706 | 812 | 934 |
| Expenses—Representatives | 2,030 | 2,030 | 2,030 |
| Legislative Printing and Expenses | 8,500 | 9,700 | 10,200 |
| National Legislative Conference—Expenses | 225 | 225 | 250 |
| Special Leadership Account (D) | 1,938 | 3,235 | 3,721 |
| Special Leadership Account (R) | 2,713 | 3,235 | 3,721 |
| Legislative Management Committee (D) | 5,223 | 5,583 | 6,421 |
| Legislative Management Committee (R) | 4,223 | 5,583 | 6,421 |
| Commonwealth Emergency Medical System | 25 | 25 | 25 |
| Members' Home Office Expenses | 1,624 | 2,030 | 2,030 |
| TOTAL | <u>\$ 59,224</u> | <u>\$ 65,724</u> | <u>\$ 71,305</u> |

GENERAL FUND

LEGISLATURE

| | (Dollar Amounts in Thousands) | | |
|-------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Legislative Reference Bureau | | | |
| State Funds | \$ 3,183 | \$ 3,342 | \$ 3,654 |

Serves as a staff arm of the Legislature. Drafts bills and resolutions, provides advice and counsel to members of the Legislature, performs legislative research and provides copies of bills and legislation to the general public upon request.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Salaries and Expenses | \$ 2,571 | \$ 2,827 | \$ 3,184 |
| Contingent Expenses | 15 | 15 | 15 |
| Printing of Pennsylvania Bulletin and Pennsylvania Code | 597 | 500 | 455 |
| TOTAL | <u>\$ 3,183</u> | <u>\$ 3,342</u> | <u>\$ 3,654</u> |

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Legislative Budget and Finance Committee | | | |
| State Funds | \$ 1,282 | \$ 1,320 | \$ 1,360 |

Performs duties and functions relating to the study of the revenues, expenditures and fiscal operations of the agencies, boards and commissions of the Commonwealth.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Legislative Budget and Finance Committee | <u>\$ 1,282</u> | <u>\$ 1,320</u> | <u>\$ 1,360</u> |

Judiciary

The objective of the judicial system of the Commonwealth is to provide citizens with prompt and equitable justice under the law.

The court system includes the Supreme Court, Superior Court, Commonwealth Court, Courts of Common Pleas, Community Courts — District Justices of the Peace, Philadelphia Municipal Court and the Philadelphia Traffic Court.

GENERAL FUND

LEGISLATURE

| Legislative Data Processing Center | (Dollar Amounts in Thousands) | | |
|------------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 1,900 | \$ 2,040 | \$ 2,100 |
| Augmentations | 5 | 33 | 33 |
| TOTAL | \$ 1,905 | \$ 2,073 | \$ 2,133 |

Provides the General Assembly with the data processing services necessary to expedite the collection, completion and dissemination of information required in the exercise of its functions, and renders services to other agencies when possible.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Legislative Data Processing Committee | \$ 1,900 | \$ 2,040 | \$ 2,100 |
| Augmentation: | | | |
| Reimbursement for Data Processing Services | 5 | 33 | 33 |
| TOTAL | \$ 1,905 | \$ 2,073 | \$ 2,133 |

| Legislative Miscellaneous and Commissions | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 6,451 | \$ 11,334 | \$ 10,201 |
| Federal Funds ..... | ..... | 16 | ..... |
| TOTAL | \$ 6,451 | \$ 11,350 | \$ 10,201 |

Provides for those permanent commissions and committees which are necessary to provide the Legislature with current information, and to maintain liaison with various national, state and local organizations. It further provides for the various study commissions and committees periodically established to investigate and recommend solutions to various problems that arise from time to time and for the compilation and distribution of various municipal codes.

| Source of Funds | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Joint State Government Commission | \$ 1,388 | \$ 1,445 | \$ 1,400 |
| Local Government Commission | 361 | 387 | 370 |
| Local Government Codes | 50 | 45 | 53 |
| Joint Legislative Air and Water Pollution Control Committee .. | 206 | 212 | 218 |
| Joint House and Senate Flag Purchase | 40 | 40 | 40 |
| Legislative Audit Advisory Commission | 20 | 91 | 100 |
| Ethics Commission | 451 | 536 | 668 |
| Independent Regulatory Review Commission | 716 | 728 | 745 |
| Capitol Preservation Committee | 115 | 215 | 215 |
| Capitol Restoration | 2,600 | 2,600 | 2,600 |
| Civil War Flags | 100 | 100 | 100 |
| Colonial History | 60 | 60 | 60 |
| Bicentennial — U.S. Constitution | 125 | 125 | 125 |
| Commission on Sentencing | 219 | 250 | 285 |
| Health Care Cost Containment Council ..... | ..... | 4,500 ^a | 3,222 |
| Federal Funds: | | | |
| Impact of Sentencing Guidelines ..... | ..... | 16 | ..... |
| TOTAL | \$ 6,451 | \$ 11,350 | \$ 10,201 |

^aThe General Appropriation Act of 1986 (Act 5A) and the enabling legislation (Act 89) both appropriated \$2,250,000 for this program. Because of the duplication, \$2,250,000 was lapsed immediately, leaving available funding in the amount of \$2,250,000.

LEGISLATURE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Legislative Process | \$ 99,414 | \$ 113,281 | \$ 119,619 | \$ 119,619 | \$ 119,619 | \$ 119,619 | \$ 119,619 |
| Legislature | 99,414 | 113,281 | 119,619 | 119,619 | 119,619 | 119,619 | 119,619 |
| DEPARTMENT TOTAL | <u>\$ 99,414</u> | <u>\$ 113,281</u> | $ 119,619 | $ 119,619 | $ 119,619 | $ 119,619 | <u>\$ 119,619</u> |

Legislature

OBJECTIVE: To formulate and enact the public policy of the Commonwealth; to define the functions of State Government; to provide revenue for the Commonwealth; and to appropriate money for the operation of State agencies and for other purposes.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|---------------------|-------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 99,414 | \$ 113,281 | \$ 119,619 | \$ 119,619 | \$ 119,619 | \$ 119,619 | \$ 119,619 |
| Federal Funds ..... | ..... | 16 | ..... | ..... | ..... | ..... | ..... |
| Other Funds | 5 | 33 | 33 | 33 | 33 | 33 | 33 |
| TOTAL | <u>\$ 99,419</u> | <u>\$ 113,330</u> | $ 119,652 | $ 119,652 | $ 119,652 | $ 119,652 | <u>\$ 119,652</u> |

Program Analysis:

The General Assembly, which consists of a 50 member Senate and a 203 member House of Representatives, is funded by many General Fund appropriations. These appropriations are detailed in the appropriation portion of this presentation.

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 Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND TOTAL | <u>\$ 99,414</u> | <u>\$ 113,281</u> | $ 119,619 | $ 119,619 | $ 119,619 | $ 119,619 | <u>\$ 119,619</u> |

JUDICIARY

Summary by Fund and Appropriation

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|--------------------------|--------------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| General Fund | | | |
| General Government | | | |
| Supreme Court | \$ 5,557 | \$ 4,422 | \$ 4,687 |
| Supreme Court — Home Office Expenses ..... | ..... | 1,300 | 1,333 |
| Supreme Court Justice Expenses | 130 | 130 | 130 |
| Comprehensive Computer Plan | 300 | 250 | ..... |
| Civil Rules Procedural Committee | 192 | 202 | 216 |
| Criminal Rules Procedural Committee | 184 | 202 | 213 |
| State Board of Law Examiners | 212 | 207 | 148 |
| Judicial Inquiry and Review Board | 436 | 451 | 479 |
| Video Proceedings Cost | 84 | 80 | ..... |
| Court Administrator | 2,700 | 2,807 | 3,009 |
| District Justice Education | 307 | 316 | 329 |
| Superior Court | 10,960 | 8,337 | 8,837 |
| Superior Court — Home Office Expenses ..... | ..... | 2,858 | 2,972 |
| Superior Court Justice Expenses | 184 | 184 | 184 |
| Superior Court — Educational Expenses | 10 | ..... | ..... |
| Commonwealth Court | 5,442 | 4,437 | 4,703 |
| Commonwealth Court — Home Office Expenses ..... | ..... | 1,376 | 1,428 |
| Commonwealth Court Justice Expenses | 112 | 112 | 112 |
| Commonwealth Court — Educational Expenses | 10 | ..... | ..... |
| Courts of Common Pleas | 26,725 | 27,062 | 30,428 |
| Common Pleas — Senior Judges | 1,508 | 2,233 | 1,601 |
| Common Pleas — Judicial Education | 325 | 400 | 360 |
| Community Courts — District Justices of the Peace | 23,975 | 23,354 | 24,472 |
| Philadelphia Traffic Court | 324 | 307 | 307 |
| Philadelphia Municipal Court | 2,116 | 2,053 | 2,220 |
| Law Clerks | 182 | 182 | 182 |
| Subtotal | <u>\$ 81,975</u> | <u>\$ 83,262</u> | <u>\$ 88,350</u> |
| Grants and Subsidies | | | |
| Reimbursement of County Court Costs | \$ 25,987 | \$ 25,987 | \$ 27,110 |
| Appellate Court — County Reimbursement | 7,988 | ..... | ..... |
| District Justice Reimbursement | 14,475 | 14,400 | 14,275 |
| Juror Cost Reimbursement | 1,050 | 1,469 | 1,469 |
| Subtotal | <u>\$ 49,500</u> | <u>\$ 41,856</u> | <u>\$ 42,854</u> |
| TOTAL STATE FUNDS | <u>\$ 131,475</u> | <u>\$ 125,118</u> | <u>\$ 131,204</u> |
| Augmentations | \$ 1,156 | \$ 979 | \$ 1,093 |
| GENERAL FUND TOTAL | <u>\$ 132,631</u> | <u>\$ 126,097</u> | <u>\$ 132,297</u> |

GENERAL GOVERNMENT

| | (Dollar Amounts in Thousands) | | |
|----------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Supreme Court | | | |
| State Funds | \$ 10,102 | \$ 10,367 | \$ 10,544 |
| Augmentations | 753 | 629 | 743 |
| TOTAL | <u>\$ 10,855</u> | <u>\$ 10,996</u> | <u>\$ 11,287</u> |

Holds the supreme judicial powers of the Commonwealth. It consists of seven justices, one of whom is the Chief Justice, elected by qualified electors of the Commonwealth for a term of ten years.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Supreme Court | \$ 5,557 ^a | \$ 4,422 | \$ 4,687 |
| Supreme Court — Home Office Expenses ..... | ..... | 1,300 | 1,333 |
| Supreme Court — Justice Expenses | 130 | 130 | 130 |
| Comprehensive Computer Plan | 300 | 250 | ..... |
| Civil Rules Procedural Committee | 192 | 202 | 216 |
| Criminal Rules Procedural Committee | 184 | 202 | 213 |
| State Board of Law Examiners | 212 | 207 | 148 |
| Judicial Inquiry and Review Board | 436 | 451 | 479 |
| Court Administrator | 2,700 | 2,807 | 3,009 |
| District Justice Education | 307 | 316 | 329 |
| Video Proceedings Cost | 84 | 80 | ..... |
| Augmentations: | | | |
| Law Student Fees to State Board of Law Examiners | 565 | 476 | 565 |
| Filing Fees | 165 | 140 | 165 |
| Registration Fees — District Justice Education | 23 | 13 | 13 |
| TOTAL | <u>\$ 10,855</u> | <u>\$ 10,996</u> | <u>\$ 11,287</u> |

^aIncludes \$1,318,000 actually appropriated as part of the \$5,418,000 appropriation Appellate Court Home Office Expenses.

GENERAL FUND

JUDICIARY

| | (Dollar Amounts in Thousands) | | |
|-----------------------|-------------------------------|----------------------|-------------------|
| Superior Court | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 11,154 | \$ 11,379 | \$ 11,993 |
| Augmentaions | 253 | 200 | 200 |
| TOTAL | <u>\$ 11,407</u> | <u>\$ 11,579</u> | <u>\$ 12,193</u> |

Represents the court of intermediate appeal and its jurisdiction is provided by law. It is composed of 15 judges, of whom one is the President Judge, elected by the qualified electors of the State for ten year terms.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| Source of Funds | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Superior Court | \$ 10,960 ^a | \$ 8,337 | \$ 8,837 |
| Superior Court — Justice Expenses | 184 | 184 | 184 |
| Superior Court — Home Office Expenses ..... | . . . . | 2,858 | 2,972 |
| Superior Court — Educational Expenses | 10 | | |
| Augmentations: | | | |
| Filing Fees | 253 | 200 | 200 |
| TOTAL | <u>\$ 11,402</u> | <u>\$ 11,579</u> | <u>\$ 12,193</u> |

| | (Dollar Amounts in Thousands) | | |
|---------------------------|-------------------------------|----------------------|-------------------|
| Commonwealth Court | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| State Funds | \$ 5,564 | \$ 5,925 | \$ 6,243 |
| Augmentaions | 150 | 150 | 150 |
| TOTAL | <u>\$ 5,714</u> | <u>\$ 6,075</u> | <u>\$ 6,393</u> |

The Commonwealth Court is a court of record of statewide original and appellate jurisdiction. The Court has original jurisdiction on all civil actions and proceedings by the Commonwealth or any officer acting in his official capacity and all civil actions and proceedings against the Commonwealth or any officer acting in his official capacity. It is composed of nine judges, of whom one is the President Judge, elected by the qualified electors of the State for ten year terms.

| | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| Source of Funds | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Commonwealth Court | \$ 5,442 ^b | \$ 4,437 | \$ 4,703 |
| Commonwealth Court — Justice Expenses | 112 | 112 | 112 |
| Commonwealth Court — Home Office Expenses ..... | . . . . | 1,376 | 1,428 |
| Commonwealth Court — Educational Expenses | 10 | | |
| Augmentations: | | | |
| Filing Fees | 150 | 150 | 150 |
| TOTAL | <u>\$ 5,714</u> | <u>\$ 6,075</u> | <u>\$ 6,393</u> |

^aIncludes \$2,900,000 actually appropriated as part of the \$5,418,000 appropriation Appellate Court Home Office Expenses.

^bIncludes \$1,200,000 actually appropriated as part of the appropriation Appellate Court Home Office Expenses.

GENERAL FUND

JUDICIARY

| | (Dollar Amounts in Thousands) | | |
|-------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Courts of Common Pleas | | | |
| State Funds | \$ 28,558 | \$ 29,695 | \$ 32,389 |

There is one common pleas court for each judicial district. Each district and number of judges are provided by law. These courts have unlimited original jurisdiction in all cases except as may be otherwise provided by law.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Courts of Common Pleas | \$ 26,725 | \$ 26,902 | \$ 30,428 |
| Court of Common Pleas — Recommended Supplemental ..... | ..... | 160 | ..... |
| Common Pleas — Senior Judges | 1,508 | 1,576 | 1,601 |
| Common Pleas — Senior Judges — Recommended Supplemental ..... | ..... | 657 | ..... |
| Common Pleas — Judicial Education | 325 | 400 | 360 |
| TOTAL | <u>\$ 28,558</u> | <u>\$ 29,695</u> | <u>\$ 32,389</u> |

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Community Courts—District Justices of the Peace | | | |
| State Funds | \$ 23,975 | \$ 23,354 | \$ 24,472 |

Community courts may be established or discontinued by a vote of the majority of the electors in a judicial district. After establishment, they replace the justices of the peace, or the Municipal Court and Traffic Court in Philadelphia. The term of the judges of community courts is ten years.

Where a community court has not been established or where one has been discontinued, there is a district justice of the peace. Presently there are no community courts but there are district justices of the peace in 553 magisterial districts. The jurisdiction of district justices of the peace is as provided by law. Their term of office is six years.

| <i>Source of Funds</i> | (Dollar Amounts in Thousands) | | |
|---|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Community Courts—District Justices of the Peace | <u>\$ 23,975</u> | <u>\$ 23,354</u> | <u>\$ 24,472</u> |

GENERAL FUND

JUDICIARY

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Philadelphia Traffic Court and Philadelphia Municipal Court | | | |
| State Funds | \$ 2,622 | \$ 2,542 | \$ 2,709 |

These courts exist so long as a community court is not established. The number of judges is provided by law. They serve for a term of six years.

| | (Dollar Amounts in Thousands) | | |
|------------------------------------|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Philadelphia Traffic Court | \$ 324 | \$ 307 | \$ 307 |
| Philadelphia Municipal Court | 2,116 | 2,053 | 2,220 |
| Law Clerks | 182 | 182 | 182 |
| TOTAL | <u>\$ 2,622</u> | <u>\$ 2,542</u> | <u>\$ 2,709</u> |

GRANTS AND SUBSIDIES

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Reimbursement of County Court Costs | | | |
| State Funds | \$ 48,450 | \$ 40,387 | \$ 41,385 |

Provides reimbursement of costs incurred by counties in the administration and operation of all common pleas courts established pursuant to Article V, Section 1 of the Pennsylvania Constitution.

| | (Dollar Amounts in Thousands) | | |
|--|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriations: | | | |
| Reimbursement of County Court Costs | \$ 25,987 | \$ 25,987 | \$ 27,110 |
| Appellate Court — County Reimbursement | 7,988 | ..... | ..... |
| District Justice Reimbursement | 14,475 | 14,400 | 14,275 |
| TOTAL | <u>\$ 48,450</u> | <u>\$ 40,387</u> | <u>\$ 41,385</u> |

GENERAL FUND**JUDICIARY**

| | (Dollar Amounts in Thousands) | | |
|---------------------------------|-------------------------------|----------------------|-------------------|
| | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Juror Cost Reimbursement | | | |
| State Funds | \$ 1,050 | \$ 1,469 | \$ 1,469 |

In accordance with Act 78 of 1980, provides for reimbursement of costs incurred by counties in relationship to juror payments and related mileage expenses.

| | (Dollar Amounts in Thousands) | | |
|--------------------------------|-------------------------------|----------------------|-------------------|
| <i>Source of Funds</i> | 1985-86 Actual | 1986-87 Available | 1987-88 Budget |
| Appropriation: | | | |
| Juror Cost Reimbursement | <u>\$ 1,050</u> | <u>\$ 1,469</u> | <u>\$ 1,469</u> |

JUDICIARY

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

| | (Dollar Amounts in Thousands) | | | | | | |
|---|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| Adjudication of Defendants | \$ 131,475 | \$ 125,118 | \$ 131,204 | \$ 134,738 | \$ 138,413 | \$ 142,236 | \$ 146,211 |
| State Judicial System | 131,475 | 125,118 | 131,204 | 134,738 | 138,413 | 142,236 | 146,211 |
| DEPARTMENT TOTAL | <u>\$ 131,475</u> | <u>\$ 125,118</u> | <u>\$ 131,204</u> | <u>\$ 134,738</u> | <u>\$ 138,413</u> | <u>\$ 142,236</u> | <u>\$ 146,211</u> |

State Judicial System

OBJECTIVE: To provide Pennsylvania citizens with prompt and equitable justice under the law.

Recommended Program Costs:

| | (Dollar Amounts in Thousands) | | | | | | |
|--------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| General Fund | \$ 131,475 | \$ 125,118 | \$ 131,204 | \$ 134,738 | \$ 138,413 | \$ 142,236 | \$ 146,211 |
| Other Funds | 1,156 | 979 | 1,093 | 1,100 | 1,127 | 1,145 | 1,164 |
| TOTAL | \$ 132,631 | \$ 126,097 | \$ 132,297 | \$ 135,838 | \$ 139,540 | \$ 143,381 | \$ 147,375 |

Program Analysis:

The judicial power of the Commonwealth is vested in a Unified Judicial System consisting of the Supreme Court, the Superior Court, the Commonwealth Court, Courts of Common Pleas, Community Courts, Philadelphia Municipal Court, Pittsburgh Magistrates Court, Traffic Court of Philadelphia and district justices.

The supreme judicial powers in the Commonwealth rest in the Supreme Court which consists of seven justices. It has limited jurisdiction of appeals from final orders of the Courts of Common Pleas in specified classes of cases as prescribed by the Legislature, including appeals from Commonwealth Court in matters which commenced in that Court, and direct appeals from all lower courts in certain cases involving constitutional questions and from certain judicial agencies. The court has discretionary jurisdiction to review other appeals from Superior and Commonwealth Courts upon allowance by any two justices and may, on its own motion, assume plenary jurisdiction of any matter pending before any court of the Commonwealth.

The Supreme Court exercises general supervisory and administrative authority over all courts, judges and district justices. This authority includes the assignment of judges and justices. It also appoints the Court Administrator of Pennsylvania, who supervises the Administrative Office of Pennsylvania Courts as required for the prompt and proper disposition of the business of all courts and justices of the peace.

The Supreme Court has the power to prescribe general rules governing practice, procedure and the conduct of all courts in the Unified Judicial System.

The Superior Court consists of 15 judges. It has exclusive appellate jurisdiction of all appeals from final orders of the Courts of Common Pleas regardless of the nature of the controversy except those within the exclusive jurisdiction of the Supreme or Commonwealth Courts.

The Commonwealth Court consists of nine judges and is a court of original and appellate jurisdiction. It has

original jurisdiction on all civil actions and proceedings by the Commonwealth or any officer acting in his official capacity and all civil proceedings against the Commonwealth or any officer acting in his official capacity. In the latter category, its jurisdiction is exclusive; in the former, concurrent with the Common Pleas Court.

Original jurisdiction for most major cases rests in the Courts of Common Pleas. There is one Common Pleas Court for each of the 60 judicial districts, often with several divisions and judges. Throughout the Commonwealth, there are currently 329 Common Pleas judges, an increase of five percent since 1985. Act 213 of 1986 added an additional fourteen judges to the courts of common pleas. Six of these judges could be appointed by the Governor in 1986-87 while seven judges will be elected at the next municipal election. The remaining judge could be appointed in the 1988-89 year. These courts have unlimited original jurisdiction except as otherwise provided by law.

The Philadelphia Municipal Court is a court of record whose 22 judges must be lawyers. Its limited jurisdiction is analogous to that of District Justice Courts.

The 543 District Justice Courts, the Pittsburgh Court, and the Philadelphia Traffic Court have original jurisdiction in minor cases such as traffic violations.

The Administrative Office of Pennsylvania Courts is directed by the Court Administrator and performs administrative functions as directed by the Supreme Court. It is primarily the administrative arm of the Supreme Court.

The Minor Judiciary Education Board is responsible for administering the qualifying and continuing district justice education program as required by the Constitution and by acts of the General Assembly, with the Administrative Office of Pennsylvania Courts acting as the administrative agency for the board. The board conducts education programs for individuals who are not members of the Bar to qualify as district justice and for the annual continuing education of all district justices.

State Judicial System (continued)

Program Analysis: (continued)

In addition to providing direction of certain courts and court activities, the Commonwealth provides direct grants to reimburse counties a portion of their juror's payments and mileage expenses. An additional \$1.1 million has been provided to maintain the county court reimbursement program.

The recommended funding will permit the Judiciary to proceed with the following initiatives: (1) conversion of all law clerks to salaried positions; (2) the next phase of the Statewide Court Information System; and (3) additional senior judge days for the Common Pleas and Philadelphia Municipal courts.

Program Costs by Appropriation:

| | (Dollar Amounts in Thousands) | | | | | | |
|--|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 1985-86 | 1986-87 | 1987-88 | 1988-89 | 1989-90 | 1990-91 | 1991-92 |
| GENERAL FUND | | | | | | | |
| Judiciary (All Judiciary Appropriations) . | <u>\$ 131,475</u> | <u>\$ 125,118</u> | <u>\$ 131,204</u> | <u>\$ 134,738</u> | <u>\$ 138,413</u> | <u>\$ 142,236</u> | <u>\$ 146,211</u> |

