

PENNSYLVANIA

1991-92
Governor's
Executive Budget



Robert P. Casey
Governor

The artwork for the Governor's Executive Budget Document is from the tiled pavement in the Capitol Building of Pennsylvania created by Henry Chapman Mercer and the Moravian Tile Works.

Henry Chapman Mercer, a distinguished historian, craftsman, archeologist, and anthropologist, spent most of his life preserving and advancing the crafts that are a significant part of the heritage of Pennsylvania.

Before the nineteenth century ended, Mercer had become an accomplished ceramist. He was granted three patents before 1905. His tiles were awarded the grand prize at the St. Louis Exposition in 1904, the American Association of Architect's gold medal in 1921, the Philadelphia Art and Craft Guild medal in 1930.

The Harrisburg tiled pavement in the Capitol of Pennsylvania was Mercer's first large order and it represents his most creative period.

The rustic, rough textured floor at first glance seems incongruous to the rich ornamentation of the walls and ceilings.

However, in closer perspective the simplicity and spontaneous design of the pavement tells the story of the building of Pennsylvania by the work of thousands of hands. By rudeness of touch and intention, he sought to express the toil and achievement of the workers of Pennsylvania. In Mercer's words, "the drawing is simplified so as to satisfy the clay process. The colors of men, animals, and objects are fantastic and not realistic. The skies may be red, the water black, or the trees yellow."

The Capitol pavement tiles tells the story of the growth of a Commonwealth. This story and the work of Henry Chapman Mercer is an inseparable part of Pennsylvania.

FOREWORD

TAX EXPENDITURES

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

The 1991-92 Governor's Executive Budget document continues expansion of the steps taken in the previous budgets towards a comprehensive tax expenditure analysis. This is provided in Section D of this document.

THE COMMONWEALTH PROGRAM PLAN

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

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

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

THE DEPARTMENTAL PRESENTATION

Recommendations for the continuation of current programs at essentially current levels of commitment are shown within departmental program subcategories. Recommendations for major program changes in 1991-92 are identified as departmental Program Revision Requests (PRRs) which provide explanations and justification for the change.

Beyond 1991-92, the projections of financial data, as well as impacts and other program measures, show the future implications of the 1991-92 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 1991-92 level of commitment.

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

PROGRAM PRESENTATION

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

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

Narrative—Describes program services and activities.

Program Recommendations—Identifies the increases or decreases over the available funds as presented in the summary by fund and appropriation. In 1991-92, many proposed recommendations to continue current programs are less than the 1990-91 current appropriations. This is a result of significant cost containment measures implemented in 1990-91 to mitigate the impact of the present economic downturn.

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

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

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

SUMMARY BY FUND AND APPROPRIATION

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

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

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

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

The amounts shown as "Federal funds" include appropriations to date as well as anticipated adjustments because of increases or decreases in the amount of funds to be received. Because of the manner in which Federal funds are appropriated, they are deposited as General Fund revenues rather than augmentations. They are not, however, included in the revenue sections of the budget, but are shown with the State funds which they supplement.

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

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

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

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

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

Federal Funds Identification

The most common abbreviations used to identify Federal funds are:

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

TABLE OF CONTENTS

A. STATEMENTS

Five Year Financial Statement-General Fund	A3
Five Year Financial Statement-Special Funds	A4
Five Year Department Summary by Fund	A8
Five Year Commonwealth Program Summary-General and Special Funds	A12
Dollar Chart by Program-General and Special Funds	A13
Five Year Commonwealth Program Summary-General Fund	A14
Dollar Chart by Program-General Fund	A15
Program Summary-General Fund	A16
Dollar Charts-General Fund, Income and Outgo	A17
Program Revisions:	
Improving Basic and Higher Education	A18
Commitment to Economic Development and Job Training	A20
Improving the Quality of Individual and Family Life	A22
Health Care Cost Containment	A24
Protecting Persons and Property	A25
Dollar Chart by Character of Expenditure-General Fund	A27
Federal Block Grants	A29
PENNFREE Summary	A44
Public Information and Communications	A47

B. PROGRAM BUDGET SUMMARY

Commonwealth Program Budget	B3
Five Year Summary of Commonwealth Programs-Operating and Capital	B4
Direction and Supportive Services	B6
Protection of Persons and Property	B7
Intellectual Development and Education	B9
Economic Development	B10
Health and Human Services	B11
Transportation and Communication	B13
Recreation and Cultural Enrichment	B14

C. SUMMARY BY FUND

General Fund	
Financial Statement	C5
Notes on Financial Statement	C6
State Funds by Department	C9
Federal Funds by Department	C10
Augmentations by Department	C11
General Fund Revenue Summary	C12
Adjustments to Revenue Estimate	C13
Revenues	C14
Motor License Fund	
Financial Statement	C40
Summary by Department	C41
Motor License Fund Revenue Summary	C44
Adjustments to Revenue Estimate	C44
Revenues	C45
Banking Department Fund	
Financial Statement	C51
Summary by Department	C52
Revenues	C53
Boat Fund	
Financial Statement	C56
Summary by Department	C56
Revenues	C57

Economic Revitalization Fund	
Financial Statement	C60
Summary by Department	C61
Revenues	C63
Energy Conservation and Assistance Fund	
Financial Statement	C66
Summary by Department	C66
Revenues	C67
Farm Products Show Fund	
Financial Statement	C70
Summary by Department	C70
Revenues	C71
Fish Fund	
Financial Statement	C74
Summary by Department	C74
Revenues	C75
Game Fund	
Financial Statement	C78
Summary by Department	C78
Revenues	C79
Lottery Fund	
Financial Statement	C84
Summary by Department	C85
Revenues	C87
Milk Marketing Fund	
Financial Statement	C90
Summary by Department	C90
Revenues	C91
Racing Fund	
Financial Statement	C94
Summary by Department	C94
Revenues	C95

D. TAX EXPENDITURES

Tax Expenditure Analysis	D2
Corporation Taxes	D5
Credit Programs	D5
Corporate Net Income	D7
Capital Stock/Franchise	D10
Utility Gross Receipts	D13
Utility Realty	D14
Cooperative Agricultural Association Corporation	D16
Electric Cooperative Corporation	D17
Insurance Premiums	D17
Bank Shares	D19
Title Insurance and Trust Company Shares	D20
Mutual Thrift Institutions	D20
Corporate Loans	D21
Private Bankers Gross Receipts	D26
Sales and Use Tax	D27
General/Personal Expenditures	D27
Fuels and Utilities	D31
Motor Vehicles/Vessels	D33
Real Estate	D34
Production Expenditures	D34
Other	D36
Services	D41
Cigarette Tax	D42
Malt Beverage Tax	D43
Liquor Tax	D43
Personal Income Tax	D44
Exclusions from Income	D44
Credits	D49

Estimated Taxes	D50
Realty Transfer Tax	D51
Inheritance Tax	D55
Family Related Exemptions and Exclusions	D55
Exclusions and Deductions Which Enhance Fairness	D56
Business Related Preferences	D59
Other Exclusions	D59
Liquid Fuels Tax	D60
Fuel Use Tax	D63
Motor Carriers Road Tax	D65
Interstate Bus Compact Tax	D68
Oil Company Franchise Tax	D69
Motor Vehicle Code	D71
Motor Carriers Gross Receipts Tax	D74
Wagering Tax	D75
Admissions Tax	D75
Unemployment Compensation Insurance Tax	D76

E. DEPARTMENT PRESENTATIONS

Governor's Office	E1.01
Summary by Fund and Appropriation	E1.02
Program Funding Summary	E1.03
Executive Direction	E1.04
Executive Offices	E2.01
Summary by Fund and Appropriation	E2.03
Program Funding Summary	E2.06
Executive Direction	E2.08
Legal Services	E2.10
Prevention and Elimination of Discriminatory Practices	E2.11
Development of Artists & Audiences	E2.13
Energy Management and Conservation	E2.14
Income Maintenance	E2.16
Criminal and Juvenile Justice Planning	E2.17
Reintegration of Juvenile Delinquents	E2.19
Medical Malpractice Arbitration and Health Facilities	E2.21
Lieutenant Governor	E3.01
Summary by Fund and Appropriation	E3.02
Program Funding Summary	E3.03
Executive Direction	E3.04
Attorney General	E4.01
Summary by Fund and Appropriation	E4.02
Program Funding Summary	E4.04
Public Protection and Law Enforcement	E4.05
Auditor General	E5.01
Summary by Fund and Appropriation	E5.03
Program Funding Summary	E5.04
Auditing	E5.05
Municipal Pension Systems	E5.06
Treasury	E6.01
Summary by Fund and Appropriation	E6.03
Program Funding Summary	E6.06
Disbursement	E6.07
Interstate Relations	E6.09
Debt Service	E6.10
Aging	E7.01
Summary by Fund and Appropriation	E7.03
Program Funding Summary	E7.04
Community Services for Older Pennsylvanians	E7.05
Expanded Services for the Frail Elderly	E7.07
Pharmaceutical Assistance	E7.09
Lottery Restructuring	E7.10

Agriculture	E8.01
Summary by Fund and Appropriation	E8.03
Program Funding Summary	E8.06
Protection and Development of Agricultural Industries	E8.07
Horse Racing Regulation	E8.11
Emergency Food Assistance	E8.13
Banking	E9.01
Summary by Fund and Appropriation	E9.02
Program Funding Summary	E9.03
Financial Institution Regulation	E9.04
Civil Service Commission	E10.01
Summary by Fund and Appropriation	E10.02
Program Funding Summary	E10.03
Personnel Selection	E10.04
Community Affairs	E11.01
Summary by Fund and Appropriation	E11.03
Program Funding Summary	E11.05
Community Development and Conservation	E11.06
Municipal Administrative Support Capability	E11.09
Corrections	E12.01
Summary by Fund and Appropriation	E12.03
Program Funding Summary	E12.04
Institutionalization of Offenders	E12.05
Crime Commission	E13.01
Summary by Fund and Appropriation	E13.02
Program Funding Summary	E13.03
Criminal Law Enforcement	E13.04
Economic Development Partnership	E14.01
Summary by Fund and Appropriation	E14.03
Program Funding Summary	E14.06
Management and Policy	E14.07
Investment in Public Capital	E14.09
Investment in Private Capital	E14.11
Investment in Technology Transfer	E14.13
Commitment to Economic Development	E14.15
Education	E15.01
Summary by Fund and Appropriation	E15.03
Program Funding Summary	E15.09
Education Support Services	E15.10
Basic Education	E15.11
Improving Basic Education	E15.16
Improving Special Education	E15.18
Expansion of Instructional Support Teams	E15.19
Expansion of Preschool Education Programs	E15.20
Statewide Business-Education Partnership for Workforce Development	E15.21
Job Training	E15.22
Library Services	E15.23
Higher Education	E15.25
Emergency Management Agency	E16.01
Summary by Fund and Appropriation	E16.03
Program Funding Summary	E16.04
Emergency Management	E16.05
Fire Prevention and Safety	E16.06
Environmental Resources	E17.01
Summary by Fund and Appropriation	E17.03
Program Funding Summary	E17.09
Environmental Support Services	E17.11
Forest Resources Management	E17.12
Water and Mineral Resources Management	E17.13
Environmental Management and Protection	E17.15
Radiation Protection	E17.19
Recreation Areas and Facilities Management	E17.20

Fish Commission	E18.01
Summary by Fund and Appropriation	E18.02
Program Funding Summary	E18.03
Wildlife Management	E18.04
Game Commission	E19.01
Summary by Fund and Appropriation	E19.02
Program Funding Summary	E19.03
Wildlife Management	E19.04
General Services	E20.01
Summary by Fund and Appropriation	E20.02
Program Funding Summary	E20.04
Facility, Property and Commodity Management	E20.05
Health	E21.01
Summary by Fund and Appropriation	E21.03
Program Funding Summary	E21.07
Health Support Services	E21.08
Health Research	E21.09
Preventive Health	E21.11
Nutrition for Children and Families	E21.14
Health Treatment Services	E21.15
Drug and Alcohol Abuse Prevention and Treatment	E21.17
Higher Education Assistance	E22.01
Summary by Fund and Appropriation	E22.03
Program Funding Summary	E22.04
Financial Assistance to Students	E22.05
Aid to Students	E22.07
Financial Aid to Institutions	E22.08
Information Technology Education	E22.09
Historical & Museum Commission	E23.01
Summary by Fund and Appropriation	E23.02
Program Funding Summary	E23.02
State Historic Preservation	E23.04
Museum Assistance	E23.06
Housing Finance Agency	E24.01
Summary by Fund and Appropriation	E24.03
Program Funding Summary	E24.04
Community Development and Conservation	E24.05
Infrastructure Investment Authority	E25.01
Summary by Fund and Appropriation	E25.03
Program Funding Summary	E25.04
PENNVEST	E25.05
Insurance	E26.01
Summary by Fund and Appropriation	E26.03
Program Funding Summary	E26.04
Insurance Industry Regulation	E26.05
Labor & Industry	E27.01
Summary by Fund and Appropriation	E27.03
Program Funding Summary	E27.05
Community and Occupational Safety and Stability	E27.06
Workers' Compensation and Assistance	E27.08
Job Training Development	E27.09
Vocational Rehabilitation	E27.11
Liquor Control Board	E28.01
Summary by Fund and Appropriation	E28.02
Program Funding Summary	E28.03
Liquor Control	E28.04
Military Affairs	E29.01
Summary by Fund and Appropriation	E29.03
Program Funding Summary	E29.05
State Military Readiness	E29.06
Veterans Homes	E29.07
Veterans Homes Expansion	E20.09
Compensation and Assistance	E29.11

Milk Marketing Board	E30.01
Summary by Fund and Appropriation	E30.02
Program Funding Summary	E30.03
Milk Industry Regulation	E30.04
Probation & Parole Board	E31.01
Summary by Fund and Appropriation	E31.03
Program Funding Summary	E31.04
Reintegration of Adult Offenders	E31.05
Public Television Network	E32.01
Summary by Fund and Appropriation	E32.02
Program Funding Summary	E32.03
Public Television Services	E32.04
Public Utility Commission	E33.01
Summary by Fund and Appropriation	E33.03
Program Funding Summary	E33.04
Regulation of Public Utilities	E33.05
Public Welfare	E34.01
Summary by Fund and Appropriation	E34.04
Program Funding Summary	E34.11
Human Services Support	E34.13
Medical Assistance	E34.14
Expansion of Healthy Beginnings	E34.21
Medical Assistance Cost Containment	E34.23
Women's Service Programs	E34.26
Income Maintenance	E34.27
Increasing Access to Job Training	E34.29
Mental Health	E34.30
Mental Retardation	E34.34
Human Services	E34.38
Child Welfare Needs-Based Budget	E34.43
Securing Permanent Homes for Children in Foster Care	E34.45
Improving Child Care Services	E34.46
Expanded Services to the Needy	E34.47
Attendant Care Service Expansion	E34.49
Revenue	E35.01
Summary by Fund and Appropriation	E35.03
Program Funding Summary	E35.05
Revenue Collection and Administration	E35.06
Revenue Recovery and Enforcement	E35.08
Community Development and Preservation	E35.09
Homeowners and Renters Assistance	E35.10
Securities Commission	E36.01
Summary by Fund and Appropriation	E36.02
Program Funding Summary	E36.03
Securities Industry Regulation	E36.04
State	E37.01
Summary by Fund and Appropriation	E37.03
Program Funding Summary	E37.04
Consumer Protection	E37.05
State Employees' Retirement System	E38.01
Summary by Fund and Appropriation	E38.03
Program Funding Summary	E38.04
State Employees' Retirement	E38.05
State Police	E39.01
Summary by Fund and Appropriation	E39.03
Program Funding Summary	E39.05
Public Protection and Law Enforcement	E39.06
Tax Equalization Board	E40.01
Summary by Fund and Appropriation	E40.02
Program Funding Summary	E40.03
Education Support Services	E40.04
Transportation	E41.01
Summary by Fund and Appropriation	E41.03

Program Funding Summary	E41.09
Transportation Support Services	E41.11
State Highway and Bridge Construction—Reconstruction	E41.12
State Highway and Bridge Maintenance	E41.14
Local Highway and Bridge Assistance	E41.16
Urban Mass Transportation	E41.18
Expanded Rail Safety Inspection Program	E41.19
Rural and Intercity Rail and Bus Transportation	E41.20
Air Transportation	E41.22
Safety Administration and Licensing	E41.23
Older Pennsylvanians Transit	E41.25
Legislature	E42.01
Summary by Fund and Appropriation	E42.02
Program Funding Summary	E42.05
Legislature	E42.06
Judiciary	E43.01
Summary by Fund and Appropriation	E43.02
Program Funding Summary	E43.04
State Judicial System	E43.05

F. CAPITAL BUDGET

Forecast of Debt Limit and Outstanding Debt	F4
Projected Capital Budget Debt Issues and Debt Outstanding	F5
Forecast of Debt Service Requirements	F6
Capital Facilities Fund Financial Statement	F8
Estimated Capital Project Expenditures—State Funds	F9
Forecast of New Project Authorizations—State Funds	F10
Recommended 1991-92 New Project Authorizations	F11
Department of Corrections	F12
Department of Education	F15
Department of Environmental Resources	F17
Department of General Services	F19
Department of Military Affairs	F21
Department of Public Welfare	F23
State Police	F26
Department of Transportation	F28
Summary of Forecast of Future New Project Authorizations—State Funds	F32
Forecast of Future Projects—Department	F33
Summary of Estimated Capital Project Expenditure—State Funds	F36
Estimate of Capital Expenditures—Departments	F37

G. SINKING FUNDS AND PUBLIC DEBT

Debt Authorized, Issued and Outstanding	G3
Projected Debt Issues and Debt Outstanding	G4
Forecast of Debt Service on Bonded Debt	G5
Terms of Bonds Issued	G6
Annual Debt Service on Outstanding General Obligation Bonds and Authority Rentals	G7
Trends in Debt Service and Debt Ratios	G8
Outstanding Indebtedness of Pennsylvania Agencies and Authorities	G9

H. OTHER SPECIAL FUNDS

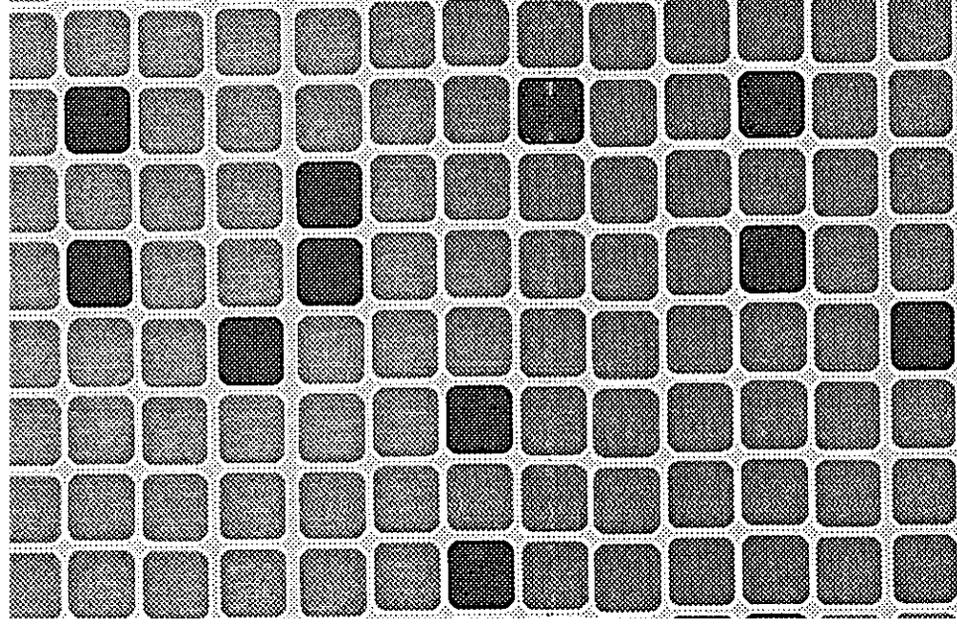
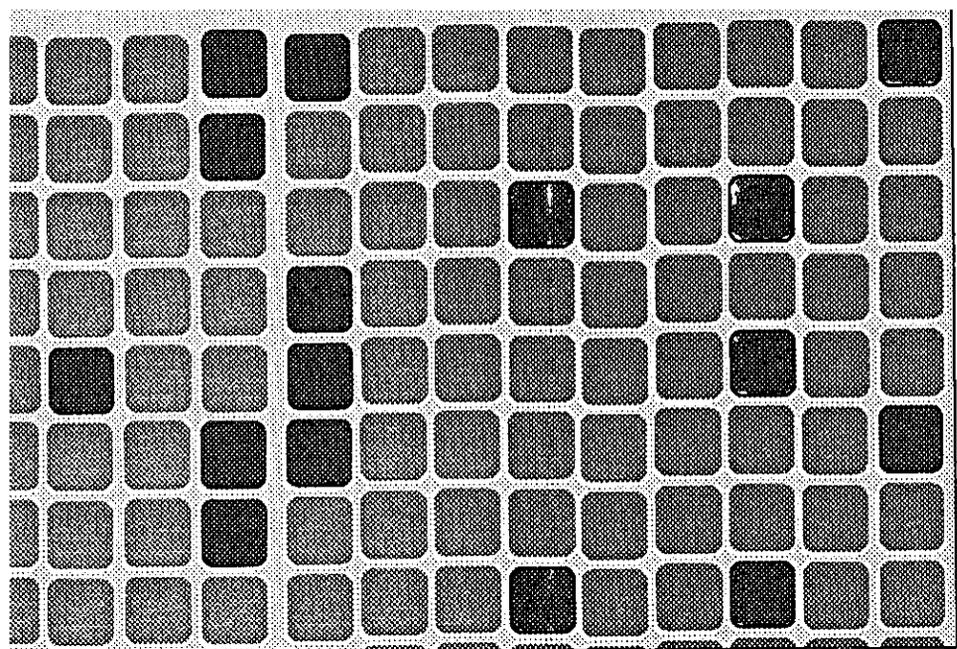
Administration Fund	H6
Agricultural College Land Scrip Fund	H6
Agricultural Conservation Easement Purchase Fund	H7
Agricultural Conservation Easement Purchase Sinking Fund	H7
Anthracite Emergency Fund	H8
Capital Debt Fund	H8
Capital Facilities Fund	H9
Capitol Restoration Trust Fund	H9
Catastrophic Loss Benefits Continuation Fund	H10
Catastrophic Loss Trust Fund	H11
Children's Trust Fund	H12
Coal and Clay Mine Subsidence Insurance Fund	H12

Coal Lands Improvement Fund	H13
Conrad Weiser Memorial Park Trust Fund	H13
Deferred Compensation Fund	H14
Deferred Compensation Fund – Short Term Portfolio	H14
Disaster Relief Fund	H15
Disaster Relief Redemption Fund	H15
Emergency Medical Services Operating Fund	H16
Employment Fund for the Blind	H16
Energy Development Fund	H17
Financially Distressed Municipalities Revolving Aid Fund	H17
Fire Insurance Tax Fund	H18
Hazardous Material Response Fund	H18
Hazardous Sites Cleanup Fund	H19
Hazardous Sites Loan Fund	H19
Higher Education Assistance Fund	H20
Highway Beautification Fund	H21
Historical Preservation Fund	H21
Industrial Development Fund	H22
Insurance Liquidation Fund.....	H22
Kellogg Foundation Fund	H23
Land and Water Development Fund.....	H23
Land and Water Development Sinking Fund	H24
Liquid Fuels Tax Fund	H24
Liquor License Fund	H25
Local Criminal Justice Fund	H25
Low Level Waste Fund	H26
Machinery and Equipment Loan Fund	H26
Manufacturing Fund	H27
Medical Professional Liability Catastrophe Loss Fund	H27
Minority Business Development Fund	H28
Motor Vehicle Transaction Recovery Fund	H28
Municipal Pension Aid Fund	H29
Non-Coal Surface Mining Conservation and Reclamation Fund	H29
Nursing Home Loan Development Fund	H30
Nursing Home Loan Fund	H30
Nursing Home Loan Sinking Fund.....	H31
Nutrition Education and Training Fund	H31
Oil and Gas Lease Fund	H32
Oil Overcharge Fund	H32
Pennsylvania Capital Loan Fund	H33
Pennsylvania Economic Revitalization Sinking Fund	H33
Pennsylvania Historical and Museum Commission Trust Fund	H34
Pennsylvania Municipal Retirement Fund	H34
Pennsylvania Veterans' Memorial Trust Fund	H35
PENNVEST Bond Authorization Fund	H35
PENNVEST Fund	H36
PENNVEST Non-Revolving Fund	H36
PENNVEST Redemption Fund.....	H37
PENNVEST Revolving Fund	H37
PENNVEST Water Pollution Control Revolving Fund	H38
Pharmaceutical Assistance Fund	H38
Project 70 Land Acquisition Sinking Fund	H39
Purchasing Fund	H39
Real Estate Recovery Fund	H40
Recycling Fund.....	H40
Regional Facility Siting Fund	H41
Rehabilitation Center Fund	H41
Revenue Sharing Trust Fund	H42
School Employees' Retirement Fund	H43
Sinking Fund.....	H44
Social Security Contribution Fund	H44
Solid Waste-Resource Recovery Development Fund	H45
Special Administration Fund.....	H45
State College Experimental Farm Fund	H46

State Employees' Retirement Fund	H46
State Insurance Fund	H47
State Restaurant Fund	H47
State School Fund	H48
State Stores Fund	H49
State Treasury Armory Fund	H49
State Workmen's Insurance Fund	H50
Storage Tank Fund	H51
Storage Tank Loan Fund	H51
Sunny Day Fund	H52
Supplemental State Assistance Fund	H53
Surface Mining Conservation and Reclamation Fund	H53
Tax Note Sinking Fund	H54
Tax Stabilization Reserve Fund	H54
Underground Storage Tank Indemnification Fund	H55
Unemployment Compensation Benefit Payment Fund	H56
Unemployment Compensation Contribution Fund	H56
Unemployment Compensation Interest Fund	H57
Vietnam Conflict Veterans' Compensation Sinking Fund	H57
Vocational Rehabilitation Fund	H58
Volunteer Companies Loan Fund	H59
Volunteer Company Loan Sinking Fund	H59
Water Facilities Loan Fund	H60
Water Facilities Loan Redemption Fund	H60
Wild Resources Conservation Fund	H61
Workmen's Compensation Administration Fund	H61
Workmen's Compensation Security Fund	H62
Workmen's Compensation Supersedeas Fund	H63

1991-92

Statements



GENERAL FUND

Five Year Financial Statement

The projections beyond the 1991-92 fiscal year show future implications of the present budgetary policies and recommendations only. Revenue estimates are based upon current and proposed tax rates.

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Beginning Balance	\$ 385,379	\$ 136,183	\$ -315,430				
Revenues	\$ 11,834,369	\$ 11,967,400	\$ 13,705,200	\$ 14,199,300	\$ 14,865,000	\$ 15,705,300	\$ 16,696,600
Tax Stabilization Reserve Fund		133,800					
Adjustments ^a	-263,433	-231,046	-298,000	-311,325	-326,891	-343,236	-360,398
Funds Available	\$ 11,956,315	\$ 12,006,337	\$ 13,091,770	\$ 13,887,975	\$ 14,538,109	\$ 15,362,064	\$ 16,336,202
Expenditures	-11,820,132	-12,321,767 ^c	-13,089,748	-13,560,494	-14,077,717	-14,437,774	-14,774,249
Ending Balance ^b	\$ 136,183	\$ -315,430	\$ 2,022	\$ 327,481	\$ 460,392	\$ 924,290	\$ 1,561,953

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

^bEnding balance not carried forward after 1991-92.

^cIncludes \$133.8 million of recommended supplemental appropriations from the Tax Stabilization Reserve Fund.

FIVE YEAR FINANCIAL STATEMENTS

Motor License Fund^a

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Beginning Balance	\$ 74,643	\$ 56,356	\$ 64,520	\$ 1,866	\$ 2,713	\$ 2,171	\$ 2,712
Receipts	1,498,496	1,501,768	1,514,308	1,523,467	1,527,451	1,537,882	1,553,488
Funds Available	<u>\$ 1,573,139</u>	<u>\$ 1,558,124</u>	<u>\$ 1,578,828</u>	<u>\$ 1,525,333</u>	<u>\$ 1,530,164</u>	<u>\$ 1,540,053</u>	<u>\$ 1,556,200</u>
Less Expenditures	-1,516,783	-1,493,604	-1,576,962	-1,522,620	-1,527,993	-1,537,341	-1,554,181
Ending Balance	<u>\$ 56,356</u>	<u>\$ 64,520</u>	<u>\$ 1,866</u>	<u>\$ 2,713</u>	<u>\$ 2,171</u>	<u>\$ 2,712</u>	<u>\$ 2,019</u>

Banking Department Fund

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Beginning Balance	\$ 1,240	\$ 867	\$ 825	\$ 171	\$ 692	\$ 1,389	\$ 2,149
Receipts	8,018	9,054	9,525	9,861	10,309	10,653	11,008
Funds Available	<u>\$ 9,258</u>	<u>\$ 9,921</u>	<u>\$ 10,350</u>	<u>\$ 10,032</u>	<u>\$ 11,001</u>	<u>\$ 12,042</u>	<u>\$ 13,157</u>
Less Expenditures	-8,391	-9,096	-10,179	-9,340	-9,612	-9,893	-10,181
Ending Balance	<u>\$ 867</u>	<u>\$ 825</u>	<u>\$ 171</u>	<u>\$ 692</u>	<u>\$ 1,389</u>	<u>\$ 2,149</u>	<u>\$ 2,976</u>

Boat Fund

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Beginning Balance	\$ 2,870	\$ 2,889	\$ 2,317	\$ 1,051	.....	.....	.....
Receipts	5,386	5,204	4,729	4,856	\$ 4,990	\$ 5,125	\$ 5,255
Funds Available	<u>\$ 8,256</u>	<u>\$ 8,093</u>	<u>\$ 7,046</u>	<u>\$ 5,907</u>	<u>\$ 4,990</u>	<u>\$ 5,125</u>	<u>\$ 5,255</u>
Less Expenditures	-5,367	-5,776	-5,995	-5,907	-4,990	-5,125	-5,255
Ending Balance	<u>\$ 2,889</u>	<u>\$ 2,317</u>	<u>\$ 1,051</u>	.....	.....	.....	.....

^aExcludes restricted revenue.

**FIVE YEAR FINANCIAL STATEMENTS
(Continued)**

Economic Revitalization Fund

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Beginning Balance	\$ 5,398	\$ 3,510	\$ 2,112	\$ 864	\$ 816	\$ 1,368	\$ 1,920
Receipts	38,852	118,217	148,457	148,657	151,257	151,257	151,257
Funds Available	<u>\$ 44,250</u>	<u>\$ 121,727</u>	<u>\$ 150,569</u>	<u>\$ 149,521</u>	<u>\$ 152,073</u>	<u>\$ 152,625</u>	<u>\$ 153,177</u>
Less Expenditures	-40,740	-119,615	-149,705	-148,705	-150,705	-150,705	-150,305
Ending Balance	<u>\$ 3,510</u>	<u>\$ 2,112</u>	<u>\$ 864</u>	<u>\$ 816</u>	<u>\$ 1,368</u>	<u>\$ 1,920</u>	<u>\$ 2,872</u>

Energy Conservation and Assistance Fund

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Beginning Balance	\$ 53,440	\$ 30,526	\$ 14,065	\$ 1,565	\$ 415	\$ 415	\$ 5
Receipts	23,956	15,364	5,500	4,850	4,500	490	775
Funds Available	<u>\$ 77,396</u>	<u>\$ 45,890</u>	<u>\$ 19,565</u>	<u>\$ 6,415</u>	<u>\$ 4,915</u>	<u>\$ 905</u>	<u>\$ 780</u>
Less Expenditures	-46,870	-31,825	-18,000	-6,000	-4,500	-900	-780
Ending Balance	<u>\$ 30,526</u>	<u>\$ 14,065</u>	<u>\$ 1,565</u>	<u>\$ 415</u>	<u>\$ 415</u>	<u>\$ 5</u>	<u>.....</u>

Farm Products Show Fund

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Beginning Balance	\$ 1,639	\$ 2,364	.....	\$ 21	\$ 33	\$ 39	\$ 49
Receipts	4,766	2,741	\$ 3,410	3,307	3,301	3,305	3,319
Funds Available	<u>\$ 6,405</u>	<u>\$ 5,105</u>	<u>\$ 3,410</u>	<u>\$ 3,328</u>	<u>\$ 3,334</u>	<u>\$ 3,344</u>	<u>\$ 3,368</u>
Less Expenditures	-4,041	-5,105	-3,389	-3,295	-3,295	-3,295	-3,295
Ending Balance	<u>\$ 2,364</u>	<u>.....</u>	<u>\$ 21</u>	<u>\$ 33</u>	<u>\$ 39</u>	<u>\$ 49</u>	<u>\$ 73</u>

**FIVE YEAR FINANCIAL STATEMENTS
(Continued)**

Fish Fund

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Beginning Balance	\$ 10,568	\$ 10,654	\$ 9,913	\$ 8,624	\$ 6,907	\$ 4,741	\$ 2,113
Receipts	27,045	28,833	29,698	29,725	29,074	29,516	29,777
Funds Available	<u>\$ 37,613</u>	<u>\$ 39,487</u>	<u>\$ 39,611</u>	<u>\$ 38,349</u>	<u>\$ 35,981</u>	<u>\$ 34,257</u>	<u>\$ 31,890</u>
Less Expenditures	-26,959	-29,574	-30,987	-31,442	-31,240	-32,144	-31,890
Ending Balance	<u>\$ 10,654</u>	<u>\$ 9,913</u>	<u>\$ 8,624</u>	<u>\$ 6,907</u>	<u>\$ 4,741</u>	<u>\$ 2,113</u>	<u>.....</u>

Game Fund

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Beginning Balance	\$ 30,644	\$ 35,038	\$ 36,223	\$ 27,139	\$ 21,209	\$ 14,047	\$ 5,617
Receipts	46,728	47,299	42,650	42,600	42,600	42,600	42,600
Funds Available	<u>\$ 77,372</u>	<u>\$ 82,337</u>	<u>\$ 78,873</u>	<u>\$ 69,739</u>	<u>\$ 63,809</u>	<u>\$ 56,647</u>	<u>\$ 48,217</u>
Less Expenditures	-42,334	-46,114	-51,734	-48,530	-49,762	-51,030	-48,217
Ending Balance	<u>\$ 35,038</u>	<u>\$ 36,223</u>	<u>\$ 27,139</u>	<u>\$ 21,209</u>	<u>\$ 14,047</u>	<u>\$ 5,617</u>	<u>.....</u>

Lottery Fund

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Beginning Balance	\$ 130,205	\$ 39,563	\$ 19,610	\$ 1,072	\$ -2,298	\$ -7,577	\$ -14,788
Add Reserve From Previous Year	126,435	114,829	.....	.....	.....	.....	.....
Receipts	870,788	867,778	874,678	902,887	917,355	932,151	947,282
Funds Available	<u>\$ 1,127,428</u>	<u>\$ 1,022,170</u>	<u>\$ 894,288</u>	<u>\$ 903,959</u>	<u>\$ 915,057</u>	<u>\$ 924,574</u>	<u>\$ 932,494</u>
Less Expenditures	-973,036	-1,002,560	-893,216	-906,257	-922,634	-939,362	-955,244
Less Reserve	-114,829	.....	.....	.....	.....	.....	.....
Ending Balance	<u>\$ 39,563</u>	<u>\$ 19,610</u>	<u>\$ 1,072</u>	<u>\$ -2,298</u>	<u>\$ -7,577</u>	<u>\$ -14,788</u>	<u>\$ -22,750</u>

**FIVE YEAR FINANCIAL STATEMENTS
(continued)**

Milk Marketing Fund

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Beginning Balance	\$ 159	\$ 147	.....	\$ 12	\$ 24	\$ 36	\$ 48
Receipts	1,667	1,227	\$ 1,715	1,715	1,715	1,715	1,715
Funds Available	<u>\$ 1,826</u>	<u>\$ 1,374</u>	<u>\$ 1,715</u>	<u>\$ 1,727</u>	<u>\$ 1,739</u>	<u>\$ 1,751</u>	<u>\$ 1,763</u>
Less Expenditures	-1,679	-1,374	-1,703	-1,703	-1,703	-1,703	-1,703
Ending Balance	<u><u>\$ 147</u></u>	<u><u>.....</u></u>	<u><u>\$ 12</u></u>	<u><u>\$ 24</u></u>	<u><u>\$ 36</u></u>	<u><u>\$ 48</u></u>	<u><u>\$ 60</u></u>

Racing Fund

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Beginning Balance	\$ 1,612	\$ 1,091	\$ 1,236	\$ 3,237	\$ 6,203	\$ 9,222	\$ 9,005
Receipts	7,289	8,166	10,570	13,761	17,012	17,034	17,057
Funds Available	<u>\$ 8,901</u>	<u>\$ 9,257</u>	<u>\$ 11,806</u>	<u>\$ 16,998</u>	<u>\$ 23,215</u>	<u>\$ 26,256</u>	<u>\$ 26,062</u>
Less Expenditures	-7,810	-8,021	-8,569	-10,795	-13,993	-17,251	-17,280
Ending Balance	<u><u>\$ 1,091</u></u>	<u><u>\$ 1,236</u></u>	<u><u>\$ 3,237</u></u>	<u><u>\$ 6,203</u></u>	<u><u>\$ 9,222</u></u>	<u><u>\$ 9,005</u></u>	<u><u>\$ 8,782</u></u>

Five-Year Department Summary by Fund

	(Dollar Amounts in Thousands)							
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED	
GOVERNOR'S OFFICE								
General Fund.....	\$ 5,803	\$ 6,490	\$ 6,685	\$ 6,886	\$ 7,093	\$ 7,306	\$ 7,525	
EXECUTIVE OFFICES								
General Fund.....	\$ 74,379	\$ 75,810	\$ 67,751	\$ 72,345	\$ 73,986	\$ 75,677	\$ 77,417	
Lottery Fund.....	58	64	65	67	69	71	73	
Motor License Fund.....	4,370	4,618	4,844	4,989	5,139	5,293	5,452	
Energy Conservation And Assistance Fund..	10,500	4,900	4,500	1,500	1,125	225	195	
TOTAL.....	\$ 89,307	\$ 85,392	\$ 77,160	\$ 78,901	\$ 80,319	\$ 81,266	\$ 83,137	
LIEUTENANT GOVERNOR'S OFFICE								
General Fund.....	\$ 833	\$ 891	\$ 914	\$ 941	\$ 970	\$ 999	\$ 1,029	
OFFICE OF ATTORNEY GENERAL								
General Fund.....	\$ 44,487	\$ 40,820	\$ 45,467	\$ 48,413	\$ 50,324	\$ 47,422	\$ 48,842	
AUDITOR GENERAL								
General Fund.....	\$ 51,915	\$ 53,526	\$ 53,619	\$ 54,735	\$ 55,885	\$ 57,069	\$ 58,289	
TREASURY								
General Fund.....	\$ 465,619	\$ 511,106	\$ 554,683	\$ 634,731	\$ 697,674	\$ 743,612	\$ 746,643	
Lottery Fund.....	60	60	300	300	300	300	300	
Racing Fund.....	0	30	10	10	10	10	10	
Motor License Fund.....	187,351	192,478	195,385	201,903	196,704	193,363	162,633	
Game Fund.....	0	18	5	5	5	5	5	
Fish Fund.....	63	73	55	48	39	29	9	
Banking Department Fund.....	0	15	5	5	5	5	5	
Milk Marketing Fund.....	5	20	10	10	10	10	10	
Farm Products Show Fund.....	0	15	5	5	5	5	5	
Boat Fund.....	2	17	7	7	6	5	5	
Economic Revitalization Fund.....	0	15	5	5	5	5	5	
TOTAL.....	\$ 653,100	\$ 703,847	\$ 750,470	\$ 837,029	\$ 894,763	\$ 937,349	\$ 909,630	
AGING								
General Fund.....	\$ 3,702	\$ 7,500	\$ 10,415	\$ 10,415	\$ 10,415	\$ 10,415	\$ 10,415	
Lottery Fund.....	353,066	409,019	365,390	379,055	390,837	402,740	413,767	
TOTAL.....	\$ 356,768	\$ 416,519	\$ 375,805	\$ 389,470	\$ 401,252	\$ 413,155	\$ 424,182	
AGRICULTURE								
General Fund.....	\$ 37,396	\$ 38,728	\$ 37,860	\$ 38,758	\$ 39,223	\$ 39,704	\$ 40,203	
Racing Fund.....	7,682	7,449	7,933	10,135	13,308	16,540	16,542	
Farm Products Show Fund.....	3,041	4,949	2,734	2,790	2,890	2,990	3,090	
Economic Revitalization Fund.....	0	1,000	1,000	1,000	1,000	1,000	1,000	
TOTAL.....	\$ 48,119	\$ 52,126	\$ 49,527	\$ 52,683	\$ 56,421	\$ 60,234	\$ 60,835	
BANKING								
Banking Department Fund.....	\$ 8,108	\$ 8,798	\$ 9,020	\$ 9,004	\$ 9,274	\$ 9,553	\$ 9,839	
CIVIL SERVICE COMMISSION								
General Fund.....	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	

Five-Year Department Summary by Fund

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
COMMUNITY AFFAIRS							
General Fund.....	\$ 80,528	\$ 59,711	\$ 35,128	\$ 35,445	\$ 35,771	\$ 36,106	\$ 36,451
Economic Revitalization Fund.....	1,244	28,200	29,750	29,750	29,750	29,750	29,750
Energy Conservation And Assistance Fund..	18,370	0	0	0	0	0	0
TOTAL.....	\$ 100,142	\$ 87,911	\$ 64,878	\$ 65,195	\$ 65,521	\$ 65,856	\$ 66,201
CORRECTIONS							
General Fund.....	\$ 345,554	\$ 414,046	\$ 451,003	\$ 476,406	\$ 496,317	\$ 515,374	\$ 534,556
CRIME COMMISSION							
General Fund.....	\$ 2,610	\$ 2,514	\$ 2,487	\$ 2,562	\$ 2,639	\$ 2,718	\$ 2,800
ECONOMIC DEVELOPMENT PARTNERSHIP							
General Fund.....	\$ 129,712	\$ 36,322	\$ 16,561	\$ 22,043	\$ 172,282	\$ 172,529	\$ 172,783
Economic Revitalization Fund.....	33,496	90,500	110,450	109,450	111,450	111,450	111,050
TOTAL.....	\$ 163,208	\$ 126,822	\$ 127,011	\$ 131,493	\$ 283,732	\$ 283,979	\$ 283,833
EDUCATION							
General Fund.....	\$ 5,498,648	\$ 5,817,718	\$ 5,966,704	\$ 6,058,832	\$ 6,137,154	\$ 6,218,402	\$ 6,303,015
Motor License Fund.....	1,785	5,196	1,949	1,949	1,949	1,949	1,949
TOTAL.....	\$ 5,500,433	\$ 5,822,914	\$ 5,968,653	\$ 6,060,781	\$ 6,139,103	\$ 6,220,351	\$ 6,304,964
EMERGENCY MANAGEMENT AGENCY							
General Fund.....	\$ 5,511	\$ 4,820	\$ 4,266	\$ 4,384	\$ 4,534	\$ 4,670	\$ 4,810
ENVIRONMENTAL RESOURCES							
General Fund.....	\$ 200,568	\$ 206,169	\$ 203,097	\$ 228,366	\$ 234,136	\$ 240,336	\$ 246,722
FISH COMMISSION							
General Fund.....	\$ 8	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9
Fish Fund.....	18,049	19,472	20,759	21,382	22,023	22,684	22,235
Boat Fund.....	4,441	4,858	5,084	4,985	4,056	4,178	4,293
TOTAL.....	\$ 22,498	\$ 24,339	\$ 25,852	\$ 26,376	\$ 26,088	\$ 26,871	\$ 26,537
GAME COMMISSION							
Game Fund.....	\$ 38,101	\$ 40,091	\$ 47,214	\$ 44,060	\$ 45,292	\$ 46,560	\$ 43,747
GENERAL SERVICES							
General Fund.....	\$ 66,279	\$ 68,799	\$ 69,956	\$ 72,249	\$ 73,983	\$ 76,126	\$ 77,978
Lottery Fund.....	180	180	208	209	210	211	212
Motor License Fund.....	18,200	26,500	17,500	17,500	17,500	17,500	17,500
Banking Department Fund.....	283	283	329	331	333	335	337
TOTAL.....	\$ 84,942	\$ 95,762	\$ 87,993	\$ 90,289	\$ 92,026	\$ 94,172	\$ 96,027
HEALTH							
General Fund.....	\$ 174,810	\$ 163,406	\$ 166,100	\$ 167,976	\$ 169,920	\$ 171,937	\$ 174,027

Five-Year Department Summary by Fund

(Dollar Amounts in Thousands)

	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
HIGHER EDUCATION ASSISTANCE AGENCY							
General Fund.....	\$ 170,156	\$ 186,452	\$ 194,932	\$ 194,932	\$ 194,932	\$ 194,932	\$ 194,932
HISTORICAL AND MUSEUM COMMISSION							
General Fund.....	\$ 18,046	\$ 18,372	\$ 16,063	\$ 16,777	\$ 17,164	\$ 17,562	\$ 17,972
HOUSING FINANCE AGENCY							
General Fund.....	\$ 10,000	\$ 7,500	\$ 7,500	\$ 3,750	\$ 0	\$ 0	\$ 0
INFRASTRUCTURE INVESTMENT AUTHORITY (PENNVEST)							
General Fund.....	\$ 11,500	\$ 2,000	\$ 2,000	\$ 14,000	\$ 14,000	\$ 13,000	\$ 13,000
INSURANCE							
General Fund.....	\$ 11,238	\$ 11,543	\$ 11,424	\$ 11,767	\$ 12,120	\$ 12,484	\$ 12,859
LABOR AND INDUSTRY							
General Fund.....	\$ 45,850	\$ 44,523	\$ 41,883	\$ 45,664	\$ 46,593	\$ 47,079	\$ 47,037
Economic Revitalization Fund.....	6,000	6,000	8,500	8,500	8,500	8,500	8,500
TOTAL.....	\$ 51,850	\$ 50,523	\$ 50,383	\$ 54,164	\$ 55,093	\$ 55,579	\$ 55,537
MILITARY AFFAIRS							
General Fund.....	\$ 33,751	\$ 35,022	\$ 41,821	\$ 47,469	\$ 51,485	\$ 52,918	\$ 54,392
MILK MARKETING BOARD							
General Fund.....	\$ 600	\$ 600	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Milk Marketing Fund.....	1,074	1,354	1,693	1,693	1,693	1,693	1,693
TOTAL.....	\$ 1,674	\$ 1,954	\$ 1,693	\$ 1,693	\$ 1,693	\$ 1,693	\$ 1,693
BOARD OF PROBATION AND PAROLE							
General Fund.....	\$ 34,731	\$ 45,012	\$ 38,189	\$ 39,098	\$ 40,035	\$ 41,000	\$ 41,994
PUBLIC TELEVISION NETWORK							
General Fund.....	\$ 10,600	\$ 10,881	\$ 8,557	\$ 10,632	\$ 10,709	\$ 10,789	\$ 10,871
PUBLIC WELFARE							
General Fund.....	\$ 3,477,401	\$ 3,965,929	\$ 4,168,902	\$ 4,347,259	\$ 4,520,689	\$ 4,703,616	\$ 4,895,945
Lottery Fund.....	106,000	96,000	76,000	66,000	66,000	66,000	66,000
Energy Conservation And Assistance Fund..	18,000	26,925	13,500	4,500	3,375	675	585
TOTAL.....	\$ 3,601,401	\$ 4,088,854	\$ 4,258,402	\$ 4,417,759	\$ 4,590,064	\$ 4,770,291	\$ 4,962,530
REVENUE							
General Fund.....	\$ 175,216	\$ 181,993	\$ 236,199	\$ 226,071	\$ 233,960	\$ 243,584	\$ 253,634
Lottery Fund.....	439,040	414,137	387,553	396,926	401,518	406,340	411,192
Racing Fund.....	128	129	134	138	142	146	150
Motor License Fund.....	10,000	12,962	13,421	13,665	13,916	14,174	14,440
TOTAL.....	\$ 624,384	\$ 609,221	\$ 637,307	\$ 636,800	\$ 649,536	\$ 664,244	\$ 679,416

Five-Year Department Summary by Fund

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
SECURITIES COMMISSION							
General Fund.....	\$ 3,170	\$ 3,112	\$ 3,193	\$ 3,289	\$ 3,388	\$ 3,490	\$ 3,595
STATE							
General Fund.....	\$ 3,446	\$ 4,281	\$ 2,499	\$ 2,123	\$ 1,883	\$ 1,977	\$ 1,972
STATE EMPLOYEES' RETIREMENT SYSTEM							
General Fund.....	\$ 679	\$ 672	\$ 672	\$ 672	\$ 672	\$ 672	\$ 672
STATE POLICE							
General Fund.....	\$ 105,553	\$ 101,202	\$ 114,441	\$ 118,007	\$ 120,609	\$ 123,314	\$ 127,015
Motor License Fund.....	182,232	193,583	236,150	243,234	250,531	258,045	265,786
TOTAL.....	\$ 287,785	\$ 294,785	\$ 350,591	\$ 361,241	\$ 371,140	\$ 381,359	\$ 392,801
TAX EQUALIZATION BOARD							
General Fund.....	\$ 1,089	\$ 1,168	\$ 1,194	\$ 1,230	\$ 1,267	\$ 1,305	\$ 1,344
TRANSPORTATION							
General Fund.....	\$ 242,224	\$ 252,868	\$ 247,199	\$ 247,332	\$ 247,469	\$ 247,609	\$ 247,753
Lottery Fund.....	74,632	83,100	63,700	63,700	63,700	63,700	63,700
Motor License Fund.....	1,112,845	1,136,631	1,107,713	1,039,380	1,042,254	1,047,017	1,086,421
TOTAL.....	\$ 1,429,701	\$ 1,472,599	\$ 1,418,612	\$ 1,350,412	\$ 1,353,423	\$ 1,358,326	\$ 1,397,874
LEGISLATURE							
General Fund.....	\$ 127,806	\$ 148,484	\$ 149,037	\$ 149,037	\$ 149,037	\$ 149,037	\$ 149,037
JUDICIARY							
General Fund.....	\$ 148,713	\$ 149,767	\$ 141,337	\$ 145,888	\$ 149,389	\$ 152,994	\$ 156,710
COMMONWEALTH TOTALS							
General Fund.....	\$11,820,132	\$12,679,767	\$13,119,748	\$13,560,494	\$14,077,717	\$14,437,774	\$14,774,249
Lottery Fund.....	973,036	1,002,560	893,216	906,257	922,634	939,362	955,244
Racing Fund.....	7,810	7,608	8,077	10,283	13,460	16,696	16,702
Motor License Fund.....	1,516,783	1,571,968	1,576,962	1,522,620	1,527,993	1,537,341	1,554,181
Game Fund.....	38,101	40,109	47,219	44,065	45,297	46,565	43,752
Fish Fund.....	18,112	19,545	20,814	21,430	22,062	22,713	22,244
Banking Department Fund.....	8,391	9,096	9,354	9,340	9,612	9,893	10,181
Milk Marketing Fund.....	1,079	1,374	1,703	1,703	1,703	1,703	1,703
Farm Products Show Fund.....	3,041	4,964	2,739	2,795	2,895	2,995	3,095
Boat Fund.....	4,443	4,875	5,091	4,992	4,062	4,183	4,298
Economic Revitalization Fund.....	40,740	125,715	149,705	148,705	150,705	150,705	150,305
Energy Conservation and Assistance Fund..	46,870	31,825	18,000	6,000	4,500	900	780
GRAND TOTAL.....	\$14,478,538	\$15,499,406	\$15,852,628	\$16,238,684	\$16,782,640	\$17,170,830	\$17,536,734

GENERAL FUND AND SPECIAL FUNDS

Five-Year Commonwealth Program Summary

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Recommended	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
Commonwealth Program							
Direction and Supportive Services	\$ 761,659	\$ 823,530	\$ 825,807	\$ 845,762	\$ 858,696	\$ 873,746	\$ 888,224
Protection of Persons and Property	1,229,501	1,330,936	1,410,601	1,490,134	1,551,611	1,602,772	1,647,236
Intellectual Development and Education ..	5,792,390	6,139,876	6,330,787	6,426,026	6,515,685	6,607,869	6,698,630
Health and Human Services	4,436,806	4,974,748	5,062,830	5,244,734	5,434,402	5,629,765	5,833,337
Economic Development	538,631	475,890	486,398	527,428	704,205	724,083	727,641
Transportation and Communication	1,516,552	1,544,717	1,523,873	1,481,139	1,487,288	1,494,834	1,505,864
Recreation and Cultural Enrichment	202,999	209,709	212,332	223,461	230,753	237,761	235,802
GENERAL FUND AND SPECIAL FUNDS TOTAL	<u>\$14,478,538</u>	<u>\$15,499,406</u>	<u>\$ 15,852,628</u>	<u>\$16,238,684</u>	<u>\$16,782,640</u>	<u>\$17,170,830</u>	<u>\$17,536,734</u>

Distribution of the Commonwealth Dollar GENERAL FUND AND SPECIAL FUNDS

1991-92 Fiscal Year
(Dollar Amounts in Thousands)



Intellectual Development
and Education \$6,330,787
39.9%

Health and Human Services \$5,062,830
32.0%

Transportation and Communication \$1,523,873
9.6%

Protection of Persons and Property \$1,410,601
8.9%

Direction and Supportive Services \$825,807
5.2%

TOTAL \$15,852,628

Economic Development \$486,398
3.1%

Recreation and Cultural Enrichment \$212,332
1.3%

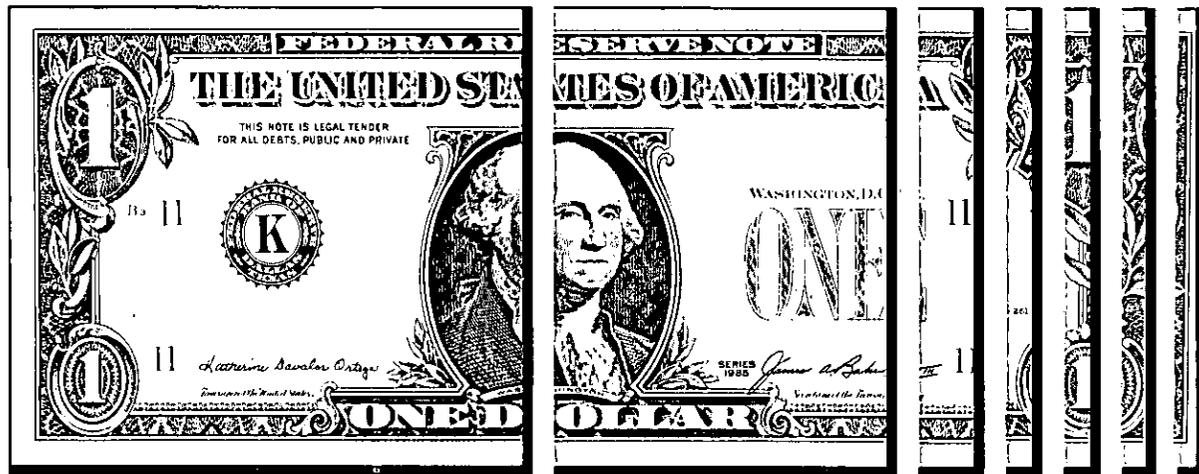
GENERAL FUND

Five-Year Commonwealth Program Summary

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Recommended	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
Commonwealth Program							
Direction and Supportive Services	\$ 436,020	\$ 500,655	\$ 507,143	\$ 517,319	\$ 524,643	\$ 533,942	\$ 542,526
Protection of Persons and Property	958,730	1,034,022	1,071,463	1,144,067	1,193,232	1,232,363	1,270,004
Intellectual Development and Education ..	5,790,605	6,134,680	6,328,838	6,424,077	6,513,736	6,605,920	6,696,681
Health and Human Services	3,732,095	4,214,804	4,430,340	4,617,679	4,797,290	4,983,950	5,177,185
Economic Development	469,021	346,290	333,198	378,228	553,380	574,158	578,146
Transportation and Communication	291,318	304,088	309,543	326,135	336,089	343,126	344,184
Recreation and Cultural Enrichment	142,343	145,228	139,223	152,989	159,347	164,315	165,523
GENERAL FUND AND SPECIAL FUNDS TOTAL	<u>\$11,820,132</u>	<u>\$12,679,767</u>	<u>\$ 13,119,748</u>	<u>\$13,560,494</u>	<u>\$14,077,717</u>	<u>\$14,437,774</u>	<u>\$14,774,249</u>

Distribution of the Commonwealth Dollar GENERAL FUND

1991-92 Fiscal Year



Intellectual Development
and Education 48.2¢

Health and Human Services 33.8¢

Protection of Persons and Property 8.2¢

Direction and Supportive Services 3.9¢

Economic Development 2.5¢

Transportation and Communication 2.3¢

Recreation and Cultural Enrichment 1.1¢

\$1.00

GENERAL FUND

Program Summary

	(Dollar Amounts in Thousands)			
	1990-91		1991-92	
Direction and Supportive Services	\$ 500,655	3.9%	\$ 507,143	3.9%
Protection of Persons and Property	1,034,022	8.2%	1,071,463	8.2%
Intellectual Development and Education	6,134,680	48.4%	6,328,838	48.2%
Health and and Human Services	4,214,804	33.2%	4,430,340	33.8%
Economic Development	346,290	2.7%	333,198	2.5%
Transportation and Communication	304,088	2.4%	309,543	2.3%
Recreation and Cultural Enrichment	145,228	1.2%	139,223	1.1%
	<hr/>	<hr/>	<hr/>	<hr/>
GENERAL FUND TOTAL	<u>\$ 12,679,767</u>	<u>100.0%</u>	<u>\$ 13,119,748</u>	<u>100.0%</u>

General Fund

1991-92 Fiscal Year



SALES \$4,621,000 33.7%
 PERSONAL INCOME \$3,593,000 26.2%
 OTHER BUSINESS \$2,451,700 17.9%
 CORPORATE NET INCOME \$1,434,000 10.5%
 OTHER REVENUES \$1,081,500 7.9%
 INHERITANCE \$524,000 3.8%

Income

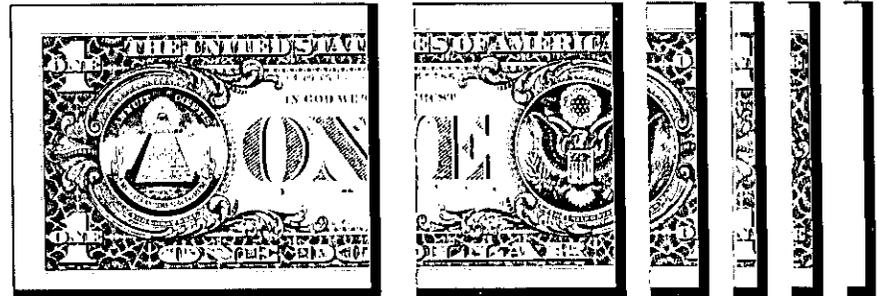
(Dollar Amounts In Thousands)

TOTAL INCOME	\$	13,705,200*
REFUNDS		-298,000
LAPSES		0
BEGINNING BALANCE		-315,430
<hr/>		
TOTAL	\$	13,091,770

Outgo

(Dollar Amounts In Thousands)

TOTAL OUTGO	\$	13,119,748
LESS PERSONNEL SAVINGS		-30,000
PLUS ENDING SURPLUS		2,022
<hr/>		
TOTAL	\$	13,091,770



INTELLECTUAL DEVELOPMENT AND EDUCATION \$6,328,838 48.2%
 HEALTH AND HUMAN SERVICES \$4,430,340 33.8%
 PROTECTION \$1,071,463 8.2%
 DIRECTION \$507,143 3.9%
 OTHER PROGRAMS \$448,766 3.4%
 ECONOMIC DEVELOPMENT \$333,198 2.5%

* Includes proposed revenue changes.

Improving Basic and Higher Education

This Administration is committed to making available quality educational opportunities for all Pennsylvanians. This budget continues those efforts by increasing resources for regular and special education.

Pennsylvania's Equalized Subsidy for Basic Education (ESBE) is designed to provide a higher level of funding for poor school districts. This budget proposes modifications to the ESBE formula to provide these districts additional funds from the \$140 million recommended ESBE increase.

This budget also proposes additional funding for special education programs. In addition, the Administration recommends that special education funds flow directly to school districts which can choose either to provide these programs directly or contract for their provision.

Prior to recently adopted regulations, many students who needed only remedial instruction were placed in special education programs because such assistance was not available in the regular classroom. This Administration is committed to eliminating this deficiency by providing additional funds to expand the Instructional Support Teams.

Pennsylvania currently funds programs for more than 19,000 developmentally delayed and handicapped children from birth to school entry age. This budget proposes additional funding to increase the number of children served and the types of services provided.

Cost is frequently a barrier to post secondary education. This budget supports the fifth 10 percent increase in the amount of funds available to assist full-time students overcome this barrier.

Recommended Program Revisions: _____

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

	1991-92	
	General Fund	Federal and Other Funds
Program Revision / Department / Appropriation	(Dollar Amounts in Thousands)	
IMPROVING BASIC EDUCATION _____		
EDUCATION:		
Equalized Subsidy for Basic Education	\$ 140,000	
School Employees' Social Security	15,000	
School Employees' Retirement Fund	19,000	
Subtotal	\$ 174,000	
<i>This Program Revision makes available additional State reimbursement to less affluent school districts.</i>		
IMPROVING SPECIAL EDUCATION _____		
EDUCATION:		
Special Education	\$ 59,000	
<i>This Program Revision provides a new funding approach for special education based on the number of students and aid ratio in each school district.</i>		
EXPANSION OF INSTRUCTIONAL SUPPORT TEAMS _____		
EDUCATION:		
Instructional Support Teams	\$ 4,000	
<i>This Program Revision provides funds for the second year of implementing ISTs in additional school buildings. ISTs will reduce the need for students to be enrolled in special education classes.</i>		

Program Revision / Department / Appropriation	1991-92	
	General Fund (Dollar Amounts in Thousands)	Federal and Other Funds
EXPANSION OF PRESCHOOL EDUCATION PROGRAMS _____		
EDUCATION:		
Early Intervention—Handicapped Children	\$ 2,503	
PUBLIC WELFARE:		
Early Intervention—DPW	1,875	
SSBG—Early Intervention (F)		\$ 2,825
	<hr/>	<hr/>
Subtotal	\$ 4,378	\$ 2,825

This Program Revision provides early intervention services for 2,370 developmentally disabled and handicapped children between birth and school entry age.

AID TO STUDENTS _____	
HIGHER EDUCATION ASSISTANCE AGENCY:	
Grants to Full-Time Students	\$ 14,442

This Program Revision provides a 10% increase in the amount of grant money available to full-time students at post-secondary institutions.

Commitment to Economic Development and Job Training

This budget continues the Administration's commitment to strengthen and diversify our economy by proposing two concerted efforts to assist in minimizing the impact of the national economic downturn on Pennsylvania's businesses and industry.

First, the budget proposes a \$300 million Pennsylvania Economic Revitalization Fund (PERF) bond issue to make funds available over the next two years to assist industries and manufacturers expand activities and maintain employment.

Second, funds will be made available for job training and basic life maintenance (food and housing) for individuals and families who are typically hit first and affected longest by an economic slowdown. This budget also provides additional funding for individuals and families who are, or may become, homeless as a result of the weakening economy.

Recommended Program Revisions:

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

	1990-91	
Program Revision / Department / Appropriation	General Fund	Federal and Other Funds
	(Dollar Amounts in Thousands)	
INCREASING ACCESS TO JOB TRAINING		
PUBLIC WELFARE:		
New Directions	\$ 4,151	
Maintenance Assistance (F)		\$ 5,500
Subtotal	\$ 4,151	\$ 5,500

This Program Revision provides funds for training and education to additional eligible AFDC recipients. These additional participants will contribute to meeting a required Federal participation rate of 11%.

COMMITMENT TO ECONOMIC DEVELOPMENT

COMMUNITY AFFAIRS:

Recreational Improvement and Rehabilitation	\$ 500
Heritage Parks	1,050

ECONOMIC DEVELOPMENT PARTNERSHIP:

Business Infrastructure Development	5,500
Mon Valley Revitalization	-2,000
Super Computer Center	1,000
Pennsylvania Industrial Development Authority	12,500
Industrial Communities Site Development and Action	2,000
Community Economic Recovery	2,000
Beaver Valley Revitalization	-1,000
Alle-Kiski Valley Revitalization	-500
Butler Revitalization	-250
Ben Franklin Partnership	-3,000
Engineering School Equipment	1,000
Machinery and Equipment Loan Fund	5,300
Shenango Valley Revitalization	-1,000
Lawrence Revitalization	-250
Industrial Resource Centers	2,000
Center for Light Microscope Imaging	400

LABOR AND INDUSTRY:

Pennsylvania Conservation Corps	2,500
Subtotal	\$ 27,750

This Program Revision provides funds to assist existing industries in the Commonwealth to counter the adverse effects of the current economic downturn.

1991-92

Program Revision / Department / Appropriation

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

EXPANDED SERVICES TO THE NEEDY _____

AGRICULTURE:

Emergency Food Assistance	\$	1,000	
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PUBLIC WELFARE:

Homeless Assistance—Case Management		275	
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Homeless Emergency Assistance (F)			\$ 3,493
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Subtotal	\$	1,275	\$ 3,493
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This Program Revision provides for additional case management services and housing for the homeless and makes available a greater quantity of nutritious food from the Department of Agriculture's emergency food program. In addition to the amounts shown, a total of \$1,000,000 in existing funds will be committed by the Departments of Community Affairs and Public Welfare and the Housing Finance Agency.

STATEWIDE BUSINESS-EDUCATION PARTNERSHIP FOR WORKFORCE DEVELOPMENT _____

EDUCATION:

Statewide Business-Education Partnership	\$	300	
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This Program Revision supports the development of partnerships between local businesses and educational institutions which will work toward developing school reforms to improve achievement, meet business needs and provide for quality workers.

Improving the Quality of Individual and Family Life

This Administration has made significant commitments to improving the quality of individual and family life in Pennsylvania. This budget extends those efforts by providing additional support in the areas of child welfare services, medical care for women and children, nursing home care for veterans, intensive in-home and community care for older Pennsylvanians, and community care for the disabled. This budget also proposes funding changes for various Lottery Fund programs.

Recommended Program Revisions:

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

	1990-91	
Program Revision / Department / Appropriation	General Fund	Federal and Other Funds
	(Dollar Amounts in Thousands)	
NUTRITION FOR CHILDREN AND FAMILIES		
HEALTH:		
WIC State Supplement	\$ 2,000	
<i>This Program Revision increases total number of participants in the WIC program by 3,477.</i>		
SECURING PERMANENT HOMES FOR CHILDREN IN FOSTER CARE		
PUBLIC WELFARE:		
County Child Welfare	\$ 500	
<i>This Program Revision establishes a demonstration program to assist hard to place foster care children achieve permanent placement.</i>		
EXPANDED SERVICES FOR THE FRAIL ELDERLY		
AGING:		
PennCARE—Lottery	\$ 1,700	
Frail Elderly (F)		\$ 2,300
Subtotal	\$ 1,700	\$ 2,300
<i>This Program Revision makes available intensive in-home services to additional older Pennsylvanians on a demonstration basis using Federal Frail Elderly funds.</i>		
EXPANSION OF HEALTHY BEGINNINGS		
PUBLIC WELFARE:		
Medical Assistance—Inpatient	\$ 4,534	\$ 2,758
Medical Assistance—Outpatient	2,097	5,964
Subtotal	\$ 6,631	\$ 8,722
<i>This Program Revision makes available inpatient and outpatient services to an additional group of needy children — those between the ages of 6 and 9.</i>		
IMPROVING CHILD CARE SERVICES		
PUBLIC WELFARE		
AFDC At-Risk Block Grant (F)		\$ 12,812
Child Care Development Block Grant—Administration(F)		399
Child Care Development Block Grant—Services (F)		20,889
EDUCATION		
Child Care Development Block Grant—Early Intervention—Handicapped Children (F)		4,912
Subtotal		\$ 39,012
<i>This Program Revision commits new Federal funds to improving the availability and quality of child care services.</i>		

Program Revision / Department / Appropriation

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

Pharmaceutical Assistance Fund—Aging		\$ -52,221
Older Pennsylvanians Shared Ride—Aging		51,000
Demand Response Equipment—Aging		2,300
Older Pennsylvanians Shared Ride—Transportation		-60,000
Transfer to MLF—Vehicle Registration—Transportation		-2,900
Demand Response Equipment Grants—Transportation		-2,300
Older Pennsylvanians Free Transit—Transportation		-26,000
Older Pennsylvanians' Inflation Dividend—Revenue		-27,300
Medical Assistance—Long Term Care -Welfare		-20,000
Medical Assistance—Long Term Care Facilities—Welfare	\$ 20,000	
Subtotal	\$ 20,000	\$ -137,421

This Program Revision contains a number of initiatives designed to ensure the integrity of the Lottery Fund to safeguard the continued availability of funds for senior citizens programs.

VETERANS HOMES EXPANSION**MILITARY AFFAIRS:**

Hollidaysburg Veterans Home	\$ 1,874	
Federal per Diem—Hollidaysburg (F)		\$ 89
Residents Fees—Hollidaysburg		95
Southeastern Veterans Home	3,578	
Federal per Diem—Southeastern (F)		740
Residents Fees—Southeastern		984
Subtotal	\$ 5,452	\$ 1,908

This Program Revision provides 340 new nursing home beds at the Hollidaysburg and Southeastern Pennsylvania veterans homes.

CHILD WELFARE NEEDS-BASED BUDGET**PUBLIC WELFARE:**

County Child Welfare	\$ 41,866	
County Child Welfare Overmatch	6,000	
DSCI—Alternatives to Institutionalization (F)		\$ 565
Subtotal	\$ 47,866	\$ 565

This Program Revision provides for an equitable funding approach for the state reimbursement to counties for child welfare services.

ATTENDANT CARE SERVICE EXPANSION**PUBLIC WELFARE:**

Attendant Care	\$ 2,393	
SSBG—Attendant Care (F)		\$ 3,607
Subtotal	\$ 2,393	\$ 3,607

This Program Revision provides attendant care services to an additional 600 individuals.

WOMEN'S SERVICE PROGRAM**PUBLIC WELFARE:**

Women's Service Programs	\$ 2,000	
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This Program Revision provides \$1,000,000 for an initiative for alternatives to abortion services for needy women and \$1,000,000 for an initiative to provide additional medical services to women receiving subsidized breast cancer screening.

Health Care Cost Containment

Health care costs continue to increase across the nation and in Pennsylvania. This Administration has taken action in the past to control these costs. This budget includes additional cost control efforts in the Medical Assistance program that are estimated to reduce State costs by \$81.5 million during 1991-92.

Recommended Program Revisions: _____

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

	1990-91	
Program Revision / Department / Appropriation	General Fund	Federal and Other Funds
	(Dollar Amounts in Thousands)	
MEDICAL ASSISTANCE COST CONTAINMENT _____		
PUBLIC WELFARE:		
Medical Assistance—Inpatient	\$ -28,958	\$ -14,944
Medical Assistance—Outpatient	-30,428	-28,347
Medical Assistance—Long Term Care Facilities	-22,167	-26,705
Subtotal	\$ -81,553	\$ -69,996

This Program Revision provides for a number of initiatives designed to reduce costs for various programs currently funded with medical assistance funds.

Protecting Persons and Property

A major responsibility of government is to protect its citizens from hazards and criminal acts. This budget continues the Administration's efforts in this area by expanding its oversight of mass transit rail safety inspections and by strengthening the Commonwealth's ability to collect revenue.

Recommended Program Revisions: _____

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

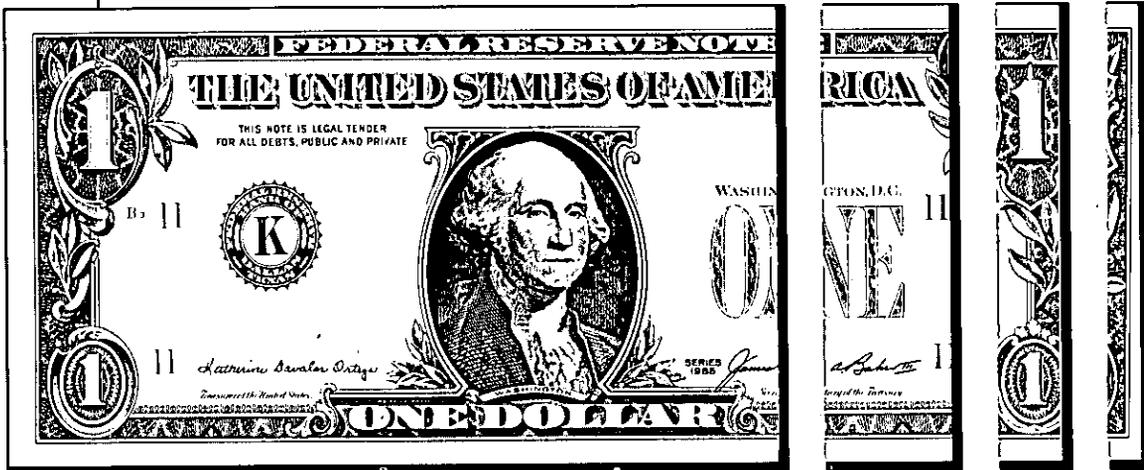
	1990-91	
Program Revision / Department / Appropriation	General Fund	Federal and Other Funds
	(Dollar Amounts in Thousands)	
REVENUE RECOVERY AND ENFORCEMENT _____		
REVENUE:		
General Government Operations	\$ 1,130	
<i>This Program Revision will improve the collection of revenue due the Commonwealth.</i>		
EXPANDED RAIL SAFETY INSPECTION PROGRAM _____		
TRANSPORTATION:		
Rail Safety Inspection	\$ 340	
Subtotal	\$ 340	

This Program Revision permits the Department of Transportation to expand its current electric mass transit vehicle inspection program. The focus will be on inspections and accident reports related to SEPTA and PAT.

USE OF THE GENERAL FUND DOLLAR

1991-92 Fiscal Year

GRANTS AND SUBSIDIES 76.9¢

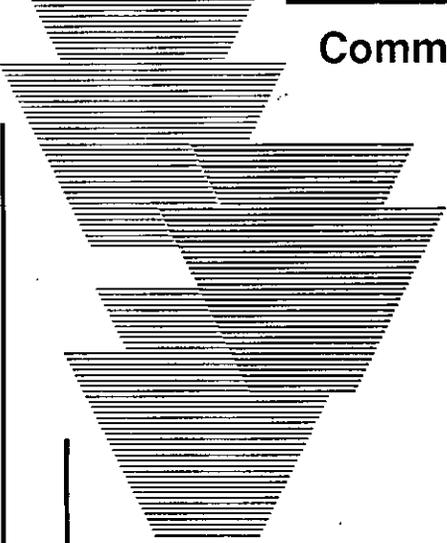


GENERAL GOVERNMENT 10.7¢

INSTITUTIONAL 8.3¢

DEBT SERVICE REQUIREMENTS 4.1¢

\$1.00



Commonwealth of Pennsylvania

Federal Block Grants

The Federal Omnibus Budget Reconciliation Act of 1981 created nine block grants. The Primary Care Block Grant was subsequently repealed by the Federal Government. The remaining eight were implemented during 1982-83. In addition information is provided in this section on the Job Training Partnership Act which has not been labeled by the Federal Government as a block grant but which provides for a program that operates in a very similar manner to the original block grants. Federal funds for Anti-Drug Abuse also are summarized to indicate the total effort by the Commonwealth. The Federal Omnibus Budget Reconciliation Act of 1990 created a new block grant called Child Care and Development.

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 1990-91 estimated block amounts reflect the best current estimate of the amounts available and, therefore, may be different from the amounts appropriated.

The distribution by program for 1991-92 is a preliminary proposal. Opportunities for public review and comment and the public hearing process will provide feedback from affected groups and the public which may result in modifications to the proposed distribution.

In general, the amount shown for administrative costs represents the amount that Federal law permits under that particular block grant.

SUMMARY OF FEDERAL BLOCK GRANTS

(Dollar Amounts in Thousands)

	1989-90 Actual Block	1990-91 Estimated Block	1991-92 Recommended Block
Community Services	\$ 16,051	\$ 16,791	\$ 17,097
Small Communities	65,881	65,921	61,025
Education	22,382	23,843	21,228
Maternal and Child Health	22,346	25,036	25,948
Preventive Health and Health Services ...	4,408	5,399	5,434
Alcohol, Drug Abuse, and Mental Health .	42,417	82,236	77,432
Job Training Partnership	158,187	155,223	126,285
Child Care and Development .....	.....	.....	26,200
Low-Income Home Energy Assistance ...	102,864	107,774	100,619
Social Services	134,135	135,641	138,835
Anti-Drug Abuse	20,575	41,464	40,619
TOTAL	<u>\$ 589,246</u>	<u>\$ 659,328</u>	<u>\$ 640,722</u>

Community Services

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

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

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

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

(Dollar Amounts in Thousands)

Department / Appropriation	1989-90 Actual Block	1990-91 Estimate Block	1991-92 Recommended Block
Community Affairs			
Administration	\$ 606	\$ 791	\$ 856
Community Services	15,445	16,000	16,241
TOTAL	\$ 16,051	\$ 16,791	\$ 17,097

Small Communities

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

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

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

Department / Appropriation	(Dollar Amounts in Thousands)		
	1989-90 Actual Block	1990-91 Estimate Block	1991-92 Recommended Block
Community Affairs			
Administration	\$ 962	\$ 921	\$ 1,025
Small Communities	64,919	65,000	60,000
TOTAL	<u>\$ 65,881</u>	<u>\$ 65,921</u>	<u>\$ 61,025</u>

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

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

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

Department / Appropriation	(Dollar Amounts in Thousands)		
	1989-90 Actual Block	1990-91 Estimate Block	1991-92 Recommended Block
Education:			
Education Block Grant—Administration	\$ 2,692	\$ 1,000	\$ 620
Education Block Grant—Targeted Assistance and Effective Schools .....	.....	3,900	3,821 ^a
Subtotal	<u>\$ 2,692</u>	<u>\$ 4,900</u>	<u>\$ 4,441</u>
School Districts:			
Education Block Grant — School District Distribution	\$ 18,968	\$ 18,943	\$ 16,787
Education Block Grant — Technology Initiative	722	.....	.....
Subtotal	<u>\$ 19,690</u>	<u>\$ 18,943</u>	<u>\$ 16,787</u>
TOTAL	<u>\$ 22,382</u>	<u>\$ 23,843</u>	<u>\$ 21,228</u>

^aIncludes estimated \$1,000,000 carryover from 1990-91.

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	1989-90 Actual Block	1990-91 Estimate Block	1991-92 Recommended Block
Health:			
Administration	\$ 1,858	\$ 2,255	\$ 2,182
Maternal and Child Health Services	13,189	14,211	14,896
Crippled Children's Services	6,381	7,620	7,870
Supplemental Security Income Services	918	950	1,000
TOTAL	\$ 22,346	\$ 25,036	\$ 25,948

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 of 1981 provides a ceiling of ten percent on funds which may be used for administration.

(Dollar Amounts in Thousands)

Department / Appropriation	1989-90	1990-91	1991-92
	Actual Block	Estimate Block	Recommended Block
Health:			
Administration	\$ 274	\$ 317	\$ 307
Hypertension	1,183	1,375	1,375
Health Education and Prevention	567	700	700
Tuberculosis Programs	529	569	569
Diabetes	213	218	263
Fluoridation	59	60	60
Subtotal	<u>\$ 2,825</u>	<u>\$ 3,239</u>	<u>\$ 3,274</u>
Public Welfare:			
Rape Crisis Centers	<u>\$ 180</u>	<u>\$ 180</u>	<u>\$ 180</u>
Environmental Resources:			
Administration	\$ 69	\$ 180	\$ 180
Rodent Control	1,334	1,800	1,800
Subtotal	<u>\$ 1,403</u>	<u>\$ 1,980</u>	<u>\$ 1,980</u>
TOTAL	<u>\$ 4,408</u>	<u>\$ 5,399</u>	<u>\$ 5,434</u>

Alcohol Drug Abuse and Mental Health

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

Department / Appropriation	(Dollar Amounts in Thousands)		
	1989-90 Actual Block	1990-91 Estimate Block	1991-92 Recommended Block
Health:			
ADA — Substance Abuse — Administration ..	\$ 75	.....	.....
Alcohol and Drug Abuse Administration	942	\$ 1,750	\$ 1,644
Alcohol Grant Programs	9,217	26,000	25,529
Drug Grant Programs	13,152	34,500	33,876
ADA — Substance Abuse	3,459	.....	.....
Subtotal	<u>\$ 26,845</u>	<u>\$ 62,250</u>	<u>\$ 61,049</u>
Public Welfare:			
Alcohol Drug Abuse and Mental Health			
Administration	\$ 134	\$ 137	\$ 168
Mental Health — Community Health	15,438	19,849	16,215
Child Abuse Drug and Alcohol Treatment .....	.....	2,000 ^a	.....
Homeless Drug and Alcohol Services .....	.....	1,033 ^a	1,983 ^a
State Mental Hospitals .....	.....	2,555 ^a	.....
Subtotal	<u>\$ 15,572</u>	<u>\$ 25,574</u>	<u>\$ 18,366</u>
Corrections:			
Rehabilitation — Administration	\$ 110 ^a	\$ 110 ^a	\$ 110 ^a
Drug and Alcohol Services .....	.....	1,063 ^a	1,990 ^a
Subtotal	<u>\$ 110</u>	<u>\$ 1,173</u>	<u>\$ 2,100</u>
Executive Offices:			
State Employees Assistance Program .....	.....	\$ 566 ^a	\$ 606 ^a
TOTAL	<u>\$ 42,417</u>	<u>\$ 82,236</u>	<u>\$ 77,432</u>

^aSubgrants not added to total to avoid double counting

Job Training Partnership

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

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

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

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

(Dollar Amounts in Thousands)

Department / Appropriation	1989-90 Actual Block	1990-91 Estimate Block	1991-92 Recommended Block
Labor and Industry:			
Administration	\$ 2,128	\$ 2,184	\$ 1,893
Grants to Service Delivery Areas	66,773	67,000	52,000
Summer Youth Program	37,997	38,000	30,000
Incentive Grants	11,904	10,000	6,500
Technical Assistance	1,966	.....	.....
Older Workers	4,569	4,586	3,500
Dislocated Workers	23,892	24,000	24,000
Veterans' Employment	1,187	1,187	792
Subtotal	<u>\$ 150,416</u>	<u>\$ 146,957</u>	<u>\$ 118,685</u>
Executive Offices:			
Office of the Budget	\$ 575	\$ 688	\$ 600
Economic Development Partnership:			
Occupational Information	\$ 118	\$ 130	\$ 50
Education:			
Linkages	\$ 923	\$ 858	\$ 900
Corrections Education	277	890	350
Educational Training	5,878	5,700	5,700
Subtotal	<u>\$ 7,078</u>	<u>\$ 7,448</u>	<u>\$ 6,950</u>
TOTAL	<u>\$ 158,187</u>	<u>\$ 155,223</u>	<u>\$ 126,285</u>

Child Care and Development

The Omnibus Budget Reconciliation Act of 1990 created a new block grant which will provide funds to the states starting in September 1991. This new block grant is expected to provide Pennsylvania \$26.2 million in 1991-92 without any State match requirements. Funds are distributed to states by formula. Seventy-five percent of the grant may be used either to provide child care services directly to families with incomes below 75 percent of the state median income or to increase the availability or quality of child care.

Of the remaining 25 percent, Pennsylvania would have to spend three-fourths on programs to provide preschool education or to serve school-age children before and/or after school. Another 20 percent would be required to be spent on quality improvement activities. Pennsylvania could spend the remaining 5 percent of the funds on either activity.

	(Dollar Amounts in Thousands)		
Department / Appropriation	1989-90 Actual Block	1990-91 Estimate Block	1991-92 Recommended Block
Education			
Child Care Block Grant Services	\$ 4,912
Public Welfare			
Child Care Block Grant Administration	\$ 399
Child Care Block Grant Services	20,889
Subtotal	\$ 21,288
TOTAL	\$ 26,200

Low-Income Home Energy Assistance

This block grant provides funds to assist eligible low income individuals and families to meet the cost of home energy and to provide low cost residential weatherization or other energy related home repairs for low income households. In addition to the amounts shown below, the Department of Public Welfare's energy assistance program receives supplemental funding from the Energy Conservation and Assistance Fund. The fund provided \$18,000,000 during 1989-90 and \$26,925,000 during 1990-91. The recommendation for 1991-92 is to transfer \$13,500,000 from the fund to maintain the current energy assistance program level. The energy assistance program is supplemented by using a portion of the Energy Conservation and Assistance Fund money to match Federal Maintenance Assistance funds to provide grants directly to AFDC eligible households.

Department / Appropriation	(Dollar Amounts in Thousands)		
	1989-90 Actual Block	1990-91 Estimate Block	1991-92 Recommended Block
Community Affairs:			
Low-Income Home Energy Assistance Block			
Grant — Administration .....	.....	\$ 561	\$ 135
Low-Income Home Energy Assistance Block			
Grant — Grants .....	.....	10,671	2,565
Subtotal	<u>.....</u>	<u>\$ 11,232</u>	<u>\$ 2,700</u>
Public Welfare:			
Low-Income Home Energy Assistance Block			
Grant — Administration	\$ 9,466	\$ 9,976	\$ 9,563
Low-Income Home Energy Assistance Block			
Grant — Grants	93,398	86,536	88,356
Subtotal	<u>\$ 102,864</u>	<u>\$ 96,512</u>	<u>\$ 97,919</u>
TOTAL	<u>\$ 102,864</u>	<u>\$ 107,774</u>	<u>\$ 100,619</u>

Social Services

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

(Dollar Amounts in Thousands)

Department / Appropriation	1989-90	1990-91	1991-92
	Actual Block	Estimate Block	Recommended Block
Public Welfare:			
General Government	\$ 4,913	\$ 4,987	\$ 4,987
County Assistance Offices	12,563	12,743	12,743
Youth Development	2,244	1,432	1,432
Closing Philadelphia State Hospital .....	.....	.....	1,386
Philadelphia Class Patients .....	.....	.....	3,169
Community Mental Health	11,709	11,709	14,503
Community Mental Retardation	17,998	17,998	17,998
Early Intervention .....	.....	.....	2,825
County Child Welfare	11,193	13,044	16,238
Day Care	38,775	38,775	38,775
Domestic Violence	1,529	1,551	1,551
Rape Crisis	803	815	815
Family Planning	4,878	4,948	4,948
Legal Services	6,499	6,499	6,499
Human Services Development Fund	13,933	13,933	.....
Homeless Assistance	2,768	2,808	2,808
Developmentally Disabled .....	.....	.....	152
Attendant Care	4,330	4,399	8,006
TOTAL	\$ 134,135	\$ 135,641	\$ 138,835

Anti-Drug Abuse

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

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

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

(Dollar Amounts in Thousands)

Department / Appropriation	1989-90 Actual Block	1990-91 Estimate Block	1991-92 Recommended Block
DRUG CONTROL AND SYSTEMS IMPROVEMENT FORMULA GRANT PROGRAM (DCSI)			
Executive Offices			
<i>Juvenile Court Judges Commission</i>			
DCSI-Juvenile Drug & Alcohol Probation Units			\$ 731 ^a
<i>Commission on Crime and Delinquency</i>			
ADA-Law Enforcement—Administration	\$ 238		
DCSI-Administration		\$ 260	\$ 343
ADA-Law Enforcement	6,000		
DCSI-Law Enforcement		8,829	
DCSI-Drug Transportation Interdiction		525	
DCSI-Local Drug Task Forces		1,000	
DCSI-Correctional Institutions		1,646	
DCSI-Drug Law Enforcement		1,441	
DCSI-Municipal Police Drug Law Enforcement		2,000	
DCSI-State Parole Services		248	
DCSI-Local Probation Services		1,357	
DCSI-Program Grants			18,524
Subtotal	\$ 6,238	\$ 17,306	\$ 18,867
<i>Drug Policy Council</i>			
ADA-Law Enforcement-Administration	\$ 47 ^a		
DCSI-Administration		\$ 52 ^a	\$ 58 ^a
ADA-Special Programs	114 ^a		
Subtotal	\$ 161	\$ 52	\$ 58
Attorney General			
ADA-Mobile Cooperative Task Force	\$ 255	\$ 210 ^a	
ADA-Expansion of Mobile Cooperative Task Force	78 ^a		
ADA-Financial Asset Investigation	231		
ADA-Expansion of Financial Asset Investigation	28 ^a		
ADA-Technical Assistance	29		
DCSI-Technical Assistance		34 ^a	
ADA-Drug Law Enforcement	4 ^a		
DCSI-Drug Transportation Interdiction		525 ^a	\$ 1,354 ^a
DCSI-Local Drug Task Forces		1,000 ^a	2,781 ^a
Subtotal	\$ 625	\$ 1,769	\$ 4,135
Community Affairs			
DCSI-Regional Police Force			\$ 300 ^a

^aSubgrants not added to total to avoid double counting.

Anti-Drug Abuse (continued)

(Dollar Amounts in Thousands)

Department / Appropriation	1989-90 Actual Block	1990-91 Estimate Block	1991-92 Recommended Block
Corrections			
ADA-Therapeutic Communities	\$ 646 ^a	\$ 496 ^a	.....
DCSI-Correctional Institutions .....	.....	1,646 ^a	\$ 1,098 ^a
Subtotal	\$ 646	\$ 2,142	\$ 1,098
Education			
ADA-Administration	\$ 803	.....	.....
ADA-School Districts	7,915	.....	.....
ADA-Special Programs	4,526	.....	.....
Subtotal	\$ 13,244	.....	.....
Probation and Parole			
ADA — Statewide Urinalysis Testing	\$ 113	.....	.....
DCSI-Statewide Urinalysis Testing .....	.....	\$ 75 ^a	\$ 15 ^a
ADA-Special Intensive Supervision Drug Project	465	.....	.....
DCSI-Special Intensive Supervision Drug Project .....	.....	180 ^a	.....
DCSI-State Parole Services .....	.....	248 ^a	847 ^a
DCSI-Local Probation Services .....	.....	1,357 ^a	951 ^a
DCSI-Specialized Drug Staff Training Project	13 ^a	13 ^a	.....
Subtotal	\$ 591	\$ 1,873	\$ 1,813
Public Welfare			
DCSI-Alternatives to Institutionalization .....	.....	.....	\$ 565 ^a
DCSI-Youth Development Centers .....	.....	.....	420 ^a
Subtotal .....	.....	.....	\$ 985
State Police			
ADA-Drug Identification	\$ 55 ^a	\$ 124 ^a	.....
ADA-Drug Lab Enforcement .....	.....	117 ^a	.....
ADA-DNA Analysis	145 ^a	30 ^a	.....
ADA-Statewide Enforcement	288 ^a	15 ^a	.....
ADA-Criminal History Records .....	.....	526	.....
DCSI-Crime Lab Upgrade .....	.....	1,441 ^a	\$ 985 ^a
DCSI-Municipal Police Drug Law Enforcement .....	.....	2,000 ^a	1,334 ^a
DCSI-Crime Lab Upgrade .....	.....	.....	747 ^a
Subtotal	\$ 488	\$ 4,253	\$ 3,066
TOTAL	\$ 20,575	\$ 17,832	\$ 18,867
DRUG FREE SCHOOLS AND COMMUNITIES (DFSC)			
Executive Offices			
<i>Commission on Crime and Delinquency</i>			
DFSC-Special Programs-Training for Law Enforcement Officers	\$ 15 ^a	\$ 65 ^a	.....
<i>Drug Policy Council</i>			
DFSC-Administration .....	.....	\$ 142 ^a	\$ 175 ^a
<i>Juvenile Court Judges Commission</i>			
DFSC-Special Programs-Probation Services	\$ 150 ^a	\$ 200 ^a	\$ 150 ^a
Education			
DFSC-Administration .....	.....	\$ 1,500	\$ 1,163
DFSC-School Districts .....	.....	13,500	14,536
DFSC-Special Programs .....	.....	8,632	6,053
Subtotal .....	.....	\$ 23,632	\$ 21,752
Health			
DFSC-Special Programs-Student Assistance Program	\$ 1,150 ^a	\$ 1,000 ^a	\$ 1,000 ^a
Public Welfare			
DFSC-Special Programs-Juvenile Aftercare Services	\$ 350 ^a	\$ 1,350 ^a	\$ 1,250 ^a
DFSC-Special Programs-Domestic Violence .....	.....	449 ^a	449 ^a
DFSC-Special Programs-Rape Crisis .....	.....	125 ^a	125 ^a
Subtotal	\$ 350	\$ 1,924	\$ 1,824
TOTAL .....	.....	\$ 23,632	\$ 21,752
GRAND TOTAL ALL PROGRAMS	\$ 20,575	\$ 41,464	\$ 40,619

^aSugrants not added to total to avoid double counting.

PENNFREE SUMMARY

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

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

The following table summarizes the funding for Drug and Alcohol PENNFREE Initiatives from 1989-90 thru 1991-92.

Department / Appropriation	1989-90 PENNFREE Approp.	1989-90 PENNFREE Actual	1990-91 Available	1991-92 Recommended
EXECUTIVE OFFICES				
Juvenile D&A Probation Units				
PENNFREE	\$ 3,500	\$ 1,765	\$ 1,735	
State				\$ 244
Federal				731
Department Total	<u>\$ 3,500</u>	<u>\$ 1,765</u>	<u>\$ 1,735</u>	<u>\$ 975^a</u>
ATTORNEY GENERAL				
Drug Law Enforcement				
PENNFREE	\$ 5,499	\$ 4,179	\$ 1,320	
State			4,769	\$ 5,793
Federal				990
Appropriation Total	<u>\$ 5,499</u>	<u>\$ 4,179</u>	<u>\$ 6,089</u>	<u>\$ 6,783</u>
Local Drug Task Force				
PENNFREE	\$ 5,701	\$ 1,655	\$ 4,046	
State				\$ 2,093
Federal				2,100
Appropriation Total	<u>\$ 5,701</u>	<u>\$ 1,655</u>	<u>\$ 4,046</u>	<u>\$ 4,193</u>
Department Total	<u>\$ 11,200</u>	<u>\$ 5,834</u>	<u>\$ 10,135</u>	<u>\$ 10,976</u>
CORRECTIONS				
D&A Treatment Facilities				
PENNFREE	\$ 212	\$ 212		
Farview State Hospital Conversion				
PENNFREE	\$ 12,000	\$ 12,000		
Department Total	<u>\$ 12,212</u>	<u>\$ 12,212</u>		
EDUCATION				
Community and School Based				
PENNFREE	\$ 6,000	\$ 6,000		
Federal				\$ 1,175
Department Total	<u>\$ 6,000</u>	<u>\$ 6,000</u>		<u>\$ 1,175</u>
HEALTH				
Assistance to Drug and Alcohol Programs				
PENNFREE	\$ 6,000	\$ 2,500	\$ 3,500	
Federal				\$ 3,000
Appropriation Total	<u>\$ 6,000</u>	<u>\$ 2,500</u>	<u>\$ 3,500</u>	<u>\$ 3,000</u>

^aProvides funding for program operations through December 31, 1991.

PENNFREE SUMMARY (continued)

Department / Appropriation	1989-90 PENNFREE Approp.	1989-90 PENNFREE Actual	1990-91 Available	1991-92 Recommended
Residential Drug Treatment				
PENNFREE	\$ 3,300	\$ 1,100	\$ 2,200	.....
State .....	.....	.....	.....	\$ 1,200 ^a
Federal .....	.....	.....	.....	546
Appropriation Total	<u>\$ 3,300</u>	<u>\$ 1,100</u>	<u>\$ 2,200</u>	<u>\$ 1,746</u>
Student Assistance Program				
PENNFREE	\$ 4,500	\$ 2,050	\$ 2,450	.....
Federal .....	.....	.....	.....	\$ 3,000
Appropriation Total	<u>\$ 4,500</u>	<u>\$ 2,050</u>	<u>\$ 2,450</u>	<u>\$ 3,000</u>
AIDS Outreach				
PENNFREE	\$ 1,000	\$ 500	\$ 500	.....
Federal .....	.....	.....	.....	.....
Appropriation Total	<u>\$ 1,000</u>	<u>\$ 500</u>	<u>\$ 500</u>	.....
AIDS Programs				
PENNFREE	\$ 1,500	\$ 1,000	\$ 500	.....
Federal .....	.....	.....	1,430	.....
Appropriation Total	<u>\$ 1,500</u>	<u>\$ 1,000</u>	<u>\$ 1,930</u>	.....
D&A Facilities Improvement				
PENNFREE	\$ 750	\$ 123	\$ 627	.....
Department Total	<u>\$ 17,050</u>	<u>\$ 7,273</u>	<u>\$ 11,207</u>	<u>\$ 7,746</u>
PUBLIC WELFARE				
MA — Act 152 Services and Fee Increase				
PENNFREE	\$ 14,000	\$ 1,651	\$ 12,349	.....
State .....	.....	.....	.....	\$ 10,680
Appropriation Total	<u>\$ 14,000</u>	<u>\$ 1,651</u>	<u>\$ 12,349</u>	<u>\$ 10,680</u>
Student Assistance — MH				
PENNFREE	\$ 6,000	\$ 4,986	\$ 1,014	.....
State .....	.....	.....	4,982	\$ 4,982
Federal .....	.....	.....	.....	1,014
Appropriation Total	<u>\$ 6,000</u>	<u>\$ 4,986</u>	<u>\$ 5,996</u>	<u>\$ 5,996</u>
Children & Youth Programs				
PENNFREE	\$ 5,000	\$ 5,000	.....	.....
State .....	.....	.....	\$ 1,700	\$ 1,700
Federal .....	.....	.....	2,000	3,194
Appropriation Total	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 3,700</u>	<u>\$ 4,894</u>
Family Preservation				
PENNFREE	\$ 1,900	\$ 1,900	.....	.....
State .....	.....	.....	\$ 1,900	\$ 1,900
Appropriation Total	<u>\$ 1,900</u>	<u>\$ 1,900</u>	<u>\$ 1,900</u>	<u>\$ 1,900</u>
Transitional Housing				
PENNFREE	\$ 2,000	\$ 2,000	.....	.....
Federal .....	.....	.....	\$ 1,033	\$ 1,983
Appropriation Total	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 1,033</u>	<u>\$ 1,983</u>
Domestic Violence				
PENNFREE	\$ 449	\$ 449	.....	.....
Federal .....	.....	.....	\$ 449	\$ 449
Appropriation Total	<u>\$ 449</u>	<u>\$ 449</u>	<u>\$ 449</u>	<u>\$ 449</u>
Department Total	<u>\$ 29,349</u>	<u>\$ 15,986</u>	<u>\$ 25,427</u>	<u>\$ 25,902</u>

^aBalance of initial PENNFREE continuing appropriation recommended to be extended.

PENNFREE SUMMARY (continued)

Department / Appropriation	1989-90 PENNFREE Approp.	1989-90 PENNFREE Actual	1990-91 Available	1991-92 Recommended
STATE POLICE				
Local Drug Law Enforcement				
PENNFREE	\$ 2,000	\$ 1,000	\$ 1,000	.....
Appropriation Total	<u>\$ 2,000</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>.....</u>
Drug Law Enforcement				
PENNFREE	\$ 5,000	\$ 1,048	\$ 3,952	.....
Appropriation Total	<u>\$ 5,000</u>	<u>\$ 1,048</u>	<u>\$ 3,952</u>	<u>.....</u>
Mobile Narcotic Teams				
PENNFREE	\$ 2,016	\$ 1,947	.....	.....
State .....	.....	.....	\$ 2,360	\$ 3,560
Federal .....	.....	.....	1,031	.....
Appropriation Total	<u>\$ 2,016</u>	<u>\$ 1,947</u>	<u>\$ 3,391</u>	<u>\$ 3,560</u>
Department Total	<u>\$ 9,016</u>	<u>\$ 3,995</u>	<u>\$ 8,343</u>	<u>\$ 3,560</u>
PROBATION AND PAROLE				
Drug Offenders Work Program				
PENNFREE	\$ 120	\$ 120	.....	.....
Intensive Drug Parole Units				
PENNFREE	\$ 944	\$ 366	\$ 578	.....
State .....	.....	.....	598	\$ 832
Federal .....	.....	.....	248	607
Appropriation Total	<u>\$ 944</u>	<u>\$ 366</u>	<u>\$ 1,424</u>	<u>\$ 1,439</u>
Improvement of Adult Probation				
PENNFREE	\$ 869	\$ 869	.....	.....
State .....	.....	.....	\$ 980	\$ 547
Federal .....	.....	.....	335	111
Appropriation Total	<u>\$ 869</u>	<u>\$ 869</u>	<u>\$ 1,315^a</u>	<u>\$ 658</u>
Department Total	<u>\$ 1,933</u>	<u>\$ 1,355</u>	<u>\$ 2,739</u>	<u>\$ 2,097</u>
TOTAL	<u>\$ 90,260</u>	<u>\$ 54,420</u>	<u>\$ 59,586</u>	<u>\$ 52,431</u>

^aProvides funding for program operations through December 31, 1991.

PUBLIC INFORMATION AND COMMUNICATIONS

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

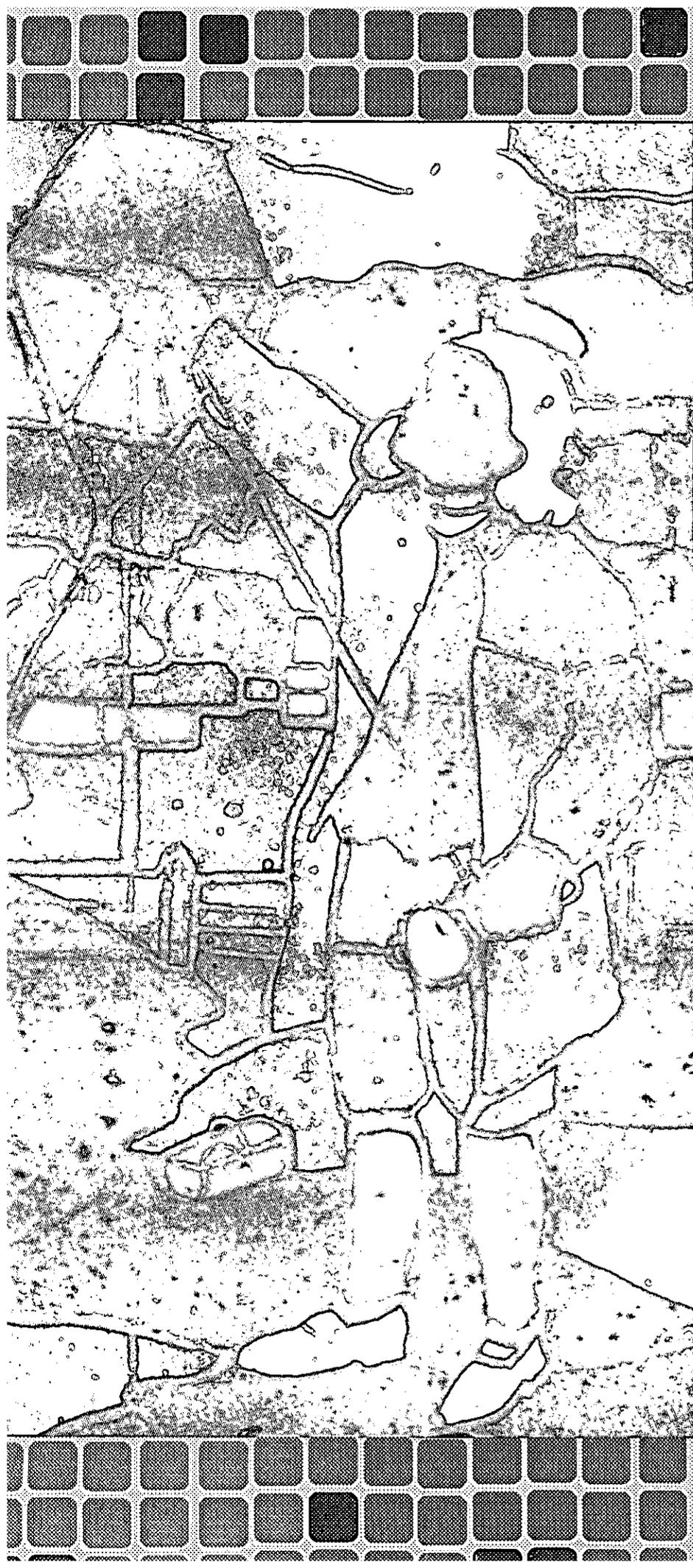
<u>Department</u>	(Dollar Amounts in Thousands)	
	<u>1990-91</u> <u>Estimate</u>	<u>1991-92</u> <u>Estimate</u>
Governor's Office	\$ 437	\$ 474
Executive Offices	348	380
Lieutenant Governor's Office	137	139
Department of Aging	174	181
Department of Agriculture	263	273
Banking Department	95	100
Civil Service Commission	60	61
Department of Community Affairs	251	261
Department of Corrections	165	195
Economic Development Partnership	224	236
Department of Education	370	384
Emergency Management Agency	129	136
Department of Environmental Resources	1,161	1,246
Fish Commission	80	84
Game Commission	91	96
Department of General Services	190	180
Department of Health	172	175
Historical and Museum Commission	40	44
Insurance Department	134	140
Department of Labor and Industry	260	266
Liquor Control Board	117	121
Department of Military Affairs	168	180
Milk Marketing Board	49	50
Board of Probation and Parole	22	18
Public Television Network	88	95
Public Utility Commission	219	223
Department of Public Welfare	359	375
Department of Revenue	164	171
Securities Commission	14	15
Department of State	144	154
State Police	103	106
Department of Transportation	479	516
TOTAL	\$ 6,707	\$ 7,075

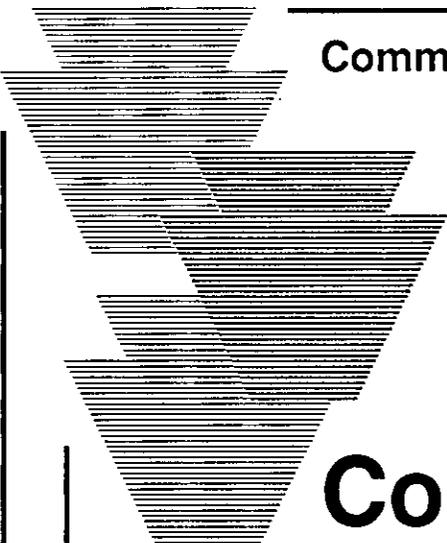
The Commonwealth also spends funds in these areas:

- *Lottery sales promotion* — \$12.1 million will be spent on advertising campaigns to promote lottery sales and to disseminate information on the various lottery programs including property tax and rent assistance for elderly citizens during 1990-91. These expenditures are expected to generate approximately \$844 million in lottery revenues during 1990-91.
- *Economic development* — A total of \$6 million is recommended from the General Fund to promote tourism and economic development. This has contributed to an estimated \$14.7 billion in 1990-91 travel revenues to Pennsylvania and supports the State's aggressive effort to preserve and create jobs.

1991-92

Program
Budget
Summary





Commonwealth of Pennsylvania

Commonwealth Program Budget

This section summarizes the 1991-92 budget by the seven major program areas in which the Commonwealth provides services to its residents. It crosses departmental lines as well as individual special funds. As such it provides an overview of the major recommendations of this budget for program improvements or continuation.

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

Five-Year Summary of Commonwealth Programs

(Dollar Amounts in Thousands)

	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
DIRECTION AND SUPPORTIVE SERVICES							
GENERAL FUND.....	\$ 436,020	\$ 500,655	\$ 507,143	\$ 517,319	\$ 524,643	\$ 533,942	\$ 542,526
SPECIAL FUNDS.....	325,639	322,875	318,664	328,443	334,053	339,804	345,698
FEDERAL FUNDS.....	773	1,448	1,439	1,439	1,439	1,439	1,439
OTHER FUNDS.....	93,585	105,933	107,345	109,500	112,783	116,163	119,644
TOTAL OPERATING.....	\$ 856,017	\$ 930,911	\$ 934,591	\$ 956,701	\$ 972,918	\$ 991,348	\$ 1,009,307
CAPITAL BOND AUTHORIZATION.....	\$ 0	\$ 2,724	\$ 70,725	\$ 5,725	\$ 6,000	\$ 6,300	\$ 6,600
PROGRAM TOTAL.....	\$ 856,017	\$ 933,635	\$ 1,005,316	\$ 962,426	\$ 978,918	\$ 997,648	\$ 1,015,907
PROTECTION OF PERSONS AND PROPERTY							
GENERAL FUND.....	\$ 958,730	\$ 1,034,022	\$ 1,071,463	\$ 1,144,067	\$ 1,193,232	\$ 1,232,363	\$ 1,270,004
SPECIAL FUNDS.....	270,771	296,914	339,138	346,067	358,379	370,409	377,232
FEDERAL FUNDS.....	57,591	98,620	92,852	86,012	85,132	85,331	84,827
OTHER FUNDS.....	668,493	786,343	849,184	965,487	955,233	892,120	875,763
TOTAL OPERATING.....	\$ 1,955,585	\$ 2,215,899	\$ 2,352,637	\$ 2,541,633	\$ 2,591,976	\$ 2,580,223	\$ 2,607,826
CAPITAL BOND AUTHORIZATION.....	\$ 23,819	\$ 320,588	\$ 18,594	\$ 41,900	\$ 43,675	\$ 45,676	\$ 47,476
PROGRAM TOTAL.....	\$ 1,979,404	\$ 2,536,487	\$ 2,371,231	\$ 2,583,533	\$ 2,635,651	\$ 2,625,899	\$ 2,655,302
INTELLECTUAL DEVELOPMENT AND EDUCATION							
GENERAL FUND.....	\$ 5,790,605	\$ 6,134,680	\$ 6,328,838	\$ 6,424,077	\$ 6,513,736	\$ 6,605,920	\$ 6,696,681
SPECIAL FUNDS.....	1,785	5,196	1,949	1,949	1,949	1,949	1,949
FEDERAL FUNDS.....	54,842	79,990	74,756	74,744	74,744	74,744	74,744
OTHER FUNDS.....	735,388	820,359	932,279	932,805	933,346	933,903	934,477
TOTAL OPERATING.....	\$ 6,582,620	\$ 7,040,225	\$ 7,337,822	\$ 7,433,575	\$ 7,523,775	\$ 7,616,516	\$ 7,707,851
CAPITAL BOND AUTHORIZATION.....	\$ 0	\$ 232,948	\$ 845	\$ 61,000	\$ 74,750	\$ 78,975	\$ 82,675
PROGRAM TOTAL.....	\$ 6,582,620	\$ 7,273,173	\$ 7,338,667	\$ 7,494,575	\$ 7,598,525	\$ 7,695,491	\$ 7,790,526
HEALTH AND HUMAN SERVICES							
GENERAL FUND.....	\$ 3,732,095	\$ 4,214,804	\$ 4,430,340	\$ 4,617,679	\$ 4,797,290	\$ 4,983,950	\$ 5,177,185
SPECIAL FUNDS.....	704,711	759,944	632,490	627,055	637,112	645,815	656,152
FEDERAL FUNDS.....	3,163,158	3,947,908	4,118,197	4,275,988	4,442,211	4,618,533	4,796,922
OTHER FUNDS.....	337,995	720,683	747,328	747,714	762,927	777,323	791,940
TOTAL OPERATING.....	\$ 7,937,959	\$ 9,643,339	\$ 9,928,355	\$ 10,268,436	\$ 10,639,540	\$ 11,025,621	\$ 11,422,199
CAPITAL BOND AUTHORIZATION.....	\$ 0	\$ 10,008	\$ 17,983	\$ 24,400	\$ 25,575	\$ 26,887	\$ 28,062
PROGRAM TOTAL.....	\$ 7,937,959	\$ 9,653,347	\$ 9,946,338	\$ 10,292,836	\$ 10,665,115	\$ 11,052,508	\$ 11,450,261
ECONOMIC DEVELOPMENT							
GENERAL FUND.....	\$ 469,021	\$ 346,290	\$ 333,198	\$ 378,228	\$ 553,380	\$ 574,158	\$ 578,146
SPECIAL FUNDS.....	69,610	129,600	153,200	149,200	150,825	149,925	149,495
FEDERAL FUNDS.....	315,944	383,496	361,746	358,034	347,934	347,834	347,834
OTHER FUNDS.....	389,639	484,473	422,085	419,528	414,249	417,080	419,488
TOTAL OPERATING.....	\$ 1,244,214	\$ 1,343,859	\$ 1,270,229	\$ 1,304,990	\$ 1,466,388	\$ 1,488,997	\$ 1,494,963
CAPITAL BOND AUTHORIZATION.....	\$ -4,000*	\$ 18,611	\$ 0	\$ 1,962	\$ 2,062	\$ 2,162	\$ 2,262
PROGRAM TOTAL.....	\$ 1,240,214	\$ 1,362,470	\$ 1,270,229	\$ 1,306,952	\$ 1,468,450	\$ 1,491,159	\$ 1,497,225

* Act 54 of 1989 reduced the 1987-88 Capital Budget Redevelopment Assistance appropriation by \$4 million.

Five-Year Summary of Commonwealth Programs

(Dollar Amounts in Thousands)

	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
TRANSPORTATION AND COMMUNICATION							
GENERAL FUND.....	\$ 291,318	\$ 304,088	\$ 309,543	\$ 326,135	\$ 336,089	\$ 343,126	\$ 344,184
SPECIAL FUNDS.....	1,225,234	1,240,629	1,214,330	1,155,004	1,151,199	1,151,708	1,161,680
FEDERAL FUNDS.....	728,591	774,900	720,414	719,928	721,206	721,498	721,804
OTHER FUNDS.....	358,553	405,391	355,157	303,261	286,596	237,268	225,457
TOTAL OPERATING.....	\$ 2,603,696	\$ 2,725,008	\$ 2,599,444	\$ 2,504,328	\$ 2,495,090	\$ 2,453,600	\$ 2,453,125
CAPITAL BOND AUTHORIZATION.....	\$ 783,655	\$ 3,564,941	\$ 25,673	\$ 51,000	\$ 54,000	\$ 57,000	\$ 60,000
PROGRAM TOTAL.....	\$ 3,387,351	\$ 6,289,949	\$ 2,625,117	\$ 2,555,328	\$ 2,549,090	\$ 2,510,600	\$ 2,513,125
RECREATION AND CULTURAL ENRICHMENT							
GENERAL FUND.....	\$ 142,343	\$ 145,228	\$ 139,223	\$ 152,989	\$ 159,347	\$ 164,315	\$ 165,523
SPECIAL FUNDS.....	60,656	64,481	73,109	70,472	71,406	73,446	70,279
FEDERAL FUNDS.....	10,447	13,394	11,834	11,872	11,967	12,198	12,298
OTHER FUNDS.....	14,074	15,356	16,133	16,039	16,040	16,041	16,042
TOTAL OPERATING.....	\$ 227,520	\$ 238,459	\$ 240,299	\$ 251,372	\$ 258,760	\$ 266,000	\$ 264,142
CAPITAL BOND AUTHORIZATION.....	\$ 4,190	\$ 37,857	\$ 53	\$ 18,013	\$ 18,938	\$ 20,000	\$ 20,975
PROGRAM TOTAL.....	\$ 231,710	\$ 276,316	\$ 240,352	\$ 269,385	\$ 277,698	\$ 286,000	\$ 285,117
COMMONWEALTH TOTALS							
GENERAL FUND.....	\$11,820,132	\$12,679,767	\$13,119,748	\$13,560,494	\$14,077,717	\$14,437,774	\$14,774,249
SPECIAL FUNDS.....	2,658,406	2,819,639	2,732,880	2,678,190	2,704,923	2,733,056	2,762,485
FEDERAL FUNDS.....	4,331,346	5,299,756	5,381,238	5,528,017	5,684,633	5,861,577	6,039,868
OTHER FUNDS.....	2,597,727	3,338,538	3,429,511	3,494,334	3,481,174	3,389,898	3,382,811
TOTAL OPERATING.....	\$21,407,611	\$24,137,700	\$24,663,377	\$25,261,035	\$25,948,447	\$26,422,305	\$26,959,413
CAPITAL BOND AUTHORIZATION.....	\$ 807,664	\$ 4,187,677	\$ 133,873	\$ 204,000	\$ 225,000	\$ 237,000	\$ 248,050
PROGRAM TOTAL.....	\$22,215,275	\$28,325,377	\$24,797,250	\$25,465,035	\$26,173,447	\$26,659,305	\$27,207,463

Direction and Supportive Service

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

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

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

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
Administrative And Support Services.... \$	52,598	59,762	53,569	55,132	56,743	58,401	60,108
Executive Direction.....	50,322	57,422	51,269	52,783	54,344	55,950	57,604
Personnel Selection.....	1	1	1	1	1	1	1
State Retirement System.....	679	672	672	672	672	672	672
Legal Services.....	1,596	1,667	1,627	1,676	1,726	1,778	1,831
Fiscal Management..... \$	471,284	493,160	508,132	521,972	530,436	540,494	550,825
Revenue Collection And Administration	377,138	365,684	379,432	391,729	398,501	406,817	415,353
Disbursement.....	59,712	91,356	91,488	91,915	92,457	93,015	93,590
Auditing.....	34,434	36,120	37,212	38,328	39,478	40,662	41,882
Physical Facilities And Commodities							
Management..... \$	84,942	95,762	87,993	90,289	92,026	94,172	96,027
Facility, Property And Commodity							
Management.....	84,942	95,762	87,993	90,289	92,026	94,172	96,027
Legislative Processes..... \$	127,806	148,484	149,037	149,037	149,037	149,037	149,037
Legislature.....	127,806	148,484	149,037	149,037	149,037	149,037	149,037
Interstate Relations..... \$	709	748	781	781	781	781	781
Interstate Relations.....	709	748	781	781	781	781	781
Debt Service..... \$	24,320	25,614	26,295	28,551	29,673	30,861	31,446
Debt Service.....	24,320	25,614	26,295	28,551	29,673	30,861	31,446
PROGRAM TOTAL.....	\$ 761,659	\$ 823,530	\$ 825,807	\$ 845,762	\$ 858,696	\$ 873,746	\$ 888,224

Protection of Persons and Property

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

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

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

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
General Administration And Support..... \$	14,537	16,223	15,396	15,859	16,335	16,825	17,330
Criminal & Juvenile Justice Planning.	2,346	2,407	2,195	2,261	2,329	2,399	2,471
Environmental Support Services.....	12,191	13,816	13,201	13,598	14,006	14,426	14,859
Public Protection And Law Enforcement.. \$	386,039	399,861	460,845	471,111	483,947	492,346	506,929
State Police.....	287,785	294,785	350,591	361,241	371,140	381,359	392,801
Attorney General.....	44,487	40,820	45,467	48,413	50,324	47,422	48,842
Highway Safety Administration And Licensing.....	53,767	64,256	64,787	61,457	62,483	63,565	65,286
Control And Reduction Of Crime..... \$	382,895	461,572	491,679	518,066	538,991	559,092	579,350
Criminal Law Enforcement.....	2,610	2,514	2,487	2,562	2,639	2,718	2,800
Institutionalization Of Offenders....	345,554	414,046	451,003	476,406	496,317	515,374	534,556
Reintegration Of Adult Offenders.....	34,731	45,012	38,189	39,098	40,035	41,000	41,994
Juvenile Crime Prevention..... \$	7,256	2,584	4,041	4,058	4,075	4,093	4,111
Reintegration Of Juvenile Delinquents	7,256	2,584	4,041	4,058	4,075	4,093	4,111
Adjudication Of Defendants..... \$	148,713	149,767	141,337	145,888	149,389	152,994	156,710
State Judicial System.....	148,713	149,767	141,337	145,888	149,389	152,994	156,710
Public Order & Community Safety..... \$	16,914	15,724	16,818	17,323	17,861	18,397	18,948
Emergency Management.....	4,657	2,976	3,321	3,421	3,542	3,648	3,757
State Military Readiness.....	12,257	12,748	13,497	13,902	14,319	14,749	15,191
Protection From Natural Hazards & Disasters..... \$	122,166	125,094	125,017	145,053	148,523	152,354	156,299
Environmental Management And Protection.....	102,737	106,650	105,529	125,027	127,942	131,202	134,559
Radiation Protection.....	1,787	2,367	1,210	1,237	1,265	1,293	1,322
Forest Resources Management.....	17,642	16,077	18,278	18,789	19,316	19,859	20,418

Protection of Persons and Property (continued)

(Dollar Amounts in Thousands)

Consumer Protection.....	\$ 66,755	\$ 72,367	\$ 67,096	\$ 70,321	\$ 74,564	\$ 79,240	\$ 80,626
Consumer Protection.....	3,446	4,281	2,499	2,123	1,883	1,977	1,972
Financial Institution Regulation.....	8,108	8,798	9,020	9,004	9,274	9,553	9,839
Securities Industry Regulation.....	3,170	3,112	3,193	3,289	3,388	3,490	3,595
Insurance Industry Regulation.....	11,238	11,543	11,424	11,767	12,120	12,484	12,859
Horse Racing Regulation.....	7,499	7,258	7,740	9,936	13,103	16,329	16,325
Milk Industry Regulation.....	1,674	1,954	1,693	1,693	1,693	1,693	1,693
Medical Malpractice Arbitration and Health Facilities.....	689	703	740	762	785	809	833
Protection & Development Of Agricultural Industries.....	30,931	34,718	30,787	31,747	32,318	32,905	33,510
Community And Occupational Safety and Stability.....	\$ 14,331	\$ 14,764	\$ 13,601	\$ 15,943	\$ 16,421	\$ 16,915	\$ 17,422
Community And Occupational Safety And Stability.....	13,477	12,920	12,656	14,980	15,429	15,893	16,369
Fire Prevention And Safety.....	854	1,844	945	963	992	1,022	1,053
Prevention And Elimination Of Discriminatory Practices.....	\$ 7,114	\$ 7,393	\$ 7,638	\$ 7,868	\$ 8,104	\$ 8,347	\$ 8,598
Prevention And Elimination Of Discriminatory Practices.....	7,114	7,393	7,638	7,868	8,104	8,347	8,598
Debt Service.....	\$ 62,781	\$ 65,587	\$ 67,133	\$ 78,644	\$ 93,401	\$ 102,169	\$ 100,913
Debt Service.....	62,781	65,587	67,133	78,644	93,401	102,169	100,913
PROGRAM TOTAL.....	\$ 1,229,501	\$ 1,330,936	\$ 1,410,601	\$ 1,490,134	\$ 1,551,611	\$ 1,602,772	\$ 1,647,236

Intellectual Development and Education

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

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

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

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
	ACTUAL	AVAILABLE	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED
Educational Support Services..... \$	20,426	\$ 22,478	\$ 19,358	\$ 19,939	\$ 20,537	\$ 21,153	\$ 21,787
Education Support Services.....	20,426	22,478	19,358	19,939	20,537	21,153	21,787
 Basic Education..... \$	 4,429,350	 \$ 4,692,423	 \$ 4,903,449	 \$ 4,981,436	 \$ 5,062,770	 \$ 5,147,195	 \$ 5,235,162
Basic Education.....	4,367,909	4,628,428	4,819,935	4,905,291	4,982,817	5,063,245	5,147,014
Information Technology Education.....	6,780	6,780					
Public Utility Realty Payments.....	54,661	57,215	83,514	76,145	79,953	83,950	88,148
 Higher Education..... \$	 1,222,747	 \$ 1,298,884	 \$ 1,277,234	 \$ 1,281,034	 \$ 1,281,034	 \$ 1,281,034	 \$ 1,281,034
Higher Education.....	1,059,371	1,119,212	1,082,302	1,086,102	1,086,102	1,086,102	1,086,102
Financial Assistance To Students.....	136,929	150,580	165,840	165,840	165,840	165,840	165,840
Financial Assistance To Institutions.....	26,447	29,092	29,092	29,092	29,092	29,092	29,092
 Debt Service..... \$	 119,867	 \$ 126,091	 \$ 130,746	 \$ 143,617	 \$ 151,344	 \$ 158,487	 \$ 160,647
Debt Service.....	119,867	126,091	130,746	143,617	151,344	158,487	160,647
 PROGRAM TOTAL..... \$	 5,792,390	 \$ 6,139,876	 \$ 6,330,787	 \$ 6,426,026	 \$ 6,515,685	 \$ 6,607,869	 \$ 6,698,630
	=====	=====	=====	=====	=====	=====	=====

Economic Development

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

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

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

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
Economic Development Support Services.. \$	35,820	\$ 34,972	\$ 26,011	\$ 29,243	\$ 29,482	\$ 29,729	\$ 29,983
Management And Policy.....	35,820	34,972	26,011	29,243	29,482	29,729	29,983
Commonwealth Economic Development..... \$	152,253	\$ 101,126	\$ 109,795	\$ 120,091	\$ 271,764	\$ 269,913	\$ 269,534
Investment In Private Capital.....	24,890	17,200	33,750	36,000	38,000	38,000	38,000
Investment In Public Capital.....	71,098	36,550	32,450	32,450	182,450	182,450	182,450
Investment In Technology Transfer....	31,400	38,100	34,800	33,800	33,800	33,800	33,400
Energy Management And Conservation...	13,365	7,276	6,795	3,841	3,514	2,663	2,684
Environmental Infrastructure.....	11,500	2,000	2,000	14,000	14,000	13,000	13,000
Economic Development of the							
Disadvantaged and Handicapped..... \$	53,007	\$ 51,685	\$ 48,984	\$ 51,152	\$ 52,325	\$ 53,044	\$ 53,227
Job Training.....	21,233	20,591	17,125	17,263	17,406	17,553	17,704
Job Training Development.....	12,390	11,615	13,580	13,610	13,640	13,672	13,704
Vocational Rehabilitation.....	19,384	19,479	18,279	20,279	21,279	21,819	21,819
Community Development..... \$	146,841	\$ 135,683	\$ 131,428	\$ 122,660	\$ 121,992	\$ 125,222	\$ 128,605
Community Development And							
Conservation.....	97,269	86,761	63,467	63,784	64,110	64,445	64,790
Housing Assistance.....	10,000	7,500	7,500	3,750			
Public Utility Realty Payments.....	39,572	41,422	60,461	55,126	57,882	60,777	63,815
Natural Resource Development And							
Management..... \$	29,386	\$ 29,213	\$ 25,822	\$ 29,488	\$ 30,175	\$ 30,883	\$ 31,612
Water And Mineral Resources							
Management.....	29,386	29,213	25,822	29,488	30,175	30,883	31,612
Local Government Assistance..... \$	20,354	\$ 18,556	\$ 17,818	\$ 17,818	\$ 17,818	\$ 17,818	\$ 17,818
Municipal Administrative Support							
Capability.....	2,873	1,150	1,411	1,411	1,411	1,411	1,411
Municipal Pension Systems.....	17,481	17,406	16,407	16,407	16,407	16,407	16,407
Debt Service..... \$	100,970	\$ 104,655	\$ 126,540	\$ 156,976	\$ 180,649	\$ 197,474	\$ 196,862
Debt Service.....	100,970	104,655	126,540	156,976	180,649	197,474	196,862
PROGRAM TOTAL.....	\$ 538,631	\$ 475,890	\$ 486,398	\$ 527,428	\$ 704,205	\$ 724,083	\$ 727,641

Health and Human Services

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

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

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

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
Human Services Support..... \$	59,702	63,589	63,241	65,138	67,092	69,104	71,176
Human Services Support.....	59,702	63,589	63,241	65,138	67,092	69,104	71,176
Social Development Of Individuals..... \$	296,103	330,122	364,014	377,112	390,982	405,514	420,741
Human Services.....	296,103	330,122	364,014	377,112	390,982	405,514	420,741
Support Of Older Pennsylvanians..... \$	584,413	644,519	553,405	566,970	578,152	589,555	599,982
Community Services For Older Pennsylvanians.....	168,768	194,519	202,805	207,470	212,252	217,155	222,182
Older Pennsylvanians Transit.....	74,632	83,100	63,700	63,700	63,700	63,700	63,700
Homeowners And Renters Assistance....	153,013	144,900	113,900	113,800	113,200	112,700	112,100
Pharmaceutical Assistance.....	188,000	222,000	173,000	182,000	189,000	196,000	202,000
Income Maintenance..... \$	901,401	989,228	1,009,906	1,006,482	1,011,227	1,017,870	1,027,403
Income Maintenance.....	890,911	978,722	999,659	996,808	1,002,103	1,009,296	1,019,379
Workers Compensation And Assistance..	6,599	6,509	5,868	5,295	4,745	4,195	3,645
Crime Victims' Assistance.....	588	617	617	617	617	617	617
Military Compensation And Assistance..	3,303	3,380	3,762	3,762	3,762	3,762	3,762
Physical Health Treatment..... \$	1,566,109	1,836,983	1,927,236	2,048,256	2,171,746	2,299,858	2,435,961
Medical Assistance.....	1,363,419	1,644,533	1,725,574	1,839,475	1,957,422	2,082,514	2,215,495
Health Treatment Services.....	17,520	17,067	17,779	18,412	19,077	19,776	20,509
Health Support Services.....	17,508	18,562	17,679	18,209	18,756	19,319	19,899
Health Research.....	9,258	9,989	9,535	9,750	9,970	10,197	10,430
Emergency Food Assistance.....	9,689	10,150	11,000	11,000	11,000	11,000	11,000
Prevention and Treatment of Drug and Alcohol Abuse.....	46,658	32,127	32,127	32,127	32,127	32,127	32,127
Preventive Health.....	83,866	85,661	88,980	89,478	89,990	90,518	91,062
Veterans Homes.....	18,191	18,894	24,562	29,805	33,404	34,407	35,439
Mental Health..... \$	525,440	563,475	590,678	606,261	622,291	638,779	655,739
Mental Health.....	525,440	563,475	590,678	606,261	622,291	638,779	655,739
Mental Retardation..... \$	465,826	508,413	515,236	532,965	550,174	565,084	580,000
Mental Retardation.....	465,826	508,413	515,236	532,965	550,174	565,084	580,000

Health and Human Services (continued)

(Dollar Amounts in Thousands)

	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
Debt Service.....	\$ 37,812	\$ 38,419	\$ 39,114	\$ 41,550	\$ 42,738	\$ 44,001	\$ 42,335
Debt Service.....	37,812	38,419	39,114	41,550	42,738	44,001	42,335
PROGRAM TOTAL.....	\$ 4,436,806	\$ 4,974,748	\$ 5,062,830	\$ 5,244,734	\$ 5,434,402	\$ 5,629,765	\$ 5,833,337

Transportation and Communication

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

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

Contribution by Category and Subcategory

General Fund and Special Funds

(Dollar Amounts in Thousands)

	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
Transportation Systems And Services....	\$ 1,301,302	\$ 1,325,243	\$ 1,290,125	\$ 1,225,255	\$ 1,227,240	\$ 1,231,061	\$ 1,268,888
State Highway and Bridge Construction and Reconstruction.....	216,336	189,500	161,260	125,000	125,000	125,000	125,000
Local Highway and Bridge Assistance..	169,967	164,157	165,714	165,651	166,806	167,774	168,722
Urban Mass Transportation.....	229,366	239,687	234,893	234,893	234,893	234,893	234,893
Rural and Intercity Rail and Bus Transportation.....	8,399	8,800	7,900	7,900	7,900	7,900	7,900
Air Transportation.....	400	200					
State Highway and Bridge Maintenance.	650,735	695,852	692,687	663,364	663,394	665,424	701,455
Transportation Support Services.....	26,099	27,047	27,671	28,447	29,247	30,070	30,918
 Debt Service.....	 \$ 215,250	 \$ 219,474	 \$ 233,748	 \$ 255,884	 \$ 260,048	 \$ 263,773	 \$ 236,976
Debt Service.....	215,250	219,474	233,748	255,884	260,048	263,773	236,976
 PROGRAM TOTAL.....	 \$ 1,516,552	 \$ 1,544,717	 \$ 1,523,873	 \$ 1,481,139	 \$ 1,487,288	 \$ 1,494,834	 \$ 1,505,864

Recreation and Cultural Enrichment

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

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

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

Contribution by Category and Subcategory

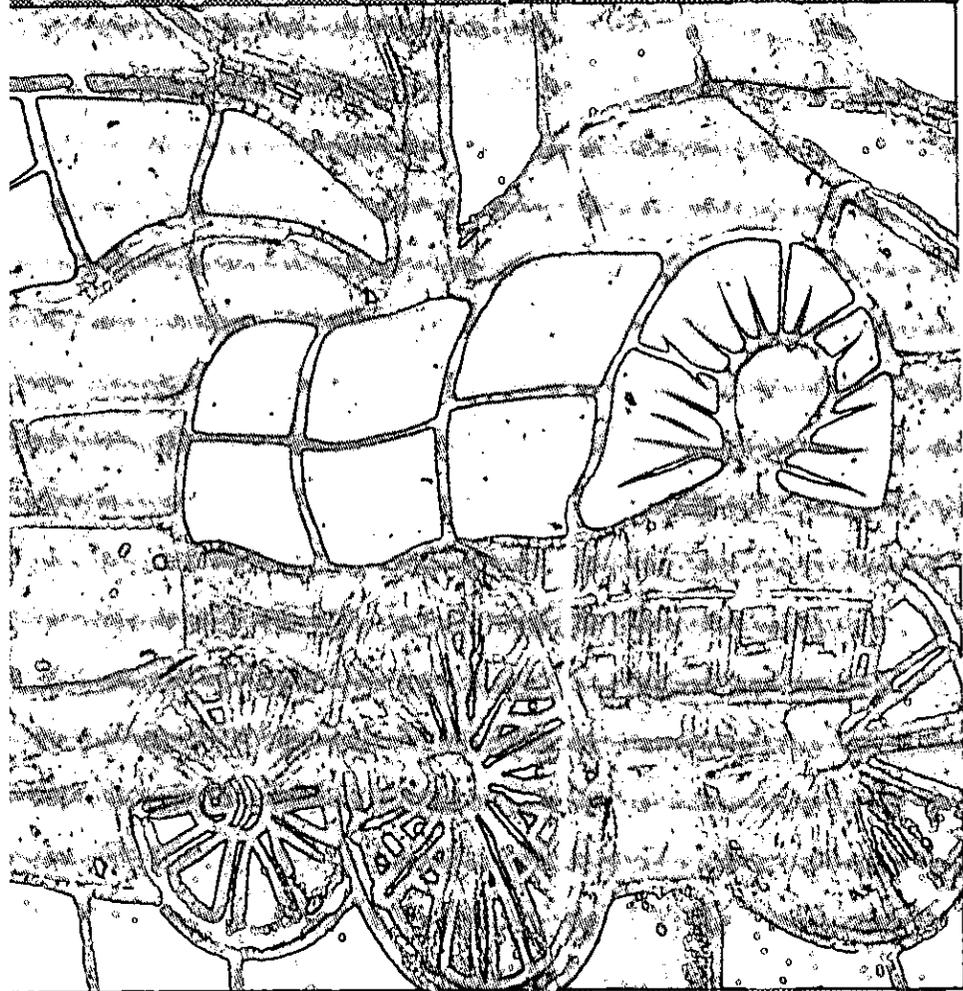
General Fund and Special Funds

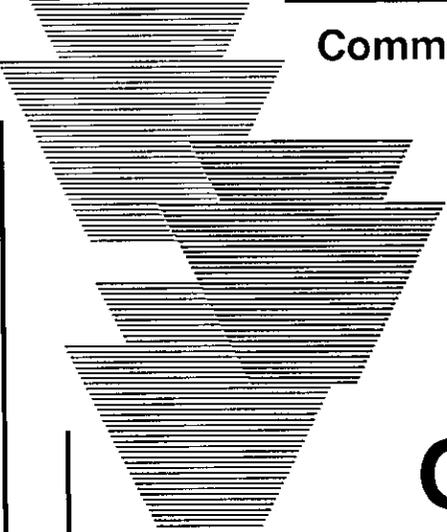
(Dollar Amounts in Thousands)

	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
Recreation..... \$	97,424 \$	102,476 \$	112,123 \$	110,663 \$	112,812 \$	116,104 \$	114,236
Recreation Areas And Facilities							
Management.....	36,825	38,046	39,057	40,227	41,432	42,673	43,952
Recreational Fishing And Boating.....	22,498	24,339	25,852	26,376	26,088	26,871	26,537
Wildlife Management.....	38,101	40,091	47,214	44,060	45,292	46,560	43,747
 Cultural Enrichment..... \$	 73,896 \$	 75,330 \$	 65,584 \$	 73,687 \$	 74,269 \$	 74,869 \$	 75,486
State Historical Preservation.....	14,981	15,007	13,661	13,912	14,299	14,697	15,107
Local Museum Assistance.....	3,065	3,365	2,402	2,865	2,865	2,865	2,865
Development Of Artists And Audiences.	12,667	12,704	9,837	12,862	12,888	12,915	12,942
State Library Services.....	32,583	33,373	31,127	33,416	33,508	33,603	33,701
Public Television Services.....	10,600	10,881	8,557	10,632	10,709	10,789	10,871
 Debt Service..... \$	 31,679 \$	 31,903 \$	 34,625 \$	 39,111 \$	 43,672 \$	 46,788 \$	 46,080
Debt Service.....	31,679	31,903	34,625	39,111	43,672	46,788	46,080
 PROGRAM TOTAL..... \$	 202,999 \$	 209,709 \$	 212,332 \$	 223,461 \$	 230,753 \$	 237,761 \$	 235,802

1991-92

Summary
By Fund





Commonwealth of Pennsylvania

GENERAL FUND

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

Pennsylvania's major sources of General Fund revenues are corporation taxes, consumption taxes, the Personal Income Tax and nontax revenues.

GENERAL FUND

Financial Statement

(Dollar Amounts in Thousands)

	1989-90 Actual	1990-91 Available	1991-92 Estimated
Beginning Balance	\$ 385,079	\$ 136,183	\$ -315,430
Adjustment to Beginning Balance ..	<u>300</u>	<u>.....</u>	<u>.....</u>
Total Beginning Balance	\$ 385,379	\$ 136,183	\$ -315,430
Revenue:			
Official Estimate	\$ 12,432,500	\$ 12,363,400	\$ 12,010,200
Adjustment to Official Estimate	-598,131	-396,000	.....
Revenue Increase Proposed .....	.....	.....	1,695,000
Tax Stabilization Reserve Fund .....	.....	133,800	.....
Reserve for Hazardous Sites Cleanup Fund Transfer	9,873	.....	.....
Less Refunds Reserve	-410,000	-257,000	-298,000 ^b
Accrued Revenue Unrealized	523,892	549,846	549,846
Less Revenues Accrued Previously ..	-499,197	-523,892	-549,846
Total Revenue	<u>\$ 11,458,937</u>	<u>\$ 11,870,154</u>	<u>\$ 13,407,200</u>
Prior Year Lapses	111,999	.....	.....
Funds Available	<u>\$ 11,956,315</u>	<u>\$ 12,006,337</u>	<u>\$ 13,091,770</u>
Expenditures:			
Appropriations	\$ 11,933,433	\$ 12,277,540	\$ 13,119,748
Supplemental Appropriations	136,788	402,227 ^a	.....
Less Budget Balancing Proposals ..	.....	-358,000	-30,000 ^c
Less Current Year Lapses	-250,089	.....	.....
Estimated Expenditures	<u>\$-11,820,132</u>	<u>\$-12,321,767</u>	<u>\$-13,089,748</u>
Ending Balance	<u>\$ 136,183</u>	<u>\$ -315,430</u>	<u>\$ 2,022</u>

^aIncludes \$133.8 million of recommended supplemental appropriations from the Tax Stabilization Reserve Fund.

^bThe refunds reserve reflects the proposed lower interest rate on refunds.

^cThe estimated personnel cost saving will result from: 1991-92 full year savings associated with furloughs implemented in 1990-91; staffing reductions through attrition, organization restructuring and/or additional furloughs, if necessary; reductions in temporary wage positions and downsizing of intern programs; and, health benefits cost containment initiatives.

GENERAL FUND

NOTES ON FINANCIAL STATEMENT

Proposed Revenue Changes

	<u>1991-92</u> <u>(thousands)</u>
Corporate Net Income Tax	\$ 334,000
Rate increase by 2%	
Conform to Federal treatment of dividends	
Capital Stock & Franchise Taxes	613,000
Rate increase by 1 mill	
Increase minimum from \$75 to \$900	
Equalize treatment of all business activities	
Gross Receipts Tax	37,000
Include intra-company access charges	
Include natural gas transportation charges	
Payment Timing Changes	
Public Utility Realty Tax	70,000
Bank Shares Tax	20,000
Sales Tax	278,000
Include cable television charges and interstate telephone call charges in the tax base. Also, impose tax on liquor at the retail rather than the wholesale level.	
Cigarette Tax	300,000
Increase tax to 48¢ per pack	
Tax Enforcement and Collection Initiatives	14,000
Corrective proposals promoted by recent litigation including prepared food subject to sales tax. Also includes reduced interest rate and new application rules.	
Fees	29,000
Various fee changes	
TOTAL	<u>\$ 1,695,000</u>

GENERAL FUND

NOTES ON FINANCIAL STATEMENT

Supplemental Appropriations

(Dollar Amounts in Thousands)

	1990-91 Estimate		
	General Fund	Tax Stabilization Reserve Fund	Total
Treasury			
Board of Finance and Revenue	\$ 160	.....	\$ 160
Commercial Paper Costs (EA)	851	.....	851
Department Total	\$ 1,011	.....	\$ 1,011
Corrections			
State Correctional Institutions	\$ 44,835	.....	\$ 44,835
Education			
Special Education	\$ 16,800	\$ 20,200	\$ 37,000
Vocational Education	3,200	.....	3,200
Department Total	\$ 20,000	\$ 20,200	\$ 40,200
Health			
Quality Assurance	\$ 465	.....	\$ 465
Insurance			
General Government Operations	\$ 356	.....	\$ 356
Public Welfare			
Cash Grants	\$ 84,775	.....	\$ 84,775
Medical Assistance — Outpatient	79,918	\$ 5,443	85,361
Medical Assistance — Inpatient .....	.....	76,157	76,157
Medical Assistance — Capitation	28,367	32,000	60,367
Supplemental Grants	4,300	.....	4,300
Department Total	\$ 197,360	\$ 113,600	\$ 310,960
Revenue			
General Government Operations	\$ 500	.....	\$ 500
Commissions — Inheritance and Realty Transfer Tax Collections (EA)	664	.....	664
Department Total	\$ 1,164	.....	\$ 1,164
State			
Publishing Constitutional Amendments (EA)	\$ 760	.....	\$ 760
State Police			
General Government Operations	\$ 1,776	.....	\$ 1,776
Probation and Parole Board			
General Government Operations	\$ 700	.....	\$ 700
TOTAL	\$ 268,427	\$ 133,800	\$ 402,227

GENERAL FUND

STATE FUNDS BY DEPARTMENT

The following is a summary, by department of 1989-90 actual expenditures, of 1990-91 amounts available and of 1991-92 amounts budgeted from the General Fund as presented in the budget.

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
Governor's Office	\$ 5,803	-\$ 6,490	\$ 6,685
Executive Offices	74,379	75,810	67,751
Lieutenant Governor's Office	833	891	914
Attorney General's Office	44,487	40,820	45,467
Auditor General's Office	51,915	53,526	53,619
Treasury Department	465,619	511,106	554,683
Department of Aging	3,702	7,500	10,415
Department of Agriculture	37,396	38,728	37,860
Civil Service Commission	1	1	1
Department of Community Affairs	80,528	59,711	35,128
Department of Corrections	345,554	414,046	451,003
Crime Commission	2,610	2,514	2,487
Economic Development Partnership	129,712	36,322	16,561
Department of Education	5,498,648	5,817,718	5,966,704
Emergency Management Agency	5,511	4,820	4,266
Department of Environmental Resources	200,568	206,169	203,097
Fish Commission	8	9	9
Department of General Services	66,279	68,799	69,956
Department of Health	174,810	163,406	166,100
Higher Education Assistance Agency	170,156	186,452	194,932
Historical and Museum Commission	18,046	18,372	16,063
Housing Finance Agency	10,000	7,500	7,500
Infrastructure Investment Authority	11,500	2,000	2,000
Insurance Department	11,238	11,543	11,424
Department of Labor and Industry	45,850	44,523	41,883
Department of Military Affairs	33,751	35,022	41,821
Milk Marketing Board	600	600	.....
Board of Probation and Parole	34,731	45,012	38,189
Public Television Network	10,600	10,881	8,557
Department of Public Welfare	3,477,401	3,965,929	4,168,902
Department of Revenue	175,216	181,993	236,199
Securities Commission	3,170	3,112	3,193
Department of State	3,446	4,281	2,499
State Employees' Retirement System	679	672	672
State Police	105,553	101,202	114,441
Tax Equalization Board	1,089	1,168	1,194
Department of Transportation	242,224	252,868	247,199
Legislature	127,806	148,484	149,037
Judiciary	148,713	149,767	141,337
TOTAL	\$11,820,132	\$ 12,679,767	\$ 13,119,748

GENERAL FUND

FEDERAL FUNDS BY DEPARTMENT

The following is a summary of Federal Funds, by department, of 1989-90 expenditures, the 1990-91 amounts available and the 1991-92 amounts budgeted as presented in the General Fund budget. The General Assembly specifically appropriates Federal Funds by Federal source.

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
Executive Offices	\$ 10,602	\$ 23,331	\$ 25,408
Attorney General's Office	3,144	4,734	6,744
Department of Agriculture	3,403	4,022	3,848
Department of Community Affairs	96,481	112,689	98,191
Department of Corrections	1,174	3,850	3,698
Economic Development Partnership	1,068	2,525	570
Department of Education	61,963	90,386	84,956
Emergency Management Agency	2,075	3,105	3,160
Department of Environmental Resources	82,894	117,942	111,448
Department of General Services	10	.....	.....
Department of Health	157,716	225,725	234,440
Historical and Museum Commission	840	1,225	875
Infrastructure Investment Authority .....	.....	20,000	40,000
Department of Labor and Industry	197,702	212,829	187,039
Department of Military Affairs	4,511	6,074	6,691
Board of Probation and Parole	617	1,873	1,813
Public Utility Commission	686	690	525
Department of Public Welfare	2,907,523	3,609,633	3,771,593
State Police	3,097	8,692	5,572
Department of Transportation	12,087	13,186	12,801
Judiciary .....	.....	.....	300
TOTAL	<u>\$ 3,547,593</u>	<u>\$ 4,462,511</u>	<u>\$ 4,599,672</u>

GENERAL FUND

AUGMENTATIONS BY DEPARTMENT

The following is a summary of augmentations, by department, of 1989-90 expenditures, the 1990-91 amounts available and the 1991-92 amounts budgeted as presented in the General Fund budget.

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
Governor's Office	\$ 790	\$ 812	\$ 836
Executive Offices	44,236	51,516	50,615
Attorney General's Office	4,055 ^a	4,485 ^a	4,649 ^a
Auditor General's Office	5,970	7,957	7,640
Treasury Department	3,223	1,757	2,012
Department of Agriculture	1,782	1,944	2,033
Civil Service Commission	9,174	10,486	10,800
Department of Community Affairs	7,603	6,358	10,521
Department of Corrections	699	740	750
Economic Development Partnership	2,856 ^a	3,079 ^a	3,186 ^a
Department of Education	9,293	4,106	3,608
Emergency Management Agency	96	102	102
Department of Environmental Resources	25,336	34,811	30,613
Department of General Services	10,281	10,356	11,377
Department of Health	13,098	13,982	13,962
Historical and Museum Commission	287	345	345
Insurance Department	1,719	2,092	2,010
Labor and Industry	15,606	21,279	19,491
Department of Military Affairs	4,966	5,528	6,894
Probation and Parole Board	11	.	.
Public Television Network	160	98	11,339
Public Utility Commission	29,239 ^a	33,076 ^a	33,774 ^a
Department of Public Welfare	145,395	515,932	532,017
Department of Revenue	11,277	12,405	12,569
Department of State	14,411 ^a	14,612 ^a	16,476 ^a
State Police	15,669	17,990	18,672
Department of Transportation	199	487	487
Legislature	13	2	.
Judiciary	6,173 ^a	6,742 ^a	10,878 ^a
TOTAL	\$ 383,617	\$ 783,079	\$ 817,656

^aIncludes funds appropriated from restricted revenues.

General Fund Revenue Summary

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Estimated	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
TAX REVENUE							
Corporation Taxes							
Corporate Net Income	\$ 1,081,437	\$ 1,073,100	\$ 1,100,000	\$ 1,119,100	\$ 1,117,800	\$ 1,164,900	\$ 1,280,100
Capital Stock and Franchise	571,797	616,400	576,500	662,500	706,000	760,000	821,300
Selective Business:							
Gross Receipts Tax	556,447	588,000	618,500	631,400	649,400	668,900	689,000
Public Utility Realty	163,447	157,900	163,300	169,400	174,200	179,400	184,800
Insurance Premiums	197,648	206,000	217,000	226,300	237,000	248,300	260,200
Financial Institutions	286,855	126,000	126,400	133,200	137,000	145,000	155,300
Other	8,977	9,500	10,000	10,000	10,000	10,000	10,000
Total—Corporation Taxes	\$ 2,866,608	\$ 2,776,900	\$ 2,811,700	\$ 2,951,900	\$ 3,031,400	\$ 3,176,500	\$ 3,400,700
Consumption Taxes							
Sales and Use	\$ 4,224,983	\$ 4,292,000	\$ 4,333,000	\$ 4,563,400	\$ 4,834,200	\$ 5,135,200	\$ 5,453,800
Cigarette	216,852	214,000	210,000	203,700	197,600	191,700	185,900
Malt Beverage	27,541	27,000	27,000	27,000	27,000	27,000	27,000
Liquor	112,411	115,000	116,000	116,000	116,000	116,000	116,000
Total—Consumption Taxes	\$ 4,581,787	\$ 4,648,000	\$ 4,686,000	\$ 4,910,100	\$ 5,174,800	\$ 5,469,900	\$ 5,782,700
Other Taxes							
Personal Income Tax	\$ 3,294,309	\$ 3,455,000	\$ 3,593,000	\$ 3,804,300	\$ 4,046,300	\$ 4,328,500	\$ 4,638,000
Realty Transfer	200,799	165,000	169,000	185,100	201,300	223,300	247,300
Inheritance	474,694	513,000	524,000	565,900	611,200	660,100	712,900
Minor and Repealed	964	1,000	1,000	1,000	1,000	1,000	1,000
Total—Other Taxes	\$ 3,970,766	\$ 4,134,000	\$ 4,287,000	\$ 4,556,300	\$ 4,859,800	\$ 5,212,900	\$ 5,599,200
TOTAL TAX REVENUE	\$ 11,419,161	\$ 11,558,900	\$ 11,784,700	\$ 12,418,300	\$ 13,066,000	\$ 13,859,300	\$ 14,782,600
NONTAX REVENUE							
Liquor Store Profits	\$ 41,250	\$ 36,700	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000
Licenses, Fees and Miscellaneous:							
Licenses and Fees	44,402	53,100	52,700	52,700	52,700	52,700	52,700
Miscellaneous	304,008	294,700	115,900	121,400	121,400	121,400	121,400
Fines, Penalties and Interest:							
On Taxes	24,624	23,000	23,060	23,100	23,100	23,100	23,100
Other	924	1,000	840	800	800	800	800
TOTAL NONTAX REVENUES	\$ 415,208	\$ 408,500	\$ 225,500	\$ 231,000	\$ 231,000	\$ 231,000	\$ 231,000
GENERAL FUND TOTAL	\$ 11,834,369	\$ 11,967,400	\$ 12,010,200	\$ 12,649,300	\$ 13,297,000	\$ 14,090,300	\$ 15,013,600

General Fund Revenues

Adjustments To Revenue Estimate

On July 1, 1990, the Official Estimate for the 1990-91 fiscal year was certified to be \$12,363,400,000.

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

	(Dollar Amounts in Thousands)		
	1990-91 Official Estimate	Adjustments	1990-91 Revised Estimate
TAX REVENUE			
Corporation Taxes			
Corporate Net Income	\$ 1,128,400	\$ -55,300	\$ 1,073,100
Capital Stock and Franchise	610,200	6,200	616,400
Selective Business:			
Utilities Gross Receipts	606,000	-18,000	588,000
Public Utility Realty	166,700	-8,800	157,900
Insurance Premiums	208,800	-2,800	206,000
Financial Institutions	126,900	-900	126,000
Other	10,000	-500	9,500
Total—Corporation Taxes	\$ 2,857,000	\$ -80,100	\$ 2,776,900
Consumption Taxes			
Sales and Use	\$ 4,454,900	\$ -162,900	\$ 4,292,000
Cigarette	214,000	.....	214,000
Malt Beverage	27,500	-500	27,000
Liquor	115,000	.....	115,000
Total—Consumption Taxes	\$ 4,811,400	\$ -163,400	\$ 4,648,000
Other Taxes			
Personal Income Tax	\$ 3,506,300	-51,300	\$ 3,455,000
Realty Transfer	211,000	-46,000	165,000
Inheritance	545,900	-32,900	513,000
Minor and Repealed	1,000	.....	1,000
Total—Other Taxes	\$ 4,264,200	\$ -130,200	\$ 4,134,000
TOTAL TAX REVENUE	\$ 11,932,600	\$ -373,700	\$ 11,558,900
NONTAX REVENUE			
Liquor Store Profits	\$ 25,700	\$ 11,000	\$ 36,700
Licenses, Fees and Miscellaneous:			
Licenses and Fees	55,000	-1,900	53,100
Miscellaneous	330,300	-35,600	294,700
Fines, Penalties and Interest:			
On Taxes	19,000	4,000	23,000
Other	800	200	1,000
TOTAL NONTAX REVENUES	\$ 430,800	\$ -22,300	\$ 408,500
GENERAL FUND TOTAL	\$ 12,363,400	\$ -396,000	\$ 11,967,400

General Fund Revenue Sources

Corporate Net Income Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1984-85	\$ 933,390	1990-91	\$1,073,100
1985-86	953,241	1991-92	1,100,000
1986-87	1,009,337	1992-93	1,119,100
1987-88	1,039,775	1993-94	1,117,800
1988-89	1,158,777	1994-95	1,164,900
1989-90	1,081,437	1995-96	1,280,100

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

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

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

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

Payment: Under the estimated tax system, which commenced in taxable year 1986, a corporation may elect to pay the estimated tax due in quarterly installments (due on the fifteenth day of the fourth, sixth, ninth, and twelfth months of the tax year) computed either by applying the current tax rate to the second prior year tax base or on a basis estimated by the corporation for the current year. The final balance of tax due, if any, must be paid with the annual return due 105 days after the end of the tax year.

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

General Fund Revenue Sources

Capital Stock and Franchise Taxes

(Dollar Amounts in Thousands)

Actual	Estimated
1984-85 \$ 425,858	1990-91 \$ 616,400
1985-86 465,276	1991-92 576,500
1986-87 469,981	1992-93 662,500
1987-88 491,654	1993-94 706,000
1988-89 530,419	1994-95 760,000
1989-90 571,797	1995-96 821,300

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

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

Recent Tax Rates: January 1, 1988 to current: 9.5 mills (includes 0.5 mill for Hazardous Sites Cleanup Fund not included in the estimates above)
 January 1, 1987 to December 31, 1987: 9 mills
 Prior to January 1, 1987: 10 mills
 A minimum tax of \$75 is required for both taxes.

Payment: Under the estimated tax system, which commenced in taxable year 1988, estimated tax payments must be filed within 105 days of the beginning of the current tax year or a corporation may elect to pay the estimated tax due in quarterly installments computed either by applying the current tax rate to the second prior year tax base or on a basis estimated by the corporation for the current year. A phase-in of the quarterly installments will occur during the period 1988 to 1991. The final balance, if any, must be paid with the annual return due 105 days after the end of the tax year. The payment system for these taxes parallels the Corporate Net Income Tax system.

Installments

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

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

General Fund Revenue Sources

Gross Receipts Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1984-85	\$ 550,470	1990-91	\$ 588,000
1985-86	518,300	1991-92	618,500
1986-87	543,624	1992-93	631,400
1987-88	486,312	1993-94	649,400
1988-89	541,116	1994-95	668,900
1989-90	556,447	1995-96	689,000

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

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

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

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

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

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

General Fund Revenue Sources

Public Utility Realty Tax

(Dollar Amounts in Thousands)

Actual	Estimated
1984-85\$ 130,285	1990-91\$ 157,900
1985-86 132,781	1991-92 163,300
1986-87 129,349	1992-93 169,400
1987-88 130,463	1993-94 174,200
1988-89 138,409	1994-95 179,400
1989-90 163,447	1995-96 184,800

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

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

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

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

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

General Fund Revenue Sources

Insurance Premiums Tax

(Dollar Amounts in Thousands)

Actual	Estimated
1984-85 \$ 118,666	1990-91 \$ 206,000
1985-86 152,525	1991-92 217,000
1986-87 180,070	1992-93 226,300
1987-88 200,347	1993-94 237,000
1988-89 187,073	1994-95 248,300
1989-90 197,648	1995-96 260,200

Tax Base: This tax is levied on the gross premiums from 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 effective tax rate, through the imposition of the retaliatory tax, may be higher on taxable companies incorporated in other states where that state imposes a higher tax burden upon Pennsylvania companies doing insurance business in that state. Marine insurance companies pay a 5 percent tax on underwriting profits attributable to Pennsylvania in lieu of the gross premiums tax.

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

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

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

General Fund Revenue Sources

Financial Institutions Taxes

(Dollar Amounts in Thousands)

Actual		Estimated	
1984-85	\$ 76,121	1990-91	\$126,000
1985-86	102,041	1991-92	126,400
1986-87	119,003	1992-93	133,200
1987-88	106,604	1993-94	137,000
1988-89	133,740	1994-95	145,000
1989-90	286,855	1995-96	155,300

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

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

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

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

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

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	
1984-85	\$ 8,752	1990-91	\$ 9,500
1985-86	10,247	1991-92	10,000
1986-87	8,548	1992-93	10,000
1987-88	10,713	1993-94	10,000
1988-89	9,155	1994-95	10,000
1989-90	8,977	1995-96	10,000

Tax Base: Other selective business taxes include: Loans Tax Domestic and Foreign, Act of June 22, 1935, P.L. 414 as amended; Electric Cooperative Corporation Tax, Act of June 21, 1937, P.L. 1969; Agricultural Cooperative Associations Corporate Tax, Act of May 23, 1945, P.L. 893; and Gross Receipts—Private Banks, Act of May 16, 1961, P.L. 708 as amended.

Recent Tax Rates: The Loans Tax rate is 4 mills on each dollar of taxable indebtedness. Electric cooperative corporations annually pay a fee of \$10 for each 100 members. The rate for the Agricultural Cooperative Associations Corporate Tax is 4 percent on net income. 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
1984-85 \$3,019,349	1990-91 \$4,292,000
1985-86 3,241,419	1991-92 4,333,000
1986-87 3,568,903	1992-93 4,563,400
1987-88 3,846,585	1993-94 4,834,200
1988-89 4,085,875	1994-95 5,135,200
1989-90 4,224,983	1995-96 5,453,800

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., food not purchased from an eating place; prescription or non-prescription medicines and drugs; prescription eyeglasses; medical supplies; motor fuels for highway use; residential use of steam, gas, fuel oil and electricity; and purchases made with Food Stamps which are not otherwise exempt from Sales and Use Tax. Also excluded from the tax are items sold to the United States, to the Commonwealth or its political subdivisions. Sales to charitable organizations, non-profit educational institutions, volunteer firemen's organizations and religious organizations are excluded to the extent the items are used in furtherance of the purpose of the organization. Items directly used in manufacturing, processing, farming, dairying or utility service are exempt.

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

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

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

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

General Fund Revenue Sources

Cigarette Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1984-85	\$ 239,201	1990-91	\$ 214,000
1985-86	233,526	1991-92	210,000
1986-87	229,926	1992-93	203,700
1987-88	228,881	1993-94	197,600
1988-89	223,903	1994-95	191,700
1989-90	216,852	1995-96	185,900

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

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

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

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

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

General Fund Revenue Sources

Malt Beverage Tax

(Dollar Amounts in Thousands)

Actual	Estimated
1984-85 \$ 27,061	1990-91 \$ 27,000
1985-86 27,083	1991-92 27,000
1986-87 26,774	1992-93 27,000
1987-88 27,598	1993-94 27,000
1988-89 27,704	1994-95 27,000
1989-90 27,541	1995-96 27,000

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

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

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

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

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

Liquor Tax

(Dollar Amounts in Thousands)

Actual	Estimated
1984-85 \$ 103,079	1990-91 \$ 115,000
1985-86 107,964	1991-92 116,000
1986-87 110,890	1992-93 116,000
1987-88 110,732	1993-94 116,000
1988-89 109,617	1994-95 116,000
1989-90 112,411	1995-96 116,000

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

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

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

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

General Fund Revenue Sources

Personal Income Tax

(Dollar Amounts in Thousands)

Actual	Estimated
1984-85	1990-91
\$2,637,557	\$3,455,000
1985-86	1991-92
2,710,603	3,593,000
1986-87	1992-93
2,817,526	3,804,300
1987-88	1993-94
2,879,970	4,046,300
1988-89	1994-95
3,146,956	4,328,500
1989-90	1995-96
3,294,309	4,638,000

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 the following income from sources within the Commonwealth: compensation for personal services performed in Pennsylvania unless the taxpayer is a resident of a state with which there is a reciprocal agreement; net profits from activity conducted in Pennsylvania; and income from the rental, ownership or disposition of any real or personal property. A loss in one class of income may not be offset against income in another class, nor may gains or losses be carried back or forward from year to year.

Exclusions and Deductions: Income not falling into one of the enumerated classes is not taxable. A full or partial exemption from the tax or a refund of taxes paid is provided for taxpayers who are eligible under standards of poverty defined in Act No. 1974-32, and amended by Act No. 1987-58 and by Act No. 1988-106. A one-time exclusion of up to \$100,000 of the gain from the sale of the taxpayer's principal residence is allowed for persons over 55 years of age who satisfy ownership and use requirements.

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

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

1987 to present	2.10%
1986	2.16%
1985	2.35%
1984	2.40%
1983	2.45%

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

Recent Changes: Act No. 1989-110 provides that only employers required to withhold Federal Income Tax are required to withhold Pennsylvania Personal Income Tax.

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

General Fund Revenue Sources

Realty Transfer Tax

(Dollar Amounts in Thousands)

Actual	Estimated
1984-85 \$ 121,220	1990-91 \$ 165,000
1985-86 146,968	1991-92 169,000
1986-87 200,479	1992-93 185,100
1987-88 212,027	1993-94 201,300
1988-89 217,184	1994-95 223,300
1989-90 200,799	1995-96 247,300

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

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

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

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

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

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

Inheritance Tax

(Dollar Amounts in Thousands)

Actual	Estimated
1984-85 \$ 277,568	1990-91 \$ 513,000
1985-86 322,740	1991-92 524,000
1986-87 371,840	1992-93 565,900
1987-88 401,404	1993-94 611,200
1988-89 446,708	1994-95 660,100
1989-90 474,694	1995-96 712,900

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

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

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

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

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

General Fund Revenue Sources

Minor and Repealed Taxes

(Dollar Amounts in Thousands)

Actual	Estimated
1984-85\$ 743	1990-91\$ 1,000
1985-86 832	1991-92 1,000
1986-87 1,199	1992-93 1,000
1987-88 990	1993-94 1,000
1988-89 963	1994-95 1,000
1989-90 964	1995-96 1,000

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

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

Liquor Store Profits

(Dollar Amounts in Thousands)

Actual	Estimated
1984-85\$ 35,000	1990-91\$ 36,700
1985-86 33,000	1991-92 33,000
1986-87 32,000	1992-93 33,000
1987-88 26,000	1993-94 33,000
1988-89 16,000	1994-95 33,000
1989-90 41,250	1995-96 33,000

Liquor Store Profits represent the amount of profit from the operation of State liquor stores less deductions for reserve and inventory. This amount is transferred to the General Fund from the State Stores Fund to be used for general appropriation purposes as provided by Act No. 412-1/2 of July 18, 1935, P.L. 1316 (Purdon's Title 47 P.S. §744-907b).

General Fund Revenue Sources

Licenses, Fees, and Miscellaneous Revenue

(Dollar Amounts in Thousands)

Actual	Estimated
1984-85 \$ 144,673	1990-91 \$ 347,800
1985-86 138,923	1991-92 168,600
1986-87 134,661	1992-93 174,100
1987-88 145,226	1993-94 174,100
1988-89 263,849	1994-95 174,100
1989-90 348,410	1995-96 174,100

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

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

Beginning July 1, 1987, the total of all fines, fees and costs collected by any division of the unified judicial system which are in excess of the amount collected from such sources in the fiscal year 1986-87 are to be deposited in the Judicial Computer System Augmentation Account in accordance with Act 1987-64 (Purdons Title 42 Pa C.S.A. § 3733). Any fines, fees or costs which are allocated to counties and municipalities are not affected by this act.

Fines, Penalties and Interest

(Dollar Amounts in Thousands)

Actual	Estimated
1984-85 \$ 17,513	1990-91 \$ 24,000
1985-86 18,752	1991-92 23,900
1986-87 15,505	1992-93 23,900
1987-88 13,957	1993-94 23,900
1988-89 19,203	1994-95 23,900
1989-90 25,548	1995-96 23,900

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 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)		
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
TAX REVENUE			
Corporate Net Income Tax	\$ 1,081,437	\$ 1,073,100	\$ 1,100,000
Capital Stock and Franchise Taxes			
Capital Stock Taxes—Domestic	\$ 302,857	\$ 326,480	\$ 305,347
Franchise Taxes—Foreign	268,940	289,920	271,153
Subtotal	\$ 571,797	\$ 616,400	\$ 576,500
Gross Receipts Tax			
Telephone and Telegraph	\$ 111,310	\$ 114,700	\$ 116,800
Electric, Hydroelectric and Water Power	365,008	391,900	415,400
Motor Transportation	2,114	2,110	2,200
Transportation	2,795	2,790	2,900
Gas	75,220	76,500	81,200
Subtotal	\$ 556,447	\$ 588,000	\$ 618,500
Public Utility Realty Tax	\$ 163,447	\$ 157,900	\$ 163,300
Insurance Premiums Tax			
Domestic Casualty	\$ 36,942	\$ 38,770	\$ 40,700
Domestic Marine	6	10	10
Domestic Fire	30,351	31,860	33,440
Domestic Life and Previously Exempted Lines	10,766	11,200	11,880
Unauthorized Insurance	1,737	1,790	1,840
Foreign Life	94,995	98,800	104,820
Foreign Excess Casualty	7,288	7,500	7,730
Foreign Marine	192	200	200
Foreign Excess Fire	5,966	6,150	6,330
Excess Insurance Brokers	7,529	7,750	7,990
Title Insurance	1,876	1,970	2,060
Subtotal	\$ 197,648	\$ 206,000	\$ 217,000
Financial Institutions Taxes			
Trust Companies	\$ 57,784	\$ 23,580	\$ 24,350
State Banks	56,595	23,100	23,850
National Banks	142,880	58,320	60,200
State Mutual Thrift Institutions	20,991	14,900	12,770
Federal Mutual Thrift Institutions	8,605	6,100	5,230
Subtotal	\$ 286,855	\$ 126,000	\$ 126,400

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
Other Selective Business Taxes			
Corporate Loans—Domestic	\$ 7,151	\$ 7,570	\$ 7,970
Corporate Loans—Foreign	1,027	1,090	1,140
Tax on Electric Cooperative Corporations	17	20	20
Corporate Net Income Tax on Agricultural Cooperative Associations	114	120	130
Gross Receipts—Private Bankers	461	480	510
Department of Justice Collections .....	.	.	.
Corporation Taxes — Clearing Accounts Undistributed	207	220	230
Subtotal	<u>\$ 8,977</u>	<u>\$ 9,500</u>	<u>\$ 10,000</u>
Sales and Use Tax			
Non-Motor Vehicle	\$ 3,580,758	\$ 3,663,000	\$ 3,701,000
Motor Vehicle	644,225	629,000	632,000
Subtotal	<u>\$ 4,224,983</u>	<u>\$ 4,292,000</u>	<u>\$ 4,333,000</u>
Cigarette Tax	<u>\$ 216,852</u>	<u>\$ 214,000</u>	<u>\$ 210,000</u>
Malt Beverage Tax	<u>\$ 27,541</u>	<u>\$ 27,000</u>	<u>\$ 27,000</u>
Liquor Tax	<u>\$ 112,411</u>	<u>\$ 115,000</u>	<u>\$ 116,000</u>
Personal Income Tax			
Withholding	\$ 2,481,547	\$ 2,583,000	\$ 2,695,000
Non-Withholding	812,762	872,000	898,000
Subtotal	<u>\$ 3,294,309</u>	<u>\$ 3,455,000</u>	<u>\$ 3,593,000</u>
Realty Transfer Tax	<u>\$ 200,799</u>	<u>\$ 165,000</u>	<u>\$ 169,000</u>
Inheritance Tax			
Resident Transfer Inheritance and Estate Tax	\$ 471,832	\$ 509,900	\$ 520,840
Nonresident Transfer Inheritance and Estate Tax	2,862	3,100	3,160
Subtotal	<u>\$ 474,694</u>	<u>\$ 513,000</u>	<u>\$ 524,000</u>
Minor and Repealed Taxes			
Tax on Writs, Wills and Deeds	\$ 927	\$ 960	\$ 960
Distilled Spirits	1	1	1
Rectified Spirits	1	1	1
Wines	35	38	38
Subtotal	<u>\$ 964</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>
TOTAL TAX REVENUE	<u>\$ 11,419,161</u>	<u>\$ 11,558,900</u>	<u>\$ 11,784,700</u>
NONTAX REVENUES			
Liquor Store Profits	<u>\$ 41,250</u>	<u>\$ 36,700</u>	<u>\$ 33,000</u>

* Less than \$500.

General Fund Revenue Detail

(Dollar Amounts in Thousands)

	1989-90 Actual	1990-91 Estimated	1991-92 Budget
Licenses, Fees and Miscellaneous			
Executive Office			
MISCELLANEOUS REVENUE			
Miscellaneous .....	*	*	.....
Crime Victim's Award Restitution	\$ 36	\$ 59	\$ 59
Union Political Action Committee	37	1	1
Refunds of Expenditures Not Credited to Appropriations	79,840	57,940	.....
Subtotal	<u>\$ 79,913</u>	<u>\$ 58,000</u>	<u>\$ 60</u>
Lieutenant Governor's Office			
LICENSES AND FEES			
Board of Pardon Fees	\$ 2	\$ 1	\$ 1
Board of Pardon Filing Fees	5	7	7
Subtotal	<u>\$ 7</u>	<u>\$ 8</u>	<u>\$ 8</u>
Auditor General			
LICENSES AND FEES			
Filing Fees	\$ 9	\$ 9	\$ 9
Attorney General			
MISCELLANEOUS REVENUE			
Assessed Civil Penalties Payments	\$ 168	\$ 496	\$ 195
Miscellaneous	*	2	2
Refunds of Expenditures Not Credited to Appropriations	2	2	3
Subtotal	<u>\$ 170</u>	<u>\$ 500</u>	<u>\$ 200</u>
Treasury Department			
MISCELLANEOUS REVENUE			
Interest on Securities	\$ 66,539	\$ 45,370	\$ 49,760
Interest on Deposits	706	680	530
Allocation of Treasury Cost	2,014	1,544	1,520
Premium and Discount on Tax Notes Sold	1,542	654	1,160
Interest on Securities—Liquor License Fund	181	160	140
Redeposit of Checks	2,365	1,640	1,780
Miscellaneous	2	5	5
Depository Adjustments	-14	-10	-10
Interest on Average Collected Balance — With Program	18	16	15
Subtotal	<u>\$ 73,353</u>	<u>\$ 50,059</u>	<u>\$ 54,900</u>

* Less than \$500.

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
Department of Agriculture			
LICENSES AND FEES			
Carbonated Beverage Licenses	\$ 16	\$ 18	\$ 17
Egg Certification Fees	23	27	24
Cold Storage Warehouse Licenses	3	4	4
Egg Opening Licenses	2	.	.
Seed Testing and Certification Fees	56	71	71
Bakery Licenses	50	245	245
Ice Cream Licenses	64	163	163
Domestic Animal Dealers Licenses	6	6	6
Abattoir Licenses	1	15	15
Rendering Plant Licenses	1	1	.
Horse Slaughtering Licenses .....	.	.	.
Approved Inspector's Certificate and Registration Fees	9	6	6
Garbage Feeders Licenses .....	.	.	.
Poultry Technician Licenses	1	1	1
Miscellaneous Licenses and Fees	22	20	20
Farm Product Inspection Fees	8	11	11
Veterinarian Diagnostic Lab Fees	149	180	180
Public Weighmaster's Liquid Fuels Licenses	68	81	72
Public Weighmaster's Solid Fuels Licenses	26	35	28
Livestock Branding Fees .....	.	.	.
Inspection/Registration of Plants & Trees .....	.	220	220
MISCELLANEOUS REVENUE			
Miscellaneous .....	.	.	.
Refund of Expenditures Not Credited to Appropriations	15	15	.
Subtotal	<u>\$ 520</u>	<u>\$ 1,119</u>	<u>\$ 1,083</u>
Civil Service Commission			
MISCELLANEOUS REVENUE			
Miscellaneous	<u>\$ 1</u>	<u>.</u>	<u>.</u>
Department of Commerce			
MISCELLANEOUS REVENUE			
Nursing Home Loans — Repayments	\$ 3,613	\$ 3,800	\$ 4,000
Refund of Expenditures Not Credited to Appropriations	31	50	50
Miscellaneous	202	.	.
Subtotal	<u>\$ 3,846</u>	<u>\$ 3,850</u>	<u>\$ 4,050</u>
Department of Community Affairs			
LICENSES AND FEES			
Municipal Indebtedness Fees	\$ 113	\$ 115	\$ 117
MISCELLANEOUS REVENUE			
Miscellaneous	412	107	109
Refunds of Expenditures Not Credited to Appropriations	292	298	303
Subtotal	<u>\$ 817</u>	<u>\$ 520</u>	<u>\$ 529</u>

* Less than \$500.

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
Department of Corrections			
MISCELLANEOUS REVENUE			
Miscellaneous .....	.	.	.
Refunds of Expenditures Not Credited to Appropriations	\$ 5	\$ 40	\$ 40
Subtotal	<u>\$ 5</u>	<u>\$ 40</u>	<u>\$ 40</u>
Department of Education			
LICENSES AND FEES			
Secondary Education Evaluation Fees	\$ 94	\$ 80	\$ 80
Private Academic School License Fees	67	65	65
Private Driver Training School Fees	23	23	24
Teachers Certification Fees	384	375	380
Teachers Certification Fees — Private Academy	11	12	12
PDE — Fees Transcripts/Closed Private Schools .....	.	.	.
Private Licensed School Fees .....	.	439	609
MISCELLANEOUS REVENUE			
Miscellaneous .....	.	1	2
Refunds of Expenditures Not Credited to Appropriations	94	1	.
Subtotal	<u>\$ 673</u>	<u>\$ 996</u>	<u>\$ 1,172</u>
Emergency Management Agency			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	\$ 2	\$ 3	\$ 2
Department of Environmental Resources			
LICENSES AND FEES			
Bathing Place Licenses	\$ 9	\$ 10	\$ 10
Sewage and Industrial Waste Permit Fees	404	400	400
Restaurant Licenses	555	1,000	1,800
Miscellaneous Licenses and Fees	43	45	45
Registration Fees for Organized Camps	4	5	5
Explosive Storage Permit Fees	114	114	114
Blasters' Examination and Licensing Fees	40	40	40
Examination and Certificate Fees	8	9	9
Bituminous Miners' Examination and Certificate Fees .....	.	.	.
Bituminous Shot Firers' and Machine Runners' Examination and Certificates	4	4	4
Anthracite Miners' Examination and Certificate Fees .....	.	.	.
Water Power and Supply Permit Fees	83	100	100
Dams and Encroachment Fees	56	130	75
Water Bacteriological Examinations	44	50	50
Sewage Enforcement Examination Fees	5	5	12
Sewage Enforcement-Certificate Copy Fees	6	7	8
Hazardous Waste Treatment Storage or Disposal Fees	20	19	20
Hazardous Waste Transporter Licenses Application Fees	27	27	27
Municipal Waste Permit APP Fees	569	569	600
Municipal Waste Annual Permit ASM Fees	265	265	265
Infectious and Chemical Waste Transport Fees	9	9	9
Natural Gas Well Classification	9	150	25
Submerged Land Fees	57	57	60

* Less Than \$500.

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
Department of Environmental Resources (continued)			
MISCELLANEOUS REVENUE			
Stumpage	*	*	*
Minerals Sales	\$ 236	\$ 450	\$ 250
Camp Leases	410	430	430
Water Leases	20	40	30
Rights-of-Way	204	240	240
Recovered Damages	3	3	3
Housing Rents	13	17	17
Ground Rents	29	40	35
Royalties for Recovery of Materials-Schuylkill River	78	80	80
Miscellaneous	56	60	60
Surface Subsidence Assistance Loans—Repayments	19	19	19
Interest Payments — Mine Subsidence	4	4	4
Refunds of Expenditures Not Credited to Appropriations	12	50	25
Payment to Occupy Submerged Lands	42	45	45
Payments of Loans — Water Facilities Loans	2,319	3,800	3,700
Penalty Charges — Delinquent	40	40	30
Sewage Treatment and Waterworks Application Fee	2	3	3
Sales Tax Escrow Account	-1	5	5
Interest on Loan Payments	5,219	4,000	3,700
Subtotal	<u>\$ 11,036</u>	<u>\$ 12,341</u>	<u>\$ 12,354</u>
Department of General Services			
MISCELLANEOUS REVENUE			
Sale of State Property	\$ 323	\$ 750	\$ 750
Sale of Publications	87	75	75
Sale of Unserviceable Property	377	235	235
Rental of State Property	59	75	75
Recovery on Insurance and Surety Bonds	*	1	1
Mileage of State Automobiles	446	500	500
Contract Forfeitures and Damages .....	.	5	5
Allocation of Property Costs	5,264	6,000	6,000
Real Estate Services	166	105	105
Miscellaneous	570	1,000	1,000
Refunds of Expenditures Not Credited to Appropriations .....	.	10	10
Subtotal	<u>\$ 7,292</u>	<u>\$ 8,756</u>	<u>\$ 8,756</u>
Department of Health			
LICENSES AND FEES			
Vital Statistics Fees	\$ 2,310	\$ 2,311	\$ 2,311
Registration Fees-Drugs Devices and Cosmetics Act	348	348	348
Profit Making Hospital Licenses	38	38	38
Nursing Home Licenses	290	290	290
Life Safety Code Disposition Fees	133	133	133
Miscellaneous	15	15	15
MISCELLANEOUS REVENUE			
Miscellaneous	108	107	107
Refunds of Expenditures Not Credited to Appropriations	8	8	8
Subtotal	<u>\$ 3,250</u>	<u>\$ 3,250</u>	<u>\$ 3,250</u>

* Less than \$500

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
Historical and Museum Commission			
MISCELLANEOUS REVENUE			
Miscellaneous	*	*	*
Refunds of Expenditures Not Credited to Appropriations	\$ 4	\$ 3	\$ 3
Subtotal	<u>\$ 4</u>	<u>\$ 3</u>	<u>\$ 3</u>
Insurance Department			
LICENSES AND FEES			
Agents' Licenses	\$ 10,231	\$ 9,281	\$ 7,683
Brokers' Licenses	398	845	137
Examination Fees and Expenses	1,497	1,570	1,570
Valuation of Policies Fees	1,704	1,705	1,705
Miscellaneous Fees	9	7	7
Miscellaneous Licenses	35	73	73
Physical Damage Appraiser Licenses	60	64	64
Division of Companies Certification — Certificates and Filing Fees	565	815	815
Agents' and Brokers' Certification Fees	215	169	169
Market Conduct Examination	68	40	40
MISCELLANEOUS REVENUE			
Miscellaneous	71	75	75
Subtotal	<u>\$ 14,853</u>	<u>\$ 14,644</u>	<u>\$ 12,338</u>
Labor and Industry			
LICENSES AND FEES			
Bedding and Upholstery Fees	\$ 385	\$ 425	\$ 425
Boiler Inspection Fees	1,402	1,450	1,500
Elevator Inspection Fees	1,344	1,250	1,250
Employment Agents' Licenses	52	77	77
Projectionists' Examination and License Fees	5	6	6
Approval of Elevator Plan Fees	221	234	234
Industrial Homework Permit Fees .....	.	.	.
Employment Agents' Registration Fees	10	11	11
Liquified Petroleum Gas Registration Fees	222	224	224
Stuffed Toys Manufacturers' Registration Fees	33	30	30
Approval of Building Plan Fees	3,698	4,049	4,049
MISCELLANEOUS REVENUE			
Miscellaneous	14	10	7
Refunds of Expenditures Not Credited to Appropriations	45	40	26
Right-to-Know Fees, Materials & Publications	25	10	2
CETA Audit Settlement — PA State Council OIC/A	6	4	.
Subtotal	<u>\$ 7,462</u>	<u>\$ 7,820</u>	<u>\$ 7,841</u>
Department of Military Affairs			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	\$ 12	\$ 2	\$ 2

* Less than \$500.

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
Board of Probation and Parole			
MISCELLANEOUS REVENUE			
Miscellaneous	*	*	*
Refunds of Expenditures Not Credited to Appropriations	\$ 4	\$ 3	\$ 3
Subtotal	<u>\$ 4</u>	<u>\$ 3</u>	<u>\$ 3</u>
Public Utility Commission			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	\$ 1	*	*
Department of Public Welfare			
LICENSES AND FEES			
Private Mental Hospital Licenses	\$ 41	\$ 45	\$ 45
MISCELLANEOUS REVENUE			
Miscellaneous	1	4	5
Refunds of Expenditures Not Credited to Appropriations	51	341	50
Subtotal	<u>\$ 93</u>	<u>\$ 390</u>	<u>\$ 100</u>
Department of Revenue			
LICENSES AND FEES			
Cigarette Permit Fees	\$ 560	\$ 561	\$ 570
Certificate and Copy Fees	35	35	35
Domestic Violence and Rape Crisis Program Fees	1,943	1,944	1,975
Secretary's Writ Collections .....	.....	1	.....
MISCELLANEOUS REVENUE			
Abandoned Property — Financial Institutions Deposits	10,504	10,500	10,500
Abandoned Property — Other Holder Deposits	18,931	18,920	18,920
Abandoned Property — Claim Payments	-4,776	-4,780	-4,780
Abandoned Property — Administration Cost			
Reimbursements	-1,642	-1,640	-1,640
Miscellaneous	29	30	30
District Justice Cost	7,631	7,645	7,645
Distribution Due Absentee	278	278	268
Subtotal	<u>\$ 33,493</u>	<u>\$ 33,494</u>	<u>\$ 33,523</u>

* Less than \$500.

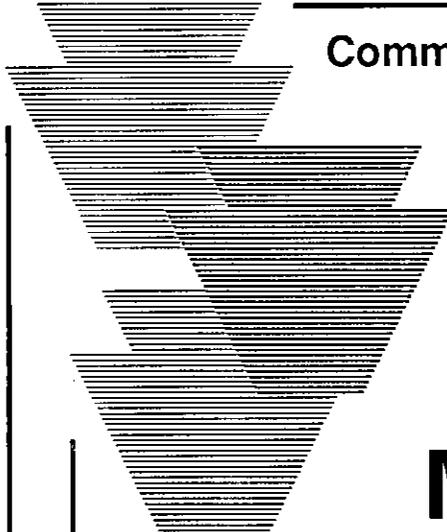
General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
Pennsylvania Securities Commission			
LICENSES AND FEES			
Section 205 — Security Registration and Amendment Fees ..	\$ 264	\$ 500	\$ 500
Section 206 — Security Registration and Amendment Fees ..	88	75	75
Mutual Funds and Investment Company Section			
203I-205-206	3,354	4,157	4,157
Brokers/Dealers' Registration Fees — Initial	40	80	80
Brokers/Dealers' Registration Fees — Renewal	215	430	434
Brokers/Dealers' Registration Fees — Pa. Office — Initial ...	19	19	19
Brokers/Dealers' Registration Fees — Pa. Office — Renewal	55	55	59
SCT 205 — Amendment Fees	5	5	5
Securities Agents' Filing Fees — Initial	564	1,129	1,129
Securities Agents' Filing Fees — Renewal	1,543	3,087	3,118
Securities Agents' Filing Fees — Transfer	95	191	191
SCT 206 — Amendment Fees	1	1	1
Security Agents' Filing Fees — Mass Transfer	48	95	95
Investment Advisors' Filing Fees — Initial	11	21	21
Investment Advisors' Filing Fees — Renewal	44	88	91
Section 202G Security Exemption Fees	2	5	5
Section 203I and 203(O)II Security Exemption Fees	13	12	12
Section 203(D) Security Exemption Fees	271	400	400
Section 203(N) Security Exemption Fees	3	6	6
Section 203(P) Security Exemption Fees	1	1	1
Takeover Disclosure Filing Fees Section IV Registration	1	5	5
Costs — Examination, Auditing, Investigation, Prosecution — Except Takeover Costs	36	35	35
Miscellaneous Takeover Disclosure Filing Fees	1	2	2
MISCELLANEOUS REVENUE			
Miscellaneous	1	1	1
Subtotal	<u>\$ 6,675</u>	<u>\$ 10,400</u>	<u>\$ 10,442</u>
Department of State			
LICENSES AND FEES			
Commissions and Filing — Corporation Bureau	\$ 5,536	\$ 8,700	\$ 9,300
Recorder of Deeds Fees	39	35	40
Notary Public Commission Fees	540	500	800
Commissions and Filing Fees — Bureau of Elections	202	175	225
MISCELLANEOUS REVENUE			
Miscellaneous	-2	.	.
Refunds of Expenditures Not Credited to Appropriations	2	.	.
Subtotal	<u>\$ 6,317</u>	<u>\$ 9,410</u>	<u>\$ 10,365</u>
State Police			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 182	\$ 171	\$ 178
Reimbursement for Lost Property	5	1	2
Refunds of Expenditures Not Credited to Appropriations	20	27	20
Act 64 — Contra Revenue .....	.	1	.
Subtotal	<u>\$ 207</u>	<u>\$ 200</u>	<u>\$ 200</u>

General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
Department of Transportation			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	\$ 74	\$ 22	\$ 20
Commonwealth Court			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	\$ 4	\$ 15	\$ 5
Other			
MISCELLANEOUS REVENUE			
Conscience Money	\$ 5	\$ 5	\$ 5
Transfer from State Racing Fund	1,612	1,091	1,236
Transfer from State Insurance Fund . . . . .	. . . . .	1,841	1,000
Transfer from State Workmen's Insurance Fund	85,000	125,000	. . . . .
Transfer from Unemployment Compensation Fund	11,700	. . . . .	. . . . .
Transfer From Banking Fund . . . . .	. . . . .	. . . . .	825
Payments in Lieu of Taxes — SWIF . . . . .	. . . . .	4,009	4,279
Subtotal	<u>\$ 98,317</u>	<u>\$ 131,946</u>	<u>\$ 7,345</u>
TOTAL LICENSES, FEES AND MISCELLANEOUS	<u>\$ 348,410</u>	<u>\$ 347,800</u>	<u>\$ 168,600</u>
Fines, Penalties and Interest on Taxes			
Penalties on Excise Taxes — Corporations	\$ 509	\$ 475	\$ 480
Interest on Excise Taxes — Corporations (Department of Revenue)	10,745	10,040	10,060
Corporation Net Income Tax	13,227	12,350	12,390
Realty Transfer Tax	143	135	130
Other Fines and Penalties			
Department of Agriculture			
General Food Fines	\$ 17	\$ 16	\$ 22
Egg Fines . . . . .	.	.	.
Marketing Law Fines . . . . .	.	1	1
Miscellaneous	2	3	.
Horse Racing Fines and Penalties	45	36	36
Harness Racing Fines and Penalties	37	26	35
Amusement Rides and Attractions — Fines	9	6	2
Department of Environmental Resources			
Blasters' Fines	1	2	1
Miscellaneous Fines	27	25	26
Ethics Commission			
Violations Act 170-1978	8	1	. . . . .
Department of General Services			
Traffic Violations	39	50	50
Department of Health			
Non-Compliance Fines and Penalties	117	117	117
Department of Insurance			
Miscellaneous Fines	426	470	350
Department of Labor and Industry			
Miscellaneous Fines	10	5	12
Minor Labor Law Fines	11	70	13
Public Utility Commission			
Violation of Order Fines	168	165	165
Department of Revenue			
Malt Liquor Fines and Penalties	6	6	9
Spiritous and Vinous Liquor Fines and Penalties . . . . .	.	.	. . . . .
Motor Law Fines Prior to July 1, 1976	1	1	1
TOTAL FINES, PENALTIES AND INTEREST	<u>\$ 25,548</u>	<u>\$ 24,000</u>	<u>\$ 23,900</u>
TOTAL NONTAX REVENUE	<u>\$ 415,208</u>	<u>\$ 408,500</u>	<u>\$ 225,500</u>
TOTAL GENERAL FUND REVENUES	<u><u>\$ 11,834,369</u></u>	<u><u>\$ 11,967,400</u></u>	<u><u>\$ 12,010,200</u></u>

* Less Than \$500



Commonwealth of Pennsylvania

Motor License Fund

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

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

Motor License Fund

Financial Statement*

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Estimated
Beginning Balance	\$ 74,643	\$ 56,356	\$ 64,520
Revenue:			
Official Estimate	\$ 1,483,701	\$ 1,513,987	\$ 1,513,296
Adjustment to Official Estimate .....	.....	-24,887	.....
Accrued Revenues Unrealized	147,982	147,650	148,662
Less Revenues Accrued Previously	-147,613	-147,982	-147,650
Total Revenue	\$ 1,484,070	\$ 1,488,768	\$ 1,514,308
Prior Year Lapses	14,426	13,000	.....
Funds Available	\$ 1,573,139	\$ 1,558,124	\$ 1,578,828
Expenditures:			
Appropriated	\$ 1,516,783	\$ 1,571,968	\$ 1,576,962
Less Current Year Lapses .....	.....	-78,364	.....
Estimated Expenditures	-1,516,783	-1,493,604	-1,576,962
Ending Balance	\$ 56,356	\$ 64,520	\$ 1,866

*Excludes restricted revenue

Motor License Fund

Summary by Department

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
Executive Offices			
General Government			
Office of the Budget—Comptroller Operations	\$ 4,370	\$ 4,618	\$ 4,844
TOTAL STATE FUNDS	<u>\$ 4,370</u>	<u>\$ 4,618</u>	<u>\$ 4,844</u>
Augmentations	\$ 590	\$ 782	\$ 726
DEPARTMENT TOTAL	<u>\$ 4,960</u>	<u>\$ 5,400</u>	<u>\$ 5,570</u>
Treasury Department			
General Government			
Replacement Checks	\$ 180	\$ 180	\$ 240
Refunding Liquid Fuel Tax — Agricultural Use	2,379	4,000	3,000
Administration of Refunding Liquid Fuel Tax	266	258	259
Refunding Liquid Fuel Tax — State Share	215	350	350
Refunding Emergency Liquid Fuel Tax .....	.....	1	1
Refunding Liquid Fuel Tax — Political Subdivision Use	1,585	2,100	2,100
Refunding Liquid Fuel Tax — Volunteer Fire Companies, Ambulance Services and Rescue Squads	88	175	175
Refunding Marine Liquid Fuel Tax — Boat Fund	1,500	1,500	1,900
Subtotal	<u>\$ 6,213</u>	<u>\$ 8,564</u>	<u>\$ 8,025</u>
Debt Service Requirements			
Capital Debt — Transportation Projects	\$ 165,034	\$ 166,434	\$ 170,816
General Obligation Debt Service	1,508	2,089	1,986
Advance Construction Interstate—Interest Payments	14,481	15,256	14,423
Loan and Transfer Agent	115	135	135
Subtotal	<u>\$ 181,138</u>	<u>\$ 183,914</u>	<u>\$ 187,360</u>
TOTAL STATE FUNDS	<u>\$ 187,351</u>	<u>\$ 192,478</u>	<u>\$ 195,385</u>
Restricted Revenue	\$ 94,037	\$ 92,314	\$ 127,155
DEPARTMENT TOTAL	<u>\$ 281,388</u>	<u>\$ 284,792</u>	<u>\$ 322,540</u>
Department of Education			
Grants and Subsidies			
Safe Driving Course	\$ 1,785	\$ 2,196	\$ 1,949
Commercial Driver Licensing Test Preparation .....	.....	3,000	.....
DEPARTMENT TOTAL	<u>\$ 1,785</u>	<u>\$ 5,196</u>	<u>\$ 1,949</u>

Motor License Fund

Summary by Department (continued)

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
Department of General Services			
General Government			
Asbestos Control	\$ 500	.....	.....
Grants and Subsidies			
Tort Claims Payments	\$ 17,700	\$ 26,500	\$ 17,500
DEPARTMENT TOTAL	\$ 18,200	\$ 26,500	\$ 17,500
 Department of Revenue			
General Government			
Collection — Liquid Fuels Tax	\$ 7,125	\$ 7,687	\$ 8,121
Refunding Liquid Fuels Taxes	2,875	5,275	5,300
DEPARTMENT TOTAL	\$ 10,000	\$ 12,962	\$ 13,421
 Pennsylvania State Police			
General Government			
General Government Operations	\$ 175,261	\$ 182,723	\$ 198,840
Enhanced Retirement for Enlisted Personnel .....	.....	.....	25,716
Commercial Driver Licensing	461	3,035	2,529
Municipal Police Training	2,875	3,805	4,567
Patrol Vehicles	3,635	4,020	4,498
DEPARTMENT TOTAL	\$ 182,232	\$ 193,583	\$ 236,150
 Department of Transportation			
General Government			
General Government Operations	\$ 22,879	\$ 23,775	\$ 24,146
Refunding Collected Monies	1,783	1,800	1,800
Highway and Safety Improvement	190,000	167,000	151,760
High Accident Corridor Corrections	7,500	10,000	2,500
Timber Bridges	500	.....	.....
Demonstration Timber Bridge Program	300	.....	.....
Highway Maintenance	575,486	627,192	627,427
Highway Maintenance—Supplemental	14,879	8,108	7,986
Salt Storage Buildings	750	750	.....
Roadside Rest Areas	1,500	1,000	.....
Reinvestment — Facilities	1,868	2,000	1,000
Local Bridge Inspection	300	645	380
Secondary Roads — Maintenance and Resurfacing	55,016	55,174	54,939
Safety Administration and Licensing	49,344	51,788	50,944
Commercial Drivers Licensing	2,357	6,274	8,244
Motor Vehicle Insurance Compliance	390	4,468	3,873
Subtotal	\$ 924,852	\$ 959,974	\$ 934,999
 Debt Service Requirements			
State Highway and Bridge Authority Rentals	\$ 18,026	\$ 12,500	\$ 7,000

Motor License Fund

Summary by Department (Continued)

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
Department of Transportation (continued)			
Grants and Subsidies			
Local Road Maintenance and Construction Payments	\$ 163,949	\$ 158,253	\$ 159,811
Supplemental Local Road Maintenance and Construction Payments	5,000	5,000	5,000
Philadelphia Payment — Franchise Tax	1,018	904	903
Subtotal	\$ 169,967	\$ 164,157	\$ 165,714
TOTAL STATE FUNDS	\$ 1,112,845	\$ 1,136,631	\$ 1,107,713
Federal Funds	\$ 718,297	\$ 764,192	\$ 709,706
Augmentations	34,283	29,491	29,455
Restricted Revenue	79,308	111,246	100,926
DEPARTMENT TOTAL	\$ 1,944,733	\$ 2,041,560	\$ 1,947,800
Fund Summary			
State Funds — Transportation	\$ 1,112,845	\$ 1,136,631	\$ 1,107,713
State Funds — Other Departments	403,938	435,337	469,249
TOTAL STATE FUNDS	\$ 1,516,783	\$ 1,571,968	\$ 1,576,962
Motor License Fund Total — All Funds			
State Funds	\$ 1,516,783	\$ 1,571,968	\$ 1,576,962
Federal Funds	718,297	764,192	709,706
Augmentations	34,873	30,273	30,181
Restricted Revenue	173,345	203,560	228,081
FUND TOTAL	\$ 2,443,298	\$ 2,569,993	\$ 2,544,930

Motor License Fund

REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Estimated	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
Liquid Fuels Taxes	\$ 928,189	\$ 931,400	\$ 929,400	\$ 936,100	\$ 941,900	\$ 947,600	\$ 953,500
Motor Licenses and Fees	455,961	459,200	489,156	498,756	504,556	511,556	521,256
Other Motor License Fund Revenues	99,551	98,500	94,740	87,740	80,140	77,840	77,840
TOTAL MOTOR LICENSE FUND REVENUES	<u>\$ 1,483,701</u>	<u>\$ 1,489,100</u>	<u>\$ 1,513,296</u>	<u>\$ 1,522,596</u>	<u>\$ 1,526,596</u>	<u>\$ 1,536,996</u>	<u>\$ 1,552,596</u>
Aviation Restricted Revenues	\$ 14,823	\$ 17,130	\$ 18,145	\$ 18,760	\$ 19,495	\$ 20,085	\$ 20,690
Highway Bridge Improvement Restricted Revenues	\$ 71,106	\$ 69,801	\$ 70,440	\$ 71,790	\$ 72,650	\$ 73,510	\$ 74,380
State Highway Transfer Restricted Revenues	\$ 15,061	\$ 15,463	\$ 15,089	\$ 15,174	\$ 15,263	\$ 15,353	\$ 15,442

Adjustments to 1990-91 Revenue Estimate

On July 1, 1990, an official estimate for the 1990-91 fiscal year of \$1,513,987,000 was certified. The revised estimate detailed below reflects actual revenue collections through the first six months of the fiscal year and expected collections for the balance of the fiscal year.

	(Dollar Amounts in Thousands)		
	1990-91 Official Estimate	Adjustments	1990-91 Revised Estimate
Liquid Fuels Taxes	\$ 934,044	\$ -2,644	\$ 931,400
Motor Licenses and Fees	469,600	-10,400	459,200
Other Motor License Fund Revenues	110,343	-11,843	98,500
TOTAL	<u>\$ 1,513,987</u>	<u>\$ -24,887</u>	<u>\$ 1,489,100</u>

Motor License Fund

Revenue Sources

		Liquid Fuels Taxes	
Actual	(Dollar Amounts in Thousands)	Estimated	
1984-85	\$ 860,536	1990-91	\$ 931,400
1985-86	873,782	1991-92	929,400
1986-87	893,645	1992-93	936,100
1987-88	923,396	1993-94	941,900
1988-89	923,416	1994-95	947,600
1989-90	928,189	1995-96	953,500

Tax Base and Rates:

Liquid Fuels. The liquid fuels tax is based on the number of gallons of liquid fuel (primarily gasoline) used, sold or delivered within the Commonwealth by distributors. After discounts, all monies collected are placed in the Motor License Fund, except that an amount equal to one-half cent per gallon is placed in the Liquid Fuels Tax Fund. The present tax rate is twelve cents per gallon, having been increased from the previous eleven cents per gallon rate on August 8, 1983.

Fuel Use. The fuel use tax is based on the number of gallons of fuel used in the Commonwealth by dealer-users. It applies to diesel fuel and any fuel not taxed under the Liquid Fuels Tax Act. All monies collected, less allowed discounts, are paid into the Motor License Fund and the Liquid Fuels Tax Fund in the same proportion as the Liquid Fuels Tax monies. The current tax rate of twelve cents per gallon became effective on August 8, 1983, increasing one cent from the previous rate.

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

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

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

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

Exclusions and Deductions and Reimbursements:

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

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

Motor License Fund

Revenue Sources (continued)

Motor Licenses and Fees			
Actual	(Dollar Amounts in Thousands)		Estimated
1984-85	\$ 402,545	1990-91	\$ 459,200
1985-86	421,347	1991-92	489,156
1986-87	428,618	1992-93	498,756
1987-88	444,798	1993-94	504,556
1988-89	455,782	1994-95	511,556
1989-90	455,961	1995-96	521,256

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.

Estimated amounts for 1991-92 and thereafter include \$16,956,000 of proposed changes in license and fee amounts.

Other Motor License Fund Revenues			
Actual	(Dollar Amounts in Thousands)		Estimated
1984-85	\$ 75,643	1990-91	\$ 98,500
1985-86	73,124	1991-92	94,740
1986-87	66,065	1992-93	87,740
1987-88	83,231	1993-94	80,140
1988-89	78,656	1994-95	77,840
1989-90	99,551	1995-96	77,840

Other Motor License Fund revenues include the following sources:

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

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

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

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

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

Estimated amounts for 1991-92 and thereafter include \$1,840,000 of proposed changes in fee amounts.

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)		
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
LIQUID FUELS TAXES			
Liquid Fuels Tax			
Liquid Fuels Tax	\$ 522,121	\$ 518,672	\$ 522,672
Liquid Fuels Tax Penalties	155	155	155
Liquid Fuels Tax Interest	73	73	73
Subtotal	\$ 522,349	\$ 518,900	\$ 522,900
Fuel Use Tax			
Fuel Use Tax	\$ 108,152	\$ 107,500	\$ 108,295
Fuel Use Tax Penalties	397	395	397
Fuel Use Tax Interest	207	205	208
Subtotal	\$ 108,756	\$ 108,100	\$ 108,900
Motor Carriers Road Tax			
Motor Carriers Road—Fuels Tax	\$ 5,648	\$ 5,640	\$ 5,753
Motor Carriers Road Tax — Registration Fees and Special Permit Fees	4,366	4,360	4,447
Subtotal	\$ 10,014	\$ 10,000	\$ 10,200
Interstate Bus Compact Fuels Tax			
Interstate Bus Compact Fuels Tax	\$ 708	\$ 594	\$ 693
Interstate Bus Compact Fuels Tax Penalties	4	3	4
Interstate Bus Compact Fuels Tax Interest	3	3	3
Subtotal	\$ 715	\$ 600	\$ 700
Oil Company Franchise Tax			
Oil Company Franchise Tax	\$ 286,355	\$ 293,800	\$ 286,700
Subtotal	\$ 286,355	\$ 293,800	\$ 286,700
TOTAL LIQUID FUELS TAXES	\$ 928,189	\$ 931,400	\$ 929,400
MOTOR LICENSES AND FEES			
Operators' Licenses	\$ 42,948	\$ 46,500	\$ 59,370
Special Hauling Permit Fees	7,971	7,800	12,071
Vehicle Registration and Titling	369,830	369,900	380,315
Other Fees Collected by Bureau of Motor Vehicles	15,596	16,000	16,200
Registration Fees Received From Other States/IRP	19,616	19,000	21,200
TOTAL MOTOR LICENSES AND FEES	\$ 455,961	\$ 459,200	\$ 489,156

Motor License Fund

Revenue Detail (continued)

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
OTHER MOTOR LICENSE FUND REVENUES			
Gross Receipts Tax			
Gross Receipts Tax	\$ 998	\$ 700	\$ 700
Subtotal	\$ 998	\$ 700	\$ 700
Fines and Penalties			
Department of Transportation			
Vehicle Code Fines	\$ 2,470	\$ 5,716	\$ 6,943
Department of Revenue			
Vehicle Code Fines	22,825	25,084	26,957
Subtotal	\$ 25,295	\$ 30,800	\$ 33,900
Miscellaneous Revenues			
Treasury Department			
Interest on Securities	\$ 22,693	\$ 15,030	\$ 15,969
Interest on Securities — Liquid Fuels Tax Fund	788	676	719
Interest on Deposits — Cash Advancement Accounts ..	112	88	93
Redeposit of Checks	291	206	219
Subtotal	\$ 23,884	\$ 16,000	\$ 17,000
Department of General Services			
Sale of Unserviceable Property	\$ 375	\$ 400	\$ 500
Sale of Real Estate	15	.....	.....
Subtotal	\$ 390	\$ 400	\$ 500
Department of Transportation			
Highway Encroachment Permits	\$ 1,400	\$ 1,300	\$ 1,390
Highway Bridges Income	100	125	125
Sale of Maps and Plans	244	225	275
Sale of Gas, Oil and Anti-Freeze	416	240	.....
Recovered Damages	3	2	2
Contract Deposit Forfeitures	22	1	1
Sale of Inspection Stickers	18,616	18,936	20,100
Miscellaneous Revenues	460	1,415	1,314
Refunds of Expenditures Not Credited to Appropriations or Allocations	18,672	16,997	625
Fees for Reclaiming Abandoned Vehicles	24	18	20
Sale of Abandoned Vehicles .....	*	.....	.....
Sale of Bid Proposals and Contract Specifications	473	300	875
Advance Construction Interstate Interest Reimbursement	8,554	5,041	11,913
Sale of Right-of-Ways .....	.....	6,000	6,000
Subtotal	\$ 48,984	\$ 50,600	\$ 42,640
TOTAL OTHER MOTOR LICENSE FUND REVENUES	\$ 99,551	\$ 98,500	\$ 94,740
TOTAL MOTOR LICENSE FUND REVENUES	\$ 1,483,701	\$ 1,489,100	\$ 1,513,296

* Less than \$500

Motor License Fund

Restricted Revenues Not Included in Department Total

Aviation Revenues			
Actual	(Dollar Amounts in Thousands)		Estimated
1984-85	\$ 8,334	1990-91	\$ 17,130
1985-86	11,155	1991-92	18,145
1986-87	10,697	1992-93	18,760
1987-88	13,235	1993-94	19,495
1988-89	15,937	1994-95	20,085
1989-90	14,823	1995-96	20,690

Aviation revenue includes taxes levied on aviation gasoline and jet fuel, and income earned at State-owned airports. Both tax rates are annually adjusted based on the change in the jet fuel price index. In accordance with Act 1984-164 the aviation gasoline rate is not to exceed 6.0 cents per gallon, nor be less than 3.0 cents per gallon. The jet fuel tax is not to exceed 2.0 cents per gallon nor be less than 1.5 cents per gallon. The tax rate as of January 1, 1991 is 3.8 cents per gallon on aviation gasoline and 2.0 cents per gallon on jet fuel. Airport income consists primarily of rents, concessions, utility refunds and landing fees. Aviation restricted revenues are not included in Motor License Fund Revenue totals.

	1989-90 Actual	1990-91 Estimated	1991-92 Budget
AVIATION REVENUES			
Aviation Liquid Fuels Tax	\$ 7,289	\$ 9,550	\$ 9,660
Harrisburg International Airport Operations	6,497	6,500	7,500
State Airport Operations	148	160	225
Harrisburg International Airport Industrial Park	889	920	760
TOTAL AVIATION REVENUES	\$ 14,823	\$ 17,130	\$ 18,145

Highway Bridge Improvement Revenues

Actual	(Dollar Amounts in Thousands)		Estimated
1984-85	\$ 72,683	1990-91	\$ 69,801
1985-86	76,074	1991-92	70,440
1986-87	79,171	1992-93	71,790
1987-88	42,862	1993-94	72,650
1988-89	63,862	1994-95	73,510
1989-90	71,106	1995-96	74,380

Prior to the U.S. Supreme Court decision declaring the Axle Tax unconstitutional, highway bridge improvement revenues included a \$36 per axle tax on heavy trucks and temporary permit fees. The Axle Tax was found unconstitutional by the U.S. Supreme Court on June 23, 1987. These revenues were replaced by Act 56 of 1987, which provides for the following: a 6 cent per gallon surtax on fuel consumed in Pennsylvania by motor carrier vehicles; a portion of the registration fee for Pennsylvania based motor vehicles in classes 9-25; and temporary permit fees collected from out-of-state motor carriers for travel in Pennsylvania.

	1989-90 Actual	1990-91 Estimated	1991-92 Budget
HIGHWAY BRIDGE IMPROVEMENT REVENUES			
Axle Tax	\$ 13	\$ 1	.....
Motor Carrier Surcharge	53,541	52,300	\$ 52,700
Registration Fee Portion—PA-Based Motor Vehicles	16,192	16,200	16,440
Temporary Permit Fees	1,360	1,300	1,300
TOTAL HIGHWAY BRIDGE IMPROVEMENT REVENUES	\$ 71,106	\$ 69,801	\$ 70,440

Motor License Fund

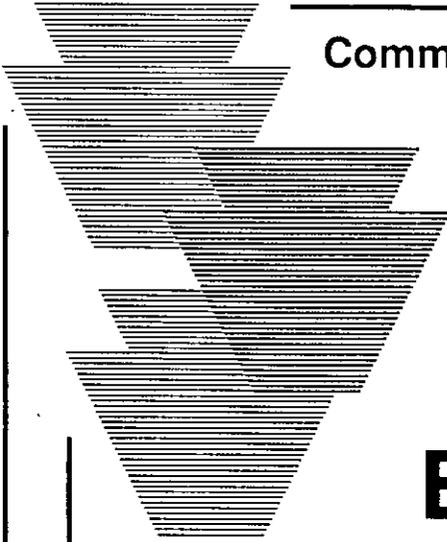
Restricted Revenues Not Included in Department Total (continued)

State Highway Transfer Revenues

	Actual	(Dollar Amounts in Thousands)	Estimated	
1984-85	\$	13,712	1990-91	\$ 15,463
1985-86		14,551	1991-92	15,089
1986-87		14,225	1992-93	15,174
1987-88		14,841	1993-94	15,263
1988-89		14,855	1994-95	15,353
1989-90		15,061	1995-96	15,442

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

	1989-90 Actual	1990-91 Estimated	1991-92 Budget
STATE HIGHWAY TRANSFER REVENUES			
Oil Company Franchise Tax (3 mills)	\$ 15,061	\$ 15,463	\$ 15,089



Commonwealth of Pennsylvania

Banking Department Fund

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

Banking Department Fund

Financial Statement

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Beginning Balance	\$ 1,240	\$ 867	\$ 825
Receipts:			
Revenue Estimate	\$ 7,924	\$ 9,054	\$ 9,525
Prior Year Lapses	94	.....	.....
Total Receipts	<u>8,018</u>	<u>9,054</u>	<u>9,525</u>
Funds Available	<u>\$ 9,258</u>	<u>\$ 9,921</u>	<u>\$ 10,350</u>
Expenditures:			
Appropriated	<u>\$ 8,391</u>	<u>\$ 9,096</u>	<u>\$ 10,179</u>
Estimated Expenditures	<u>-8,391</u>	<u>-9,096</u>	<u>-10,179</u>
Ending Balance	<u>\$ 867</u>	<u>\$ 825</u>	<u>\$ 171</u>

Summary by Department

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
Treasury Department			
General Government			
Replacement Checks .....	.....	\$ 15	\$ 5
Banking Department			
General Government			
General Operations	\$ 8,108	\$ 8,798	\$ 9,020
Grants and Subsidies			
Transfer to General Fund .....	.....	.....	825
DEPARTMENT TOTAL	<u>\$ 8,108</u>	<u>\$ 8,798</u>	<u>\$ 9,845</u>
Department of General Services			
General Government			
Harristown Rental Charges	\$ 146	\$ 146	\$ 156
Harristown Utility and Municipal Charges	137	137	173
DEPARTMENT TOTAL	<u>\$ 283</u>	<u>\$ 283</u>	<u>\$ 329</u>
FUND TOTAL	<u>\$ 8,391</u>	<u>\$ 9,096</u>	<u>\$ 10,179</u>

Banking Department Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1989-90 Actual	1990-91 Estimated	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
Licenses and Fees	\$ 7,497	\$ 8,870	\$ 9,331	\$ 9,661	\$ 10,103	\$ 10,441	\$ 10,790
Miscellaneous	427	184	194	200	206	212	218
TOTAL BANKING DEPARTMENT FUND RECEIPTS	\$ 7,924	\$ 9,054	\$ 9,525	\$ 9,861	\$ 10,309	\$ 10,653	\$ 11,008

Revenue Sources

Licenses and Fees

Actual	Estimated
1984-85	1990-91
\$ 6,251	\$ 8,870
1985-86	1991-92
6,588	9,331
1986-87	1992-93
6,524	9,661
1987-88	1993-94
7,324	10,103
1988-89	1994-95
7,190	10,441
1989-90	1995-96
7,497	10,790

The Commonwealth receives revenue from examination fees based on the actual cost of examining banks and trust companies, savings and private banks, building and loan associations, pawnbrokers, consumer discount companies and credit unions. Overhead assessments fees, based upon total assets, also are charged against banks and trust companies, savings and private banks, credit unions, and building and loan associations. Annual license fees are charged for the following categories of concerns and individuals: pawnbrokers, consumer discount companies, small loan companies, installment sellers, sales finance companies, collector-repossessors, money transmitters and miscellaneous fees including those for branch banks and mergers. Beginning in 1989-90, fees include the impact of Act 90 of 1989, the Mortgage Bankers and Brokers Act.

Miscellaneous Revenues

Actual	Estimated
1984-85	1990-91
\$ 406	\$ 184
1985-86	1991-92
276	194
1986-87	1992-93
183	200
1987-88	1993-94
232	206
1988-89	1994-95
290	212
1989-90	1995-96
427	218

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

Banking Department Fund

Revenue Detail

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

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
Licenses and Fees			
Banking Examinations	\$ 2,370	\$ 2,370	\$ 2,588
Banking — Overhead Assessments	2,145	2,140	2,161
Banking — Application Fees	82	82	102
Banking — Publications	1	1	1
Banking — Miscellaneous Fees	11	10	11
Banking — Interstate Application Fees	20	25	20
Foreign Bank Application Fees	4	6	6
Savings Association — Examinations	682	690	779
Savings Association — Overhead Assessments	456	413	413
Savings Association — Application Fees	13	4	18
Savings Associations — Interstate Application Fees .....	.	10	10
Consumer Credit — Examinations	327	357	309
Consumer Credit — Overhead Assessments	172	233	244
Miscellaneous	2	2	2
Consumer Credit — Pawnbroker Licenses	5	12	15
Consumer Credit — Installment Seller Licenses	208	990	990
Consumer Credit — Consumer Discount Company Licenses	162	219	219
Consumer Credit — Money Transmitter Licenses	7	28	32
Consumer Credit — Sales Finance Licenses	165	277	277
Consumer Credit — Collector-Repossessor Licenses	25	28	28
Consumer Credit — Second Mortgage Licenses	95	292	292
Examinations — Credit Union	242	253	313
Examinations — Money Transmitters	66	79	68
Examinations — Pawnbrokers	6	7	7
Examinations — Second Mortgage	107	117	101
Examinations — First Mortgage .....	.	50	150
First Mortgage Company — Licenses	124	175	175
TOTAL	\$ 7,497	\$ 8,870	\$ 9,331
Miscellaneous Revenues			
Interest on Securities	\$ 171	\$ 184	\$ 194
Interest on Deposits	3	.	.
Miscellaneous	253	.	.
TOTAL	\$ 427	\$ 184	\$ 194
TOTAL REVENUES	\$ 7,924	\$ 9,054	\$ 9,525



Commonwealth of Pennsylvania

Boat Fund

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

Boat Fund

Financial Statement

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Beginning Balance	\$ 2,870	\$ 2,889	\$ 2,317
Receipts:			
Revenue Estimate	\$ 5,386	\$ 5,204	\$ 4,729
Prior Year Lapses .....	.....	.....	.....
Total Receipts .....	.....	5,204	4,729
Funds Available	\$ 8,256	\$ 8,093	\$ 7,046
Expenditures:			
Appropriated	\$ 5,367	\$ 5,776	\$ 5,995
Estimated Expenditures	-5,367	-5,776	-5,995
Ending Balance	\$ 2,889	\$ 2,317	\$ 1,051

Summary by Department

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
Treasury Department			
General Government			
Replacement Checks .....	.....	\$ 15	\$ 5
Debt Service Requirements			
General Obligation Debt Service	\$ 2	2	2
DEPARTMENT TOTAL	\$ 2	\$ 17	\$ 7
Fish Commission			
General Government			
General Operations	\$ 4,441	\$ 4,858	\$ 5,084
TOTAL STATE FUNDS	\$ 4,443	\$ 4,875	\$ 5,091
Federal Funds	\$ 907	\$ 891	\$ 894
Other Funds	17	10	10
FUND TOTAL	\$ 5,367	\$ 5,776	\$ 5,995

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1989-90 Actual	1990-91 Estimated	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
Licenses and Fees	\$ 1,491	\$ 2,174	\$ 1,634	\$ 1,694	\$ 1,759	\$ 1,824	\$ 1,884
Fines and Penalties	99	80	85	85	85	85	85
Miscellaneous	2,872	2,049	2,106	2,162	2,218	2,274	2,330
TOTAL BOAT FUND REVENUES ...	\$ 4,462	\$ 4,303	\$ 3,825	\$ 3,941	\$ 4,062	\$ 4,183	\$ 4,299
Augmentations	\$ 924	\$ 901	\$ 904	\$ 915	\$ 928	\$ 942	\$ 956
TOTAL BOAT FUND RECEIPTS	\$ 5,386	\$ 5,204	\$ 4,729	\$ 4,856	\$ 4,990	\$ 5,125	\$ 5,255

Revenue Sources

Licenses and Fees

Actual	Estimated
1984-85	1990-91
\$ 1,141	\$ 2,174
1985-86	1991-92
1,179	1,634
1986-87	1992-93
1,287	1,694
1987-88	1993-94
1,344	1,759
1988-89	1994-95
1,402	1,824
1989-90	1995-96
1,491	1,884

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

Fines and Penalties

Actual	Estimated
1984-85	1990-91
\$ 108	\$ 80
1985-86	1991-92
95	85
1986-87	1992-93
90	85
1987-88	1993-94
74	85
1988-89	1994-95
69	85
1989-90	1995-96
99	85

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

Miscellaneous Revenues

Actual	Estimated
1984-85	1990-91
\$ 2,442	\$ 2,049
1985-86	1991-92
1,989	2,106
1986-87	1992-93
1,992	2,162
1987-88	1993-94
2,320	2,218
1988-89	1994-95
1,169	2,274
1989-90	1995-96
2,872	2,330

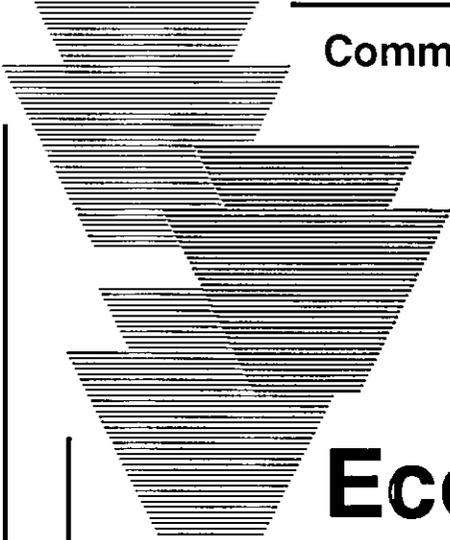
The Boat Fund receives a portion of the Liquid Fuels Tax transferred from the Motor License Fund and the Liquid Fuels Tax Fund for fuel used by motorboats on the waters of the Commonwealth. In addition, a small amount of revenue is collected annually from other miscellaneous sources including the sale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

Boat Fund

Revenue Detail

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

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
Licenses and Fees			
Motor Boat Registration Fees	\$ 1,448	\$ 2,140	\$ 1,600
Boat Mooring Permits—Walnut Creek Access	27	30	30
Boat Capacity Plate Fees	16	4	4
TOTAL	<u>\$ 1,491</u>	<u>\$ 2,174</u>	<u>\$ 1,634</u>
Fines and Penalties			
Motor Boat Fines	\$ 99	\$ 80	\$ 85
TOTAL	<u>\$ 99</u>	<u>\$ 80</u>	<u>\$ 85</u>
Miscellaneous			
Transfer From Motor License and Liquid Fuels Tax Funds	\$ 2,947	\$ 1,650	\$ 1,700
Miscellaneous	\$ 15	10	10
Interest on Securities	301	317	322
Sale of Unserviceable Property	5	5	5
Sales Tax Agent Fee PFC Share	-423	35	35
Sale of <i>Boat Pennsylvania</i>	32	32	34
TOTAL	<u>\$ 2,872</u>	<u>\$ 2,049</u>	<u>\$ 2,106</u>
TOTAL REVENUES	<u>\$ 4,462</u>	<u>\$ 4,303</u>	<u>\$ 3,825</u>
Augmentations			
Sale of Automobiles	\$ 17	\$ 10	\$ 10
U.S. Coast Guard Grant for Boating Safety	712	659	650
Sport Fish Restoration	195	232	244
TOTAL	<u>\$ 924</u>	<u>\$ 901</u>	<u>\$ 904</u>
TOTAL RECEIPTS	<u>\$ 5,386</u>	<u>\$ 5,204</u>	<u>\$ 4,729</u>



Commonwealth of Pennsylvania

Economic Revitalization Fund

The Pennsylvania Economic Revitalization Fund (PERF) was created by Act 104 of 1984 as a three-year \$190 million program financed through a bond issue authorized by the electorate. In 1985-86, the funding for PERF was changed from bond funds to current revenues provided from General Fund transfer appropriations; the fund was formally established in the 1988-89 budget as a permanent economic development fund; and in 1990-91 the remaining \$117 million in PERF bond authority was utilized to continue economic development programs. This budget recommends a two-year, \$300 million bond issue be authorized by the electorate to maintain PERF programs while bolstering specific activities which have the greatest countercyclical potential.

Economic Revitalization Fund

Financial Statement

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Estimated
Beginning Balance	\$ 5,413	\$ 3,510	\$ 2,112
Adjustment to Beginning Balance ..	-15 ^a	.....	.....
Adjusted Beginning Balance	<u>\$ 5,398</u>	<u>\$ 3,510</u>	<u>\$ 2,112</u>
Receipts:			
Transfer from General Fund	\$ 34,600 ^b	.....	.....
Revenue Estimate	3,999	\$ 117,720	\$ 148,457
Less transfer of interest to Sinking Fund	-3,439	-1,003	.....
Total Receipts	<u>\$ 35,160</u>	<u>\$ 116,717</u>	<u>\$ 148,457</u>
Prior Year Lapses	3,692	1,500	.....
Funds Available	<u>\$ 44,250</u>	<u>\$ 121,727</u>	<u>\$ 150,569</u>
Expenditures:			
Appropriated	\$ 41,115	\$ 125,715	\$ 149,705
Less Current Year Lapses	-375	-6,100	.....
Estimated Expenditures	<u>-40,740</u>	<u>-119,615</u>	<u>-149,705</u>
Ending Balance	<u>\$ 3,510</u>	<u>\$ 2,112</u>	<u>\$ 864</u>

^aReflects a 1988-89 Executive Authorization issued during 1989-90.

^bIncludes \$1 million of the 1988-89 General Fund transfer received during 1989-90.

Economic Revitalization Fund

Summary by Department

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
Treasury Department			
General Government			
Replacement Checks .....	.....	\$ 15	\$ 5
 Department of Agriculture			
Grants and Subsidies			
PennAg Fund .....	.....	\$ 1,000	\$ 1,000
 Department of Community Affairs			
Grants and Subsidies			
Recreational Improvement and Rehabilitation	\$ 1,244	\$ 3,000	\$ 3,500
Enterprise Development .....	.....^a	7,250	7,250
Heritage Parks .....	.....^a	950	2,000
Housing and Redevelopment — Economic Development Setaside .....	.....^b	17,000	17,000
	<hr/>	<hr/>	<hr/>
TOTAL STATE FUNDS	\$ 1,244	\$ 28,200	\$ 29,750
	<hr/>	<hr/>	<hr/>
Augmentations .....	.....	.....	\$ 1,100
	<hr/>	<hr/>	<hr/>
DEPARTMENT TOTAL	\$ 1,244	\$ 28,200	\$ 30,850
	<hr/>	<hr/>	<hr/>
 Economic Development Partnership			
Grants and Subsidies			
Engineering School Equipment .....	.....	\$ 2,000	\$ 1,000
Pennsylvania Industrial Development Authority .....	.....	.....	12,500
Business Infrastructure Development	\$ 17,850	14,000	19,500
Employee Ownership—Technical Assistance	146	250	250
Capital Loan Fund	500	.....	.....
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	3,000
Industrial Resource Centers	5,000	5,000	7,000
Lehigh Mountaintop Campus	1,000	1,000	.....
Butler Revitalization	250 ^c	250	.....
Lawrence Revitalization	250 ^c	250	.....
Alle-Kiske Valley Revitalization	500	500	.....
Machinery and Equipment Loan Fund	3,000	2,700	8,000
Site Development .....	.....^a	1,000	1,000
Ben Franklin Partnership .....	.....^a	28,000	25,000

^aProgram funded from the General Fund.

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

^cActually appropriated as 500,000 for Butler-Lawrence Revitalization.

Economic Revitalization Fund

Summary by Department

	(Dollar Amounts in Thousands)		
1989-90 Actual	1990-91 Estimated	1991-92 Budget	
Economic Development Partnership			
(continued)			
Grants and Subsidies (continued)			
Super Computer Center	\$ 1,000	\$ 1,000	
Industrial Communities Site Development and Action Program	10,000	12,000	
Tourist Promotion Assistance	7,200	7,200	
PENNPORTS	11,950	11,950	
Powdered Metallurgy Research and Development	400	400	
Center for Light Microscope Imaging .....	.....	400
Economic Development Financing Authority .....	.....^a	250
TOTAL STATE FUNDS	<u>\$ 33,496</u>	<u>\$ 110,450</u>	
Federal Funds	\$ 2,167	\$ 300	
Augmentations	75	150	
DEPARTMENT TOTAL	<u>\$ 33,571</u>	<u>\$ 110,900</u>	
 Department of Labor and Industry			
Grants and Subsidies			
Pennsylvania Conservation Corps	\$ 6,000 ^b	\$ 8,500	
 ECONOMIC REVITALIZATION FUND TOTAL — ALL FUNDS			
State Funds	\$ 40,740	\$ 149,705	
Federal Funds	2,167	300	
Augmentations	75	1,250	
FUND TOTAL	<u>\$ 40,815</u>	<u>\$ 151,255</u>	

^aProgram funded from the General Fund.

^bActually appropriated to the Department of Environmental Resources.

Economic Revitalization Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
Transfer from General Fund	\$ 34,600				\$ 150,000	\$ 150,000	\$ 150,000
Miscellaneous	3,999	\$ 117,720	\$ 148,457	\$ 148,657	1,657	1,657	1,657
Interest Transferred to Sinking Fund	-3,439	-1,003			-400	-400	-400
TOTAL ECONOMIC REVITALIZATION FUND REVENUES	\$ 35,160	\$ 116,717	\$ 148,457	\$ 148,657	\$ 151,257	\$ 151,257	\$ 151,257

Revenue Sources

Transfer from General Fund

Actual	Estimated
1984-85	1990-91
1985-86	1991-92
1986-87	1992-93
1987-88	1993-94
1988-89	1994-95
1989-90	1995-96

Initially funded from the sale of bonds, this fund in 1985-86 was converted to a pay-as-you-go fund whose primary source of revenue is an annual transfer from the General Fund. The 1989-90 transfer includes \$1 million not actually transferred until 1990-91.

Miscellaneous Revenues

Actual	Estimated
1984-85	1990-91
1985-86	1991-92
1986-87	1992-93
1987-88	1993-94
1988-89	1994-95
1989-90	1995-96

Miscellaneous Revenue includes bond sales net of discount and cost of issuance, interest earnings, loan repayments and other miscellaneous revenue. The 1990-91 amount includes net bond sales of \$114,660,000 while in both 1991-92 and 1992-93 net bond sales of \$147 million are anticipated.

Interest Transferred to Sinking Fund

Actual	Estimated
1984-85	1990-91
1985-86	1991-92
1986-87	1992-93
1987-88	1993-94
1988-89	1994-95
1989-90	1995-96

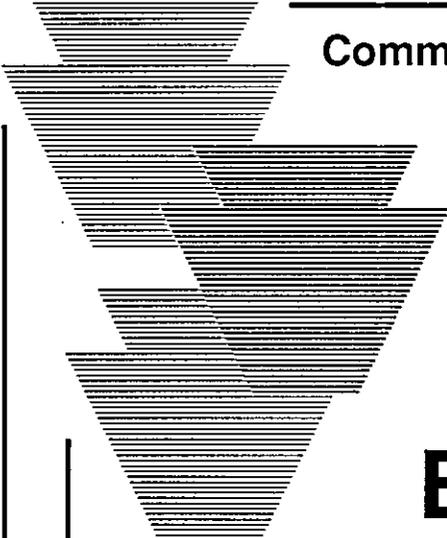
All interest on securities not used for bond discounts or the cost of issuing bonds are required to be transferred to the Economic Revitalization Sinking Fund, to be used to pay interest and principal repayments due on outstanding economic revitalization bonds.

Economic Revitalization Fund

Revenue Detail

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

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Estimated	1991-92 Budget
Transfer from General Fund	\$ 34,600	.....	.....
Miscellaneous Revenue	3,999	\$ 117,720	\$ 148,457
Interest Transferred to Sinking Fund	-3,439	-1,003	.....
TOTAL RECEIPTS	<u>\$ 35,160</u>	<u>\$ 116,717</u>	<u>\$ 148,457</u>



Commonwealth of Pennsylvania

Energy Conservation and Assistance Fund

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

Energy Conservation and Assistance Fund

Financial Statement

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Estimated
Beginning Balance	\$ 53,440	\$ 30,526	\$ 14,065
Receipts:			
Revenue Estimate	\$ 16,637	\$ 7,000	\$ 5,500
Transfer from Oil Overcharge Fund ..	662	.....	.....
Prior Year Lapses	6,657	8,364	.....
Total Receipts	<u>23,956</u>	<u>15,364</u>	<u>5,500</u>
Funds Available	<u>\$ 77,396</u>	<u>\$ 45,890</u>	<u>\$ 19,565</u>
Expenditures:			
Appropriated	<u>\$ 46,870</u>	<u>\$ 31,825</u>	<u>\$ 18,000</u>
Estimated Expenditures	<u>-46,870</u>	<u>-31,825</u>	<u>-18,000</u>
Ending Balance	<u>\$ 30,526</u>	<u>\$ 14,065</u>	<u>\$ 1,565</u>

Summary by Department

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Estimated	1991-92 Budget
Department of Community Affairs			
General Government			
Weatherization	\$ 18,370	.....	.....
Department of Public Welfare			
General Government			
Low Income Fuel Assistance	\$ 18,000	\$ 26,925	\$ 13,500
Energy Office			
General Government			
Energy Conservation Programs	<u>\$ 10,500</u>	<u>\$ 4,900</u>	<u>\$ 4,500</u>
TOTAL STATE FUNDS	<u>\$ 46,870</u>	<u>\$ 31,825</u>	<u>\$ 18,000</u>
FUND TOTAL	<u>\$ 46,870</u>	<u>\$ 31,825</u>	<u>\$ 18,000</u>

Energy Conservation and Assistance Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1989-90 Actual	1990-91 Estimated	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
Court Settlements	\$ 11,099	\$ 4,000	\$ 4,500	\$ 4,000	\$ 3,700	\$ 390	\$ 600
Transfer from Oil Overcharge Fund	662						
Interest Earned	5,538	3,000	1,000	850	800	100	175
TOTAL ENERGY CONSERVATION AND ASSISTANCE FUND RECEIPTS	\$ 17,299	\$ 7,000	\$ 5,500	\$ 4,850	\$ 4,500	\$ 490	\$ 775

Revenue Sources

Court Settlements

Actual	Estimated
1984-85	1990-91
1985-86	1991-92
1986-87	1992-93
1987-88	1993-94
1988-89	1994-95
1989-90	1995-96

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

Amounts for 1986-87 and 1987-88 are the transfer of court settlements initially deposited in Oil Overcharge Fund.

Miscellaneous Revenues

Actual	Estimated
1984-85	1990-91
1985-86	1991-92
1986-87	1992-93
1987-88	1993-94
1988-89	1994-95
1989-90	1995-96

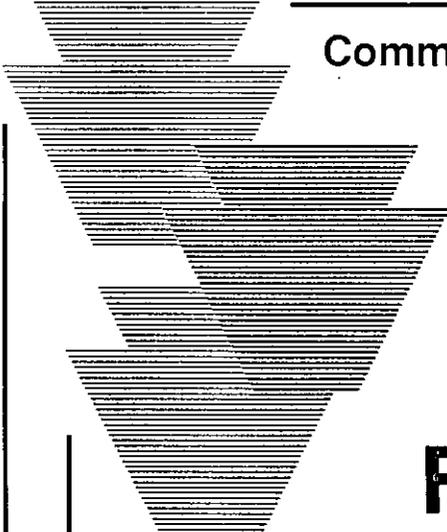
Miscellaneous Revenue is interest earned on the Energy Conservation and Assistance Fund. Amount for 1989-90 includes \$662,000 of accumulated interest transferred from Oil Overcharge Fund.

Energy Conservation and Assistance Fund

Revenue Detail

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

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Estimated	1991-92 Budget
Court Settlements	\$ 11,099	\$ 4,000	\$ 4,500
Interest Earned	5,538	3,000	1,000
Transfer from Oil Overcharge Fund	662	.....	.....
TOTAL RECEIPTS	\$ 17,299	\$ 7,000	\$ 5,500



Commonwealth of Pennsylvania

Farm Products Show Fund

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

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

Farm Products Show Fund

Financial Statement

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Estimated
Beginning Balance	\$ 1,639	\$ 2,364	.....
Receipts:			
Revenue Estimate	\$ 3,754	\$ 2,600	\$ 2,760
Transfer from General Fund	1,000	141	650
Prior Year Lapses	12	.....	.....
Total Receipts	<u>4,766</u>	<u>2,741</u>	<u>3,410</u>
Funds Available	<u>\$ 6,405</u>	<u>\$ 5,105</u>	<u>\$ 3,410</u>
Expenditures:			
Appropriated	\$ 4,041	\$ 5,105	\$ 3,389
Estimated Expenditures	<u>-4,041</u>	<u>-5,105</u>	<u>3,389</u>
Ending Balance	<u>\$ 2,364</u>	<u>.....</u>	<u>\$ 21</u>

Summary by Department

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Estimated	1991-92 Budget
Treasury Department			
General Government			
Replacement Checks .....	.....	\$ 15	\$ 5
Department of Agriculture			
General Government			
General Operations	\$ 2,041	\$ 3,130	\$ 2,734
Farm Show Roof Replacement	1,000	1,819	.....
DEPARTMENT TOTAL	<u>\$ 3,041</u>	<u>\$ 4,949</u>	<u>\$ 2,734</u>
TOTAL STATE FUNDS	<u>\$ 3,041</u>	<u>\$ 4,964</u>	<u>\$ 2,739</u>
Augmentations	\$ 1,000	\$ 141	\$ 650
FUND TOTAL	<u>\$ 4,041</u>	<u>\$ 5,105</u>	<u>\$ 3,389</u>

Farm Products Show Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Estimated	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
Fees	\$ 265	\$ 263	\$ 263	\$ 263	\$ 263	\$ 263	\$ 263
Miscellaneous	3,489	2,337	2,497	2,544	2,638	2,742	2,856
Total Farm Products Show Fund Revenues	\$ 3,754	\$ 2,600	\$ 2,760	\$ 2,807	\$ 2,901	\$ 3,005	\$ 3,119
Augmentations	\$ 1,000	\$ 141	\$ 650	\$ 500	\$ 400	\$ 300	\$ 200
TOTAL FARM PRODUCTS SHOW FUND RECEIPTS	\$ 4,754	\$ 2,741	\$ 3,410	\$ 3,307	\$ 3,301	\$ 3,305	\$ 3,319

Revenue Sources

Fees

Actual	(Dollar Amounts in Thousands)		Estimated
1984-85	\$ 208	1990-91	\$ 263
1985-86	221	1991-92	263
1986-87	239	1992-93	263
1987-88	249	1993-94	263
1988-89	265	1994-95	263
1989-90	265	1995-96	263

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

Miscellaneous Revenue

Actual	(Dollar Amounts in Thousands)		Estimated
1984-85	\$ 1,504	1990-91	\$ 2,337
1985-86	1,550	1991-92	2,497
1986-87	1,652	1992-93	2,544
1987-88	1,786	1993-94	2,638
1988-89	2,271	1994-95	2,742
1989-90	3,489	1995-96	2,856

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

Farm Products Show Fund

REVENUE DETAIL

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

		(Dollar Amounts in Thousands)	
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
Licenses and Fees			
Exhibit Fees — Competitive — Farm Show	\$ 19	\$ 18	\$ 18
Exhibit — Commercial	246	245	245
TOTAL	<u>\$ 265</u>	<u>\$ 263</u>	<u>\$ 263</u>
 Miscellaneous Revenue			
Concession Revenue	\$ 605	\$ 595	\$ 665
Service Charges	315	302	305
Rentals	971	1,000	1,060
Sale of Exhibits — Net Proceeds	18	24	34
Miscellaneous Revenue	6	6	5
Interest on Securities, Deposits, Returned Checks	160	77	77
Parking Fees	308	295	313
Salary Reimbursement — Dairy and Livestock Association	34	35	35
Proceeds From Sale of Woodville Farm	988	.....	.....
Sign Shop Sales	3	3	3
Refunds of Expenditures Not Credited to Appropriation	81	.....	.....
TOTAL	<u>\$ 3,489</u>	<u>\$ 2,337</u>	<u>\$ 2,497</u>
TOTAL REVENUES	<u>\$ 3,754</u>	<u>\$ 2,600</u>	<u>\$ 2,760</u>
 Augmentations			
Transfer from General Fund	\$ 1,000	\$ 141	\$ 650
TOTAL	<u>\$ 1,000</u>	<u>\$ 141</u>	<u>\$ 650</u>
TOTAL RECEIPTS	<u>\$ 4,754</u>	<u>\$ 2,741</u>	<u>\$ 3,410</u>



Commonwealth of Pennsylvania

Fish Fund

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

Financial Statement

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Estimated
Beginning Balance	\$ 10,568	\$ 10,654	\$ 9,913
Receipts:			
Miscellaneous	\$ 26,416	\$ 28,833	\$ 29,698
Prior Year Lapses	629	.....	.....
Total Receipts	<u>27,045</u>	<u>28,833</u>	<u>29,698</u>
Funds Available	\$ 37,613	\$ 39,487	\$ 39,611
Expenditures:			
Appropriated	\$ 26,959	\$ 29,574	\$ 30,987
Estimated Expenditures	<u>-26,959</u>	<u>-29,574</u>	<u>-30,987</u>
Ending Balance	<u>\$ 10,654</u>	<u>\$ 9,913</u>	<u>\$ 8,624</u>

Summary by Department

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Estimated	1991-92 Budget
Treasury Department			
General Government			
Replacement Checks .....	.....	\$ 15	\$ 5
Debt Service Requirements			
General Obligation Debt Service	\$ 63	58	50
DEPARTMENT TOTAL	<u>\$ 63</u>	<u>\$ 73</u>	<u>\$ 55</u>
Fish Commission			
General Government			
General Operations	\$ 18,049	\$ 19,472	\$ 20,759
TOTAL STATE FUNDS	<u>\$ 18,112</u>	<u>\$ 19,545</u>	<u>\$ 20,814</u>
Federal Funds	\$ 3,277	\$ 4,000	\$ 3,965
Other Funds	5,570	6,029	6,208
FUND TOTAL	<u>\$ 26,959</u>	<u>\$ 29,574</u>	<u>\$ 30,987</u>

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1989-90 Actual	1990-91 Estimated	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
Licenses and Fees	\$ 14,182	\$ 16,452	\$ 17,118	\$ 17,262	\$ 17,409	\$ 17,554	\$ 17,699
Fines and Penalties	230	210	220	225	225	230	230
Miscellaneous	3,157	2,142	2,187	2,226	2,262	2,301	2,202
Total Fish Fund Revenues	<u>\$ 17,569</u>	<u>\$ 18,804</u>	<u>\$ 19,525</u>	<u>\$ 19,713</u>	<u>\$ 19,896</u>	<u>\$ 20,085</u>	<u>\$ 20,131</u>
Augmentations	\$ 8,847	\$ 10,029	\$ 10,173	\$ 10,012	\$ 9,178	\$ 9,431	\$ 9,646
TOTAL FISH FUND RECEIPTS	<u>\$ 26,416</u>	<u>\$ 28,833</u>	<u>\$ 29,698</u>	<u>\$ 29,725</u>	<u>\$ 29,074</u>	<u>\$ 29,516</u>	<u>\$ 29,777</u>

Revenue Sources

Actual	Licenses and Fees		Estimated
1984-85	\$ 12,802	1990-91	\$ 16,452
1985-86	13,019	1991-92	17,118
1986-87	13,149	1992-93	17,262
1987-88	13,544	1993-94	17,409
1988-89	13,717	1994-95	17,554
1989-90	14,182	1995-96	17,699

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

Actual	Fines and Penalties		Estimated
1984-85	\$ 312	1990-91	\$ 210
1985-86	350	1991-92	220
1986-87	231	1992-93	225
1987-88	211	1993-94	225
1988-89	181	1994-95	230
1989-90	230	1995-96	230

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

Actual	Miscellaneous Revenue		Estimated
1984-85	\$ 2,053	1990-91	\$ 2,142
1985-86	1,780	1991-92	2,187
1986-87	1,650	1992-93	2,226
1987-88	1,922	1993-94	2,262
1988-89	2,104	1994-95	2,301
1989-90	3,157	1995-96	2,202

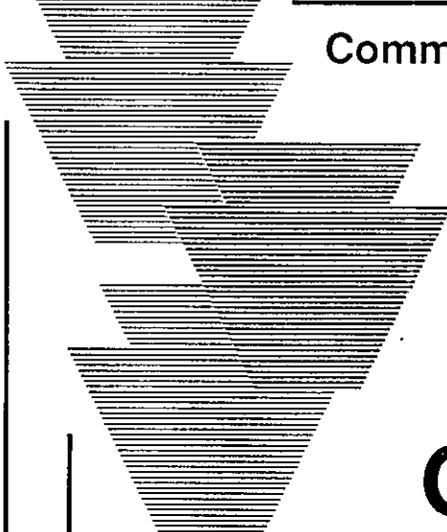
The Commonwealth receives contributions for restocking of streams principally from persons or concerns that pollute, dam or interfere with fish propagation and survival. Monies are received from the Commission publication, *The Pennsylvania Angler*, from the sale of unservicable and confiscated property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

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Estimated	1991-92 Budget
Licenses and Fees			
Resident Fishing Licenses	\$ 12,147	\$ 12,000	\$ 12,120
Resident Senior Fishing Licenses	69	70	76
Nonresident Fishing Licenses	1,449	1,360	1,380
Tourist Fishing Licenses	281	285	300
Lake Erie Licenses	3	2	2
Commercial Hatchery Licenses	7	7	7
Fee—Fishing Lake Licenses	19	20	20
Miscellaneous Permits and Fees	17	17	17
Scientific Collector's Permits	6	6	6
Lifetime Fishing Licenses — Senior Resident	171	170	175
Membership Fees — Pennsylvania League of Angling			
Youth	7	9	9
H.R. Stackhouse Facilities User Fees	6	6	6
Trout/Salmon Stamp		2,500	3,000
TOTAL	\$ 14,182	\$ 16,452	\$ 17,118
Fines and Penalties			
Fish Law Fines	\$ 230	\$ 210	\$ 220
TOTAL	\$ 230	\$ 210	\$ 220
Miscellaneous Revenue			
Sale of Publications	\$ 39	\$ 50	\$ 50
Sale of Unserviceable Property	28	10	10
Miscellaneous Revenue	93	100	105
Refund of Expenditures not Credited to Appropriations	652		
Interest on Securities and Deposits	865	800	815
Rental of Fish Commission Property	20	22	22
Income from Sand and Gravel Dredging	294	300	310
In Lieu Payments for Fishways	75	75	75
Sale of Pennsylvania Angler	289	285	288
Deputy Waterways Patrolmen—Reimbursements			
Van Dyke Shad Station—Reimbursements	151	128	140
Restitution For Fish Killed	637	350	350
Sale of Recreational Fishing Promotional Items	4	7	5
Royalty Payments	9	15	17
Stores Inventory Receipts — Deputy Waterways Patrolmen	1		
TOTAL	\$ 3,157	\$ 2,142	\$ 2,187
TOTAL REVENUES	\$ 17,569	\$ 18,804	\$ 19,525
Augmentations			
Sale of Automobiles and Other Vehicles	\$ 89	\$ 50	\$ 50
Reimbursement for Services—Boating Fund	5,365	5,759	5,988
Federal Reimbursement—Restoration	3,277	4,000	3,965
Pennsylvania Conservation Corps	116	120	120
Erie County Contribution—Elk Creek Acquisition		100	50
TOTAL	\$ 8,847	\$ 10,029	\$ 10,173
TOTAL RECEIPTS	\$ 26,416	\$ 28,833	\$ 29,698



Commonwealth of Pennsylvania

Game Fund

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

Game Fund

Financial Statement

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Estimated
Beginning Balance	\$ 30,644	\$ 35,038	\$ 36,223
Receipts:			
Revenue Estimate	\$ 45,532	\$ 46,209	\$ 42,650
Prior Year Lapses	1,196	1,090	.....
Total Receipts	46,728	47,299	42,650
Funds Available	\$ 77,372	\$ 82,337	\$ 78,873
Expenditures:			
Appropriated	\$ 42,334	\$ 46,114	\$ 51,734
Estimated Expenditures	-42,334	-46,114	-51,734
Ending Balance	\$ 35,038	\$ 36,223	\$ 27,139

Summary by Department

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Estimated	1991-92 Budget
Treasury Department			
General Government			
Replacement Checks .....	.....	\$ 18	\$ 5
Game Commission			
General Government			
General Operations	\$ 35,101	\$ 37,091	\$ 44,214
Land Acquisition and Development	3,000	3,000	3,000
TOTAL STATE FUNDS	\$ 38,101	\$ 40,109	\$ 47,219
Federal Funds	\$ 3,623	\$ 5,378	\$ 4,200
Other Funds	610	627	315
FUND TOTAL	\$ 42,334	\$ 46,114	\$ 51,734

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1989-90 Actual	1990-91 Estimated	1991-92 Budget	1992-92 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
Licenses and Fees	\$ 25,274	\$ 25,979	\$ 25,383	\$ 25,383	\$ 25,383	\$ 25,383	\$ 25,383
Fines and Penalties	1,101	2,468	1,500	1,500	1,500	1,500	1,500
Miscellaneous	14,924	11,757	11,252	11,252	11,252	11,252	11,252
TOTAL GAME FUND REVENUES ...	\$ 41,299	\$ 40,204	\$ 38,135	\$ 38,135	\$ 38,135	\$ 38,135	\$ 38,135
Augmentations	\$ 4,233	\$ 6,005	\$ 4,515	\$ 4,465	\$ 4,465	\$ 4,465	\$ 4,465
TOTAL GAME FUND RECEIPTS	\$ 45,532	\$ 46,209	\$ 42,650	\$ 42,600	\$ 42,600	\$ 42,600	\$ 42,600

Revenue Sources

Licenses and Fees

Actual	Estimated
1984-85	\$ 15,923
1985-86	23,004
1986-87	23,365
1987-88	24,445
1988-89	25,150
1989-90	25,274
1990-91	\$ 25,979
1991-92	25,383
1992-93	25,383
1993-94	25,383
1994-95	25,383
1995-96	25,383

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

Fines and Penalties

Actual	Estimated
1984-85	\$ 621
1985-86	507
1986-87	641
1987-88	930
1988-89	1,010
1989-90	1,101
1990-91	\$ 2,468
1991-92	1,500
1992-93	1,500
1993-94	1,500
1994-95	1,500
1995-96	1,500

The Commonwealth receives revenue in the form of fines and penalties resulting from Game Law violations. Beginning July 1, 1987, the total of all fines, fees and costs collected by any division of the unified judicial system which were in excess of the amount collected from such sources in the fiscal year 1986-87 were deposited in the Judicial Computer System Augmentation Account in accordance with Act 64 of 1987. Act 59 of 1990 exempted the fines collected under the Game Law and refunded all previously collected monies to the Game Fund.

Revenue Sources (continued)

Miscellaneous Revenues					
	Actual	(Dollar Amounts in Thousands)	Estimated		
1984-85	\$	9,627	1990-91	\$	11,757
1985-86		9,626	1991-92		11,252
1986-87		9,660	1992-93		11,252
1987-88		9,252	1993-94		11,252
1988-89		12,826	1994-95		11,252
1989-90		14,924	1995-96		11,252

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

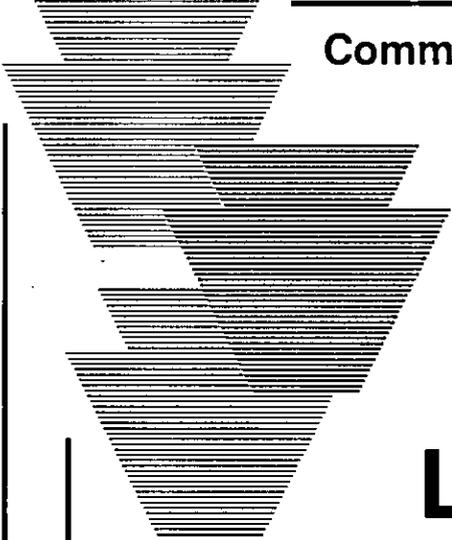
Revenue Detail

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

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
Licenses and Fees			
Resident Hunting Licenses	\$ 10,519	\$ 11,000	\$ 11,000
Resident Junior Hunting Licenses	503	500	500
Nonresident Hunting Licenses	6,041	6,000	6,000
Special Game Permits	226	160	160
Special Antlerless Deer Licenses	3,461	4,000	3,400
Special Archery Licenses	1,486	1,300	1,300
Special Three-day Nonresidential Regulated Shooting Ground Licenses	25	9	.....
Resident Senior Hunting Licenses	633	600	600
Muzzle-loading Hunting Licenses	514	500	500
Right-of-Way Licenses	282	300	300
Resident Bear Licenses	916	950	950
Nonresident Bear Licenses	49	48	50
Hunting License Issuing Agents' Application Fees	50	40	40
Nonresident Junior Hunting License	99	100	100
Nonresident 5-Day Hunting License	56	57	58
Senior Resident — Lifetime Hunting License	112	110	120
Adult Resident Furtaker License	257	260	260
Junior Resident Furtaker License	15	15	15
Senior Resident Furtaker License	17	17	17
Nonresident Furtaker License	9	10	10
Nonresident Junior Furtaker License	1	.....	.....
Senior Lifetime Furtaker License	3	3	3
TOTAL	\$ 25,274	\$ 25,979	\$ 25,383
Fines and Penalties			
Game Law Fines	\$ 1,101	\$ 2,468	\$ 1,500
TOTAL	\$ 1,101	\$ 2,468	\$ 1,500

Revenue Detail (continued)

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
Miscellaneous Revenue			
Sports Promotional Publications and Materials	\$ 11	\$ 10	\$ 10
Sale of Coal	827	500	.....
Sale of Wood Products	6,793	6,000	6,000
Interest on Deposits	53	50	50
Sale of Unserviceable Property	30	.....	.....
Sale of Skins and Guns	108	95	90
Rental of State Property	10	10	10
Miscellaneous Revenue	121	80	80
Interest on Securities	3,588	3,000	3,000
Gas and Oil Ground Rentals and Royalties	722	450	450
Refund of Expenditures Not Credited to Appropriations	1,091	20	20
Sale of Nonusable Property	1	1	1
Miscellaneous Revenue License Division	42	30	30
Redeposit of Checks	2	.....	.....
Sale of Game News	686	641	641
Sale of Stone, Sand, Gravel and Limestone	11	10	10
Sale of Grain and Hay	25	30	30
Sale of Maps	28	30	30
Wildlife Management Promotional Revenue	112	100	100
Sale of Wood Products — PR Tracts	406	500	500
Working Together For Wildlife — Non-Game Fund	95	80	80
Waterfowl Management Stamp Sales and Royalties	118	120	120
Condemnation Awards Received	44	.....	.....
TOTAL	\$ 14,924	\$ 11,757	\$ 11,252
TOTAL REVENUES	\$ 41,299	\$ 40,204	\$ 38,135
Augmentations			
Sale of Automobiles	171	200	200
Federal Reimbursement—Pittman Robinson Act	3,536	4,600	4,100
Sharecrop and Agriculture License .....	.....	.....	.....
Endangered Species Program	30	35	35
Pennsylvania Conservation Corps	28	200	50
Federal Reimbursement—Surface Mine Regulatory Program	45	45	45
Private Donations	390	328	50
Hunter — Trapper Ed Camp Program	11	10	10
Federal Reimbursement — Stream Bank Fencing	12	20	20
Youth Shooting Sports Program	10	5	5
Federal Reimbursement—Land and Water Conservation Fund .....	.....	562	.....
TOTAL—AUGMENTATIONS	\$ 4,233	\$ 6,005	\$ 4,515
TOTAL RECEIPTS	\$ 45,532	\$ 46,209	\$ 42,650



Commonwealth of Pennsylvania

Lottery Fund

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

Act No. 131 of 1979 provides for the anticipation of Lottery Fund revenues.

Lottery Fund

Financial Statement

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Estimated
Beginning Balance	\$ 130,205	\$ 39,563	\$ 19,610
Reserve from Previous Year	126,435	114,829	.....
Adjusted Beginning Balance	<u>\$ 256,640</u>	<u>\$ 154,392</u>	<u>\$ 19,610</u>
Receipts:			
Revenue Estimate	\$ 863,492	\$ 850,897	\$ 874,678
Prior Year Lapses	7,296	16,881	.....
Total Receipts	<u>870,788</u>	<u>867,778</u>	<u>874,678</u>
Funds Available	<u>\$ 1,127,428</u>	<u>\$ 1,022,170</u>	<u>\$ 894,288</u>
Expenditures:			
Appropriated	\$ 973,036	\$ 1,002,560	\$ 893,216
Less Current Year Lapses .....	.....	.....	.....
Estimated Expenditures	<u>-973,036</u>	<u>-1,002,560</u>	<u>-893,216</u>
Reserve for Current Year	-114,829	.....	.....
Ending Balance	<u>\$ 39,563</u>	<u>\$ 19,610</u>	<u>\$ 1,072</u>

Lottery Fund

Summary by Department

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
Executive Offices			
General Government			
OB — Ridership Verification	\$ 58	\$ 64	\$ 65
Treasury Department			
General Government			
Replacement Checks	\$ 60	\$ 60	\$ 300
Department of Aging			
General Government			
General Government Operations	\$ 3,022	\$ 3,062	\$ 3,463
Grants and Subsidies			
Aging Programs	\$ 57,585	\$ 59,733	\$ 61,011
Pharmaceutical Assistance Fund	188,000	222,000	173,000
PennCARE—Lottery	49,119	61,833	70,456
Abuse Intervention Services for Older Pennsylvanians ..	4,000	4,160	4,160
Older Pennsylvanians' Shared Rides	49,043 ^a	55,931 ^a	51,000
Demand Response Equipment Grants	2,297 ^a	2,300 ^a	2,300
Subtotal	\$ 350,044	\$ 405,957	\$ 361,927
TOTAL STATE FUNDS	\$ 353,066	\$ 409,019	\$ 365,390
Federal Funds	\$ 57,649	\$ 60,617	\$ 62,501
Augmentations	3,174	3,200	4,105
DEPARTMENT TOTAL	\$ 413,889	\$ 472,836	\$ 431,996
Department of General Services			
General Government			
Harristown Rental Charges	\$ 86	\$ 86	\$ 90
Harristown Utility and Municipal Charges	94	94	118
DEPARTMENT TOTAL	\$ 180	\$ 180	\$ 208
Department of Public Welfare			
Grants and Subsidies			
Medical Assistance—Long-Term Care Facilities	\$ 106,000 ^b	\$ 96,000 ^b	\$ 76,000 ^b
DEPARTMENT TOTAL	\$ 106,000	\$ 96,000	\$ 76,000

^aActually appropriated to the Department of Transportation.

^bThe Medical Assistance Long-Term Care Facilities appropriation reflects transfers to the General Fund of \$20,000,000 in 1989-90, \$10,000,000 in 1990-91 and \$20,000,000 in 1991-92.

Lottery Fund

Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
Department of Revenue			
General Government			
General Operations	\$ 64,337	\$ 45,000	\$ 45,328
On-line Commissions .....	.....	24,000	21,813
Personal Income Tax for Lottery Prizes	16,282	15,820	16,316
Payment of Prize Money	205,408	184,417	190,196
Subtotal	<u>\$ 286,027</u>	<u>\$ 269,237</u>	<u>\$ 273,653</u>
Grants and Subsidies			
Property Tax and Rent Assistance for Older Pennsylvanians	\$ 121,535	\$ 116,000	\$ 113,900
Older Pennsylvanians' Inflation Dividend	31,478	28,900	.....
Subtotal	<u>\$ 153,013</u>	<u>\$ 144,900</u>	<u>\$ 113,900</u>
TOTAL STATE FUNDS	<u>\$ 439,040</u>	<u>\$ 414,137</u>	<u>\$ 387,553</u>
Augmentations	\$ 3,538	\$ 3,512	\$ 3,717
DEPARTMENT TOTAL	<u>\$ 442,578</u>	<u>\$ 417,649</u>	<u>\$ 391,270</u>
Department of Transportation			
Grants and Subsidies			
Older Pennsylvanians' Free Transit	\$ 71,932	\$ 80,100	\$ 63,700
Transfer to Motor License Fund—Vehicle Registration for Older Pennsylvanians	2,700	3,000	.....
DEPARTMENT TOTAL	<u>\$ 74,632</u>	<u>\$ 83,100</u>	<u>\$ 63,700</u>
TOTAL STATE FUNDS	<u>\$ 973,036</u>	<u>\$ 1,002,560</u>	<u>\$ 893,216</u>
Federal Funds	\$ 57,649	\$ 60,617	\$ 62,501
Augmentations	6,712	6,712	7,822
FUND TOTAL	<u>\$ 1,037,397</u>	<u>\$ 1,069,889</u>	<u>\$ 963,539</u>

Lottery Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1989-90 Actual	1990-91 Estimated	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
Collections	\$ 843,655	\$ 844,190	\$ 870,678	\$ 898,887	\$ 913,355	\$ 928,151	\$ 943,282
Miscellaneous Revenue	19,837	6,707	4,000	4,000	4,000	4,000	4,000
TOTAL LOTTERY FUND REVENUES..	\$ 863,492	\$ 850,897	\$ 874,678	\$ 902,887	\$ 917,355	\$ 932,151	\$ 947,282

Revenue Sources

Net Lottery Collections

	Actual		Estimated
1984-85	\$ 768,734	1990-91	\$ 844,190
1985-86	732,852	1991-92	870,678
1986-87	765,092	1992-93	898,887
1987-88	775,534	1993-94	913,355
1988-89	893,431	1994-95	928,151
1989-90	843,655	1995-96	943,282

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

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

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Ticket Sales	\$1,543,371	\$ 1,506,677	\$ 1,553,890	\$ 1,604,161	\$ 1,630,004	\$ 1,656,431	\$ 1,683,457
Commissions	-100,759	-99,373	-102,482	-105,791	-107,497	-109,242	-111,026
Field Paid Prizes	-598,957	-563,114	-580,730	-599,483	-609,152	-619,038	-629,149
NET LOTTERY COLLECTIONS	\$ 843,655	\$ 844,190	\$ 870,678	\$ 898,887	\$ 913,355	\$ 928,151	\$ 943,282

Lottery Fund

Revenue Sources (continued)

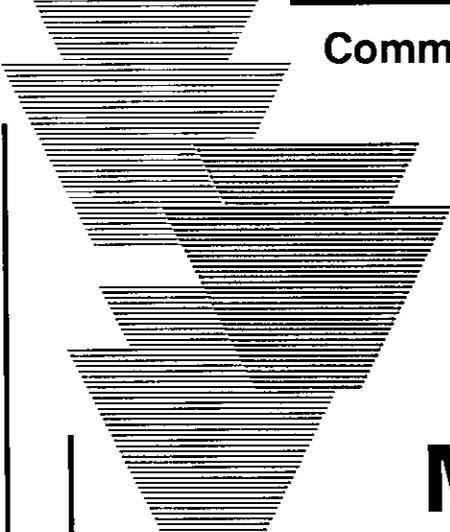
Miscellaneous Revenue			
Actual	(Dollar Amounts in Thousands)		Estimated
1984-85	\$ 45,834	1990-91	\$ 6,707
1985-86	37,917	1991-92	4,000
1986-87	28,407	1992-93	4,000
1987-88	26,553	1993-94	4,000
1988-89	26,059	1994-95	4,000
1989-90	19,837	1995-96	4,000

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

Revenue Detail

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

	1989-90 Actual	(Dollar Amounts in Thousands)	
		1990-91 Estimated	1991-92 Budget
Collections	\$ 843,655	\$ 844,190	\$ 870,678
Miscellaneous	19,837	6,707	4,000
TOTAL LOTTERY FUND REVENUES	<u>\$ 863,492</u>	<u>\$ 850,897</u>	<u>\$ 874,678</u>



Commonwealth of Pennsylvania

Milk Marketing Fund

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

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

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Estimated
Beginning Balance	\$ 159	\$ 147	.....
Receipts:			
Revenue Estimate	\$ 1,019	\$ 1,200	\$ 1,715
Transfer from General Fund	600	.....	.....
Prior Year Lapses	48	27	.....
Total Receipts	<u>1,667</u>	<u>1,227</u>	<u>1,715</u>
Funds Available	<u>\$ 1,826</u>	<u>\$ 1,374</u>	<u>\$ 1,715</u>
Expenditures:			
Appropriated	\$ 1,679	\$ 1,374	\$ 1,703
Current Year Lapse .....	.....	.....	.....
Estimated Expenditures	<u>-1,679</u>	<u>-1,374</u>	<u>-1,703</u>
Ending Balance	<u>\$ 147</u>	<u>.....</u>	<u>\$ 12</u>

Summary by Department

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Estimated	1991-92 Budget
Treasury Department			
Replacement Checks .....	.....	\$ 15	\$ 5
Refund Milk Marketing Licenses and Fees	\$ 5	5	5
DEPARTMENT TOTAL	<u>\$ 5</u>	<u>\$ 20</u>	<u>\$ 10</u>
Milk Marketing Board			
General Government	\$ 1,074	\$ 1,354	\$ 1,693
TOTAL STATE FUNDS	<u>\$ 1,079</u>	<u>\$ 1,374</u>	<u>\$ 1,703</u>
Augmentations	\$ 600	.....	.....
FUND TOTAL	<u>\$ 1,679</u>	<u>\$ 1,374</u>	<u>\$ 1,703</u>

Milk Marketing Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1989-90 Actual	1990-91 Estimated	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
Licenses and Fees	\$ 897	\$ 1,128	\$ 1,643	\$ 1,643	\$ 1,643	\$ 1,643	\$ 1,643
Fines and Penalties	25	20	20	20	20	20	20
Miscellaneous Revenue	97	52	52	52	52	52	52
Total Milk Marketing Fund Revenues	\$ 1,019	\$ 1,200	\$ 1,715	\$ 1,715	\$ 1,715	\$ 1,715	\$ 1,715
Augmentations	\$ 600						
TOTAL MILK MARKETING FUND RECEIPTS	\$ 1,619	\$ 1,200	\$ 1,715	\$ 1,715	\$ 1,715	\$ 1,715	\$ 1,715

Revenue Sources

Licenses and Fees

Actual	(Dollar Amounts in Thousands)		Estimated
1984-85	\$ 647	1990-91	\$ 1,128
1985-86	600	1991-92	1,643
1986-87	565	1992-93	1,643
1987-88	590	1993-94	1,643
1988-89	604	1994-95	1,643
1989-90	897	1995-96	1,643

The Commonwealth receives revenues from licenses and fees collected annually by the Milk Marketing Board. A flat rate fee is based on the daily average number of pounds of milk handled by dealers and an additional fee, levied on milk for which the board fixes minimum prices, is based on the number of pounds of such milk sold by dealers. Additional license fees are for weighing and measuring permits, tester's certificates of proficiency, weigher's and sampler's certificates of proficiency and applications for examination. Act 135 of 1988 transferred the responsibility for setting fees from statute to regulation by the Milk Marketing Board. Estimated amounts for 1991-92 and thereafter include \$515,000 of proposed changes in license and fee amounts.

Fines and Penalties

Actual	(Dollar Amounts in Thousands)		Estimated
1984-85	\$ 20	1990-91	\$ 20
1985-86	20	1991-92	20
1986-87	24	1992-93	20
1987-88	8	1993-94	20
1988-89	47	1994-95	20
1989-90	25	1995-96	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

Actual	(Dollar Amounts in Thousands)		Estimated
1984-85	\$ 94	1990-91	\$ 52
1985-86	60	1991-92	52
1986-87	54	1992-93	52
1987-88	51	1993-94	52
1988-89	60	1994-95	52
1989-90	97	1995-96	52

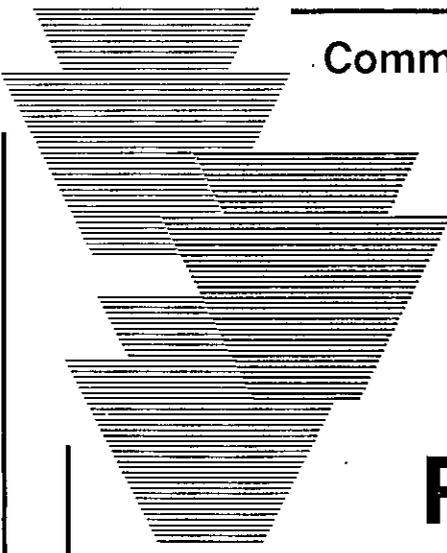
Miscellaneous Revenues consist primarily of interest on securities and deposits, plus legal fees for transcripts of hearings.

Milk Marketing Fund

Revenue Detail

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

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Estimated	1991-92 Budget
Licenses and Fees			
Milk Dealers Licenses	\$ 652	\$ 640	\$ 1,003
Milk Testers Certificate Fees	5	5	7
Milk Weighers Certificate Fees	30	29	42
Milk Testers and Weighers Examination Fees	4	4	6
Milk Haulers Licenses Fees	206	450	585
TOTAL	\$ 897	\$ 1,128	\$ 1,643
 Fines and Penalties			
Milk Marketing Act Fines	\$ 25	\$ 20	\$ 20
TOTAL	\$ 25	\$ 20	\$ 20
 Miscellaneous Revenue			
Interest on Securities	\$ 46	\$ 50	\$ 50
Interest on Deposits	1	1	1
Refunds of Expenditure Not Credited to the Appropriation	50	1	1
TOTAL	\$ 97	\$ 52	\$ 52
TOTAL REVENUES	\$ 1,019	\$ 1,200	\$ 1,715
 Augmentations			
Transfer from General Fund	\$ 600	.....	.....
TOTAL	\$ 600	.....	.....
TOTAL RECEIPTS	\$ 1,619	\$ 1,200	\$ 1,715



Commonwealth of Pennsylvania

Racing Fund

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

Racing Fund

Financial Statement

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Estimated
Beginning Balance	\$ 1,612	\$ 1,091	\$ 1,236
Receipts:			
Revenue Estimate	\$ 7,184	\$ 8,166	\$ 10,570
Prior Year Lapses	105	.....	.....
Total Receipts	7,289	8,166	10,570
Funds Available	\$ 8,901	\$ 9,257	\$ 11,806
Expenditures:			
Appropriated	\$ 7,810	\$ 8,021	\$ 8,569
Estimated Expenditures	-7,810	-8,021	-8,569
Ending Balance	\$ 1,091	\$ 1,236	\$ 3,237

Summary by Department

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Estimated	1991-92 Budget
Treasury Department			
General Government			
Replacement Checks .....	.....	\$ 30	\$ 10
Department of Agriculture			
General Government			
State Racing Commissions	\$ 5,000	\$ 5,282	\$ 5,596
Race Horse Testing Laboratory	887	885	908
Payments to Pennsylvania Fairs — Administration	183	191	193
Subtotal	\$ 6,070	\$ 6,358	\$ 6,697
Grants and Subsidies			
Transfer to the General Fund	\$ 1,612	\$ 1,091	\$ 1,236
TOTAL STATE FUNDS	\$ 7,682	\$ 7,449	\$ 7,933
Augmentations .....	.....	\$ 413	\$ 492
DEPARTMENT TOTAL	\$ 7,682	\$ 7,862	\$ 8,425
Department of Revenue			
General Government			
Collections — Racing	\$ 128	\$ 129	\$ 134
FUND TOTAL	\$ 7,810	\$ 8,021	\$ 8,569

Racing Fund

REVENUE SUMMARY

(Dollar Amounts in Thousands)

Five Year Revenue Projections

	1989-90 Actual	1990-91 Estimated	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
Tax Revenues	\$ 5,480	\$ 6,392	\$ 8,375	\$ 11,531	\$ 14,761	\$ 14,761	\$ 14,761
Licenses and Fees	503	424	743	743	743	743	743
Miscellaneous Revenue	1,201	937	960	975	975	975	975
TOTAL RACING FUND REVENUES .	\$ 7,184	\$ 7,753	\$ 10,078	\$ 13,249	\$ 16,479	\$ 16,479	\$ 16,479
Augmentations		\$ 413	\$ 492	\$ 512	\$ 533	\$ 555	\$ 578
TOTAL RACING FUND RECEIPTS . .	\$ 7,184	\$ 8,166	\$ 10,570	\$ 13,761	\$ 17,012	\$ 17,034	\$ 17,057

Revenue Sources

	Tax Revenues		
	Actual	Estimated	
	(Dollar Amounts in Thousands)		
1984-85	\$ 7,280	1990-91	\$ 6,392
1985-86	5,859	1991-92	8,375
1986-87	5,803	1992-93	11,531
1987-88	5,963	1993-94	14,761
1988-89	5,916	1994-95	14,761
1989-90	5,480	1995-96	14,761

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

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

	Licenses and Fees		
	Actual	Estimated	
	(Dollar Amounts in Thousands)		
1984-85	\$ 404	1990-91	\$ 424
1985-86	370	1991-92	743
1986-87	434	1992-93	743
1987-88	739	1993-94	743
1988-89	528	1994-95	743
1989-90	503	1995-96	743

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. Estimated amounts for 1991-92 and thereafter include \$339,000 of proposed changes in license and fee amounts.

Racing Fund

Revenue Sources (continued)

Miscellaneous Revenue			
Actual	(Dollar Amounts in Thousands)		Estimated
1984-85	\$ 1,473	1990-91	\$ 937
1985-86	1,135	1991-92	960
1986-87	699	1992-93	975
1987-88	935	1993-94	975
1988-89	1,011	1994-95	975
1989-90	1,201	1995-96	975

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

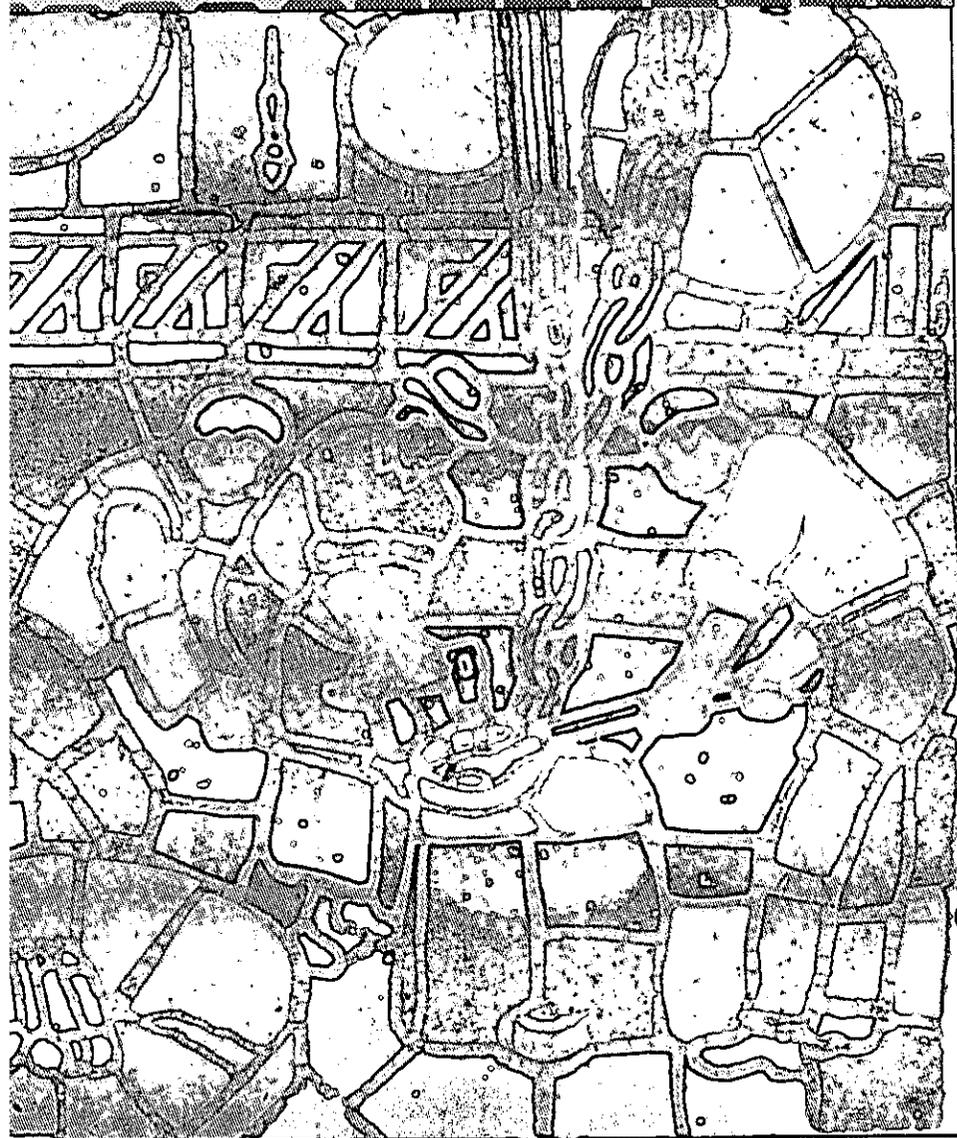
Revenue Detail

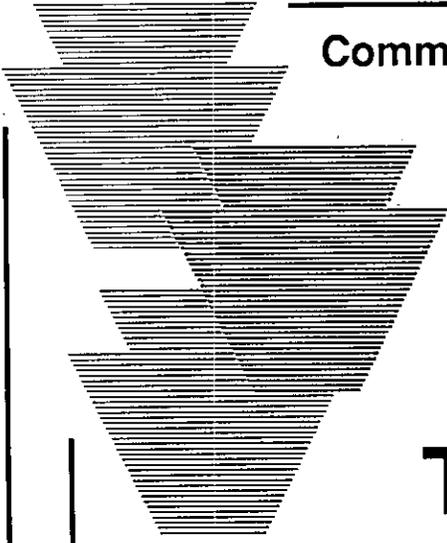
The following is a detailed list of all revenue available for Racing Fund appropriations and executive authorizations.

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Estimated	1991-92 Budget
Tax Revenue			
State Admission Tax	\$ 19	\$ 134	\$ 139
Wagering Tax	4,969	5,697	7,505
Breakage Tax	492	561	731
TOTAL	<u>\$ 5,480</u>	<u>\$ 6,392</u>	<u>\$ 8,375</u>
Licenses and Fees			
License Fees	\$ 503	\$ 424	\$ 743
TOTAL	<u>\$ 503</u>	<u>\$ 424</u>	<u>\$ 743</u>
Miscellaneous			
Uncashed Tickets	\$ 727	\$ 627	\$ 640
Interest on Securities	252	280	290
Miscellaneous	2	2	2
Redeposit of Checks	7	4	4
Interest on Deposits	3	4	4
Owner-by-Agent Security Deposit Forfeits	16	20	20
Refunds of Expenditures Not Credited to Appropriation	187	.....	.....
Penalties and Interest	7	.....	.....
TOTAL	<u>\$ 1,201</u>	<u>\$ 937</u>	<u>\$ 960</u>
TOTAL REVENUES	<u>\$ 7,184</u>	<u>\$ 7,753</u>	<u>\$ 10,078</u>
Augmentations			
Out-of-State Testing .....	.....	\$ 413	\$ 492
TOTAL .....	.....	<u>\$ 413</u>	<u>\$ 492</u>
TOTAL RECEIPTS	<u>\$ 7,184</u>	<u>\$ 8,166</u>	<u>\$ 10,570</u>

1991-92

Tax
Expenditures





Commonwealth of Pennsylvania

TAX EXPENDITURES

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

Tax Expenditures

TAX EXPENDITURE ANALYSIS

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

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

Therefore, the 1991-92 Governor's Executive Budget document includes another step toward a comprehensive tax expenditure analysis. While all taxes are now addressed, further development will include additional analytical items for certain expenditures. The intended purposes of the current analysis are to:

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

A four year phase-in schedule for incorporation of all Commonwealth taxes in the tax expenditure analysis has been implemented. This analysis was expanded annually to include additional tax areas according to the following schedule:

Executive Budget

Taxes First Included in Analysis

1988-89

Sales and Use Tax
Bank Shares Tax
Title Insurance and Trust Companies Shares Tax
Insurance Premiums Tax
Mutual Thrift Institutions Tax
Unemployment Compensation Insurance Tax
Marine Insurance Underwriting Profits Tax

1989-90

Corporate Net Income Tax
Capital Stock/Franchise Tax
Utility Gross Receipts Tax
Utility Realty Tax
Co-operative Agricultural Association Corporate Net Income Tax
Electric Co-operative Corporation Tax

Tax Expenditures

Tax Expenditure Analysis (continued)

Executive Budget

Taxes First Included in Analysis

1990-91

Personal Income Tax
Liquid Fuels and Fuel Use Taxes
Oil Company Franchise Tax
Gross Receipts Tax on Motor Carriers
Vehicle Registration Fees
Interstate Bus Compact Tax

1991-92

Realty Transfer Tax
Inheritance Tax
Cigarette Tax
Malt Beverage Tax
Corporate Loan Tax
Other Taxes
 Private Bankers Gross Receipts Tax
 Liquor Tax
 Admissions Tax
 Wagering Tax

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

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

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

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

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

Financial institutions and insurance companies are exempted from Corporate Net Income Tax (CNIT) and Capital Stock/Franchise Tax (CS/FT). However, these corporations are subject to

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

Tax Expenditure Analysis (continued)

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

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

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

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

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

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

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

General Fund Tax Expenditures

CORPORATION TAXES

CREDIT PROGRAMS

NEIGHBORHOOD ASSISTANCE PROGRAMS

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Corporate Net Income Tax				
	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
	Capital Stock/Franchise Tax				
	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
	Selective Business Taxes				
	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250

General Fund Tax Expenditures

EMPLOYMENT INCENTIVE PAYMENTS

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Corporate Taxes				
	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
	Personal Income Tax				
	1990-91	1991-92	1992-93	1993-94	1994-95
	500	\$ 500	\$ 500	\$ 500	\$ 500

HOMEOWNERS' EMERGENCY MORTGAGE ASSISTANCE FUND

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

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

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

Estimates: The credits used under this Act amount to a total of \$79,800 which was applied by four banks and one other corporation in 1984-85. Although the credit was extended from 1989 to 1992, there has been no application of credits since 1984-85. Limited participation in this program, at best, is expected for the future.

General Fund Tax Expenditures

CORPORATE NET INCOME TAX

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

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

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

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

DIVIDENDS RECEIVED

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

Description: Corporations may deduct dividends received from any other corporation.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 392,900	\$ 416,700	\$ 444,000	\$ 468,600	\$ 485,900

FEDERAL JOBS CREDIT

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	194-95
	\$ 960	\$ 970	\$ 980	\$ 990	\$ 1,010

General Fund Tax Expenditures

NET OPERATING LOSS CARRYFORWARD

Authorization: Article IV, Section 401(3)4

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 98,700	\$ 101,200	\$ 103,000	\$ 102,800	\$ 107,200

DIVIDENDS PAID

Authorization: 61 Pa. Code 153.14(1)

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300

DEPRECIATION OF SECTION 1250 PROPERTY

Authorization: 61 Pa. Code 153.14(4)

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	Nominal	Nominal	Nominal	Nominal	Nominal

General Fund Tax Expenditures

POLLUTION CONTROL FACILITIES

Authorization: 61 Pa. Code 153.14(5)

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

NONPROFIT CORPORATIONS

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	NA	NA	NA	NA	NA

PENNSYLVANIA S CORPORATIONS

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 151,000	\$ 172,600	\$ 191,400	\$ 209,200	238,100

General Fund Tax Expenditures

CAPITAL STOCK/FRANCHISE TAX

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

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

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

NONPROFIT CORPORATIONS

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

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

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

Estimates: (Dollar Amounts in Thousands)

	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

FAMILY FARM CORPORATIONS

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

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

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

Estimates: (Dollar Amounts in Thousands)

	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 140	\$ 140	\$ 130	\$ 130	\$ 140

General Fund Tax Expenditures

ASSETS USED IN MANUFACTURING, PROCESSING, AND RESEARCH AND DEVELOPMENT

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 357,600	\$ 380,200	\$ 389,900	\$ 408,900	\$ 424,700

APPORTIONMENT FORMULA OPTIONS

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 88,600	\$ 95,900	\$ 101,300	\$ 108,000	\$ 116,300

POLLUTION CONTROL DEVICES

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 14,900	\$ 17,000	\$ 18,200	\$ 20,400	\$ 22,800

General Fund Tax Expenditures

\$100,000 DEDUCTION

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

Description: For tax years beginning in 1988 and thereafter, corporations may deduct \$100,000 from the capital stock value which is then subject to apportionment to determine the taxable base.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 40,200	\$ 44,200	\$ 45,500	\$ 46,900	\$ 48,300

HOLDING COMPANIES

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 12,200	\$ 13,600	\$ 14,500	\$ 15,600	\$ 16,900

REGULATED INVESTMENT COMPANIES

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 10,200	\$ 10,900	\$ 12,000	\$ 13,000	\$ 13,700

General Fund Tax Expenditures

UTILITY GROSS RECEIPTS TAX

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

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

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

MUNICIPALLY-OWNED PUBLIC UTILITIES

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

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

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

Estimates:

	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 69,800	\$ 73,100	\$ 73,800	\$ 75,800	\$ 78,100

(Dollar Amounts in Thousands)

NUCLEAR GENERATING FACILITY DAMAGE

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

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

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

Estimates:

	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

(Dollar Amounts in Thousands)

RAILROAD CREDIT

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

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

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

Estimates:

	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 6,500	\$ 6,200	\$ 5,900	NA	NA

(Dollar Amounts in Thousands)

General Fund Tax Expenditures

UTILITY REALTY TAX

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

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

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

PROPERTY SUBJECT TO LOCAL TAXATION

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 9,700	\$ 10,200	\$ 10,800	\$ 11,000	\$ 11,300

MACHINERY AND EQUIPMENT

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 811,000	\$ 830,800	\$ 863,200	\$ 887,800	\$ 914,400

EASEMENTS

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 10,200	\$ 10,500	\$ 11,000	\$ 11,200	\$ 11,600

General Fund Tax Expenditures

RAILROAD RIGHTS-OF-WAY

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 22,200	\$ 22,800	\$ 23,500	\$ 24,200	\$ 25,000

LINES

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 278,800	\$ 308,700	\$ 339,600	\$ 341,300	\$ 351,500

HYDROELECTRIC PROPERTY

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

SEWAGE SERVICES

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

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

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

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 20,120	\$ 26,150	\$ 32,290	\$ 31,340	31,980

MUNICIPALITIES

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

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

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

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 12,400	\$ 16,100	\$ 19,800	\$ 19,100	\$ 19,700

COOPERATIVE AGRICULTURAL ASSOCIATION CORPORATION TAX

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

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

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

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>					
Corporate Net Income Tax	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 610	\$ 770	\$ 750	\$ 700	\$ 660
Capital Stock/Franchise Tax	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 870	\$ 840	\$ 730	\$ 720	\$ 840
Sales and Use Tax	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

ELECTRIC COOPERATIVE CORPORATION TAX

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

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

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

		(Dollar Amounts in Thousands)				
<i>Estimates:</i>	Corporate Net Income Tax					
	1990-91	1991-92	1992-93	1993-94	1994-95	
	\$ 1,000	\$ 750	\$ 1,000	\$ 900	\$ 1,000	
	Capital Stock/Franchise Tax					
	1990-91	1991-92	1992-93	1993-94	1994-95	
	\$ 1,300	\$ 1,500	\$ 1,500	\$ 1,600	\$ 1,600	
	Utility Gross Receipts Tax					
	1990-91	1991-92	1992-93	1993-94	1994-95	
	\$ 13,900	\$ 15,400	\$ 15,300	\$ 15,700	\$ 16,200	

INSURANCE PREMIUMS TAX

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

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

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

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

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

MUTUAL BENEFICIAL ASSOCIATIONS

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

Description: Purely mutual beneficial associations, whose funds for the benefits of members and families or heirs are made up entirely of the contributions from their members and the accumulated interest thereon, are exempt from the insurance premiums tax. For purposes of this tax expenditure, these associations are treated as life insurance companies.

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

		(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95	
	\$ 3,200	\$ 3,300	\$ 3,500	\$ 3,600	\$ 3,700	

General Fund Tax Expenditures

NONPROFIT HOSPITAL AND MEDICAL CARE SERVICE ORGANIZATIONS

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 148,800	\$ 166,700	\$ 186,700	\$ 209,100	\$ 234,200

EXTRAORDINARY MEDICAL BENEFIT

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 180	\$ 180	\$ 200	\$ 220	\$ 230

LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION CREDIT

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

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

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

Estimates: The amount of credits applied under this Act had averaged approximately \$25,600 per year for the period 1984-85 through 1988-89 and the most recent years averaged \$11,000 before jumping to \$75,000 in credits used for 1989-90 alone. The increased risk of impairment or insolvency of member insurers may lead to assessments against members and the resultant credits to be applied exceeding the nominal level of \$100,000 during the forecast period.

General Fund Tax Expenditures

MARINE INSURANCE UNDERWRITING PROFITS TAX

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 100	\$ 100	\$ 100	\$ 140	\$ 170

BANK SHARES TAX

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

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

NEW BANK TAX CREDIT

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Shares Taxes				
	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 1,000	\$ 1,000	\$ 800	NA	NA
	Sales and Use Tax				
	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 500	\$ 2,560	NA	NA	NA

General Fund Tax Expenditures

TITLE INSURANCE AND TRUST COMPANY SHARES TAX

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

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

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

MUTUAL THRIFT INSTITUTIONS TAX

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

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

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

NET OPERATING LOSS CARRYFORWARD

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 4,700	\$ 3,400	\$ 4,300	\$ 4,000	\$ 3,800

CREDIT UNIONS

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 6,200	\$ 4,500	\$ 5,400	\$ 6,000	\$ 6,700

General Fund Tax Expenditures

CORPORATE LOANS TAX

The corporate loans tax is a state property tax on interest-bearing obligations issued by domestic corporations and foreign corporations doing business and having a resident corporate treasurer in Pennsylvania. The tax is imposed on Pennsylvania residents who hold the debt, but the corporations who issue, assume or pay interest on the debt are required to withhold tax from interest payments and remit the tax to the Commonwealth. Certain obligations are exempt from the tax, with the exemptions defined in terms of (1) type of obligation, (2) type of resident holding the obligation, and (3) type of organization issuing the obligation. The exemption of many holders of obligations has in effect reduced the tax to one on resident individuals of Pennsylvania.

A tax of 4 mills is levied on each dollar of the nominal value of taxable obligations held by nonexempt residents of Pennsylvania. The nominal value of an obligation is the amount of interest paid during the taxable year divided by the stated rate of interest on the obligation. If no interest is paid during the taxable year, the obligation is considered to have no nominal value and no tax is due. If interest is paid for more or less than one year, the tax is increased or decreased based on the proportion of time for which interest was paid as compared to a full year. If interest accrued from prior years is paid during the taxable year, the report must reflect the nominal value of the obligation and the rate of tax depends upon the year in which the interest accrued. A separate computation must be made for each type of obligation issued by the corporation.

The Pennsylvania corporate loans tax was first imposed in 1844. It is related to the intangible personal property tax, which was separated from the state loans tax and made a county tax in 1913. The corporate loans tax in its present form took effect in 1935 with the passage of the Act of June 22, 1935, also known as the State Personal Property Tax Act. Obligations taxed by the state under the corporate loans tax are exempt from the county personal property tax.

EXEMPT OBLIGATIONS

INTEREST-BEARING ACCOUNTS

Authorization: Act of June 22, 1935 (P.L. 414, No. 182), as further amended by the Act of May 18, 1937 (P.L. 633, No. 171).

Description: Interest-bearing accounts in any bank, banking institution, savings institution, trust company, or employees' thrift or savings association are exempt from the loans tax. Estimates include deposits of exempt debt holders.

Purpose: Financial institutions provide an important economic service as intermediaries between lenders and borrowers and are an instrumental link in the investment-savings process. This exemption enables financial institutions to offer lower interest rates on deposits while maintaining higher after-tax yields to depositors. The exemption reduces the institutions' interest expense, and attracts capital for financing their operations which are perceived to be worthy of indirect public support.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 489,600	\$ 513,000	\$ 538,700	\$ 561,200	\$ 599,900

General Fund Tax Expenditures

EXEMPT HOLDERS

NONPROFIT CORPORATIONS

Authorization: Act of June 22, 1935 (P.L. 414, No. 182), as amended by Act of May 5, 1939 (P.L. 76, No. 46).

Description: Obligations owned by the following resident organizations are exempt from the loans tax: corporations of the first class or nonprofit corporations; nonprofit cooperative agricultural associations without capital stock; fire companies and firemen's relief associations; labor unions and labor union relief associations; secret and beneficial societies; and all beneficial organizations paying sick or death benefits from voluntary contributions or assessments of members.

Purpose: These organizations are perceived as providing services and programs which benefit society and are therefore worthy of indirect public support. This exemption increases the return that these organizations earn on obligations which they hold, thereby providing more funds to finance their operations.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	NA	NA	NA	NA	NA

INSURANCE COMPANIES

Authorization: Act of June 22, 1935 (P.L. 414, No. 182), as further amended by the Act of July 11, 1941 (P.L. 361, No. 145).

Description: Obligations held by resident life insurance companies and resident fire or casualty insurance companies having no capital stock are exempt from the loans tax. Estimates do not include debt of exempt issuers to the extent it could be removed.

Purpose: Life insurance companies provide financial security for retirement, injury or loss of life, and fire or casualty companies provide protection for damages or losses to property. Because mutual companies can not raise capital through a public issue of stock, this exemption allows them to earn a higher after-tax return on their investments in debt obligations and thus provides more funds to finance their operations which are deemed worthy of indirect public support.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 600	\$ 610	\$ 620	\$ 620	\$ 630

SAVINGS INSTITUTIONS

Authorization: Act of June 22, 1935 (P.L. 414, No. 182).

Description: Obligations, other than tax-free covenant bonds, held by resident building and loan associations and resident savings institutions having no capital stock are exempt from the tax. If the obligation is a tax-free covenant bond, the issuer corporation must withhold and pay the loans tax.

Purpose: The central purpose of thrift institutions is to provide a source of available funds for residential mortgages and thus promote home ownership. Because mutual institutions can not publicly issue capital stock to raise funds, this exemption enables them to earn a higher after-tax return on their investment in debt obligations which, in turn, increases the funds for their operations which are deemed worthy of indirect public support.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 14,100	\$ 14,300	\$ 15,000	\$ 16,000	\$ 17,500

General Fund Tax Expenditures

CORPORATIONS SUBJECT TO THE CAPITAL/STOCK FRANCHISE TAX

Authorization: Act of June 22, 1935 (P.L. 414, No. 182).

Description: Obligations held by any corporation subject to the capital stock/franchise tax and owned in its own right are exempt from the loans tax. Estimates do not include debt of exempt issuers, to the extent it could be removed.

Purpose: This exemption prevents the double taxation of these intangible assets since they are already subject to tax under the capital stock/franchise tax which is based on the corporation's net worth and average earnings.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 11,600	\$ 11,700	\$ 12,300	\$ 13,100	\$ 14,300

BANKS, BANK AND TRUST COMPANIES, AND TRUST COMPANIES

Authorization: Article VII, Section 701 and Article VIII, Section 801 of the Act of March 4, 1971 (P.L.6, No.2).

Description: Exemption from the loans tax is allowed for obligations, including loans and notes, held by any bank, bank and trust company, and trust company subject to the shares tax. Estimates do not include debt of exempt issuers, to the extent it could be removed.

Purpose: This exemption prevents the double taxation of these intangible assets since they are already taxed under the shares tax which is based on the net worth of commercial banking institutions.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 117,400	\$ 118,900	\$ 124,500	\$ 132,700	\$ 145,200

FEDERALLY-EXEMPTED PLANS

Authorization: Act of June 22, 1935 (P.L. 414, No. 182), as amended by the Act of May 28, 1945 (P.L. 1083, No. 397) and the Act of July 25, 1963 (P.L. 299, No. 158).

Description: Exemption from the loans tax is allowed for obligations held in any resident individual retirement plan that qualifies for exemption from the federal income tax. Also exempt from the tax are obligations held in a resident trust that is exempted from the federal income tax as part of an employer's stock, bonus, profit-sharing or pension plan for the exclusive benefit of his employees and their beneficiaries. Estimates do not include debt of exempt issuers, to the extent it could be removed.

Purpose: This exemption encourages individuals to invest for their retirement and provides relief to individuals whose employers contribute to the costs of their retirement.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 1,000	\$ 1,040	\$ 1,100	\$ 1,160	\$ 1,230

General Fund Tax Expenditures

ESTATE OF NONRESIDENT DECEDENT

Authorization: Act of June 22, 1935 (P.L. 414, No. 182), as amended by the Act of May 5, 1939 (P.L. 76, No. 46).

Description: Exemption from the loans tax is allowed for any obligations owned, held or possessed by any resident acting as the executor or administrator of a nonresident estate.

Purpose: The estate owning the assets and ultimately receiving the income from these obligations is located in a state other than Pennsylvania. This exemption prevents the multiple taxation of these assets or income by more than one state.

Estimates: (Dollar Amounts in Thousands)

	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

TRUSTS OF NONPROFIT ORGANIZATIONS

Authorization: Act of June 22, 1935 (P.L. 414, No. 182), as amended by the Act of May 5, 1939 (P.L. 76, No. 46).

Description: Exemption from the loans tax is allowed for any obligations owned, held or possessed by any resident acting as trustee, agent or attorney-in-fact for any nonprofit religious, charitable, scientific, literary or educational organization.

Purpose: The ultimate recipient of the income are non-profit corporations which are perceived as providing services and programs which benefit society. This exemption increases the earnings on their investment and thus increases the funds available for financing their operations which are deemed worthy of indirect public support.

Estimates: (Dollar Amounts in Thousands)

	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

TRUSTS FOR NONRESIDENTS

Authorization: Act of June 22, 1935 (P.L. 414, No. 182), as amended by the Act of May 5, 1939 (P.L. 76, No. 46).

Description: Exemption from the loans tax is allowed for any property received or acquired from sources outside Pennsylvania by any resident acting as trustee, agent or attorney-in-fact for the benefit of any nonresident.

Purpose: The owner and ultimate recipient of the income from these obligations is located in a state other than Pennsylvania. This exemption prevents the multiple taxation of these assets or income by more than one state.

Estimates: (Dollar Amounts in Thousands)

	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

EXEMPT CORPORATE ISSUERS

FOREIGN CORPORATIONS WITHOUT RESIDENT TREASURER

Authorization: Act of June 22, 1935 (P.L. 414, No. 182) as amended by the Act of May 18, 1937 (P.L. 633, No. 171).

Description: Exemption from the loans tax is allowed for obligations issued by foreign corporations that have no corporate treasurer, assistant treasurer or other fiscal officer that performs a major portion of his official duties in Pennsylvania.

Purpose: Constitutional provisions prevent the Commonwealth from forcing a non-resident to act as an agent of the state and collect the tax on its behalf. The expenditure measures the tax revenues which the Commonwealth could realize, at the expense of the county taxing authorities, if the collection requirement placed on corporations was eliminated and the Commonwealth directly taxed the holders of debt obligations issued by foreign corporations.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 222,000	\$ 224,900	\$ 235,500	\$ 251,000	\$ 274,600

NONPROFIT CORPORATIONS

Authorization: Act of June 22, 1935 (P.L. 414, No. 182), as amended by Act of May 5, 1939 (P.L. 76, No. 46).

Description: Obligations issued by the following organizations are exempt from the loans tax: nonprofit corporations or corporations of the first class; nonprofit cooperative agricultural associations without capital stock; fire companies; firemen's relief associations; labor unions; labor union relief associations; secret and beneficial societies; and all beneficial organizations paying sick or death benefits from voluntary contributions or assessments of members.

Purpose: These organizations are perceived as providing services and programs which benefit society and are worthy of indirect public support. This exemption enables these organizations to offer lower interest rates on their debt obligations while maintaining higher after-tax yields to investors. The exemption reduces the organizations' debt-servicing expenses, and attracts capital to finance the operations of these organizations.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

INSURANCE COMPANIES

Authorization: Act of June 22, 1935 (P.L. 414, No. 182), as further amended by the Act of July 11, 1941 (P.L. 361, No. 145).

Description: Obligations issued by life insurance companies and fire or casualty insurance companies having no capital stock are exempt from the loans tax.

Purpose: Life insurance companies provide financial security for retirement, injury or loss of life, and fire or casualty insurance companies provide protection for damages or losses to property. Because mutual companies can not raise capital through a public issue of stock, they must rely on other means to acquire capital. This exemption enables them to offer lower interest rates on their debt obligations while maintaining higher after-tax yields to investors. This exemption reduces the companies' debt-servicing expenses, and attracts capital to these companies to finance their operations which are deemed worthy of indirect public support.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	Nominal	Nominal	Nominal	Nominal	Nominal

General Fund Tax Expenditures

SAVINGS INSTITUTIONS

Authorization: Act of June 22, 1935 (P.L. 414, No. 182)

Description: Obligations issued by building and loan associations and savings institutions having no capital stock are exempt from the loans tax. Estimates measure debt held by household in Pennsylvania.

Purpose: The central purpose of thrift institutions is to provide a source of available funds for residential mortgages. Because mutual institutions can not publicly issue capital stock to raise funds, they must rely on other means to acquire capital. This exemption enables these thrift institutions to offer lower interest rates on their debt obligations while maintaining higher after-tax yields to investors. This exemption reduces debt-servicing expenses, and attracts capital to these institutions to finance their operations.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 180	\$ 180	\$ 190	\$ 200	\$ 200

PRIVATE BANKERS GROSS RECEIPTS TAX

This tax is imposed on every private banker authorized to do business in Pennsylvania. A private banker is any individual, partnership or unincorporated association which owns or operates a private banking business. All gross receipts from commissions, discounts, abatements, allowances and all other receipts arising from business during the calendar year are taxed at a rate of one percent.

The tax was first imposed by the Act of May 16, 1861 (P.L. 708, No. 660). However, the application of this tax is limited because the Pennsylvania Banking Code of 1933 restricts the conduct of a private banking business to only those private banks authorized to conduct such business on July 3, 1933. Private bankers are subject to all other applicable state taxes. Only a few currently operate in Pennsylvania.

The Private Bankers Gross Receipts Tax contains no tax expenditures as defined for this tax expenditure analysis.

General Fund Tax Expenditures

SALES AND USE TAX

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

GENERAL / PERSONAL EXPENDITURES

FOOD

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 1,258,490	\$ 1,341,550	\$ 1,436,800	\$ 1,540,250	\$ 1,651,150

CANDY, GUM AND CONFECTIONARY PRODUCTS

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 33,100	\$ 34,400	\$ 35,700	\$ 37,000	\$ 38,400

HOUSEHOLD PAPER AND CLEANING SUPPLIES

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 108,780	\$ 115,410	\$ 122,460	\$ 129,920	\$ 137,850

General Fund Tax Expenditures

NEWSPAPERS AND PERIODICALS

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 173,000	\$ 184,900	\$ 197,700	\$ 211,300	\$ 225,900

CLOTHING AND FOOTWEAR

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 635,210	\$ 673,960	\$ 718,440	\$ 764,420	\$ 811,050

AMUSEMENT DEVICES

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 26,530	\$ 27,170	\$ 27,820	\$ 28,490	\$ 29,170

PRESCRIPTION DRUGS AND ORTHOPEDIC EQUIPMENT

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 191,920	\$ 209,690	\$ 229,170	\$ 250,530	\$ 273,960

General Fund Tax Expenditures

NON-PRESCRIPTION DRUGS

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

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

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 64,150	\$ 69,090	\$ 74,400	\$ 80,130	\$ 86,300

LIQUOR OR MALT BEVERAGE PURCHASED FROM RETAIL DISPENSER

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

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

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 106,880	\$ 112,220	\$ 118,280	\$ 124,670	\$ 131,030

CHARGES FOR RETURNABLE CONTAINERS

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

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

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 7,850	\$ 8,420	\$ 9,040	\$ 9,710	\$ 10,450

WRAPPING AND PACKING SUPPLIES

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

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

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

BIBLES, RELIGIOUS PUBLICATIONS, ARTICLES

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

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

The estimate below relates only to the sale of bibles.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 660	\$ 710	\$ 770	\$ 830	\$ 900

CASKETS AND BURIAL VAULTS

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 14,970	\$ 15,670	\$ 16,410	\$ 17,180	\$ 17,990

FLAGS

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	NA	NA	NA	NA	NA

TEXTBOOKS

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 16,400	\$ 17,710	\$ 19,130	\$ 20,660	\$ 22,310

General Fund Tax Expenditures

CATALOGS AND DIRECT MAIL ADVERTISING

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	NA	NA	NA	NA	NA

FOOD STAMP PURCHASES

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 1,810	\$ 1,900	\$ 1,990	\$ 2,090	\$ 2,200

GRATUITIES

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 33,020	\$ 35,300	\$ 37,740	\$ 40,340	\$ 43,120

FUELS AND UTILITIES

RESIDENTIAL FUEL

Description: As defined by law, "tangible personal property" specifies taxable items. Specifically omitted from this definition are steam, natural, manufactured and bottled gas, and fuel oil when purchased directly by the user solely for his residential use. Recent court decisions have expanded this exemption to include purchases for residential use, through an agent, where there is no commercial interest.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 153,320	\$ 159,490	\$ 169,290	\$ 181,690	\$ 194,520

General Fund Tax Expenditures

COAL

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

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

(Dollar Amounts in Thousands)

Estimates:	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 169,820	\$ 172,710	\$ 175,640	\$ 178,630	\$ 181,670

FIREWOOD

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

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

(Dollar Amounts in Thousands)

Estimates:	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 550	\$ 580	\$ 640	\$ 700	\$ 730

RESIDENTIAL UTILITIES

Description: As defined by law, "tangible personal property" specifies taxable items. Specifically omitted from this definition are electricity and intrastate telephone or telegraph service when purchased directly by the user solely for his residential use. Recent court decisions have expanded this exemption to include purchases for residential use, through an agent, where there is no commercial interest.

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

(Dollar Amounts in Thousands)

Estimates:	1990-91	1991-92	1992-93	1993-94	1994-95
Electric:					
	\$ 232,260	\$ 248,280	\$ 266,900	\$ 287,180	\$ 306,130
Telephone:					
	\$ 90,370	\$ 94,890	\$ 99,730	\$ 105,310	\$ 112,050

WATER

Description: The purchase at retail or use of water in liquid or solid form is exempt from taxation.

Purpose: Water is a basic necessity of life. Additionally, this provision reduces the regressive nature of the tax and reduces the tax burden on families who use a disproportionate share of income on this product.

(Dollar Amounts in Thousands)

Estimates:	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 64,440	\$ 68,330	\$ 72,680	\$ 77,640	\$ 83,780

GASOLINE AND MOTOR FUELS

Description: The purchase or use of gasoline and other motor fuels, taxed under the Liquid Fuels Tax Act or the Fuel Use Tax Act, is exempt from the Sales and Use Tax.

Purpose: Because these items are already subject to fuels taxes, the legislature has provided for their exemption from the Sales and Use Tax.

(Dollar Amounts in Thousands)

Estimates:	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 343,760	\$ 344,610	\$ 345,750	\$ 346,890	\$ 347,760

General Fund Tax Expenditures

MOTOR VEHICLES / VESSELS

COMMON CARRIERS

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 14,730	\$ 15,240	\$ 15,780	\$ 16,330	\$ 16,900

COMMERCIAL VESSELS (Construction)

Description: The purchase or use of commercial vessels of fifty tons or larger is exempt from taxation if delivery is taken in Pennsylvania.

Purpose: Imposition of the tax at the point of sale would place Pennsylvania shipbuilders at a competitive disadvantage relative to those states allowing this exemption.

Estimates: The most recent data available show that Pennsylvania has 12 establishments engaged in shipbuilding and repair with only 5 having more than 20 employees.

(Dollar Amounts in Thousands)

	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 1,050	\$ 1,060	\$ 1,080	\$ 1,090	\$ 1,100

COMMERCIAL VESSELS (Repair)

Description: Property or services purchased or used in building, rebuilding, repairing and making additions to or replacements in commercial vessels of fifty tons or more are exempt from taxation.

Purpose: Imposition of the tax at the point of sale would place Pennsylvania shipbuilders at a competitive disadvantage relative to those states allowing this exemption.

Estimates: The most recent data available show that Pennsylvania has 12 establishments engaged in shipbuilding and repair with only 5 having more than 20 employees.

(Dollar Amounts in Thousands)

	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 1,140	\$ 1,150	\$ 1,170	\$ 1,180	\$ 1,200

VESSELS (Equipment, Maintenance)

Description: The purchase or use of fuel, supplies, equipment, ships' or sea stores and cleaning or maintenance supplies is exempt from taxation. This exemption applies to any vessel, commercial or private, regardless of size.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

MOTOR VEHICLES (Out-of-State Purchases)

Description: The purchase or use of a motor vehicle by a non-resident, to be used outside Pennsylvania, which is registered in another state within twenty days of delivery is exempt from taxation. Delivery must be taken outside of Pennsylvania.

Purpose: The exemption protects the participation of Pennsylvania car dealers in the out-of-state market while preventing potential abuses of such an exemption by Pennsylvania residents.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	NA	NA	NA	NA	NA

SCHOOL BUSES

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 10,820	\$ 11,430	\$ 12,070	\$ 12,750	\$ 13,560

REAL ESTATE

REAL ESTATE

Description: A person constructing, repairing, altering or cleaning real estate, or applying or installing personal property as a repair or replacement part of real estate is not making a taxable "sale at retail." Also, the person obtaining such services is not making a taxable "use" of such personal property or services. Materials and supplies consumed by the persons providing these services are taxable.

Purpose: Generally, services are nontaxable because they do not directly involve the sale or use of tangible personal property.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 922,000	\$ 981,000	\$ 1,056,000	\$ 1,142,000	\$ 1,236,000

PRODUCTION EXPENDITURES

MANUFACTURING EXEMPTION (Manufacture and Processing)

Description: By law, "sale at retail" does not include, and therefore exempts, rendering services or the purchase or use of machinery, equipment and parts and supplies including utilities used directly or consumed in the manufacture and processing of personal property. This exemption does not apply to motor vehicles, maintenance facilities, managerial or other nonoperational activities or materials, supplies or equipment used relative to real estate.

Purpose: Exemption of manufacturing equipment and supplies prevents the multiple taxation which could occur in the production of a finished good for consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 488,080	\$ 510,800	\$ 537,470	\$ 564,980	\$ 593,540

General Fund Tax Expenditures

MANUFACTURING EXEMPTION (Agriculture)

Description: By law, "sale at retail" does not include, and therefore exempts, rendering services or the purchase or use of machinery, equipment and parts and supplies including utilities used directly or consumed in farming, dairying, horticulture, floriculture or aquaculture. This exemption does not apply to motor vehicles, maintenance facilities, managerial or other nonagricultural activities or materials, supplies or equipment used relative to real estate.

Purpose: Exemption of agricultural equipment and supplies prevents multiple taxation which could occur in the production of an agricultural commodity for consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 93,320	\$ 93,440	\$ 93,580	\$ 93,730	\$ 93,890

MANUFACTURING EXEMPTION (Public Utility)

Description: By law, "sale at retail" does not include, and therefore exempts, the cost of services or the purchase or use of machinery, equipment and parts and supplies used directly or consumed in producing, delivering or rendering a public utility service. This exemption does not apply to motor vehicles (except those used as common carriers), maintenance facilities, managerial or other nonoperational activities or materials, supplies or equipment used relative to real estate.

Purpose: Exemption of equipment and supplies used in producing and delivering a public utility service prevents the multiple taxation which could occur in providing the service. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

MANUFACTURING EXEMPTION (Foundations for Machinery and Equipment)

Description: Foundations for machinery and equipment used directly in manufacturing, farming, dairying, agriculture, horticulture, floriculture, aquaculture, processing or producing and delivering or rendering a public utility service are exempt from taxation. Included, for a public utility, are sand, gravel, crushed rock, concrete or similar material used as bedding or surrounding pipe used directly to render sewer or water service.

Machinery and equipment have been exempt since the tax was first enacted. Act #202—1980 extended the exemption to include foundations for these items.

Purpose: Exemption of foundations for manufacturing equipment prevents the multiple taxation which could occur in the production of a finished good for consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 1,270	\$ 1,300	\$ 1,320	\$ 1,350	\$ 1,380

General Fund Tax Expenditures

OTHER

COIN OPERATED FOOD AND BEVERAGE VENDING MACHINES

Description: The tax on food and beverages dispensed from coin operated vending machines is derived from total receipts collected from the machines rather than from the price of individual items sold.

Purpose: This provision eases reporting and administrative burdens on the vendor and reduces audit efforts required by the Department of Revenue.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 560	\$ 610	\$ 670	\$ 730	\$ 800

HOTEL—PERMANENT RESIDENT

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 310	\$ 330	\$ 350	\$ 370	\$ 390

COMMISSION

Description: A licensed vendor is permitted a 1% discount as a credit against the gross amount of tax collected provided that a tax return, with payment due the Department, is postmarked on or before the due date. Nearly all tax returns are due 20 days after the end of a collection period.

Purpose: This provision is intended to defray the vendor's cost of collecting and remitting the Sales and Use Tax.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 35,500	\$ 37,770	\$ 40,170	\$ 42,760	\$ 45,570

OUT-OF-STATE CREDIT

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

TRADE-IN VALUE

Description: A deduction is allowed against the gross purchase price for the value of personal property actually taken in trade or exchange. The reduction in purchase price is considered to be the value of the trade-in.

Purpose: Usually, tangible personal property taken as a trade-in is resold. Therefore, it is treated as a sale for resale, and its value is exempt from tax.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 195,240	\$ 202,450	\$ 209,970	\$ 217,810	\$ 225,970

ISOLATED SALES

Description: Infrequent personal property sales of a non-recurring nature by a person not in the business of selling such items are exempt from taxation. These sales can occur no more than three times nor more than a total of seven days in a year. These sales may include the sale of a lawn mower to a neighbor, liquidation of an estate, sale of a used typewriter by an insurance company or yard sale items. Motor vehicles and property which must be registered or licensed are not granted this exemption.

Purpose: The exclusion of isolated sales from taxation greatly reduces administration and compliance burdens for the seller and the Commonwealth.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 50,400	\$ 51,600	\$ 53,000	\$ 54,200	\$ 55,700

TEMPORARY USAGE

Description: Property purchased outside Pennsylvania by a nonresident and temporarily used in Pennsylvania for seven days or less or any length of time by a tourist or vacationer is exempt from taxation. If the property is consumed in the State it becomes taxable.

Purpose: Providing an exemption for temporary usage of taxable property in Pennsylvania does not discourage entry into the State by vacationers, tourists or others who attend or are involved in specific short term events or activities.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	NA	NA	NA	NA	NA

HORSES

Description: The sale of a horse is exempt from taxation if the seller is directed to deliver the horse to an out-of-state location. A horse may be temporarily delivered to a resident or agent prior to being delivered out-of-state.

Purpose: This exemption provides preferential treatment of horses relative to other tangible personal property by permitting temporary location in Pennsylvania before a horse is delivered out-of-state.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 2,200	\$ 2,270	\$ 2,340	\$ 2,410	\$ 2,490

General Fund Tax Expenditures

EXEMPT ORGANIZATIONS

Description: The sale of personal property or services to or for use by any (1) charitable organization, (2) volunteer fireman's organization, (3) nonprofit educational institution or (4) religious organization is exempt from taxation. Transactions unrelated to the trade or business of such organizations are taxable as are materials, supplies and equipment purchased for use in connection with real estate.

Purpose: These organizations provide public and charitable services which are perceived to benefit the general public. This exemption permits these services to be rendered at reduced cost.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Charitable organizations:				
	1990-91	1991-92	1992-93	1993-94	1994-95
	138,570	142,290	146,560	151,010	155,410
	Volunteer fireman's organizations:				
	1990-91	1991-92	1992-93	1993-94	1994-95
	5,100	5,330	5,590	5,870	6,160
	Nonprofit educational institutions:				
	1990-91	1991-92	1992-93	1993-94	1994-95
	62,210	67,730	73,760	80,330	87,500
	Religious organizations:				
	1990-91	1991-92	1992-93	1993-94	1994-95
	4,380	4,580	4,800	5,040	5,290

EXEMPT GOVERNMENTAL UNITS

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 52,860	\$ 56,720	\$ 60,860	\$ 65,240	\$ 69,870

SUBSTITUTED TAX BASE

Description: The tax on tangible personal property purchased at least six months prior to the first taxable use in Pennsylvania may be based on the prevailing market price at the time of the taxable use. This substituted base would be in lieu of taxing the original purchase price.

Purpose: This alternative tax base permits taxpayers to pay tax relative to the current market value of such assets which most closely approximates current taxable value.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

OUT-OF-STATE PURCHASES

Description: Tangible personal property purchased and used outside the State by a nonresident who later brings the property into Pennsylvania while establishing a permanent residence or business is exempt from taxation. This property must be purchased more than six months prior to the first taxable use in Pennsylvania.

Purpose: This provision eases administrative costs for the Commonwealth and compliance costs for the taxpayer and prevents a substantial tax liability being imposed when a person moves to Pennsylvania.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	NA	NA	NA	NA	NA

RAIL TRANSPORTATION EQUIPMENT

Description: The purchase or use of rail transportation equipment used by a business, other than a utility, in the movement of its own personal property is exempt from taxation.

Purpose: Exemption of rail equipment provides preferential treatment benefiting specific users of this transportation mode. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	NA	NA	NA	NA	NA

FISH FEED

Description: The purchase or use of fish feed by sportsmen's clubs, fish cooperatives or nurseries approved by the Pennsylvania Fish Commission is exempt from taxation.

Purpose: The exemption provides preferential treatment benefiting organizations which raise fish ultimately destined for human consumption.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

TOURIST PROMOTION AGENCIES

Description: The purchase or use of supplies and materials by tourist promotion agencies for distribution to the public is exempt from taxation. To be permitted this exemption, an agency must receive grants from the State.

Purpose: Excluding supplies and materials used by tourist promotion agencies which receive State grants reduces the cost of performing promotional activities. The need for direct support to these agencies is decreased by providing this exemption.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 710	\$ 770	\$ 840	\$ 900	\$ 980

General Fund Tax Expenditures

TROUT

Description: The purchase or use of brook trout, brown trout or rainbow trout is exempt from taxation.

Purpose: Preferential treatment is conferred to those involved in the raising or sale of trout ultimately destined for human consumption.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 160	\$ 170	\$ 190	\$ 200	\$ 220

CONSTRUCTION OF MEMORIALS

Description: The purchase or use of materials used in the construction or erection of objects commemorating or memorializing historical events is exempt from taxation. These objects must be purchased by not-for-profit organizations and erected on publicly owned property.

Purpose: This exemption has been provided because these memorials are presumably erected for public benefit and gratification.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100

STORAGE

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

Purpose: Generally, services are exempt because they do not directly involve the sale or use of tangible personal property.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 19,000	\$ 20,400	\$ 22,000	\$ 23,700	\$ 25,500

PUBLIC TRANSPORTATION (Local)

Description: Expenditures for public transportation fares are not taxable.

Purpose: State and local governments are primary financial contributors to public transportation systems. Taxing these services would be contrary to public policy of supporting public transportation.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 27,360	\$ 28,590	\$ 29,880	\$ 31,220	\$ 32,630

General Fund Tax Expenditures

SERVICES

Description: Generally, expenditures for services are not taxable under the Sales and Use Tax law except where specifically noted. Currently, only services rendered on taxable tangible personal property are taxed.

Purpose: The basis for the Sales and Use Tax is tangible personal property. Services are not taxed, in most instances, unless they are related to taxable property.

Estimates:

	(Dollar Amounts in Thousands)				
	1990-91	1991-92	1992-93	1993-94	1994-95
LODGING					
Trailer parks and camps	\$ 4,800	\$ 5,100	\$ 5,410	\$ 5,740	\$ 6,090
PERSONAL SERVICES					
Cleaning, storage and repair of clothing and shoes (1)	\$ 7,050	\$ 7,660	\$ 8,330	\$ 9,050	\$ 9,840
Drycleaning (1)	15,110	16,820	18,720	20,840	23,200
Barber and beauty shops	32,190	35,120	38,320	41,810	45,610
Funeral parlors and crematories	20,680	21,660	22,690	23,770	24,890
All other personal services	32,060	36,070	40,590	45,670	51,390
BUSINESS SERVICES					
Advertising (local)	\$ 274,810	\$ 295,440	\$ 317,870	\$ 342,180	\$ 368,440
Credit reporting, collection agencies	14,300	15,410	16,610	17,890	19,280
Stenographers	2,220	2,460	2,720	3,010	3,330
Exterminators	6,950	7,480	8,060	8,680	9,350
Janitorial service	73,720	84,550	96,980	111,220	127,570
Personnel supply service	77,890	89,340	102,460	117,510	134,770
Computer and data processing	192,560	221,480	254,730	292,970	336,960
Management, consulting and public relations	157,120	178,830	203,540	231,660	263,660
Research	32,780	38,890	46,130	54,710	64,900
Detective agencies	35,180	38,970	43,170	47,820	52,970
AUTOMOTIVE SERVICES					
Automobile parking	\$ 13,970	\$ 16,110	\$ 18,570	\$ 21,400	\$ 24,660
RECREATION SERVICES					
Commercial sports admissions	\$ 55,810	\$ 60,380	\$ 65,320	\$ 70,670	\$ 76,460
Entertainers	5,980	5,950	5,920	5,880	5,850
Memberships	10,410	10,850	11,320	11,800	12,310
Other admissions	31,380	34,840	38,680	42,940	47,670
HEALTH SERVICES					
Health, except hospitals	\$ 245,010	\$ 275,850	\$ 310,580	\$ 349,690	\$ 393,710
Hospitals	798,260	882,870	975,580	1,074,110	1,179,370
PROFESSIONAL SERVICES					
Legal	\$ 240,630	\$ 267,970	\$ 298,410	\$ 332,310	\$ 370,070
Engineering	321,480	365,210	414,900	471,350	535,480
Surveying / architects	40,660	46,200	52,480	59,620	67,730
Accounting, auditing and bookkeeping services	89,450	100,060	111,940	125,220	140,080
MISCELLANEOUS SERVICES					
Cable television	\$ 50,430	\$ 55,470	\$ 61,020	\$ 67,120	\$ 73,830
Learned professions	NA	NA	NA	NA	NA
Electrician, plumber, heating and air conditioner service fees	NA	NA	NA	NA	NA
Veterinary fees	18,850	19,720	20,690	21,720	22,790
Stockbroker fees	NA	NA	NA	NA	NA
Real estate agent fees	NA	NA	NA	NA	NA
Financial institution fees	163,640	188,840	217,920	251,480	290,210
Pilots fees	NA	NA	NA	NA	NA
OTHER SERVICES					
Other	\$ 268,330	\$ 298,080	\$ 331,120	\$ 367,820	\$ 408,600

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

General Fund Tax Expenditures

CIGARETTE TAX

The cigarette tax is an excise tax, based on a rate per cigarette, levied on the sale or possession of cigarettes in Pennsylvania. Only one sale of cigarettes whether individual cigarettes, packages, cartons or cases is taxable.

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

STATE VETERANS HOMES

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

UNSTAMPED CIGARETTES (200 AND UNDER)

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	NA	NA	NA	NA	NA

COMMISSIONS ON SALES OF STAMPS

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	6,619	6,495	6,300	6,111	5,929

General Fund Tax Expenditures

MALT BEVERAGE TAX

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

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

EMERGENCY TAX CREDIT

Description: The Emergency Tax Credit, established with the passage of Act 1974-82, provided manufacturers of malt or brewed beverages a maximum annual credit of \$100,000 for capital improvement expenditures. This act was effective from January 1, 1974 to December 31, 1976. Subsequent acts extended the effective period through December 31, 1985. Act 1986-26 not only extended the credit through December 31, 1988 but increased the maximum credit per taxpayer to \$150,000. Act 1989-110 altered the provisions of the credit by increasing the maximum annual credit per taxpayer to \$200,000 and limiting the credit to taxpayers whose annual production of malt or brewed beverages does not exceed 300,000 barrels. The current credit is effective through December 31, 1993. This tax credit cannot exceed the amount of qualifying capital expenditures made during the emergency tax credit period (items of plant, equipment and machinery intended for use in the manufacture and sale of malt or brewed beverages within the Commonwealth).

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	1,000	1,000	1,000	1,000	500

LIQUOR TAX

The liquor tax is imposed on the sale of all liquor which is sold by the Pennsylvania Liquor Control Board. The tax is assessed, since 1968, at the rate of 18% of the net price paid by the consumer. The enabling legislation is the Liquor Code, Act of June 29, 1987 (P.L. 32) 47 P.S. sections 1-101 et seq. and the Emergency Liquor Sales Tax Act, Act of June 9, 1936 (Special Session, P.L. 13) 47 P.S. sections 794 et seq.

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

General Fund Tax Expenditures

PERSONAL INCOME TAX

Authorization: The personal income tax is authorized by Article III of the Act of August 31, 1971, P.L. 362, applicable to income received on or after June 1, 1971. The personal income tax was first enacted by the Tax Reform Code of 1971 (Act of March 4, 1971, P.L. 6, No. 2) and imposed a tax on income for taxable years ending after December 31, 1970, but was held unconstitutional by the Supreme Court of Pennsylvania.

EXCLUSIONS FROM INCOME

RETIREMENT INCOME

Description: Payments commonly recognized as old age or retirement benefits paid to persons retired from service after reaching a specific age or after a stated period of service are exempt from taxation.

Purpose: The exemption limits the impact of the tax on retired persons. It also prevents taxation of previously taxed employee contributions to retirement plans. The estimate below is understated due to not including amounts received by individuals for Individual Retirement Accounts (IRA's) or Keogh accounts for which data were not available.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 646,800	\$ 708,200	\$ 775,500	\$ 849,200	\$ 929,800

RETIREMENT CONTRIBUTIONS BY EMPLOYERS

Description: Payments made by employers for programs covering employee retirement and employer social security contributions are exempt from taxation.

Purpose: This provision lessens the burden of the tax upon Pennsylvania wage-earners and maintains fairness, since the employee often does not have the right to possess the funds in the retirement plan except for retirement or separation from the company after a set number of years of service.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 258,100	\$ 272,400	\$ 289,100	\$ 308,300	\$ 331,000

EMPLOYEE BENEFIT PROGRAM EMPLOYER CONTRIBUTIONS

Description: Payments made by employers or labor unions for programs covering hospitalization, sickness, disability or death, supplemental unemployment benefits, group life insurance, and strike benefits are exempt from taxation.

Purpose: This provision lessens the burden of the tax upon Pennsylvania wage-earners, along with maintaining fairness, since these payments are not usually based on actual use by each wage-earner.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 265,000	\$ 279,600	\$ 296,900	\$ 316,500	\$ 339,800

General Fund Tax Expenditures

LIFE INSURANCE PROCEEDS

Description: Amounts paid to beneficiaries or the estate of a decedent by reason of the death of the decedent are exempt from tax.

Purpose: Life insurance proceeds are not considered compensation for services rendered and are often purchased with after-tax dollars.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 29,600	\$ 31,600	\$ 33,700	\$ 35,900	\$ 38,300

SICKNESS OR DISABILITY PROCEEDS

Description: Payments other than regular wages or salary received for periods of sickness or disability are excludable from compensation.

Purpose: These payments are excludable because they do not take the place of an employees' regular wages or salary. Sick pay in the form of regular wages or salary, however, is taxable.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

UNEMPLOYMENT AND SUPPLEMENTAL UNEMPLOYMENT COMPENSATION

Description: Amounts received as unemployment compensation or supplemental unemployment compensation is excluded from taxable income.

Purpose: This exemption assists unemployed persons in providing the basic necessities of life.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 23,500	\$ 23,300	\$ 23,500	\$ 24,400	\$ 25,300

WORKER'S COMPENSATION

Description: Disability, retirement or other payments arising under workmen's compensation acts, occupational disease acts, and similar legislation are exempt from taxation.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 45,900	\$ 53,000	\$ 61,300	\$ 70,800	\$ 81,700

General Fund Tax Expenditures

STRIKE BENEFITS

Description: Amounts received designated as strike benefits are exempt from tax.

Purpose: These benefits are not considered compensation for services rendered and are thus excluded from tax.

Estimates:

	(Dollar Amounts in Thousands)				
	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

PUBLIC ASSISTANCE

Description: Public Assistance payments from governmental entities are excluded from taxable income.

Purpose: This provision limits the impact of the tax on the poor and increases the effectiveness of state payments under this program.

Estimates:

	(Dollar Amounts in Thousands)				
	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 13,100	\$ 12,300	\$ 12,100	\$ 12,100	\$ 12,100

SALE OF A PRINCIPAL RESIDENCE (AGE 55 AND OVER)

Description: Up to \$100,000 of the gain from a sale of a principal residence is excludable from income. The taxpayer must be at least age 55 and meet certain other criteria. The exclusion may be used once in a taxpayer's lifetime.

Purpose: This provision limits the impact of the tax on older Pennsylvanian's who are subject to a substantial liability upon the profit from the sale of their home.

Estimates:

	(Dollar Amounts in Thousands)				
	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 13,700	\$ 14,100	\$ 14,700	\$ 15,400	\$ 16,200

COMPENSATION FOR MILITARY SERVICE

Description: Compensation for military service by a Pennsylvania resident in a combat zone is excludable from tax. Income received for military service outside the Commonwealth (whether or not it is in a combat zone) while on active duty as a member of the armed forces is excludable from compensation.

Purpose: This provision reduces tax on members of the armed forces while on active duty in service of the country.

Estimates:

	(Dollar Amounts in Thousands)				
	1990-91	1991-92	1992-93	1993-94	1994-95
	37,000	38,200	39,400	40,600	41,900

General Fund Tax Expenditures

SCHOLARSHIPS, GRANTS, FELLOWSHIPS, AND STIPENDS

Description: Scholarships, grants, fellowships, and stipends awarded on the basis of need, or academic achievement for the purpose of encouraging or allowing the recipient to further his educational development are not taxable. Fellowships and stipends are taxable if they are awarded as compensation for past, present, or future services.

Purpose: Awards made on the basis of detached generosity are considered to be gifts and are not taxable under the Personal Income Tax.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 12,900	\$ 14,300	\$ 15,800	\$ 17,500	\$ 19,400

PENNSYLVANIA LOTTERY WINNINGS

Description: Prizes of the Pennsylvania Lottery won on or after July 21, 1983 are exempt from tax. The estimates below reflect all expected payments to Lottery winners within the appropriate fiscal year.

Purpose: This provision provides incentive for playing the Pennsylvania Lottery. A separate section of the statute provides for a transfer from the Lottery Fund to the General Fund based on the present value of prizes won in that fiscal year.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	17,200	17,700	18,600	19,100	19,400

DEPENDENT CARE FACILITIES

Description: The fair market value of employer-provided dependent care facilities is exempt from tax.

Purpose: This exemption provides assistance to working parents whose employer provides day care facilities as a benefit of employment.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	Nominal	Nominal	Nominal	Nominal	Nominal

REIMBURSEMENTS FOR ACTUAL EXPENSES

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

Purpose: This provision insures that employees incurring business expenses, for which they are later reimbursed in the actual amount of the expenses, are not taxed on the reimbursements. Such expenses and reimbursements are treated as if the employer had made the expenditure directly.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

UNREIMBURSED EXPENSES

Description: Unreimbursed expenditures made by employees are excludable from compensation if they are: necessary to enable the taxpayer to perform properly the duties of employment, reasonable in amount, directly related to the taxpayer's occupation, and customary in the occupation in which the taxpayer works.

Purpose: This provision enhances the fairness of the tax for those employees who incur expenses for the benefit of the employer, in order to properly perform a job, or to retain a rate of compensation. The expenditures would be excludable if the employee was reimbursed for these expenditures in the exact amount of the expense.

<i>Estimates:</i>	(Dollar Amounts in Thousands)				
	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 27,300	\$ 27,300	\$ 27,300	\$ 27,300	\$ 27,300

BUSINESS INCOME DEDUCTIONS

Description: Ordinary and reasonable expenses necessary to operate a business or profession may be deducted from the gross receipts of that business or profession.

Purpose: Businesses and professions are taxed on "net" profits, therefore expenses necessary to produce the income may be deducted before tax is computed.

<i>Estimates:</i>	(Dollar Amounts in Thousands)				
Depreciation:	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 42,100	\$ 44,500	\$ 47,000	\$ 49,900	\$ 53,300
Other:	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 282,000	\$ 297,600	\$ 314,200	\$ 334,300	\$ 356,500

General Fund Tax Expenditures

CREDITS

SPECIAL POVERTY PROVISIONS (TAX FORGIVENESS) _____

Description: Special tax forgiveness provisions allow eligible claimants to reduce their tax liability depending upon the amount of their eligibility income. Taxpayers with eligibility income of \$7,200 or less will qualify for some amount of tax forgiveness. The qualifying level is increased with each additional dependent.

Purpose: This provision limits the tax on the poor, who have a lower ability to pay along with providing increased incentive for obtaining employment.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 45,800	\$ 43,700	\$ 41,500	\$ 39,100	\$ 37,000

OUT-OF-STATE CREDIT _____

Description: Pennsylvania residents who have income which is subject to both Pennsylvania Personal Income Tax and the income or wage tax of another state (excluding compensation earned in states with reciprocal agreements) or country may claim all or a portion of the tax paid to the other state or country as a credit against the Personal Income Tax.

Purpose: This provision prevents the double taxation of income earned by a Pennsylvania resident in another state or country.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 43,200	\$ 45,700	\$ 48,500	\$ 51,800	\$ 55,700

General Fund Tax Expenditures

ESTIMATED TAXES

ESTIMATED TAXES FOR FARMERS

Description: Individuals having an estimated gross income from farming which is at least two-thirds of their total gross income may file an estimated tax declaration any time on or before January 15 of the succeeding year. If such an individual files a final return and pays the entire tax due by March 1, the return may be considered the declaration due on or before January 15.

Purpose: This provision provides assistance to farmers by allowing more liberal estimated payment rules, enhancing the farmers' cash flow.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	Nominal	Nominal	Nominal	Nominal	Nominal

ESTIMATED TAXES FOR ESTATES AND TRUSTS

Description: Estates and trusts are not required to pay estimated taxes.

Purpose: This provision permits estates and trusts to delay payment of taxes until after the end of the tax year, when actual distributions to beneficiaries are known.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 200	\$ 200	\$ 300	\$ 300	\$ 300

ESTIMATED PAYMENTS FOR SMALL AMOUNTS

Description: Individuals with income not subject to withholding of \$2,500 (or \$52.50 in tax at the current tax rate) or less are not required to pay estimated taxes. Individuals whose estimated tax is \$100 or less for a tax year may file a declaration and pay any estimated tax due by January 15 of the succeeding year.

Purpose: These provisions reduce paperwork for taxpayers with small amounts of income not subject to withholding.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	Nominal	Nominal	Nominal	Nominal	Nominal

General Fund Tax Expenditures

REALTY TRANSFER TAX

The Realty Transfer Tax is a documentary stamp tax on the value of any interest in real estate transferred by deed. The tax is imposed at the rate of 1% of the value of the real estate transferred. Each party to a document is jointly and severally liable for the tax imposed, unless the party is an excluded party or the document evidences an excludable transaction. The excluded status of a party shall not relieve the other parties to a transaction from the entire tax due. The realty transfer tax is authorized by Article XI-C of the Act of March 4, 1971 (P.L.6, No.2). Realty Transfer Tax regulations appear in Title 61 of the Pennsylvania Code.

TRANSFERS TO GOVERNMENTAL UNITS

Authorization: Article XI-C, Section 1102-C.3.(1), of the Act of March 4, 1971 (P.L.6, No.2).

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	500	500	600	600	700

PARTITION OF REALTY BY COTENANTS

Authorization: Article XI-C, Section 1102-C.3.(5), of the Act of March 4, 1971 (P.L.6, No.2).

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

TRANSFERS AMONG FAMILY MEMBERS

Authorization: Article XI-C, Section 1102-C.3.(6), of the Act of March 4, 1971 (P.L.6, No.2).

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	20,400	20,100	20,200	21,200	24,000

General Fund Tax Expenditures

TRANSFERS TO SHAREHOLDERS OR PARTNERS

Authorization: Article XI-C, Section 1102-C.3.(13), of the Act of March 4, 1971 (P.L.6, No.2).

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

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

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	300	400	400	400	500

TRANSFERS TO OR FROM A NON-PROFIT INDUSTRIAL DEVELOPMENT AGENCY

Authorization: Article XI-C, Section 1102-C.3.(14)(15), of the Act of March 4, 1971 (P.L.6, No.2).

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

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

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	900	1,000	1,100	1,100	1,300

TRANSFERS BETWEEN RELIGIOUS ORGANIZATIONS

Authorization: Article XI-C, Section 1102-C.3.(17), of the Act of March 4, 1971 (P.L.6, No.2).

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

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

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	700	700	800	800	900

General Fund Tax Expenditures

TRANSFERS TO A CONSERVANCY

Authorization: Article XI-C, Section 1102-C.3.(18), of the Act of March 4, 1971 (P.L.6, No.2).

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

REAL ESTATE DEVOTED TO AGRICULTURE

Authorization: Article XI-C, Section 1102-C.3.(19), of the Act of March 4, 1971 (P.L.6, No.2).

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	NA	NA	NA	NA	NA

OWNERSHIP INTEREST IN REAL ESTATE COMPANY OR FAMILY FARM

Authorization: Article XI-C, Section 1102-C.3.(20), of the Act of March 4, 1971 (P.L.6, No.2).

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

TRANSFERS OF REALTY VALUED AT \$100 OR LESS

Authorization: Article XI-C, Section 1102-C.3.(21), of the Act of March 4, 1971 (P.L.6, No.2).

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

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

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	Nominal	Nominal	Nominal	Nominal	Nominal

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

Authorization: Article XI-C, Section 1102-C.3.(22), of the Act of March 4, 1971 (P.L.6, No.2).

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

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

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

PUBLIC UTILITY EASEMENTS

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

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

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

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	Nominal	Nominal	Nominal	Nominal	Nominal

STANDING TIMBER OR CROPS

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

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

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

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

INHERITANCE TAX

Authorization: The Inheritance and Estate Tax is authorized by Title 72 (Taxation and Fiscal Affairs) of the Pennsylvania Consolidated Statutes.

FAMILY RELATED EXEMPTIONS AND EXCLUSIONS

PREFERENTIAL RATE FOR TRANSFERS TO LINEAL DESCENDANTS AND SPOUSES

Description: Assets transferred to lineal descendants and spouses (for property not jointly held) are taxed at a 6% rate rather than the 15% rate for assets transferred to all others.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 417,600	\$ 432,100	\$ 437,100	\$ 450,200	\$ 463,700

TRANSFERS OF JOINTLY HELD PROPERTY TO SPOUSE

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 421,600	\$ 447,300	\$ 474,600	\$ 503,600	\$ 534,300

LIFE INSURANCE PROCEEDS

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 116,100	\$ 123,800	\$ 132,100	\$ 141,000	\$ 150,400

General Fund Tax Expenditures

FEDERAL WAR RISK INSURANCE AND NATIONAL SERVICE LIFE INSURANCE PROCEEDS _____

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

FAMILY EXEMPTION

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300

EXCLUSIONS AND DEDUCTIONS WHICH ENHANCE FAIRNESS

EMPLOYMENT BENEFITS _____

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 18,600	\$ 20,600	\$ 22,700	\$ 25,100	\$ 27,700

General Fund Tax Expenditures

ESTATE ADMINISTRATION EXPENSES

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 54,100	\$ 57,400	\$ 60,900	\$ 64,700	\$ 68,600

DEBTS AND LIABILITIES OF THE DECEDENT

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 18,700	\$ 19,900	\$ 21,100	\$ 22,400	\$ 23,700

SOCIAL SECURITY DEATH PAYMENTS

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	600	\$ 600	\$ 600	\$ 600	\$ 600

RAILROAD RETIREMENT BURIAL BENEFITS

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

General Fund Tax Expenditures

ADVANCEMENTS

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

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

Estimates:

	(Dollar Amounts in Thousands)				
	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

PROPERTY SUBJECT TO POWER OF APPOINTMENT

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

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

Estimates:

	(Dollar Amounts in Thousands)				
	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

NOMINAL OWNERSHIP OF PROPERTY

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

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

Estimates:

	(Dollar Amounts in Thousands)				
	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

General Fund Tax Expenditures

BUSINESS RELATED PREFERENCES

PREFERENTIAL VALUATION OF FARMLAND

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	NA	NA	NA	NA	NA

SMALL BUSINESS INTEREST TRANSFER EXTENDED PAYMENT SCHEDULE

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	NA	NA	NA	NA	NA

OTHER EXCLUSIONS

TRANSFERS TO GOVERNMENTS

Description: Intervivos transfers and bequests to governments are exempt from inheritance tax.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

TRANSFERS TO CHARITABLE AND FRATERNAL ORGANIZATIONS

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 52,900	\$ 56,100	\$ 59,500	\$ 63,200	\$ 67,000

Motor License Fund Tax Expenditures

LIQUID FUELS TAX

Authorization: The current Liquid Fuels Tax, enacted in 1931, replaced the 1929 fuel tax act. Although first imposed on retailers, the Act of May 21, 1931 (P.L. 149, No. 105) placed the burden on the consumer and the responsibility for collection and payment on the distributor. The permanent tax rate was increased to 8¢ per gallon with the Act of March 3, 1970 (P.L. 109, No. 41). An additional temporary tax of 1¢ was imposed by the Act of July 12, 1974 (P.L. 458, No. 161), an additional 2¢ tax was imposed by the Act of July 4, 1979 (P.L. 60, No. 27), and an additional 1¢ tax was imposed by the Act of July 22, 1983 (P.L. 122, No. 32). The current rate is 12 ¢ per gallon. All revenues are deposited to the Motor License Fund with a 0.5¢ restricted portion of the tax later distributed to local jurisdictions. The following estimates reflect the full tax rate imposed.

POLITICAL SUBDIVISIONS

Description: Liquid fuels purchased by political subdivisions of the Commonwealth are exempt from the payment of the Liquid Fuels Tax.

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

Estimates:

(Dollar Amounts in Thousands)

Motor Gasoline:		1991-92		1992-93		1993-94		1994-95	
1990-91		1991-92		1992-93		1993-94		1994-95	
\$	6,740	\$	6,750	\$	6,780	\$	6,800	\$	6,820
Jet Fuel and Aviation Gasoline		1991-92		1992-93		1993-94		1994-95	
1990-91		1991-92		1992-93		1993-94		1994-95	
	Nominal		Nominal		Nominal		Nominal		Nominal

VOLUNTEER EMERGENCY VEHICLES

Description: Liquid fuels purchased by a volunteer fire company, volunteer ambulance service or volunteer rescue squad used solely in official vehicles are exempt from the Liquid Fuels Tax.

Purpose: Volunteer emergency organizations provide public services which are perceived to benefit the citizenry. This exemption permits these services to be rendered at a reduced cost.

Estimates:

(Dollar Amounts in Thousands)

Motor Gasoline:		1991-92		1992-93		1993-94		1994-95	
1990-91		1991-92		1992-93		1993-94		1994-95	
\$	1,360	\$	1,360	\$	1,370	\$	1,370	\$	1,370
Jet Fuel and Aviation Gasoline		1991-92		1992-93		1993-94		1994-95	
1990-91		1991-92		1992-93		1993-94		1994-95	
	Nominal		Nominal		Nominal		Nominal		Nominal

Motor License Fund Tax Expenditures

NONPROFIT/NONPUBLIC SCHOOLS

Description: Any nonprofit/nonpublic school in which a resident of the Commonwealth may legally fulfill compulsory school attendance requirements is granted an exemption under the Liquid Fuels Tax Act.

Purpose: Since state government indirectly subsidizes transporting public school children, this exemption was intended to provide similar treatment to nonprofit/nonpublic schools.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Motor Gasoline				
	1990-91	1991-92	1992-93	1993-94	1994-95
	Nominal	Nominal	Nominal	Nominal	Nominal
	Jet Fuel and Aviation Gasoline				
	1990-91	1991-92	1992-93	1993-94	1994-95
	Nominal	Nominal	Nominal	Nominal	Nominal

SECOND CLASS COUNTY PORT AUTHORITIES

Description: Purchases of liquid fuels by second class county port authorities are exempt from the Liquid Fuels Tax.

Purpose: The exemption to second class county port authorities is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Motor Gasoline				
	1990-91	1991-92	1992-93	1993-94	1994-95
	Nominal	Nominal	Nominal	Nominal	Nominal
	Jet Fuel and Aviation Gasoline				
	1990-91	1991-92	1992-93	1993-94	1994-95
	Nominal	Nominal	Nominal	Nominal	Nominal

ELECTRIC COOPERATIVES

Description: Liquid fuel purchases for vehicles operated by electric cooperatives are exempt from the Liquid Fuels Tax Act.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Motor Gasoline				
	1990-91	1991-92	1992-93	1993-94	1994-95
	Nominal	Nominal	Nominal	Nominal	Nominal
	Jet Fuel and Aviation Gasoline				
	1990-91	1991-92	1992-93	1993-94	1994-95
	Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

AGRICULTURAL USE

Description: A full refund of tax paid is granted for agricultural use relating to the actual production of farm products.

Purpose: This exemption, operating through a refund mechanism, helps to provide agricultural products at a reduced price to the consumer.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Motor Gasoline				
	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 2,340	\$ 2,340	\$ 2,350	\$ 2,360	\$ 2,360
	Jet Fuel and Aviation Gasoline				
	1990-91	1991-92	1992-93	1993-94	1994-95
	Nominal	Nominal	Nominal	Nominal	Nominal

DISCOUNT

Description: A distributor is permitted a variable percentage discount based on gross tax due provided the tax return and payment due are timely filed. Returns and payments are due on or before the next to the last business day of each month for the preceding month's sales.

Purpose: This discount is intended to defray the distributor's cost of preparing and remitting the Liquid Fuels Tax reports and payments.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Motor Gasoline				
	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 4,930	\$ 4,940	\$ 4,960	\$ 4,980	\$ 4,990
	Jet Fuel and Aviation Gasoline				
	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100

FOREIGN DIPLOMATS

Description: Foreign diplomats whose country has entered into a treaty with the United States are exempt from payment of the Liquid Fuels Tax.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Motor Gasoline				
	1990-91	1991-92	1992-93	1993-94	1994-95
	Nominal	Nominal	Nominal	Nominal	Nominal
	Jet Fuel and Aviation Gasoline				
	1990-91	1991-92	1992-93	1993-94	1994-95
	Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

FUEL USE TAX

Authorization: The Fuel Use Tax Act of January 14, 1952 (P.L. 1965, No. 550), replaced the original 1947 tax. The permanent tax rate was raised to 8¢ per gallon by the Act of March 3, 1970 (P.L. 111, No. 42), and was supplemented by the temporary 1¢ tax imposed by the Act of July 12, 1974 (P.L. 458, No. 161), by the 2¢ tax of the Act of July 4, 1979 (P.L. 60, No. 27) and by the 1¢ tax of the Act of July 22, 1983 (P.L. 122, No. 32). The Fuel Use Tax is an excise tax imposed on all dealer-users of fuel within Pennsylvania except those fuels subject to the Liquid Fuels Tax. Examples of products taxable under this Act are diesel, liquefied petroleum gases (L.P.G.) and kerosene. The current rate is 12¢ per gallon. All revenues are deposited to the Motor License Fund with a 0.5¢ restricted portion of the tax later distributed to local jurisdictions. The following estimates reflect the full tax rate imposed.

POLITICAL SUBDIVISIONS

Description: Fuel purchased by political subdivisions of the Commonwealth are exempt from payment of the Fuel Use Tax.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 1,290	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,310

VOLUNTEER EMERGENCY VEHICLES

Description: Fuel purchased by a volunteer fire company, volunteer ambulance service or volunteer rescue squad used solely in official vehicles is exempt from the Fuel Use Tax.

Purpose: Volunteer emergency organizations provide public services which are perceived to benefit the citizenry. This exemption permits these services to be rendered at a reduced cost.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 440	\$ 440	\$ 440	\$ 440	\$ 440

NONPROFIT/NONPUBLIC SCHOOLS

Description: Any nonprofit/nonpublic school in which a resident of the Commonwealth may legally fulfill compulsory school attendance requirements is granted an exemption under the Fuel Use Tax Act.

Purpose: Since state government indirectly subsidizes transporting public school children, this exemption was intended to provide similar treatment to nonprofit/nonpublic schools.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

SECOND CLASS COUNTY PORT AUTHORITIES

Description: Purchases of fuel by second class county port authorities are exempt from the Fuel Use Tax.

Purpose: The exemption to second class county port authorities is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

ELECTRIC COOPERATIVES

Description: Fuel purchased for use in vehicles operated by electric cooperatives is exempt from the payment of the Fuel Use Tax.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 140	\$ 140	\$ 140	\$ 140	\$ 140

AGRICULTURAL USE

Description: Fuel used in farm machinery or equipment engaged in the production or harvesting of agricultural products is exempt from taxation under the Fuel Use Tax Act.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 270	\$ 270	\$ 280	\$ 280	\$ 280

DISCOUNT

Description: A dealer is permitted a 2% discount based on gross tax due provided the tax report and payment due are timely filed. Reports and payments are due on or before the next to the last business day of each month for the preceding month's sales.

Purpose: This discount is intended to defray the dealer's cost of preparing and remitting the Fuel Use Tax reports and payments.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 2,250	\$ 2,260	\$ 2,260	\$ 2,270	\$ 2,280

FOREIGN DIPLOMATS

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

MOTOR CARRIERS ROAD TAX

Authorization: The Motor Carriers Road Tax was enacted by the Act of June 19, 1964 (P.L. 7, No.1), and provisions requiring identification markers were transferred to the Vehicle Code by the Act of June 18, 1980 (P.L. 229, No.68). The Act of July 13, 1987 (P.L. 303, No. 56) repealed the Motor Carriers Road Tax and reenacted it as Ch. 96 of Title 75 of the Pennsylvania Consolidated Statutes. The Motor Carriers Road Tax is levied at the rate per gallon of the Pennsylvania Liquid Fuels Tax and Oil Franchise Tax currently in effect plus an additional tax of 6¢ per gallon. This additional 6¢ per gallon tax is deposited in the Highway Bridge Improvement Restricted Account within the Motor License Fund. The following estimates reflect the full tax rate imposed.

POLITICAL SUBDIVISIONS

Description: Vehicles operated by political subdivisions are exempt from the requirement to display identification markers and payment of Motor Carriers Road Tax on motor fuel consumed in vehicles operating within the Commonwealth of Pennsylvania.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 1,900	\$ 1,910	\$ 1,920	\$ 1,920	\$ 1,930

FARM TRUCK REGISTRATION

Description: A motor carrier vehicle bearing a Pennsylvania farm truck registration which operates exclusively on a farm is exempt from the requirement to display the identification marker and payment of the Motor Carriers Road Tax.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 890	\$ 890	\$ 890	\$ 890	\$ 900

VOLUNTEER EMERGENCY VEHICLES

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

Purpose: Volunteer emergency organizations provide public services which are perceived to benefit the citizenry. This exemption permits these services to be rendered at a reduced cost.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 620	\$ 620	\$ 630	\$ 630	\$ 630

Motor License Fund Tax Expenditures

BUSES

Description: Any bus engaged in the interstate transportation of passengers and subject to the jurisdiction of the Interstate Commerce Commission or any state regulatory agency concerned with the regulation of passenger transportation is exempt from the requirements of the Motor Carriers Road Tax Act.

Purpose: Although the cited buses are exempt from the Motor Carriers Road Tax, they are subject to taxation under the Interstate Bus Compact Act.

Estimates:	(Dollar Amounts in Thousands)				
	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 380	\$ 380	\$ 380	\$ 380	\$ 380

PRIVATE SCHOOL BUS

Description: A school bus operated by or on behalf of any private school is exempt from the requirement to display the identification marker and payment of the Motor Carriers Road Tax.

Purpose: Since state government indirectly subsidizes transporting public school children, this exemption provides similar treatment to nonprofit/nonpublic schools.

Estimates:	(Dollar Amounts in Thousands)				
	1990-91	1991-92	1992-93	1993-94	1994-95
	Nominal	Nominal	Nominal	Nominal	Nominal

SPECIAL MOBILE EQUIPMENT

Description: Vehicles not designed or used primarily for the transportation of persons or property and only incidentally operated or moved over a highway, such as ditch digging apparatus, well-boring apparatus, earth moving and road construction machinery, are exempt from the requirements of the Motor Carriers Road Tax Act.

Purpose: Exemption is granted to these vehicles because of their specialized off-highway use.

Estimates:	(Dollar Amounts in Thousands)				
	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260

IMPLEMENTS OF HUSBANDRY

Description: A vehicle designed or adapted to be used exclusively for agricultural operations is exempt from the requirement to display the identification marker and payment of the Motor Carriers Road Tax.

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

Estimates:	(Dollar Amounts in Thousands)				
	1990-91	1991-92	1992-93	1993-94	1994-95
	Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

CHARITABLE AND RELIGIOUS ORGANIZATIONS

Description: Vehicles operated by charitable and religious organizations are exempt from the requirements of the Motor Carriers Road Tax Act.

Purpose: These organizations provide public and charitable services which are perceived to benefit the general public. This exemption permits these services to be rendered at reduced costs.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

ELECTRIC COOPERATIVES

Description: Motor carrier vehicles operated by electric cooperatives are exempt from the requirement to display the identification marker and payment of the Motor Carriers Road Tax.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

VEHICLES NEEDING EMERGENCY REPAIRS

Description: A motor carrier vehicle needing emergency repairs which was granted authorization from the Pennsylvania State Police to enter this Commonwealth is exempt from the requirements of the Motor Carriers Road Tax Act.

Purpose: This exemption was granted due to the temporary emergency nature of the vehicle entering Pennsylvania for needed repairs.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

VEHICLES SECURING REPAIRS OR RECONDITIONING

Description: Exemption from the Motor Carriers Road Tax Act is provided for unladen or towed motor vehicles or unladen trailers entering Pennsylvania solely for the purpose of securing repairs or reconditioning.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

INTERSTATE BUS COMPACT TAX

Authorization: The Compact on Taxation of Motor Fuels Consumed by Interstate Buses was enacted by the Act of August 1, 1963 (P.L. 476, No. 249). The compact was adopted by Pennsylvania and other states to avoid multiple taxation on fuels used by buses traveling among states. Since inception, the compact tax rate has been the same as the Fuel Use Tax rate which is currently 12¢ per gallon.

SCHOOL BUSES

Description: Buses that are used exclusively for the transportation of children for school purposes are exempt from the Interstate Bus Compact Tax.

Purpose: Since state government indirectly subsidizes transporting school children, this exemption decreases state educational subsidy costs.

Estimates:

	1990-91	1991-92	1992-93	1993-94	1994-95
	\$ 3,780	\$ 3,800	\$ 3,800	\$ 3,800	\$ 3,800

(Dollar Amounts in Thousands)

Motor License Fund Tax Expenditures

OIL COMPANY FRANCHISE TAX

Authorization: The Oil Company Franchise Tax was enacted by the Act of June 23, 1981 (P.L. 98, No.35) under Title 75 of the Pennsylvania Consolidated Statutes. This tax is imposed on oil companies for the privilege of doing business, exercising a corporate franchise, employing capital, owning or leasing property, maintaining an office, or having employees in Pennsylvania. The tax is calculated at 60 mills of the average wholesale price of petroleum products which may not be less than \$.90 or more than \$1.25 per gallon. A restricted revenue portion of 3 mills is deposited into the State Highway Transfer Restoration Restricted Account. The following estimates reflect the full tax rate imposed.

POLITICAL SUBDIVISIONS

Description: Petroleum products purchased by political subdivisions of the Commonwealth are exempt from the Oil Company Franchise Tax.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 3,610	\$ 3,620	\$ 3,630	\$ 3,650	\$ 3,660

VOLUNTEER EMERGENCY VEHICLES

Description: Petroleum products purchased by a volunteer fire company, volunteer ambulance service or volunteer rescue squad used solely in official vehicles are exempt from the Oil Company Franchise Tax.

Purpose: Volunteer emergency organizations provide public services which are perceived to benefit the citizenry. This exemption permits these services to be rendered at a reduced cost.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 810	\$ 810	\$ 810	\$ 810	\$ 820

NONPROFIT/NONPUBLIC SCHOOLS

Description: Any nonprofit/nonpublic school in which a resident of the Commonwealth may legally fulfill compulsory school attendance requirements is granted an exemption under the Oil Company Franchise Tax Act.

Purpose: Since state government indirectly subsidizes transporting public school children, this exemption was intended to provide similar treatment to nonprofit/nonpublic schools.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

SECOND CLASS COUNTY PORT AUTHORITIES

Description: Petroleum products purchased by second class county port authorities are exempt under the Oil Company Franchise Tax Act.

Purpose: The exemption to second class county port authorities is an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

Estimates:

(Dollar Amounts in Thousands)				
1990-91	1991-92	1992-93	1993-94	1994-95
Nominal	Nominal	Nominal	Nominal	Nominal

ELECTRIC COOPERATIVES

Description: Petroleum products purchased by electric cooperatives are exempt from the Oil Company Franchise Tax Act.

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

Estimates:

(Dollar Amounts in Thousands)				
1990-91	1991-92	1992-93	1993-94	1994-95
Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

MOTOR VEHICLE CODE

Authorization: The Motor Vehicle Code, contained in Title 75 of the Pennsylvania Consolidated Statutes, was enacted by the Act of June 17, 1976 (P.L. 162, No. 81), effective July 1, 1977. This amended the Act of April 29, 1959 (P.L. 58, No.32) known as 'The Vehicle Code'. Contained in the Motor Vehicle Code are provisions for the titling, registration and licensing of vehicles, operation of vehicles, vehicle characteristics and the administration and enforcement of the code.

VEHICLE REGISTRATIONS

Description: Specific entities that request the authority to operate a particular vehicle upon the highways of the Commonwealth are granted a full or partial exemption from the registration fee. Not shown below are exempt categories with unknown numbers of vehicles which include, for example, mobile/modular homes, military vehicles and maintenance vehicles.

Purpose: This exemption provides relief to the organizations or individuals cited below. Many of those cited are dependent upon charitable contributions or augmented incomes. This exemption is also an indirect means of assistance to local governments and may reduce the taxes levied by these entities. A transfer occurs annually from the Lottery Fund to reimburse the Motor License Fund for the cost of a reduced fee for Older Pennsylvanians.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	Disabled/Severely Disabled Veterans				
	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
	Charitable Organizations				
	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 630	\$ 630	\$ 630	\$ 640	\$ 640
	Former Prisoners of War				
	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	Nominal	Nominal	Nominal	Nominal	Nominal
	Farm Trucks				
	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 2,020	\$ 2,040	\$ 2,060	\$ 2,080	\$ 2,110
	Emergency Vehicles				
	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 350	\$ 350	\$ 350	\$ 360	\$ 360
	Fire Department Vehicles				
	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 1,670	\$ 1,670	\$ 1,680	\$ 1,680	\$ 1,680
	Political Subdivisions				
	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 6,890	\$ 6,890	\$ 6,890	\$ 6,890	\$ 6,890
	Older Pennsylvanians				
	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 3,000	\$ 2,900	\$ 2,900	\$ 2,900	\$ 2,900

Motor License Fund Tax Expenditures

CERTIFICATES OF TITLE

Description: Ownership of a particular vehicle is recorded by the issuance of a Certificate of Title for which a fee is charged. Specific entities exempt from this title fee are political subdivisions, totally disabled veterans, emergency vehicles and foreign nationals.

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

<i>Estimates:</i>	(Dollar Amounts in Thousands)				
	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

INSPECTION STICKERS

Description: All vehicles registered in Pennsylvania are required to have periodic safety inspections to insure their road-worthiness. A certificate of inspection is issued to show the vehicle meets specified safety standards for which a fee is charged. The Commonwealth administratively grants an exemption from the certificate fee to vehicles operated by political subdivisions.

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

<i>Estimates:</i>	(Dollar Amounts in Thousands)				
	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 200	\$ 200	\$ 210	\$ 210	\$ 220

BRIDGE PERMITS

Description: Permits are issued that allow work to be performed on bridges that are on a state-owned right-of-way for which a fee is charged. The Commonwealth administratively grants an exemption from the permit fee to political subdivisions who are performing work for the state.

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

<i>Estimates:</i>	(Dollar Amounts in Thousands)				
	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

HEAVY HAULING PERMITS

Description: Permits for which a fee is charged are issued to firms who wish to haul loads that exceed the maximum size or weight specifications for a vehicle. The Commonwealth administratively grants an exemption from the permit fee to political subdivisions.

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

Estimates:

	(Dollar Amounts in Thousands)				
	1990-91	1991-92	1992-93	1993-94	1994-95
	Nominal	Nominal	Nominal	Nominal	Nominal

POLICE ACCIDENT REPORTS

Description: Traffic accident reports are generated as a result of any accident where there is bodily injury or death or if one or more vehicles must be towed from the scene. A fee is charged to obtain a copy of the police accident report. The Commonwealth administratively grants an exemption for paying an accident report fee to political subdivisions.

Purpose: This exemption provides local prosecuting officials an aid in law enforcement.

Estimates:

	(Dollar Amounts in Thousands)				
	1990-91	1991-92	1992-93	1993-94	1994-95
	Nominal	Nominal	Nominal	Nominal	Nominal

Motor License Fund Tax Expenditures

MOTOR CARRIERS GROSS RECEIPTS TAX

Authorization: The Motor Carriers Gross Receipts Tax is imposed by the Act of June 22, 1931 (P.L. 694, No. 255). The tax is levied at the rate of 8 mills on each dollar of taxable gross receipts of companies who carry passengers or property for hire over the highways of Pennsylvania.

VEHICLES WITH SEATING CAPACITY OF 12 OR MORE PERSONS

Description: Vehicles with a designed seating capacity of 12 or more persons and used as a common carrier of passengers under the jurisdiction of the Pennsylvania Public Utility Commission are exempt from the Motor Carriers Gross Receipts Tax.

Purpose: This exemption allows public transportation companies to operate at reduced costs which is reflected in their rates to consumers.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	NA	NA	NA	NA	NA

VEHICLES USED TO TRANSPORT SCHOOL CHILDREN

Description: A business with vehicles having a designed capacity of 11 or more persons used to transport school children under contract with any school district or private school is exempt from the Motor Carriers Gross Receipts Tax.

Purpose: Since state government indirectly subsidizes transporting school children, this exemption decreases state educational subsidy costs.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	NA	NA	NA	NA	NA

VEHICLES THAT MOVE UPON OR ARE GUIDED BY A TRACK

Description: A business operating vehicles that move upon or are guided by a track erected upon the highways is exempt from the Motor Carriers Gross Receipts Tax.

Purpose: Without this exemption the tax on public transportation companies would ultimately be passed on to the consumers in the form of higher fares.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	NA	NA	NA	NA	NA

CREDIT FOR REGISTRATION FEES

Description: A credit for vehicle registration fees paid to the Commonwealth of Pennsylvania or other states may be taken against the Motor Carriers Gross Receipts Tax.

Purpose: Without this credit for registration fees, the tax on operators of motor vehicles for hire would ultimately be passed on to the consumers.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 1,570	\$ 1,570	\$ 1,570	\$ 1,570	\$ 1,570

Racing Fund Tax Expenditures

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

WAGERING TAX

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

NEW CORPORATIONS

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

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

Estimates:

	1990-91	1991-92	1992-93	1993-94	1994-95
	NA	NA	NA	NA	NA

(Dollar Amounts in Thousands)

ADMISSIONS TAX

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

DARK DAY SIMULCASTS

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

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

Estimates:

	1990-91	1991-92	1992-93	1993-94	1994-95
	Nominal	Nominal	Nominal	Nominal	Nominal

(Dollar Amounts in Thousands)

Special Fund Tax Expenditures

UNEMPLOYMENT COMPENSATION INSURANCE TAX

LIMITATION OF THE TAXABLE WAGE BASE

Authorization: The Act of December 5, 1936 (2nd special session, 1937 P.L. 2897, No. 1), 4(x)(1) as amended, 43 P.S. 753 (x)(1).

Description: The Commonwealth's unemployment compensation law provides for a limitation of the taxable wage base to the first \$8,000 of wages paid to each employe during a calendar year by an employer. Prior to 1984 the limitation on taxable remuneration had been \$7,000. All state governments are required by the federal government to tax at least the first \$7,000 of subject wages. Many states, including Pennsylvania, have chosen to keep their bases close to the federal minimum. The estimate represents the cost of this limitation as measured by the difference between contributions based on taxable wages and contributions based on total wages. In 1988, legislation was enacted which provides for a "trigger" mechanism to regulate employer and employe contributions. The sixth consecutive year of a surplus of tax contributions over benefits was achieved in 1989, and as a result, the estimates reflect reduced state tax rates. These projected tax rates were used to estimate contributions based on currently taxable wages. The same tax rates were used to estimate contributions based on total wages paid by contributory employers.

Purpose: The limitation on taxable wages limits growth in employer tax liabilities that would otherwise occur as wages rise. It also reduces the potential cyclical volatility of U.C. contributions.

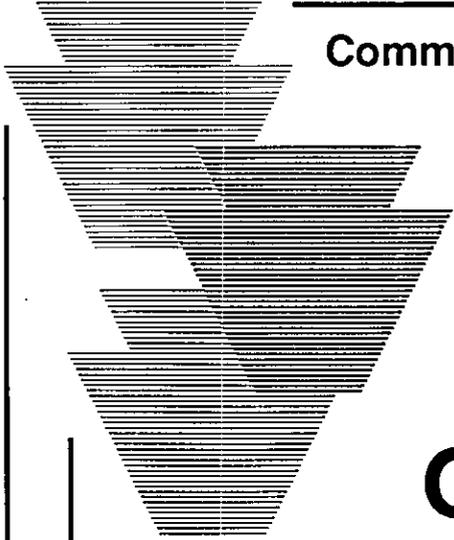
Estimates:

	(Dollar Amounts in Thousands)				
	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>
	\$ 2,105,100	\$ 2,240,600	\$ 2,400,400	\$ 2,563,600	\$ 2,750,600

1991-92

Departmental Presentations





Commonwealth of Pennsylvania

Governor's Office

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

GOVERNOR'S OFFICE

Summary by Fund and Appropriation

GENERAL FUND	1989-90	(Dollar Amounts in Thousands) 1990-91	1991-92
	Actual	Available	Budget
GENERAL GOVERNMENT:			
Governor's Office	\$ 5,803	\$ 6,490	\$ 6,685
(A) Press Services	790	812	836
GENERAL FUND TOTAL	<u>\$ 6,593</u>	<u>\$ 7,302</u>	<u>\$ 7,521</u>

GOVERNOR'S OFFICE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
EXECUTIVE DIRECTION							
General Funds.....	\$ 5,803	\$ 6,490	\$ 6,685	\$ 6,886	\$ 7,093	\$ 7,306	\$ 7,525
Other Funds.....	790	812	836	861	887	914	941
TOTAL.....	\$ 6,593	\$ 7,302	\$ 7,521	\$ 7,747	\$ 7,980	\$ 8,220	\$ 8,466
ALL PROGRAMS:							
GENERAL FUND.....	\$ 5,803	\$ 6,490	\$ 6,685	\$ 6,886	\$ 7,093	\$ 7,306	\$ 7,525
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	790	812	836	861	887	914	941
TOTAL.....	\$ 6,593	\$ 7,302	\$ 7,521	\$ 7,747	\$ 7,980	\$ 8,220	\$ 8,466

GOVERNOR'S OFFICE

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

Program: Executive Direction

This program provides for the Office of the Governor, in whom the executive authority of the Commonwealth is vested. It supports the Governor in performing his functions as delegated by the State Constitution and laws passed by the General Assembly.

This program also includes funding for staff to assist with the

legislative, policy development and research, administrative and public information functions required of the office, operation of Pennsylvania's Liaison Office in Washington, D.C., and official entertainment and household expenses at the Governor's Home.

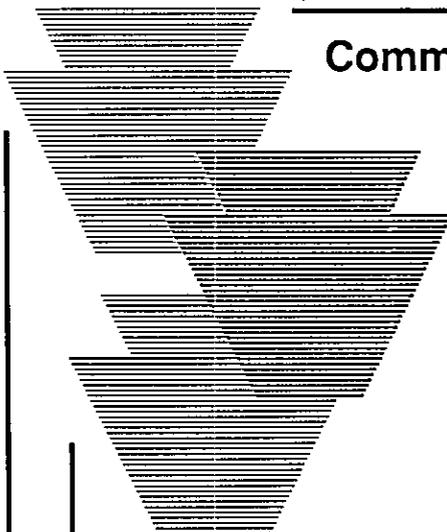
Program Recommendations:

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

Governor's Office
\$ 195 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Governor's Office	\$ 5,803	\$ 6,490	\$ 6,685	\$ 6,886	\$ 7,093	\$ 7,306	\$ 7,525



Commonwealth of Pennsylvania

Executive Offices

To aid the Governor, the Office of Administration performs the duties of a central management agency and coordinates the Commonwealth's Integrated Central System. The Office of the Budget performs the duties of a central financial management agency, prepares the annual Governor's Budget and Five Year Financial Plan based upon the Governor's priorities and analysis of program effectiveness, and provides comptroller services for the maintenance and management of all agency accounts in the Commonwealth. The Human Relations Commission and the Pennsylvania Commission for Women promote equal opportunities for all people in employment, housing, public accommodations and education. The Energy Office studies the Commonwealth's entire energy program from production to demand, provides support to regional energy centers and coordinates the activities of the Energy Conservation and Assistance Fund. The Council on the Arts provides for encouragement and development of the arts in Pennsylvania. The Commission on Crime and Delinquency provides the planning and technical assistance for the improvement of the criminal justice system. The Governor's Action Center provides citizens easy access to State Government. The Milrite Council seeks solutions to Pennsylvania's economic problems and makes funds available for local labor/management committees. The Public Employee Retirement Study Commission monitors public employe retirement plans to assure their actuarial viability. The Office of General Counsel provides legal counsel in matters affecting the operation of State agencies. The Juvenile Court Judges Commission provides technical and financial assistance to the juvenile probation staffs of the county courts. The Crime Victims Compensation Board provides financial assistance to relieve the financial hardship of individuals who have been victimized by criminal acts. The Health Facilities Hearing Board conducts preliminary hearings on appeals from decisions of the Department of Health relating to applications for certificate of need and the licensure of health care facilities. The Health Care Conciliation Panels assist courts by conducting conciliation conferences involving medical malpractice cases. The Medical Professional Liability Catastrophe Loss Fund makes claim payments in certain medical malpractice cases. The Drug Policy Council supervises the expenditure of Drug Control and System Improvement Grant monies along with performing research and evaluation studies related to illegal drug use and alcohol abuse. The Inspector General investigates suspected improper use of State revenues.

EXECUTIVE OFFICES

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
Governor's Action Center	\$ 295	\$ 308	\$ 314
Office of Administration	4,807	4,834	5,210
(F) ADMSBG — State Employees Assistance Program .....	.....	566	606
(A) Classification and Pay	1,876	1,899	1,845
(A) CMIC	10,099	11,476	11,423
(A) BMS	835	816	866
(A) BATM	954	1,109	1,271
(A) Labor Relations	9	23	10
(A) Directives Management	263	246	266
(A) Division of State Employment	28	44	46
(A) Data Network	7,258 ^a	7,471	6,537
(A) Aids Education .....	.....	350	350
Subtotal State Funds	4,807	4,834	5,210
Subtotal Federal Funds .....	.....	566	606
Subtotal Augmentations	21,322	23,434	22,614
Total — Office of Administration	\$ 26,129	\$ 28,834	\$ 28,430
Inspector General	\$ 1,646	\$ 1,822	\$ 1,761
(A) Augmentations — Inspector General	1,238	1,596	1,680
Total — Inspector General	\$ 2,884	\$ 3,418	\$ 3,441
Office of the Budget	\$ 22,250	\$ 24,993	\$ 26,043
(F) JTPA — Program Accountability	602	688	600
(A) Comptroller Services	21,400	25,122	25,529
Total — Office of the Budget	\$ 44,252	\$ 50,803	\$ 52,172
Audit Payments to HHS	\$ 5,051	.....	.....
ICS Development	3,601	\$ 3,744	\$ 3,797
Milrite Council	234	248	253
Human Relations Commission	6,867	7,075	7,317
(F) EEOC — Special Project Grant	1,119	1,513	1,550
(F) HUD — Special Project Grant	137	139	140
Subtotal State Funds	\$ 6,867	\$ 7,075	\$ 7,317
Subtotal Federal Funds	1,256	1,652	1,690
Total — Human Relations Commission	\$ 8,123	\$ 8,727	\$ 9,007
Council on the Arts	\$ 771	\$ 704	\$ 837
(F) NEA — Grants to the Arts - Administration	50	50	50
Total — Council on the Arts	\$ 821	\$ 754	\$ 887
Commission for Women	\$ 247	\$ 318	\$ 321
Energy Office	1,365	1,626	1,545
(F) Energy Extension Services	137	138	170
(F) State Energy Conservation Plan	371	547	418
(F) Institutional Conservation	178	197	237
(F) Heating Oil & Propane Availability Study .....	.....	20	20
(F) LIHEABG — Administration .....	.....	5	.....
(F) HUD — Energy Conservation Assistance	2	90	.....
(A) South Central Energy Center	80	90	95
(A) Energy Conservation — Special Projects .....	.....	1,022	353
Subtotal State Funds	\$ 1,365	\$ 1,626	\$ 1,545
Subtotal Federal Funds	688	997	845
Subtotal Augmentations	80	1,112	448
Total — Energy Office	\$ 2,133	\$ 3,735	\$ 2,838
Juvenile Court Judges Commission	\$ 517	\$ 539	\$ 558

^a\$1,240,000 actually received by the Department of General Services.

EXECUTIVE OFFICES

GENERAL FUND	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL GOVERNMENT: (continued)			
Commission on Crime and Delinquency	\$ 2,046	\$ 2,107	\$ 2,195
(F) Plan for Juvenile Justice	133	150	150
(F) Offender Based Transaction Statistics	2	3	3
(F) ADA — Law Enforcement — Administration	238		
(F) ADA — Law Enforcement	6,000		
(F) DCSI — Administration		260	343
(F) DCSI — Law Enforcement		8,829	
(F) DCSI — Drug Transportation Interdiction		525	
(F) DCSI — Local Drug Task Forces		1,000	
(F) DCSI — Correctional Institutions		1,646	
(F) DCSI — Drug Law Enforcement		1,441	
(F) DCSI — Municipal Police Drug Law Enforcement		2,000	
(F) State Parole Services		248	
(F) Local Probation Services		1,357	
(F) Law Enforcement Management and Information System	50		
(F) DCSI — Program Grants			18,524
(F) DFSC — Special Programs for Training Law Enforcement Officers	15	65	
(A) Deputy Sheriff's Education and Training	196	252	257
Subtotal State Funds	\$ 2,046	\$ 2,107	\$ 2,195
Subtotal Federal Funds	6,438	17,524	19,020
Subtotal Augmentations	196	252	257
Total — Commission on Crime and Delinquency	\$ 8,680	\$ 19,883	\$ 21,472
Office of General Counsel	\$ 1,596	\$ 1,667	\$ 1,827
Crime Victims Compensation Board	588	617	617
(F) Crime Victims Payments	701	760	783
(A) Crime Victims Administration			87
Subtotal State Funds	\$ 588	\$ 617	\$ 617
Subtotal Federal Funds	701	760	783
Subtotal Augmentations			87
Total — Crime Victims Compensation Board	\$ 1,289	\$ 1,377	\$ 1,487
Health Facilities Hearing Board	\$ 167	\$ 180	\$ 180
Health Care Arbitration Panels	522	523	560
Public Employee Retirement Study Commission	487	495	520
Distinguished Daughters	5	6	6
Drug Policy Council	94	84	77
(F) ADA — Law Enforcement — Administration	47		
(F) DCSI — Administration		52	58
(F) DFSC — Administration	114	142	175
Subtotal State Funds	\$ 94	\$ 84	\$ 77
Subtotal Federal Funds	161	194	233
Total — Drug Policy Council	\$ 255	\$ 278	\$ 310
Subtotal — State Funds	\$ 53,156	\$ 51,890	\$ 53,738
Subtotal — Federal Funds	9,896	22,431	23,827
Subtotal — Augmentations	44,236	51,516	50,615
Total — General Government	\$ 107,288	\$ 125,837	\$ 128,180
GRANTS AND SUBSIDIES:			
State Subsidized Student Loans		\$ 8,000	
Grants to the Arts	\$ 11,896	12,000	\$ 9,000
(F) NEA — Grants	556	700	700
Total — Grants to The Arts	\$ 12,452	\$ 12,700	\$ 9,700
Energy Development Authority	\$ 1,500	\$ 750	\$ 750
Eagleville Hospital	300	300	
Improvement of Juvenile Probation Services	3,239	2,045	3,483

EXECUTIVE OFFICES

GENERAL FUND	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL GOVERNMENT: (continued)			
PENNFREE — Juvenile Drug and Alcohol Probation Units	3,500^a	. . . . .
(F) DCSI — Juvenile Drug and Alcohol Probation Units . . . . .	. . . . .	. . . . .	731
(F) DFSC — Special Programs — Probation Services	150	200	150
Subtotal — State Funds	\$ 6,739	\$ 2,045	\$ 3,483
Subtotal — Federal Funds	150	200	881
Total — Improvement of Juvenile Probation Services	\$ 6,889	\$ 2,245	\$ 4,364
Labor Management Committee	\$ 788	\$ 825	\$ 780
Subtotal — State Funds	\$ 21,223	\$ 23,920	\$ 14,013
Subtotal — Federal Funds	706	900	1,581
Total Grants and Subsidies	\$ 21,929	\$ 24,820	\$ 15,594
STATE FUNDS	\$ 74,379	\$ 75,810	\$ 67,751
FEDERAL FUNDS	10,602	23,331	25,408
AUGMENTATIONS	44,236	51,516	50,615
GENERAL FUND TOTAL	\$ 129,217	\$ 150,657	\$ 143,774
MOTOR LICENSE FUND			
GENERAL GOVERNMENT:			
Office of the Budget	\$ 4,370	\$ 4,618	\$ 4,844
(A) Reimbursement of Comptroller Services	590	782	726
MOTOR LICENSE FUND TOTAL	\$ 4,960	\$ 5,400	\$ 5,570
ENERGY CONSERVATION AND ASSISTANCE FUND			
GRANTS AND SUBSIDIES:			
Energy Conservation	\$ 10,500	\$ 4,900	\$ 4,500
LOTTERY FUND			
GENERAL GOVERNMENT:			
Ridership Verification	\$ 58	\$ 64	\$ 65
OTHER FUNDS			
GENERAL FUND:			
Federal Juvenile Justice and Delinquency Prevention	\$ 1,211	\$ 2,000	\$ 2,000
Crime Victim Payments	1,823	2,200	3,900
Victim/Witness Services	1,051	1,200	2,000
Federal Criminal Justice Assistance	1,263	100	. . . . .
Federal Crime Victim Assistance	1,807	2,000	2,000
GENERAL FUND TOTAL	\$ 7,155	\$ 7,500	\$ 9,900
MEDICAL PROFESSIONAL LIABILITY CATASTROPHE LOSS FUND:			
General Government Operations	\$ 9,367	\$ 10,463	\$ 11,045
Payment of Claims	143,453	135,000	134,388
MEDICAL PROFESSIONAL LIABILITY CATASTROPHE LOSS FUND TOTAL	\$ 152,820	\$ 145,463	\$ 145,433
OTHER FUNDS TOTAL	\$ 159,975	\$ 152,963	\$ 155,333
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 74,379	\$ 75,810	\$ 67,751
SPECIAL FUNDS	14,928	9,582	9,409
FEDERAL FUNDS	10,602	23,331	25,408
AUGMENTATIONS	44,826	52,298	51,341
OTHER FUNDS	159,975	152,963	155,333
TOTAL ALL FUNDS	\$ 304,710	\$ 313,984	\$ 309,242

^aThis continuing appropriation provided funds for both 1989-90 and 1990-91.

EXECUTIVE OFFICES

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
EXECUTIVE DIRECTION							
General Funds.....	\$ 39,258	\$ 45,359	\$ 38,761	\$ 39,900	\$ 41,073	\$ 42,281	\$ 43,525
Special Funds.....	4,428	4,682	4,909	5,056	5,208	5,364	5,525
Federal Funds.....	763	1,448	1,439	1,439	1,439	1,439	1,439
Other Funds.....	44,550	50,934	50,549	52,065	53,626	55,233	56,888
TOTAL.....	\$ 88,999	\$ 102,423	\$ 95,658	\$ 98,460	\$ 101,346	\$ 104,317	\$ 107,377
CRIMINAL AND JUVENILE JUSTICE PLANNING AND COORDINATION							
General Funds.....	\$ 2,346	\$ 2,407	\$ 2,195	\$ 2,261	\$ 2,329	\$ 2,399	\$ 2,471
Federal Funds.....	6,438	17,524	19,020	19,020	19,020	19,020	19,020
Other Funds.....	5,528	5,552	6,257	6,325	6,395	6,467	6,541
TOTAL.....	\$ 14,312	\$ 25,483	\$ 27,472	\$ 27,606	\$ 27,744	\$ 27,886	\$ 28,032
ENERGY MANAGEMENT AND CONSERVATION							
General Funds.....	\$ 2,865	\$ 2,376	\$ 2,295	\$ 2,341	\$ 2,389	\$ 2,438	\$ 2,489
Special Funds.....	10,500	4,900	4,500	1,500	1,125	225	195
Federal Funds.....	688	997	845	845	845	845	845
Other Funds.....	80	1,112	448	462	476	490	505
TOTAL.....	\$ 14,133	\$ 9,385	\$ 8,088	\$ 5,148	\$ 4,835	\$ 3,998	\$ 4,034
PREVENTION AND ELIMINATION OF DISCRIMINATORY PRACTICES							
General Funds.....	\$ 7,114	\$ 7,393	\$ 7,638	\$ 7,868	\$ 8,104	\$ 8,347	\$ 8,598
Federal Funds.....	1,256	1,652	1,690	1,690	1,690	1,690	1,690
TOTAL.....	\$ 8,370	\$ 9,045	\$ 9,328	\$ 9,558	\$ 9,794	\$ 10,037	\$ 10,288
DEVELOPMENT OF ARTISTS AND AUDIENCES							
General Funds.....	\$ 12,667	\$ 12,704	\$ 9,837	\$ 12,862	\$ 12,888	\$ 12,915	\$ 12,942
Federal Funds.....	606	750	750	750	750	750	750
TOTAL.....	\$ 13,273	\$ 13,454	\$ 10,587	\$ 13,612	\$ 13,638	\$ 13,665	\$ 13,692
LEGAL SERVICES							
General Funds.....	\$ 1,596	\$ 1,667	\$ 1,627	\$ 1,676	\$ 1,726	\$ 1,778	\$ 1,831
TOTAL.....	\$ 1,596	\$ 1,667	\$ 1,627	\$ 1,676	\$ 1,726	\$ 1,778	\$ 1,831

EXECUTIVE OFFICES

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
INCOME MAINTENANCE							
General Funds.....	\$ 588	\$ 617	\$ 617	\$ 617	\$ 617	\$ 617	\$ 617
Federal Funds.....	701	760	783	783	783	783	783
Other Funds.....	1,823	2,200	3,987	4,125	4,268	4,414	4,565
TOTAL.....	\$ 3,112	\$ 3,577	\$ 5,387	\$ 5,525	\$ 5,668	\$ 5,814	\$ 5,965
REINTEGRATION OF JUVENILE DELINQUENTS							
General Funds.....	\$ 7,256	\$ 2,584	\$ 4,041	\$ 4,058	\$ 4,075	\$ 4,093	\$ 4,111
Federal Funds.....	150	200	881	881	881	881	881
TOTAL.....	\$ 7,406	\$ 2,784	\$ 4,922	\$ 4,939	\$ 4,956	\$ 4,974	\$ 4,992
MEDICAL MALPRACTICE ARBITRATION							
General Funds.....	\$ 689	\$ 703	\$ 740	\$ 762	\$ 785	\$ 809	\$ 833
Other Funds.....	152,820	145,463	145,433	149,796	154,290	158,919	163,687
TOTAL.....	\$ 153,509	\$ 146,166	\$ 146,173	\$ 150,558	\$ 155,075	\$ 159,728	\$ 164,520
ALL PROGRAMS:							
GENERAL FUND.....	\$ 74,379	\$ 75,810	\$ 67,751	\$ 72,345	\$ 73,986	\$ 75,677	\$ 77,417
SPECIAL FUNDS.....	14,928	9,582	9,409	6,556	6,333	5,589	5,720
FEDERAL FUNDS.....	10,602	23,331	25,408	25,408	25,408	25,408	25,408
OTHER FUNDS.....	204,801	205,261	206,674	212,773	219,055	225,523	232,186
TOTAL.....	\$ 304,710	\$ 313,984	\$ 309,242	\$ 317,082	\$ 324,782	\$ 332,197	\$ 340,731

EXECUTIVE OFFICES

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

Program: Executive Direction

The Executive Direction Program provides administrative support and policy direction for implementing and maintaining the substantive programs of the Commonwealth.

The Governor's Action Center provides general information, referral for specific programs and assistance in solving citizen's problems.

The Office of Administration provides policy direction and administrative support. Centralized personnel services insure equity by maintaining the classification, pay and benefits systems, negotiating and administering collective bargaining agreements between the Commonwealth and the various unions representing State employes under the provisions of the Public Employee Relations Act of 1970, recruiting for all non-civil service positions, training in management and supervisory skills, and administering the Commonwealth's affirmative action process and programs. The Office of Administration also conducts management studies on State programs to improve their operation, administration and organization.

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

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

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

In addition, the Office of Administration maintains the Central Management Information Center which 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 Bureau of Automated Technology Management provides executive direction in areas related to electronic data processing and telecommunications by approving all Commonwealth EDP and telecommunications resource acquisitions. They also establish Commonwealth policy governing the acquisition, management, utilization and security of these resources.

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

Also under Executive Direction is the Office of Inspector General

who is charged with investigating suspected improper use of State resources. The Inspector General also provides leadership, coordination and administrative control over satellite Inspector General Offices in designated executive agencies.

The Office of the Budget assists the Governor in formulating fiscal policies and procedures, and prepares the Commonwealth Budget for delivery to the General Assembly. The office also prepares fiscal notes and reviews proposed regulations as mandated by Act 149 of 1978.

In addition, the Office of the Budget provides accounting, auditing, and financial advisory and supportive services to all Commonwealth agencies and is responsible for maintenance of the ICS accounting system.

The Integrated Central System (ICS) facilitates policymaking and provides integrated accounting, payroll, purchasing and personnel systems. This improves the effectiveness of managing the Commonwealth's operations as well as improving efficiency and controlling costs by decreasing paper flow, expediting processing and improving productivity.

The Milrite Council examines impediments to the development of industry and jobs in Pennsylvania by focusing on those problems requiring the cooperation of labor, business and government which affect firms and establishments currently doing business in Pennsylvania. The council administers the Area Labor Management Committee Grant Program and works with businesses and labor leaders across the State who are interested in establishing area labor management committees.

The Public Employee Retirement Study Commission provides an ongoing mechanism to monitor public employe retirement plans in the Commonwealth. The commission also provides technical assistance to the General Assembly and the Governor in conjunction with their consideration of public pension legislation.

Distinguished Daughters provides payment for selected women designated as Distinguished Daughters of Pennsylvania to attend ceremonies at the Governor's Home.

The Drug Policy Council is designated as the State coordinating agency for purposes of implementing a Statewide strategy to combat illegal drug use and drug and alcohol abuse in the Commonwealth. The council supervises the expenditures under the Federal Drug Control and System Improvement Grant Program (DCSI) including the final approval of all grant applications. The council also performs evaluations, conducts studies and develops policy analyses related to illegal drug use and alcohol abuse. The Federal Anti-Drug Abuse monies have been appropriated to three State agencies: Pennsylvania Commission on Crime and Delinquency, the Department of Education and the Department of Health.

Program Recommendations:

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

	GENERAL FUND			
	Governor's Action Center			Office of Inspector General
\$	6	—to continue current program.	\$ -155	—nonrecurring expenditures.
			94	—to continue current program.
			-61	<i>Appropriation Decrease</i>
	Office of Administration			
\$	376	—to continue current program.	\$ 1,050	Office of the Budget
				—to continue current program.

EXECUTIVE OFFICES

Program: Executive Direction (continued)

Program Recommendations: (continued)

<p>GENERAL FUND (continued) State Subsidized Student Loans \$ -8,000 —nonrecurring appropriation.</p> <p>ICS Development \$ 53 —to continue current program.</p> <p>Milrite \$ 5 —to continue current program.</p> <p>Public Employee Retirement Study Commission \$ 25 —to continue current program.</p> <p>Distinguished Daughters recommended at the 1990-91 level.</p> <p>Drug Policy Council \$ 1 —to continue current program. -8 —nonrecurring expenditures. \$ -7 Appropriation Decrease</p>	<p>Labor Management Committee \$ -45 —reduction in grant program.</p> <p>MOTOR LICENSE FUND Office of the Budget \$ 226 —to continue current program.</p> <p>LOTTERY FUND Ridership Verification \$ 1 —audit of Older Pennsylvanians Shared Ride vendors.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Governor's Action Center	\$ 295	\$ 308	\$ 314	\$ 323	\$ 333	\$ 343	\$ 353
Office of Administration	4,807	4,834	5,210	5,366	5,527	5,693	5,864
Inspector General	1,646	1,822	1,761	1,814	1,868	1,924	1,982
Office of the Budget	22,250	24,993	26,043	26,824	27,629	28,458	29,312
State Subsidized Student Loans		8,000					
Audit Payment to HHS	5,051						
ICS Development	3,601	3,744	3,797	3,911	4,028	4,149	4,273
Milrite Council	234	248	253	261	269	277	285
Public Employee Retirement Study Commission	487	495	520	536	552	568	585
Distinguished Daughters	5	6	6	6	6	6	6
Drug Policy Council	94	84	77	79	81	83	85
Labor Management Committee	788	825	780	780	780	780	780
TOTAL GENERAL FUND	\$ 39,258	\$ 45,359	\$ 38,761	\$ 39,900	\$ 41,073	\$ 42,281	\$ 43,525
MOTOR LICENSE FUND:							
Office of the Budget	\$ 4,370	\$ 4,618	\$ 4,844	\$ 4,989	\$ 5,139	\$ 5,293	\$ 5,452
LOTTERY FUND:							
Office of the Budget — Ridership Verification	\$ 58	\$ 64	\$ 65	\$ 67	\$ 69	\$ 71	\$ 73

EXECUTIVE OFFICES

PROGRAM OBJECTIVE: To provide legal advice to the Governor and the Cabinet, and to supervise, coordinate and administer legal services for the Commonwealth.

Program: Legal Services

The Office of the General Counsel is headed by the General Counsel who serves as the chief legal advisor to the Governor and directs the legal activities of the Executive Branch.

This office has the responsibility to appoint the Chief Counsel in each agency and to supervise, coordinate and administer legal services. The office renders such legal advice and representation prior to initiation of any action concerning matters and issues arising in connection with the operation of agencies under the Governor's jurisdiction.

There are two major areas of responsibility for the General Counsel. First, this office provides general legal assistance to the Governor. The office reviews and approves for form and legality all Commonwealth deeds, leases, contracts, rules and regulations. It also is responsible for initiating appropriate proceedings for defending the Commonwealth when the Attorney General refuses or fails to initiate appropriate

proceedings. Second, the General Counsel has the authority to intervene in any action by or against an agency under the Governor's jurisdiction whenever the Governor shall request. This authority is not altered even if the Attorney General conducts the case.

The General Counsel also serves as the Chief Administrative Officer of the Juvenile Court Judges Commission, the Crime Victims Compensation Board, the Health Facilities Hearing Board and the Health Care Arbitration Panels.

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

Program Recommendations:

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

	Office of General Counsel	
\$ 57	—to continue current program.	
\$ -97	—nonrecurring projects.	
\$ -40	<i>Appropriation Decrease</i>	

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
GENERAL FUND:	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
Office of General Counsel	\$ 1,596	\$ 1,667	\$ 1,627	\$ 1,676	\$ 1,726	\$ 1,778	\$ 1,831

EXECUTIVE OFFICES

PROGRAM OBJECTIVE: To insure equal opportunities and participation for all individuals regardless of race, color, creed, handicap or disability, ancestry, national origin, age or sex in all areas of employment, housing, commercial property, public accommodations and education.

Program: Prevention and Elimination of Discriminatory Practices

The Human Relations Commission is responsible for identifying, preventing and eliminating illegal discriminatory practices as defined by the Pennsylvania Human Relations Act and the Pennsylvania Fair Educational Opportunities Act. The two principal methods utilized by the commission to secure compliance with the law are processing complaints of discrimination which might result in legal proceedings being initiated, and providing technical assistance to organizations, businesses, governmental bodies and individuals to promote voluntary compliance.

Processing formal complaints continues to be the major activity of the commission.

Substantial resources are also devoted to providing technical assistance to anyone who requests guidance in avoiding illegal discriminatory acts. The commission coordinates the State's response to racial and ethnic tensions and trains law enforcement officials on appropriate responses. The commission is also involved with major outreach programs to provide information to community leaders and public officials regarding the Pennsylvania Human Relations Act and its procedures.

The commission's efforts to identify and remedy systemic discrimination will continue. This approach addresses major problems of discrimination against whole classes of employees. In addition, litigation remains a significant feature of the commission's workload.

The Commission for Women functions as the Commonwealth's advocate for women and is responsible for developing and implementing policies and programs that work to ensure equal opportunity.

A large part of the work of the commission is the distribution of information on subjects that affect equal opportunities and full participation. The agency utilizes five major methods of disseminating information: publication of a periodical mailed directly to groups and individual leaders; publication of handbooks or checklists on specific subjects; distribution of news releases and other information to press and broadcast media; speeches to groups and broadcast appearances; and the provision of information to individuals requesting assistance, often distributed through legislative offices.

Citizens contact the commission seeking information or assistance in redress of discrimination. Response includes appropriate information, copies of publications and referrals to government or private agencies.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
<i>Human Relations Commission:</i>							
Formal complaint investigation:							
Complaints pending	6,551	6,524	6,824	7,370	7,870	8,370	8,870
New complaints filed	4,034	4,300	4,600	4,600	4,600	4,600	4,600
Complaints closed	4,061	4,000	4,054	4,100	4,100	4,100	4,100
Projected complaints pending	6,524	6,824	7,370	7,870	8,370	8,870	9,370
Informal complaints received	28,017	26,000	26,000	26,000	26,000	26,000	26,000
<i>Commission For Women:</i>							
Information to organizations and individuals							
	96,000	97,800	100,500	103,500	106,600	109,800	113,000
Public education efforts, media contacts and speeches							
	211	217	224	231	238	245	252

Program Recommendations:

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

Human Relations Commission		Commission for Women
\$ 242 —to continue current program.		\$ 3 —to continue current program.

EXECUTIVE OFFICES

Program: Prevention and Elimination of Discriminatory Practices (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Human Relations Commission	\$ 6,867	\$ 7,075	\$ 7,317	\$ 7,537	\$ 7,763	\$ 7,996	\$ 8,236
Commission for Women	247	318	321	331	341	351	362
TOTAL GENERAL FUND	<u>\$ 7,114</u>	<u>\$ 7,393</u>	<u>\$ 7,638</u>	<u>\$ 7,868</u>	<u>\$ 8,104</u>	<u>\$ 8,347</u>	<u>\$ 8,598</u>

EXECUTIVE OFFICES

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

Program: Development of Artists and Audiences

The Commonwealth encourages cultural development in the arts through matching grants-in-aid to arts organizations and through service programs initiated by the Council on the Arts. The organizations and artists served are diverse and range from small community organizations that engender and support local arts programs to world-renowned orchestras, museums, dance companies, theatres and festivals.

As the council enters its third decade, it will focus on the Commonwealth's environment for the arts and artists.

The council process depends upon 18 advisory panels, each chaired by a council member and composed of nine professionals in each program area. The peer review panels are the cornerstone of the decision-making process and provide the method that assures applications receive the most informed and objective review possible. Panels also review program structure and recommend needed changes to the staff and the council.

The Pennsylvania Council on the Arts functions in three ways to support and assist the arts in the Commonwealth: a grant program that responds to applications, program initiatives that address issues and

problems that are beyond the capacity of a single arts institution, and staff services and technical assistance to arts organizations. The first two involve direct expenditure of grant funds as well as the administrative costs of staff, panelists and specialists. The third is carried out by the program staff, panelists and council members, and is supported entirely by the administrative appropriation.

The grant program provides funds to nonprofit arts organizations for general support, support of specific arts projects, technical assistance, touring and administrative and artistic development. The grant program also funds the Minority Arts Program which encourages minority, traditional and ethnic artists and ensembles to participate to a greater extent in the Arts in Pennsylvania. Fellowships are awarded to individual artists to provide time for creative work.

The council also provides technical assistance and staff services to arts organizations. Site visits, consultations and evaluations are the basis of the development and monitoring of programs. Staff assists arts organizations in analyzing their problems and in planning solutions.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Attendance at supported events (thousands)	59,600	62,580	65,709	68,994	72,444	76,066	79,870
Site visits and consultations	16,800	17,136	17,479	17,828	18,185	18,549	18,920
Award applications reviewed	2,839	3,123	3,435	3,779	4,157	4,572	5,029
Awards made	1,470	1,327	1,086	1,500	1,545	1,591	1,639
Information services (circulation)	50,000	50,000	50,000	50,000	50,000	50,000	50,000

The attendance at supported events, site visits and consultations, and award applications reviewed, increase significantly as a result of using actual statistics included in reports received from arts groups and those forwarded to the National Endowment for the Arts. Previously, only data concerning State funds were reported.

Program Recommendations:

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

Council on the Arts	Grants to the Arts
\$ 133 —to continue current program.	\$ -3,000 —reduction of funds available for grants.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Council on the Arts	\$ 771	\$ 704	\$ 837	\$ 862	\$ 888	\$ 915	\$ 942
Grants to the Arts	11,896	12,000	9,000	12,000	12,000	12,000	12,000
TOTAL GENERAL FUND	\$ 12,667	\$ 12,704	\$ 9,837	\$ 12,862	\$ 12,888	\$ 12,915	\$ 12,942

EXECUTIVE OFFICES

PROGRAM OBJECTIVE: To increase public awareness of energy problems and to encourage public participation in the reduction of energy consumption.

Program: Energy Management and Conservation

Program Element: Energy Conservation

Increased energy efficiency, a secure energy supply at reasonable prices, and greater reliance on the State's indigenous energy resources are key elements in enhancing Pennsylvania's economic growth. The Energy Office has been charged with ensuring that these goals are met.

The Energy Office has an array of core programs which provide specific energy assistance to selected target audiences. These programs in 1990-91 have had the focus of conserving petroleum usage and have been promoted with the acronym, OIL (Oil Import Limitation). All of the Energy Office's programs are presented through a rigorous public awareness effort designed to keep all sectors informed on current energy issues.

The Federally funded State Energy Conservation Plan and Energy Extension Service continue to assist small businesses, local municipalities, public institutions and farmers with their energy conservation and energy efficiency needs. This assistance is in part a function of the Pennsylvania Energy Center which are strategically positioned in seven locations around the State. These centers serve as a source of energy information for private citizens, but are specifically tailored to serve the energy conservation needs of small businesses, local governments, nonprofit organizations, and industrial and commercial facilities. A key element of each center is an Energy Survey

which provides building owners with recommendations on energy conservation opportunities that exist within their buildings and facilities.

Energy efficiency capital improvement grants are offered to Pennsylvania's schools and hospitals through the Institutional Conservation Program (ICP).

Program Element: Energy Conservation and Assistance Fund

Act 122 of 1986 established the Energy Conservation and Assistance Fund (ECAF) as a repository for all oil overcharge settlements. The act, as amended in 1987, provides a framework for determining allowable expenditures from the fund. The amended act allows expenditures for programs in compliance with the specific terms and conditions of oil overcharge settlement agreements and the existing federally mandated energy programs.

Two programs, Pennsylvania Supplemental Low-Income Energy Assistance Program and Pennsylvania Supplemental Low-Income Weatherization Assistance Program, both offer energy assistance to low-income Pennsylvanians. The Act states that at least 75 percent of the total appropriations are to be spent for these supplemental programs. The PEO uses the remaining 25 percent of the funds to supplement the federal energy programs and other energy conservation and development projects which it undertakes.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Energy efficiency surveys	880	800	600	490	370	245	122
Workshop attendance	1,370	1,000	800	650	490	325	163
Institutional Conservation Program technical assistance studies	37	45	45	35	28	18	9
Institutional Conservation Program energy conservation measures funded by category:							
Schools	66	47	47	38	28	19	10
Hospital	24	11	11	9	7	4	2
Residential energy and solar projects	27						

Energy efficiency surveys and workshops are lower due to the rebidding of the Energy Center Program. The rebid process has resulted in 3 fewer centers and, in some instances, centers substituting new programs in place of surveys and workshops. In addition, the planning years reflect fewer dollars available from ECAF for programs.

Institutional Conservation Program energy conservation measures have decreased and will continue to decrease significantly due to lower ECAF funding levels.

Residential energy and solar projects ended in 1989-90, since no Energy Conservation and Solar Bank funds were received from the U.S. Department of Housing and Urban Development.

EXECUTIVE OFFICES

Program: Energy Management and Conservation (continued)

Program Recommendations:

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

<p>GENERAL FUND Energy Office \$ -81 —to continue current program.</p> <p>Energy Development Authority Program recommended at 1990-91 level.</p>	<p>ENERGY CONSERVATION AND ASSISTANCE FUND: Energy Conservation Programs \$ -400 —nonrecurring projects.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Energy Office	\$ 1,365	\$ 1,626	\$ 1,545	\$ 1,591	\$ 1,639	\$ 1,688	\$ 1,739
Energy Development Authority	1,500	750	750	750	750	750	750
TOTAL GENERAL FUND	<u>\$ 2,865</u>	<u>\$ 2,376</u>	<u>\$ 2,295</u>	<u>\$ 2,341</u>	<u>\$ 2,389</u>	<u>\$ 2,438</u>	<u>\$ 2,489</u>
ENERGY CONSERVATION AND ASSISTANCE FUND:							
Energy Conservation Programs	\$ 10,500	\$ 4,900	\$ 4,500	\$ 1,500	\$ 1,125	\$ 225	\$ 195

EXECUTIVE OFFICES

PROGRAM OBJECTIVE: To increase economic stability by providing financial assistance to those who have suffered financial loss as a result of being injured during the commission of a crime.

Program: Income Maintenance

The Crime Victims Compensation Program was established in 1976 to ameliorate the financial burden faced by the victims of crime.

Individuals under age 60 receive compensation for out-of-pocket expenses exceeding \$100 or for loss of at least two continuous weeks' earnings or support. The maximum compensation paid to a victim or dependent is \$35,000. In addition to earnings, compensation is limited to actual treatment costs or the exact amount of stolen support payments.

The program was expanded by legislation in 1979, 1984 and again in 1986. The changes in 1979 eliminated the minimum loss requirement for victims over 60 and required law enforcement officials to notify victims of the compensation program. The 1984 amendments provided coverage for the stolen cash proceeds of a social security check when it could be determined that social security was the victim's primary source of income. The board was authorized to award compensation when the claimant and offender were related so long as they did not reside together and the offender would not benefit from the award. Also, compensation was allowed for a family member assuming liability for a homicide victim's funeral expenses.

In addition to expanding compensable coverage, Act 96 of 1984

reinforced the victim notification requirements and imposed costs on criminals to finance victims compensation. Referred to as "reverse Miranda," victims rights programs were established Statewide to inform individuals of their right to compensation.

The amendment passed in 1986 expanded the definition of injury to include mental damage but limited compensation to the cost of psychological or psychiatric services. The amendment also allowed reimbursement for stolen railroad retirement and child or spousal support payments if the loss is the primary income source.

The Crime Victims Compensation Program is the payor of last resort for crime victims' losses and the board is required to verify all aspects of each claim prior to payment.

No State grant funds were required for this program after 1986-87 as a result of the Federal Victims of Crime Act of 1984 which allocates Federal funds for crime victims' payments, and State Act 96 of 1984 which allows collections and disbursements of court imposed costs from an established restricted revenue account. Since the imposed costs are paid from a restricted revenue account, they are listed as other funds in this program.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Claims open	1,283	1,130	967	938	973	1,072	1,236
Claims accepted	1,950	2,056	2,121	2,185	2,249	2,314	2,378
Claims paid	1,453	1,630	1,600	1,600	1,600	1,600	1,600
Claims denied	650	589	550	550	550	550	550

Claims accepted represents approximately two-thirds of all claims submitted. The claims not accepted are those returned to claimants for such reasons as incomplete information or failure to meet guidelines. Claims open and accepted decline from last year's estimates. This year's measures exclude claims resulting from driving under the influence (DUI) cases since anticipated legislation was not enacted.

Program Recommendations:

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

Crime Victims Compensation Board
Program recommended at 1990-91 level.

For 1991-92, \$87,000 will be used from the Crime Victims Payments restricted revenue account to supplement the State appropriation.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Crime Victims Compensation Board	\$ 588	\$ 617	\$ 617	\$ 617	\$ 617	\$ 617	\$ 617

EXECUTIVE OFFICES

PROGRAM OBJECTIVE: To provide criminal and juvenile justice system policy analysis, coordination and planning to improve criminal justice programs.

Program: Criminal and Juvenile Justice Planning and Coordination

The Pennsylvania Commission on Crime and Delinquency (PCCD) examines criminal justice problems and needs, researches and proposes improvement strategies, and assesses the results of these strategies on affected components of the justice system. Appointed task forces, advisory groups and planning committees, encompassing commission and noncommission members, advise the commission in addressing specific problem areas.

The commission also administers a mix of State and Federal grant programs which are designed to provide support to local elements of the criminal justice system and, through selective financing of proposals, demonstrate new solutions to Statewide problems.

PCCD serves law enforcement and citizens across the Commonwealth through a comprehensive crime prevention service development and delivery system that fosters community-based efforts to establish and maintain effective crime reduction programs at the local level. The major elements of this Statewide initiative include training for law enforcement personnel and citizens, on-site consultations to municipalities, technical assistance in developing resource and support materials for local program needs, and administration of a Statewide crime prevention review group. Annually, PCCD sponsors a Statewide program to identify and honor citizen volunteers having made a significant contribution to the success of a local community crime prevention project.

Under the guidance of its gubernatorially appointed Juvenile Advisory Committee, PCCD occupies a central role in the interaction between the Department of Public Welfare, the Juvenile Court Judges' Commission and other agencies in the development and implementation of policy and programming relative to juvenile justice. Paramount to PCCD's involvement has been the administration of the Federal Juvenile Justice and Delinquency Prevention Act formula grant program.

The commission's Prison and Jail Overcrowding Task Force continues to oversee the adoption and implementation of initiatives to alleviate crowding, monitor and evaluate the effects of the initiatives and identify further necessary changes.

PCCD uses county-based policy boards to define local victim service

needs and develop cost-effective victim/witness service strategies. Technical and financial assistance is provided through community organizations to support comprehensive service to victims of all violent crime with particular emphasis on services to victims of sexual assault, domestic violence and child abuse. Grants are made using court imposed costs authorized by Act 96 of 1984 and the Federal Victims of Crime Act of 1984.

The Drug Control and Systems Improvement (DCSI) Grant Program authorized under the Federal Anti-Drug Abuse Act established a state grant program to assist state and local governments in carrying out programs which offer a high probability of improving the functioning of the criminal justice system with emphasis on violent crime, serious offenders and the enhancement of state and local drug control efforts. DCSI funds have been used to continue projects previously funded by PCCD in the apprehension and prosecution areas. The major focal point for new projects is the county correctional/treatment area which was established because of the significant crowding problems in county correctional facilities and the lack of adequate treatment services for substance abusing offenders.

Act 2 of 1984 established a basic and continuing training program for deputy sheriffs to be financed through a surcharge on fees levied by the sheriffs for legal services executed. The 160 hour basic training school began in 1985 and continuing education began in 1987; both continue to train deputy sheriffs at regular intervals.

The commission fosters the development of criminal justice policy by conducting research on timely criminal justice issues, and has established a link to Pennsylvania's academic community through the formation of a research advisory committee composed of leading criminal justice researchers. Also integral to its role in criminal justice coordination and analysis of legislative issues, PCCD has formed a multi-agency correctional population projection committee which provides policymakers with accurate projections of the Commonwealth's correctional population and conducts policy impact analysis.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Police officers attending crime-prevention practitioner's course and inservice instructors' development workshops . . .	200	200	200	200	200	200	200
Citizens attending community crime prevention training	200	200	200	200	200	200	200
Counties receiving technical assistance and grants for crime victims services . . .	67	67	67	67	67	67	67

EXECUTIVE OFFICES

Program: Criminal and Juvenile Justice Planning and Coordination (continued)

Program Recommendations: _____

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

		Commission on Crime and Delinquency			
\$	80	—to maintain current program.			
	8	—25% State match for DCSI-related activities	\$	-300	Eagleville Hospital
					—nonrecurring appropriation.
\$	88	<i>Appropriation Increase</i>			

Appropriations within this Program: _____

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Commission on Crime and Delinquency ..	\$ 2,046	\$ 2,107	\$ 2,195	\$ 2,261	\$ 2,329	\$ 2,399	\$ 2,471
Eagleville Hospital	300	300	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 2,346	\$ 2,407	\$ 2,195	\$ 2,261	\$ 2,329	\$ 2,399	\$ 2,471

EXECUTIVE OFFICES

PROGRAM OBJECTIVE: To reduce the recurrence of juvenile delinquency through replacement of criminal behavior with socially acceptable behavior.

Program: Reintegration of Juvenile Delinquents

The Juvenile Court Judges Commission is responsible for the development and improvement of juvenile probation services throughout the Commonwealth. These services focus on the effective reintegration of juvenile offenders into the community through increased performance by juvenile courts and their staff.

The provision of Statewide juvenile justice training, education, research, statistical information, and the development and enhancement of specialized intensive probation and aftercare services for juveniles who have committed drug and/or drug related offenses have significantly improved the quality of service within the Commonwealth's juvenile justice system.

All of the Commonwealth's sixty-seven counties participate in the commission's grant-in-aid program and have adopted the Commission's required Juvenile Court Standards; participated in Commission sponsored training programs; and complied with all Commission statistical reporting requirements. The grant-in-aid program is the only source of funding for juvenile probation services and supports several of the Commission's major programs; including training, education, intensive probation and aftercare, and specialized projects such as the provision of Statewide liability insurance and the development of assessment instruments to determine the need for treatment of juvenile offenders.

The intensive probation program is designed as an alternative to placement while the availability of aftercare programs reduces the average length of placement.

During Fiscal Year 1989-90, the commission sponsored 31 state-of-the-art training programs for juvenile justice practitioners. In addition to the provision of training, the Commission, in conjunction with Shippensburg University and Mercyhurst College, provided the support to enable 20 probation officers to receive Master of Science Degrees in the Administration of Justice. By June 1991, 188 probation officers will have graduated from this program. The commission will continue to support these programs during Fiscal Year 1991-92.

The Governor's PENNFREE initiative will continue to be a major priority of the Commission. Major intensive probation and aftercare initiatives have been established to service juvenile drug and/or drug related offenders. Seventy-one intensive probation and aftercare positions have been created and will serve approximately 2,000 juvenile offenders with drug related problems during calendar year 1990. Sixty-four of the Commonwealth's counties are using urinalysis testing techniques on those juveniles who are known and suspected drug users. During the first four months of operation of this program, 10,984 urine tests were conducted involving 5,825 juvenile clients. This information will enable the Commission to determine the nature and extent of drug usage among juvenile offenders. In addition to intensive probation, aftercare and drug testing, smaller counties have developed counseling, assessment and educational programs for juvenile drug offenders.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Commitments as a percent of referrals . . .	13.77%	14.00%	15.00%	15.10%	15.20%	15.25%	15.30%
Children referred to court	29,627	30,500	31,000	31,500	32,000	32,000	32,000
Children arrested for violent crime	4,096	4,300	4,350	4,400	4,450	4,450	4,500
Intensive probation and aftercare programs operating	62	64	64	64	64	64	64
Juvenile Justice personnel trained by category:							
Formal	1,700	1,700	1,500	1,500	1,500	1,500	1,500
Informal	120	150	150	150	150	150	150

The commitments as a percentage of referrals will continue to increase as the child population decreases.

The number of children referred to court and those arrested for violent crime are expected to increase as a result of the increased drug enforcement activities. However, the number of children referred to court is expected to level off in 1993-94 as a result of the effectiveness of the drug education and prevention efforts.

The PENNFREE Initiative precipitated a large number of persons engaged in formal training in 1989-90 and 1990-91. As a result, the number of requests for informal training dropped from what was estimated in the 1990-91 Budget.

EXECUTIVE OFFICES

Program: Reintegration of Juvenile Delinquents (continued)

Program Recommendations:

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

	Juvenile Court Judges Commission	
\$ 19	—to continue current program.	
	Improvement of Juvenile Probation Services	
\$ 1,194	—annualization of grants to counties program.	
244	—25% State match for DCSI-Juvenile Drug and Alcohol Probation Services.	
<u>\$ 1,438</u>	<i>Appropriation Increase</i>	

—In addition, \$731,000 in Federal DCSI — Juvenile Drug and Alcohol Probation Services funds and \$150,000 in DFSC Special Program funds are recommended for juvenile drug and alcohol probation services.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Juvenile Court Judges Commission	\$ 517	\$ 539	\$ 558	\$ 575	\$ 592	\$ 610	\$ 628
Improvement of Juvenile Probation Services	3,239	2,045	3,483	3,483	3,483	3,483	3,483
PENNFREE — Juvenile Drug and Alcohol Program Units	<u>3,500</u>						
TOTAL GENERAL FUND	<u><u>\$ 7,256</u></u>	<u><u>\$ 2,584</u></u>	<u><u>\$ 4,041</u></u>	<u><u>\$ 4,058</u></u>	<u><u>\$ 4,075</u></u>	<u><u>\$ 4,093</u></u>	<u><u>\$ 4,111</u></u>

EXECUTIVE OFFICES

PROGRAM OBJECTIVE: To assist persons who have sustained injury or death as a result of tort or breach of contract by a health care provider to obtain prompt and just adjudication of their claim and to conduct preliminary hearings on appeals concerning health care facilities.

Program: Medical Malpractice Arbitration and Health Facilities Hearings

The Health Care Services Malpractice Act of 1975 created a comprehensive program to assure the availability of medical malpractice insurance at reasonable rates. As originally designed by the act, the Arbitration Panels for Health Care conducted arbitration hearings in medical malpractice cases to promote reduced insurance costs and prompt resolution of claims.

In 1984, the arbitration hearing system was replaced by a conciliation conference service which conducts court-supervised settlement conferences pursuant to Section 7342 of the Judicial Code. This service has been well received and is highly regarded by judges, attorneys and other interested legal and professional groups. It has dramatically increased the settlement rate for medical malpractice cases in those counties where the court has ordered it implemented. While use of the service remains at the discretion of the court, it is available throughout the State.

The Health Care Services Malpractice Act also established the Medical Professional Liability Catastrophe Loss Fund to pay the cost of settlements in excess of \$200,000 per occurrence and \$600,000 annually for individuals and \$1 million annually for hospitals. A Statement of Cash Receipts and Disbursements for the fund is included in the

Special Funds Appendix. The fund expenditures are also reflected as other funds in the Executive Offices Summary by Fund and Appropriation.

The State Health Facility Hearing Board, created by Act 48 of 1979, is reflected in this program. The board conducts hearings throughout the State on appeals of decisions made by the Department of Health on application for certificate of need and licensure of health care facilities. Decisions of the board may be appealed to Commonwealth Court.

The Department of Health's action on certificate of need applications may be appealed either by the institution applying for the certificate or by other institutions that anticipate an adverse impact from the change. The appeal hearing does not judge the correctness of the department's action but determines if the evidence is sufficient to reasonably support the decision.

In licensing appeals, the board must discover the facts and make a judgement on the relative merit of the case. The department's decisions may involve either the initial licensing of a new facility or possible revocation or penalties against a licensed facility where impropriety is alleged. The majority of these appeals are settled by pre-hearing conferences.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Health Care Arbitration Panels:							
Conciliation conferences held	396	510	520	530	540	550	560
Court cases settled as a result of conciliation conferences	269	285	310	320	325	330	335
Total value of settlements reached (in millions)	\$44	\$45	\$47	\$50	\$54	\$59	\$65
Time from incident to disposition (in months)	1	1	1	1	1	1	1
Health Facilities Hearing Board:							
Unresolved appeals carried forward ...	54	44	38	34	30	28	28
New appeals filed	46	44	48	50	52	54	56
Total number of open cases	100	88	86	84	82	82	84
Appeals resolved	56	50	52	54	54	54	56
Decisions appealed to Commonwealth Court	3	4	4	4	4	4	4
Time from incident to disposition of appeal (in months)	9	9	9	9	9	9	9

Conciliation conferences held by Health Care Arbitration Panels are expected to increase in 1990-91 as a result of more referrals from the courts.

EXECUTIVE OFFICES

Program: Medical Malpractice Arbitration and Health Facilities Hearings (continued)

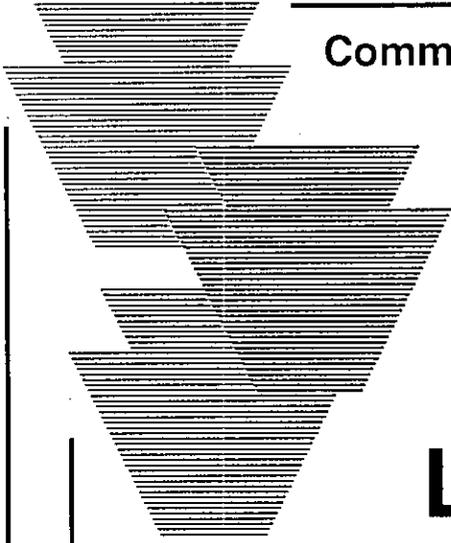
Program Recommendations:

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

Health Facilities Hearing Board Program recommended at the 1990-91 level.	\$	37	Health Care Arbitration Panels —to continue current program.
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Health Facilities Hearing Board	\$ 167	\$ 180	\$ 180	\$ 185	\$ 191	\$ 197	203
Health Care Arbitration Panels	522	523	560	577	594	612	630
TOTAL GENERAL FUND	\$ 689	\$ 703	\$ 740	\$ 762	\$ 785	\$ 809	\$ 833



Commonwealth of Pennsylvania

Lieutenant Governor

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

LIEUTENANT GOVERNOR

Summary by Fund and Appropriation

GENERAL FUND	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL GOVERNMENT:			
Lieutenant Governor's Office	\$ 613	\$ 661	\$ 671
Portrait—Former Lieutenant Governor	3	.....	.....
Board of Pardons	217	230	243
GENERAL FUND TOTAL	<u>\$ 833</u>	<u>\$ 891</u>	<u>\$ 914</u>

LIEUTENANT GOVERNOR

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
EXECUTIVE DIRECTION							
General Funds.....	\$ 833	\$ 891	\$ 914	\$ 941	\$ 970	\$ 999	\$ 1,029
TOTAL.....	\$ 833	\$ 891	\$ 914	\$ 941	\$ 970	\$ 999	\$ 1,029
ALL PROGRAMS:							
GENERAL FUND.....	\$ 833	\$ 891	\$ 914	\$ 941	\$ 970	\$ 999	\$ 1,029
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
TOTAL.....	\$ 833	\$ 891	\$ 914	\$ 941	\$ 970	\$ 999	\$ 1,029

LIEUTENANT GOVERNOR

PROGRAM OBJECTIVE: To provide an effective administrative system through which substantive programs of the agency can be accomplished.

Program: Executive Direction

This program provides for the execution of duties relating to the office of the Lieutenant Governor. These duties, as prescribed by the Constitution include presiding over the Senate, serving as chairman of the Board of Pardons, and assumption of the office of the Governor for the remainder of the Governor's term if necessary as a result of the death, conviction on impeachment, failure to qualify or resignation of the Governor.

In addition to these duties prescribed by law, the Lieutenant

Governor also serves the Governor in many other areas, and is Chairman of the Emergency Management Council, the Pennsylvania Energy Office, the Recyclable Materials Market Development Task Force, and the Pennsylvania Heritage Affairs Commission. As chairman of the Pennsylvania Emergency Management Council, the Lieutenant Governor has direct responsibility for coordinating relief information and assistance.

Also included in this program is the Board of Pardons which reviews applications for reprieve, commutation of sentences and pardons.

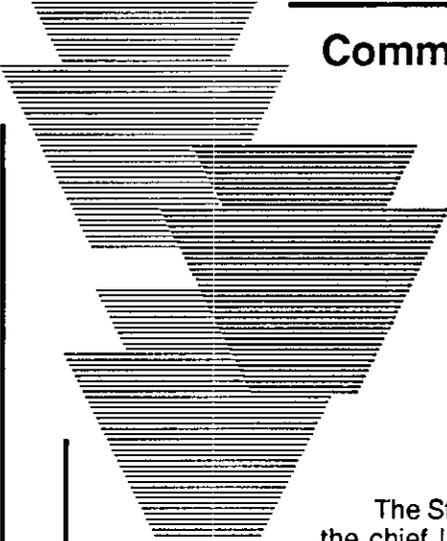
Program Recommendations:

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

<p style="text-align: center;">Lieutenant Governor's Office</p> <p>\$ 10 —to continue current program.</p>	<p style="text-align: center;">Board of Pardons</p> <p>\$ 13 —to continue current program.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Lieutenant Governor's Office	\$ 613	\$ 661	\$ 671	\$ 691	\$ 712	\$ 733	\$ 755
Portrait — Former Lieutenant Governor ..	3						
Board of Pardons	217	230	243	250	258	266	274
TOTAL GENERAL FUND	\$ 833	\$ 891	\$ 914	\$ 941	\$ 970	\$ 999	\$ 1,029



Commonwealth of Pennsylvania

Attorney General

The State constitution provides that the Attorney General shall be the chief law officer of the Commonwealth and shall exercise such powers and perform such duties as may be imposed by law.

The Commonwealth Attorneys Act establishes the Attorney General as the chief legal and law enforcement officer of the Commonwealth and provides the following fundamental duties and responsibilities of the Office of Attorney General:

To be the Commonwealth's chief law enforcement officer charged with the responsibility for the prosecution of organized crime and public corruption. This law enforcement program includes a criminal investigations unit and drug law enforcement program as well as direction of Statewide and multi-county investigating grand juries and a Medicaid Fraud Control Section.

To represent the Commonwealth and all Commonwealth agencies and upon request the Auditor General, State Treasurer and Public Utility Commission in any action brought by or against the Commonwealth or its agencies; to furnish upon request legal advice to the Governor or the head of any Commonwealth agency.

To review for form and legality, all proposed rules and regulations for Commonwealth agencies.

To review for form and legality all Commonwealth deeds, leases and contracts to be executed by Commonwealth agencies.

To collect, by suit or otherwise, all debts, taxes and accounts due the Commonwealth which shall be referred to and placed with the Attorney General.

To administer the provisions relating to consumer protection as well as appoint the Advisory Committee.

To represent the Commonwealth and its citizens in any action brought for violation of the Antitrust Laws of the United States and the Commonwealth.

The Attorney General, in addition, serves as a member of the Board of Pardons, the Joint Committee on Documents, the Hazardous Substances Transportation Board, the Board of Finance and Revenue, the Pennsylvania Commission on Crime and Delinquency, the Civil Disorder Commission and the Municipal Police Officers Education and Training Commission.

ATTORNEY GENERAL

Summary by Fund and Appropriation

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 25,312	\$ 26,591	\$ 27,358
(F) Medicaid Fraud	1,965	2,318	2,609
(A) Legal Fees Reimbursement	171	175	185
(A) Collections — Legal	125	90	90
(A) Department Services	768	987	1,041
(A) Consumer Protection Investigation	10	10	10
(A) Investigative Cost Reimbursement	17	10	10
Total — General Government Operations	<u>\$ 28,368</u>	<u>\$ 30,181</u>	<u>\$ 31,303</u>
(R) Office of the Consumer Advocate	2,964	3,173	3,271
Hazardous Waste Prosecutions	1,448	1,487	1,600
(F) Hazardous Waste Management	160	.....	.....
(A) Environmental Crimes Investigative Costs .....	.....	30	32
Drug Law Enforcement	6,417	12,652	14,326
(F) DCSI — Drug Transportation Interdiction .....	.....	525	1,354
(F) Advanced Narcotics Investigation Training	2	42	.....
(F) Clandestine Lab Safety Training .....	.....	53	.....
(F) ADA — Mobile Cooperative Task Force	255	210	.....
(F) ADA — Technical Assistance	29	.....	.....
(F) DCSI — Technical Assistance .....	.....	34	.....
(F) ADA — Financial Asset Investigation	231	.....	.....
(F) ADA — Drug Law Enforcement	4	.....	.....
(F) Drug Prosecution Program	246	290	.....
(F) Clandestine Lab Model	105	262	.....
(F) ADA — Expansion of Financial Asset Investigation	28	.....	.....
(F) ADA — Expansion of Mobile Cooperative Task Force	78	.....	.....
(F) State and Local Narcotics Control Assistance	41	.....	.....
(A) Recovery of Narcotics Investigation Overtime Costs .....	.....	10	10
PENNFREE — Drug Law Enforcement	5,499^a	.....	.....
Subtotal — Federal Funds	<u>\$ 1,019</u>	<u>\$ 1,416</u>	<u>\$ 1,354</u>
Total — Drug Law Enforcement	<u>\$ 12,935</u>	<u>\$ 14,078</u>	<u>\$ 15,690</u>
Local Drug Task Forces .....	.....	.....	2,093
(F) DCSI — Local Drug Task Forces .....	.....	1,000	2,781
PENNFREE — Local Drug Task Forces	5,701^a	.....	.....
Subtotal — State Funds	44,377	40,730	45,377
Subtotal — Federal Funds	3,144	4,734	6,744
Subtotal — Augmentations	1,091	1,312	1,378
Subtotal — Restricted Revenues	2,964	3,173	3,271
Total — General Government	<u>\$ 51,576</u>	<u>\$ 49,949</u>	<u>\$ 56,770</u>
GRANTS AND SUBSIDIES:			
County Trial Reimbursement	\$ 110	\$ 90	\$ 90
STATE FUNDS	\$ 44,487	\$ 40,820	\$ 45,467
FEDERAL FUNDS	3,144	4,734	6,744
AUGMENTATIONS	1,091	1,312	1,378
RESTRICTED REVENUE	2,964	3,173	3,271
GENERAL FUND TOTAL	<u>\$ 51,686</u>	<u>\$ 50,039</u>	<u>\$ 56,860</u>

^aThis continuing appropriation provided funds for both 1989-90 and 1990-91.

ATTORNEY GENERAL

Summary by Fund and Appropriation

	1989-90	(Dollar Amounts in Thousands) 1990-91	1991-92
	Actual	Available	Budget
OTHER FUNDS			
<i>GENERAL FUND:</i>			
Seized/Forfeited Property — State Court Awarded	\$ 788	\$ 1,200	\$ 1,755
Seized/Forfeited Property — Federal Court Awarded	659	433	297
Public Protection Law Enforcement	39	615	460
OTHER FUNDS TOTAL	\$ 1,486	\$ 2,248	\$ 2,512
 DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUNDS	\$ 44,487	\$ 40,820	\$ 45,467
FEDERAL FUNDS	3,144	4,734	6,744
AUGMENTATIONS	1,091	1,312	1,378
RESTRICTED REVENUE	2,964	3,173	3,271
OTHER FUNDS	1,486	2,248	2,512
TOTAL — ALL FUNDS	\$ 53,172	\$ 52,287	\$ 59,372

ATTORNEY GENERAL

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
PUBLIC PROTECTION AND LAW ENFORCEMENT							
General Funds.....	\$ 44,487	\$ 40,820	\$ 45,467	\$ 48,413	\$ 50,324	\$ 47,422	\$ 48,842
Federal Funds.....	3,144	4,734	6,744	3,581	3,206	3,020	3,171
Other Funds.....	5,541	6,733	7,161	7,669	8,692	9,436	10,121
TOTAL.....	\$ 53,172	\$ 52,287	\$ 59,372	\$ 59,663	\$ 62,222	\$ 59,878	\$ 62,134
ALL PROGRAMS:							
GENERAL FUND.....	\$ 44,487	\$ 40,820	\$ 45,467	\$ 48,413	\$ 50,324	\$ 47,422	\$ 48,842
SPECIAL FUNDS.....							
FEDERAL FUNDS.....	3,144	4,734	6,744	3,581	3,206	3,020	3,171
OTHER FUNDS.....	5,541	6,733	7,161	7,669	8,692	9,436	10,121
TOTAL.....	\$ 53,172	\$ 52,287	\$ 59,372	\$ 59,663	\$ 62,222	\$ 59,878	\$ 62,134

ATTORNEY GENERAL

PROGRAM OBJECTIVE: To enforce the criminal laws of the Commonwealth and protect the interests of Pennsylvania citizens in areas of consumer protection, antitrust enforcement, operation of charitable trusts and organizations, and civil rights.

Program: Public Protection and Law Enforcement

The Attorney General as the chief law enforcement officer of the Commonwealth is charged with the responsibility for the investigation and prosecution of organized crime and public corruption. The agency investigates and prosecutes criminal activity in accordance with Sections 205 and 206 of the Commonwealth Attorneys Act, and utilizes Statewide investigative grand juries as appropriate. The Attorney General's Office works with the State Police to curtail drug abuse in the Commonwealth by immobilizing illegal drug traffickers. Last year, over 3,300 drug traffickers were arrested, of which 765 were considered major.

Other major activities of this program involve: decreasing the

incidence of fraud and deceptive business practices and securing recovery of damages to the Commonwealth and its citizens; encouraging free enterprise and competition; prosecution of hazardous waste cases; and providing for representation of the consumer before the Public Utility Commission through the Office of the Consumer Advocate.

This program also provides legal services for governmental agencies of the Commonwealth, as required by Section 204 of the Commonwealth Attorneys Act. Specifically, the Attorney General's Office represents the Commonwealth in any action brought by or against the Commonwealth or its agencies, particularly tort claims.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Cases presented to the statewide investigating Grand Jury	25	60	60	60	60	60	60
Drug law arrests	3,321	4,000	4,500	5,000	5,000	5,000	5,000
Major drug traffickers arrested	765	800	900	1,000	1,000	1,000	1,000
Consumer complaints concerning business practices investigated and mediated	25,813	26,300	26,800	27,000	27,000	27,000	27,000
Dollar value of recoupment to consumers regarding business practices (in thousands)	\$3,490	\$4,000	\$4,100	\$4,100	\$4,100	\$4,100	\$4,100
Rate cases argued by Consumer Advocate	40	36	40	N/A	N/A	N/A	N/A
Other cases argued by the Consumer Advocate	86	77	83	N/A	N/A	N/A	N/A
Antitrust and oil overcharge cases:							
Settlements with or without court action	0	5	5	10	10	10	10
Dollars paid or agreed to be paid to the Commonwealth or directly to its citizens (in thousands)	\$11,700	\$10,000	\$4,750	\$4,500	\$4,500	\$4,500	\$4,500

Recoupments to consumers regarding business practices was higher in 1989-90 than projected last year due to higher than anticipated court awards and out-of-court settlements.

ATTORNEY GENERAL

Program: Public Protection and Law Enforcement (continued)

Program Recommendations:

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

<p>\$ 767</p> <p>\$ 113</p> <p>\$ 1,674</p>	<p>General Government Operations —to continue current program.</p> <p>Hazardous Waste Prosecutions —to continue current program.</p> <p>Drug Law Enforcement —to continue current program.</p>	<p>\$ 2,093</p> <p>\$ 179</p>	<p>Local Drug Task Forces —to support local drug task forces.</p> <p>This budget also recommends the following change to the Office of Consumer Advocate from its restricted revenue account in the General Fund.</p> <p>Office of the Consumer Advocate —to continue current program.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	\$ 25,312	\$ 26,591	\$ 27,358	\$ 28,179	\$ 29,024	\$ 29,895	\$ 30,792
Drug Law Enforcement	6,417	12,652	14,326	15,268	15,859	15,655	16,125
Local Drug Task Forces . . . . .	. . . . .	. . . . .	2,093	3,196	3,621	. . . . .	. . . . .
PENNFREE - Drug Law Enforcement	5,499	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Hazardous Waste Prosecution	1,448	1,487	1,600	1,680	1,730	1,782	1,835
County Trial Reimbursement	110	90	90	90	90	90	90
PENNFREE - Local Drug Task Forces	5,701	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL GENERAL FUND	\$ 44,487	\$ 40,820	\$ 45,467	\$ 48,413	\$ 50,324	\$ 47,422	\$ 48,842



Commonwealth of Pennsylvania

Auditor General

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

AUDITOR GENERAL

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
Auditor General's Office	\$ 33,263	\$ 34,896	\$ 35,943
(A) Reimbursement for Auditing Services	5,927	7,957	7,640
(A) Sale of Automobiles	43	.....	.....
Subtotal — State Funds	\$ 33,263	\$ 34,896	\$ 35,943
Subtotal — Augmentations	5,970	7,957	7,640
Total — Auditor General's Office	\$ 39,233	\$ 42,853	\$ 43,583
Board of Claims	\$ 1,171	\$ 1,224	\$ 1,269
Subtotal — State Funds	\$ 34,434	\$ 36,120	\$ 37,212
Subtotal — Augmentations	5,970	7,957	7,640
Total — General Government	\$ 40,404	\$ 44,077	\$ 44,852
GRANTS AND SUBSIDIES:			
Municipal Pension System State Aid	\$ 17,481	\$ 17,406	\$ 16,407
Total — Grants and Subsidies	\$ 17,481	\$ 17,406	\$ 16,407
STATE FUNDS	\$ 51,915	\$ 53,526	\$ 53,619
AUGMENTATIONS	5,970	7,957	7,640
GENERAL FUND TOTAL	\$ 57,885	\$ 61,483	\$ 61,259
OTHER FUNDS			
MUNICIPAL PENSION AID FUND:			
Municipal Pension Aid	\$ 116,271	\$ 123,625	\$ 125,000
SUPPLEMENTAL STATE ASSISTANCE FUND:			
Supplemental State Assistance	\$ 145	\$ 17,411	\$ 16,407
OTHER FUNDS TOTAL	\$ 116,416	\$ 141,036	\$ 141,407
DEPARTMENT TOTAL -- ALL FUNDS			
GENERAL FUND	\$ 51,915	\$ 53,526	\$ 53,619
AUGMENTATIONS	5,970	7,957	7,640
OTHER FUNDS	116,416	141,036	141,407
TOTAL ALL FUNDS	\$ 174,301	\$ 202,519	\$ 202,666

AUDITOR GENERAL

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
AUDITING							
General Funds.....	\$ 34,434	\$ 36,120	\$ 37,212	\$ 38,328	\$ 39,478	\$ 40,662	\$ 41,882
Other Funds.....	5,970	7,957	7,640	7,869	8,105	8,348	8,598
TOTAL.....	\$ 40,404	\$ 44,077	\$ 44,852	\$ 46,197	\$ 47,583	\$ 49,010	\$ 50,480
MUNICIPAL PENSION SYSTEMS							
General Funds.....	\$ 17,481	\$ 17,406	\$ 16,407	\$ 16,407	\$ 16,407	\$ 16,407	\$ 16,407
Other Funds.....	116,416	141,036	141,407	141,407	141,407	141,407	141,407
TOTAL.....	\$ 133,897	\$ 158,442	\$ 157,814	\$ 157,814	\$ 157,814	\$ 157,814	\$ 157,814
ALL PROGRAMS:							
GENERAL FUND.....	\$ 51,915	\$ 53,526	\$ 53,619	\$ 54,735	\$ 55,885	\$ 57,069	\$ 58,289
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	122,386	148,993	149,047	149,276	149,512	149,755	150,005
TOTAL.....	\$ 174,301	\$ 202,519	\$ 202,666	\$ 204,011	\$ 205,397	\$ 206,824	\$ 208,294

AUDITOR GENERAL

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

Program: Auditing

The Auditor General is required by the Fiscal Code to audit the financial affairs of State Government. Each year, the department makes thousands of regular and special post audits of Commonwealth agencies, persons, associations and corporations to insure money is disbursed legally and properly. Also, the Auditor General examines accounts of revenue collecting agents to assure that all money due to the Commonwealth, totaling several billions of dollars, was reported and transmitted properly and that Commonwealth financial statements conform to Generally Accepted Accounting Principles (GAAP). A joint audit of the General Purpose Financial Statements of the Commonwealth is being performed by the Auditor General and an independent certified public accounting firm.

The Auditor General is also required by the Fiscal Code to audit

public assistance payments to determine eligibility of persons receiving public assistance grants. Recipients of public assistance are subject to continuous audit. These audits serve to adjust grants to persons either not eligible or receiving overpayments or underpayments.

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

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

Program Recommendations:

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

<p style="text-align: center;">Auditor General's Office</p> <p>\$ 1,047 —to continue current program.</p>	<p style="text-align: center;">Board of Claims</p> <p>\$ 45 —to continue current program.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Auditor General's Office	\$ 33,263	\$ 34,896	\$ 35,943	\$ 37,021	\$ 38,132	\$ 39,276	\$ 40,454
Board of Claims	1,171	1,224	1,269	1,307	1,346	1,386	1,428
TOTAL GENERAL FUND	\$ 34,434	\$ 36,120	\$ 37,212	\$ 38,328	\$ 39,478	\$ 40,662	\$ 41,882

AUDITOR GENERAL

PROGRAM OBJECTIVE: To assist municipal pension systems through loans and disbursement of annual supplemental State assistance.

Program: Municipal Pension Systems

In 1984, the General Assembly passed Act 205 known as the Municipal Pension Plan Funding Standard and Recovery Act. The enactment of this legislation was in response to the solvency problems facing many of the Commonwealth's municipal pension systems. The act requires the submission of municipal pension plan actuarial reports to the Public Employee Retirement Study Commission (PERSC) every two years, and establishes criteria for determination of actuarial soundness and the amount of State financed support that will be provided.

The Auditor General is responsible for audits of municipal pension funds for non-uniformed employes where municipalities choose to allocate State aid to those funds. The municipal pension plans for non-uniformed employes total approximately 1,300. In July of 1985, the Auditor General became responsible for administration of the Supplemental State Assistance Account which from July 1985 to December 1988 contained portions of the proceeds of the Foreign Casualty Premium Tax previously paid to the State Employees' Retirement

Board. After December 1988, funding is from an appropriation of the General Fund not to exceed \$35 million annually. The initial funding is immediately available for loans to municipalities in imminent danger of defaulting on the obligations of their pension plans.

In December 1988, the Auditor General became responsible for disbursement of Supplemental State Assistance to distressed municipal pension systems based on certified State assistance amounts provided by PERSC.

Act 147 of 1988 required that municipal retirement systems pay a special postretirement adjustment to certain retired police and firefighters, effective in January of 1989. The Act provides that the municipalities will be reimbursed for the annual cost of the payment from a special account in the Municipal Pension Aid Fund in every year in which the payment is made. The reimbursement program is administered by the Auditor General. Beginning in 1990, municipalities are receiving payments for this program.

Program Recommendations:

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

Municipal Pension System State Aid
 \$ -999 —to provide the amount certified by the Public Employees' Retirement Study Commission for a recovery program for financially distressed municipal pension systems.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Municipal Pension System State Aid	\$ 17,481	\$ 17,406	\$ 16,407	\$ 16,407	\$ 16,407	\$ 16,407	\$ 16,407

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

Commonwealth of Pennsylvania

Treasury Department

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

TREASURY

Summary by Fund and Appropriation

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
State Treasurer's Office	\$ 14,485	\$ 15,404	\$ 15,866
(A) Expenses — Unemployment Compensation	1,093	875	1,130
(A) Fees — Federal Savings Bond	29		
(A) Sale Automobiles	9		
(A) Photocopy Services	2		
(A) General State Authority Fiscal Function			
Computer Modernization		1,400	
Subtotal — State Funds	\$ 14,485	\$ 16,804	\$ 15,866
Subtotal — Augmentations	1,133	875	1,130
Total — State Treasurer's Office	\$ 15,618	\$ 17,679	\$ 16,996
Board of Finance and Revenue	\$ 974	\$ 1,293 ^a	\$ 1,419
Council of State Governments	128	135	145
Great Lakes Commissions	60	60	76
Publishing Monthly Statements	40	45	48
National Conference of State Legislatures	141	150	154
Education Commission of the States	71	74	77
Advisory Commission on Intergovernmental Relations ...	9	9	9
National Governors Association	121	129	134
Coalition of Northeast Governors	68	85	80
Northeast—Midwest Institute	63	58	58
Governmental Accounting Standards Board	40	40	40
State and Local Legal Center	8	8	8
Replacement Checks (EA)	300	300	600
Subtotal — State Funds	\$ 16,508	\$ 19,190	\$ 18,714
Subtotal — Augmentations	1,133	875	1,130
Total — General Government	\$ 17,641	\$ 20,065	\$ 19,844
DEBT SERVICE REQUIREMENTS:			
Interest Obligations -- Penn State University		\$ 16	
Loan and Transfers Agent	\$ 225	225	225
Tax Note Expenses	97	170	170
General Obligation Debt Service	411,591	427,904	470,924
(A) Rentals and Building Fees	2,090	882	882
Commercial Paper Costs (EA)	318	1,251	1,300
Interest on Tax Anticipation Notes (EA)	36,530	62,000	63,000
Subtotal — State Funds	\$ 448,761	\$ 491,566	\$ 535,619
Subtotal — Augmentations	2,090	882	882
Total — Debt Service Requirements	\$ 450,851	\$ 492,448	\$ 536,501
GRANT AND SUBSIDIES:			
Law Enforcement Officers Death Benefits	\$ 350	\$ 350	\$ 350
Total — Grants and Subsidies	\$ 350	\$ 350	\$ 350
STATE FUNDS	\$ 465,619	\$ 511,106	\$ 554,683
AUGMENTATIONS	3,223	1,757	2,012
GENERAL FUND TOTAL	\$ 468,842	\$ 512,863	\$ 556,695

^aIncludes recommended supplemental of \$160,000.

TREASURY

(Dollar Amounts in Thousands)

	1989-90 Actual	1990-91 Available	1991-92 Budget
MOTOR LICENSE FUND			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks	\$ 180	\$ 180	\$ 240
Refunding Liquid Fuels Tax — Agricultural	2,379	4,000	3,000
Refunding Liquid Fuels Tax — State Share	215	350	350
Refunding Emergency Liquid Fuels Tax .....	.....	1	1
Refunding Liquid Fuels Tax — Political Subdivisions	1,585	2,100	2,100
Administration of Refunding Liquid Fuels Tax	266	258	259
Refunding Liquid Fuels Tax — Volunteer Services	88	175	175
Refunding Marine Liquid Fuels Tax — Boating Fund	1,500	1,500	1,900
Total — General Government	\$ 6,213	\$ 8,564	\$ 8,025
<i>DEBT SERVICE REQUIREMENTS:</i>			
Capital Debt — Transportation Projects	\$ 165,034	\$ 166,434	\$ 170,816
General Obligation Debt Service	1,508	2,089	1,986
Advance Construction Interstate — Interest	14,481	15,256	14,423
Loan and Transfer Agent	115	135	135
(R) Aviation Debt Service	183	1,312	1,355
(R) Capital Bridge Debt	21,354	24,502	29,300
(R) Advance Construction Interstate — Principal	72,500	66,500	96,500
Subtotal — State Funds	\$ 181,138	\$ 183,914	\$ 187,360
Subtotal — Restricted Revenue	94,037	92,314	127,155
Total — Debt Service	\$ 275,175	\$ 276,228	\$ 314,515
Subtotal — State	\$ 187,351	\$ 192,478	\$ 195,385
Subtotal — Restricted Revenue	94,037	92,314	127,155
MOTOR LICENSE FUND TOTAL	\$ 281,388	\$ 284,792	\$ 322,540
BANKING DEPARTMENT FUND			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	.....	\$ 15	\$ 5
BOAT FUND			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	.....	\$ 15	\$ 5
<i>DEBT SERVICE REQUIREMENTS:</i>			
General Obligation Debt Service	2	2	2
BOAT FUND TOTAL	\$ 2	\$ 17	\$ 7
ECONOMIC REVITALIZATION FUND			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	.....	\$ 15	\$ 5

TREASURY

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
FARM PRODUCTS SHOW FUND			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	.....	\$ 15	\$ 5
FISH FUND			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	.....	\$ 15	\$ 5
<i>DEBT SERVICE REQUIREMENTS:</i>			
General Obligation Debt Service	\$ 63	58	60
FISH FUND TOTAL	\$ 63	\$ 73	\$ 55
GAME FUND			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	.....	\$ 18	\$ 5
LOTTERY FUND			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA)	\$ 60	\$ 60	\$ 300
MILK MARKETING FUND			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	.....	\$ 15	\$ 5
Refund Milk Marketing Licenses and Fees(EA)	5	5	5
MILK MARKETING FUND TOTAL	\$ 5	\$ 20	\$ 10
RACING FUND			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	.....	\$ 30	\$ 10
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 465,619	\$ 511,106	\$ 554,683
SPECIAL FUNDS	187,481	192,741	195,787
AUGMENTATIONS	3,223	1,757	2,012
RESTRICTED REVENUE	94,037	92,314	127,155
TOTAL ALL FUNDS	\$ 750,360	\$ 797,918	\$ 879,637

TREASURY

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
DISBURSEMENT							
General Funds.....	\$ 16,109	\$ 18,747	\$ 18,235	\$ 18,754	\$ 19,288	\$ 19,838	\$ 20,405
Special Funds.....	6,278	8,767	8,375	8,283	8,291	8,299	8,307
Other Funds.....	1,133	875	1,130	1,164	1,199	1,235	1,272
TOTAL.....	\$ 23,520	\$ 28,389	\$ 27,740	\$ 28,201	\$ 28,778	\$ 29,372	\$ 29,984
INTERSTATE RELATIONS							
General Funds.....	\$ 709	\$ 748	\$ 781	\$ 781	\$ 781	\$ 781	\$ 781
TOTAL.....	\$ 709	\$ 748	\$ 781	\$ 781	\$ 781	\$ 781	\$ 781
DEBT SERVICE							
General Funds.....	\$ 448,801	\$ 491,611	\$ 535,667	\$ 615,196	\$ 677,605	\$ 722,993	\$ 725,457
Special Funds.....	181,203	183,974	187,412	194,015	188,798	185,438	154,680
Other Funds.....	96,127	93,196	128,037	121,027	99,685	45,336	28,467
TOTAL.....	\$ 726,131	\$ 768,781	\$ 851,116	\$ 930,238	\$ 966,088	\$ 953,767	\$ 908,604
ALL PROGRAMS:							
GENERAL FUND.....	\$ 465,619	\$ 511,106	\$ 554,683	\$ 634,731	\$ 697,674	\$ 743,612	\$ 746,643
SPECIAL FUNDS.....	187,481	192,741	195,787	202,298	197,089	193,737	162,987
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	97,260	94,071	129,167	122,191	100,884	46,571	29,739
TOTAL.....	\$ 750,360	\$ 797,918	\$ 879,637	\$ 959,220	\$ 995,647	\$ 983,920	\$ 939,369

TREASURY

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

Program: Disbursement

The Treasury Department is required by statute to receive and deposit all monies of the Commonwealth; to invest in short-term securities any Commonwealth monies which accumulate beyond the daily needs of the various funds; to manage to the best possible advantage all securities in its custody; to preaudit all requisitions for the expenditure of funds; and to disburse all State monies upon proper authorization to those entitled to receive payment. In this capacity the State Treasury is responsible for the receipt, custody and disbursement of billions of dollars each year.

Treasury also audits disbursement records, maintains accounting controls and disburses all checks to recipients of Public Assistance. Thousands of checks are processed each working day for distribution to recipients. This processing includes preauditing, collating, authenticating and mailing the checks to individual recipients and banks. Hundreds of participating banks throughout the Commonwealth distribute thousands of checks daily.

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

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

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

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Disbursements issued	10,343,000	10,283,000	10,300,000	N/A	N/A	N/A	N/A
Average monthly number of persons receiving cash assistance	616,234	654,700	673,650	670,300	666,900	666,900	666,900
Interest earned on investments:							
General Fund (In Thousands)	\$66,539	\$45,370	49,760	N/A	N/A	N/A	N/A
Motor License Fund (In Thousands)	23,481	15,706	16,688	N/A	N/A	N/A	N/A
TOTAL	\$90,020	\$61,076	\$66,448	N/A	N/A	N/A	N/A

Program Recommendations:

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

General Fund				
State Treasurer's Office				Replacement Checks
\$ 462 —to continue current program.			\$ 300	—to continue current program.
Computer Modernization				Special Fund Replacement Checks
\$ -1,400 —nonrecurring projects			\$ 147	—to continue current program.
Board of Finance and Revenue				Motor License Fund
\$ 126 —to continue current program.			\$ -539	Administering Liquid Fuels Tax Refunds
				—to continue current program based on actual expenditures.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
State Treasurer's Office	\$ 14,485	\$ 15,404	\$ 15,866	\$ 16,342	\$ 16,832	\$ 17,337	\$ 17,857
Computer Modernization		1,400					
Board of Finance and Revenue	974	1,293	1,419	1,462	1,506	1,551	1,598
Replacement Checks	300	300	600	600	600	600	600
Law Enforcement Officers Death Benefits	350	350	350	350	350	350	350
TOTAL GENERAL FUND	\$ 16,109	\$ 18,747	\$ 18,235	\$ 18,754	\$ 19,288	\$ 19,838	\$ 20,405

TREASURY

Program: Disbursement

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
MOTOR LICENSE FUND:							
Replacement Checks	\$ 180	\$ 180	\$ 240	\$ 240	\$ 240	\$ 240	\$ 240
Refunding Liquid Fuels Tax-Agricultural Use	2,379	4,000	3,000	3,000	3,000	3,000	3,000
Refunding Liquid Fuels Tax-State Share ..	215	350	350	350	350	350	350
Refunding Liquid Fuels Tax-Political Subdivisions	1,585	2,100	2,100	2,100	2,100	2,100	2,100
Administration of Refunding Liquid Fuels Tax	266	258	259	267	275	283	291
Refunding Liquid Fuels Tax-Volunteer Services	88	175	175	175	175	175	175
Refunding Marine Liquid Fuels Tax- Boating Fund	1,500	1,500	1,900	1,800	1,800	1,800	1,800
Refunding Emergency Liquid Fuels Tax ..	.....	1	1	1	1	1	1
TOTAL MOTOR LICENSE FUND	\$ 6,213	\$ 8,564	\$ 8,025	\$ 7,933	\$ 7,941	\$ 7,949	\$ 7,957
BANKING DEPARTMENT FUND:							
Replacement Checks .....	.....	\$ 15	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
BOATING FUND:							
Replacement Checks .....	.....	\$ 15	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
ECONOMIC REVITALIZATION FUND:							
Replacement Checks .....	.....	\$ 15	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
FARM PRODUCTS SHOW FUND:							
Replacement Checks .....	.....	\$ 15	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
FISH FUND:							
Replacement Checks .....	.....	\$ 15	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
GAME FUND:							
Replacement Checks .....	.....	\$ 18	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
LOTTERY FUND:							
Replacement Checks	\$ 60	\$ 60	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300
RACING FUND:							
Replacement Checks .....	.....	\$ 30	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10
MILK MARKETING FUND:							
Replacement Checks .....	.....	\$ 15	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
Refunding Milk Marketing Licenses and Fees	\$ 5	5	5	5	5	5	5
TOTAL MILK MARKETING FUND ...	\$ 5	\$ 20	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10

PROGRAM OBJECTIVE: To promote interstate cooperation and progress through participation in various associations and organizations both regionally and nationally.

Program: Interstate Relations

Pennsylvania helps promote interstate progress and cooperation through participation in various organizations, associations and commissions with other states and other units of government. As a member of the Council of State Governments, Education Commission of the States, National Conference of State Legislatures, Coalition of Northeast Governors, Northeast-Midwest Institute, Advisory Commission on Intergovernmental Relations and the National Governors Association, Pennsylvania helps coordinate ideas on programs, interstate progress, budgets, Federal-State relations, education, labor, research, governmental techniques and general information concerning the states with other states, the Congress and the Federal Executive Branch.

Also included within this program is the Governmental Accounting

Standards Board which provides guidance and establishes standards to promote uniformity and comparability in governmental accounting and financial reporting, and the State and Local Legal Center which provides for Pennsylvania's participation in a center to advance and defend the interests of state and local governments in matters involving Federal preemption, state taxing and spending powers, the tenth amendment and other issues.

This program also covers Pennsylvania's cost of the Great Lakes Commission. The commission was established in 1956 to plan and promote a unified and balanced program for the development, use and conservation of Great Lakes Basin water resources.

Program Recommendations:

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

Various Associations and Commissions
 \$ 33 —net increase for membership costs in ten organizations. Included within the Great Lakes Commissions is support for the Great Lakes Council of Governors.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Council on State Governments	\$ 128	\$ 135	\$ 145	\$ 145	\$ 145	\$ 145	\$ 145
Great Lakes Commissions	60	60	76	76	76	76	76
Governmental Accounting Standards Board	40	40	40	40	40	40	40
National Conference of State Legislatures	141	150	154	154	154	154	154
Education Commission of the States	71	74	77	77	77	77	77
Advisory Commission on Intergovernmental Relations	9	9	9	9	9	9	9
National Governors Association	121	129	134	134	134	134	134
Coalition of Northeastern Governors	68	85	80	80	80	80	80
Northeast — Midwest Institute	63	58	58	58	58	58	58
State and Local Legal Center	8	8	8	8	8	8	8
TOTAL GENERAL FUND	\$ 709	\$ 748	\$ 781	\$ 781	\$ 781	\$ 781	\$ 781

TREASURY

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

Program: Debt Service

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

Long-term bonds are issued by the State to cover the cost of financing public improvements which represent such a heavy financial burden that they cannot be funded through current revenues. These bond issues have provided funds over the years for projects such as the acquisition and development of public recreation and historic sites and facilities; the payment of compensation to veterans of the Vietnam Conflict; relief for victims of disasters; accomplishing economic revitalization efforts; and a wide variety of construction and renovation

projects including hospitals, higher education facilities, State parks, flood control, correctional institutions, and various public buildings. Debt service also provides funds to bring nursing homes up to the standards of the State Life Safety Code.

General obligation debt service costs include payments on bonds issued in November 1988 to refinance the annual lease rentals due to the General State Authority for payment of debt service on General State Authority bonds. That refinancing eliminated the need to pay rental payments to the General State Authority in the 1988-89 and future fiscal years, and produced a present value savings to the Commonwealth of over five million dollars.

Program Recommendations:

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

General Fund
 \$ 44,056 —to meet principal and interest requirements and other costs relative to General Fund Debt Service. To pay the interest and principal payments on new issuances: debt service for transportation assistance projects (\$11,109,000), building and structure projects (\$6,115,000), PENNVEST projects (\$7,654,000), redevelopment assistance projects (\$4,329,000), PERF projects (\$9,739,000) and others (\$4,074,000).

Motor License Fund
 \$ 3,446 —to meet principal and interest requirements and other costs relating to Motor License Fund Debt Service.

Fish Fund
 \$ -8 —to meet principal and interest requirements and other costs relating to Fish Fund Debt Service.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Publishing Monthly Statements	\$ 40	\$ 45	\$ 48	\$ 48	\$ 48	\$ 48	\$ 48
Interest Obligations — Penn State University		16					
Loan and Transfer Agents	225	225	225	225	225	225	225
Tax Note Expenses	97	170	170	170	170	170	170
Commercial Paper Cost	318	1,251	1,300	1,300	1,300	1,300	1,300
Interest on Tax Anticipation Notes	36,530	62,000	63,000	63,000	63,000	63,000	63,000
General Obligation Debt Service	411,591	427,904	470,924	550,453	612,862	658,250	660,714
TOTAL GENERAL FUND	\$ 448,801	\$ 491,611	\$ 535,667	\$ 615,196	\$ 677,605	\$ 722,993	\$ 725,457
MOTOR LICENSE FUND:							
Capital Debt — Transportation Projects	\$ 165,034	\$ 166,434	\$ 170,816	\$ 181,785	\$ 182,332	\$ 181,972	\$ 152,494
Advance Construction Interstate — Interest	14,481	15,256	14,423	10,079	3,875	976	
Loan and Transfer Agent	115	135	135	135	135	135	135
General Obligation Debt Service	1,508	2,089	1,986	1,971	2,421	2,331	2,047
TOTAL MOTOR LICENSE FUND	\$ 181,138	\$ 183,914	\$ 187,360	\$ 193,970	\$ 188,763	\$ 185,414	\$ 154,676
BOATING FUND:							
General Obligation Debt Service	\$ 2	\$ 2	\$ 2	\$ 2	\$ 1		
FISH FUND:							
General Obligation Debt Service	\$ 63	\$ 58	\$ 50	\$ 43	\$ 34	\$ 24	\$ 4



Commonwealth of Pennsylvania

Department of Aging

The Department of Aging, created by Act 70 of 1978, consolidates services for Older Pennsylvanians and provides a single point of contact through which these older Pennsylvanians can address their concerns to State government. The Secretary of Aging serves as a cabinet-level advocate and is routinely advised of citizens' concerns through a network including area agency advisory boards, regional councils and the Pennsylvania Council on Aging.

Statewide services are provided through the local Area Agencies on Aging. Services include nutrition, employment, transportation, domiciliary care, protection and long-term care assessment and both basic and intensive in-home services. Additionally, the Department of Aging manages the pharmaceutical assistance program for older Pennsylvanians.

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1991-92 State Funds (In thousands)
LOTTERY FUND		
Expanded Services for the Frail Elderly	PennCARE—Lottery	\$ 1,700
<p style="text-align: center;">This Program Revision makes available intensive in-home services to additional older Pennsylvanians on a demonstration basis using Federal Frail Elderly funds.</p>		
GENERAL FUND		
Lottery Restructuring	Medical Assistance—Long Term Care Facilities — Welfare	\$ 20,000
LOTTERY FUND		
Lottery Restructuring	Demand Response Equipment — Aging	\$ 2,300
	Pharmaceutical Assistance Fund — Aging	-52,221
	Older Pennsylvanians Shared Ride — Aging	51,000
	Transfer to MLF — Vehicle Registration — Transportation	-2,900
	Older Pennsylvanians Free Transit — Transportation	-26,000
	Demand Response Equipment Grants — Transportation	-2,300
	Older Pennsylvanians Shared Ride — Transportation	-60,000
	Medical Assistance — Long Term Care — Welfare	-20,000
	Older Pennsylvanians Inflation Dividend — Revenue	-27,300
	Subtotal	<u>\$ -137,421</u>
<p style="text-align: center;">This Program Revision contains a number of initiatives designed to ensure the continued integrity of the Lottery Fund to safeguard funding for senior citizen programs.</p>		
DEPARTMENT TOTAL		<u>\$ 2,779^a</u>

^aThis total reflects the impact on only the Department of Aging.

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
<i>GENERAL GOVERNMENT:</i>			
Transitional Care and Family Caregiver Support	\$ 3,702 ^a	\$ 7,500	. . . .
Family Caregiver .....	. . . .	. . . .	\$ 10,415
GENERAL FUND TOTAL	\$ 3,702	\$ 7,500	\$ 10,415
LOTTERY FUND			
<i>GENERAL GOVERNMENT:</i>			
General Government Operations	\$ 3,022	\$ 3,062	\$ 3,463
(F) Aging (Title III) - Administration	1,653	1,653	1,653
(F) Programs for the Aging - Title V - Administration	119	140	140
(F) Pre-Admission Assessment - Administration	105	196	196
(A) Pre-Admission Assessment	80	196	196
(A) Day Care Licensure .....	. . . .	. . . .	10
Total — General Government	<u>\$ 4,979</u>	<u>\$ 5,247</u>	<u>\$ 5,658</u>
<i>GRANTS AND SUBSIDIES:</i>			
Aging Programs	\$ 57,585	\$ 59,733	\$ 61,011
(F) Aging - (Title III)	39,218	40,000	42,000
(F) Aging - Nutrition	7,500	7,500	7,500
(F) Aging (Title V) - Employment	3,758	4,000	4,000
Total — Aging Programs	<u>\$ 108,061</u>	<u>\$ 111,233</u>	<u>\$ 114,511</u>
PENNCARE - Lottery	49,119^b	61,833	70,456
(F) Medical Assistance — Pre-Admission Assessment	5,296	7,128	4,712
(F) Frail Elderly .....	. . . .	. . . .	2,300
(A) Pre-Admission Assessment	3,094	3,004	3,899
Total — Pre-Admission Assessment	<u>\$ 57,509</u>	<u>\$ 71,965</u>	<u>\$ 81,367</u>
Abuse Intervention Services for Older Pennsylvanians	4,000	4,160	4,160
Older Pennsylvanians' Shared Rides (EA)	49,043^c	55,931^c	51,000
Demand Response Equipment Grants (EA)	2,297^c	2,300^c	2,300
Pharmaceutical Assistance Fund	188,000	222,000	173,000
Subtotal — State Funds	<u>\$ 350,044</u>	<u>\$ 405,957</u>	<u>\$ 361,927</u>
Subtotal — Federal Funds	55,772	58,628	60,512
Subtotal — Augmentations	3,094	3,004	3,899
Total — Grants and Subsidies	<u>\$ 408,910</u>	<u>\$ 467,589</u>	<u>\$ 426,338</u>
STATE FUNDS	\$ 353,066	\$ 409,019	\$ 365,390
FEDERAL FUNDS	57,649	60,617	62,501
AUGMENTATIONS	<u>3,174</u>	<u>3,200</u>	<u>4,105</u>
LOTTERY FUND TOTAL	\$ 413,889	\$ 472,836	\$ 431,996
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 3,702	\$ 7,500	\$ 10,415
SPECIAL FUNDS	353,066	409,019	365,390
FEDERAL FUNDS	57,649	60,617	62,501
AUGMENTATIONS	<u>3,174</u>	<u>3,200</u>	<u>4,105</u>
TOTAL ALL FUNDS	\$ 417,591	\$ 480,336	\$ 442,411

^aActually appropriated as Transitional Care \$1,403,000 and Family Caregiver \$2,299,000.

^bActually appropriated as Home Based Care for Older Pennsylvanians.

^cActually executively authorized to the Department of Transportation.

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED		1995-96 ESTIMATED
COMMUNITY SERVICES FOR AGING							
General Funds.....	\$ 3,702	\$ 7,500	\$ 10,415	\$ 10,415	\$ 10,415	\$ 10,415	\$ 10,415
Special Funds.....	165,066	187,019	192,390	197,055	201,837	206,740	211,767
Federal Funds.....	57,649	60,617	62,501	60,501	60,501	60,501	60,501
Other Funds.....	3,174	3,200	4,105	4,111	4,117	4,123	4,129
TOTAL.....	\$ 229,591	\$ 258,336	\$ 269,411	\$ 272,082	\$ 276,870	\$ 281,779	\$ 286,812
PHARMACEUTICAL ASSISTANCE							
Special Funds.....	\$ 188,000	\$ 222,000	\$ 173,000	\$ 182,000	\$ 189,000	\$ 196,000	\$ 202,000
TOTAL.....	\$ 188,000	\$ 222,000	\$ 173,000	\$ 182,000	\$ 189,000	\$ 196,000	\$ 202,000
ALL PROGRAMS:							
GENERAL FUND.....	\$ 3,702	\$ 7,500	\$ 10,415	\$ 10,415	\$ 10,415	\$ 10,415	\$ 10,415
SPECIAL FUNDS.....	353,066	409,019	365,390	379,055	390,837	402,740	413,767
FEDERAL FUNDS.....	57,649	60,617	62,501	60,501	60,501	60,501	60,501
OTHER FUNDS.....	3,174	3,200	4,105	4,111	4,117	4,123	4,129
TOTAL.....	\$ 417,591	\$ 480,336	\$ 442,411	\$ 454,082	\$ 465,870	\$ 477,779	\$ 488,812

PROGRAM OBJECTIVE: To enable older Pennsylvanians to maintain active and independent lives in their own homes or alternative community living arrangements.

Program: Community Services for Older Pennsylvanians

The Department of Aging has established a network of in-home and community-based services addressing the varied needs of older Pennsylvanians. Programs enrich the lives of healthy older Pennsylvanians and enable frail older Pennsylvanians to delay or avoid institutionalization. The 52 Area Agencies on Aging, serving all 67 counties, provide aging services at the local level.

Many older Pennsylvanians require only minimal outside support to function independently and a basic service of Area Agencies on Aging (AAA) is to inform these people of available services. AAAs sponsor over 500 senior centers throughout the Commonwealth that provide a full range of socialization, recreational and educational activities. Congregate meals served by the centers at noon time provide older Pennsylvanians a hot, nutritionally balanced meal. Transportation services provided by the agencies allow older Pennsylvanians to visit the doctor, shop or attend senior center events. A job placement service helps older Pennsylvanians find unsubsidized private sector employment and offers job training and subsidized part-time community service employment.

Frail older Pennsylvanians require more extensive and personalized services to remain in their homes and communities and avoid placement

in an institutional setting such as a nursing home or personal care home. A nursing home pre-admission screening program helps older Pennsylvanians and their families determine the least restrictive environment needed and helps secure intensive in-home services tailored to their needs.

A variety of personal support services are available for the growing population of frail older Pennsylvanians. The most common service is home delivered meals for people unable to prepare adequate meals for themselves or participate in group dining at senior centers. Personal care services are provided by trained attendants to assist functionally limited persons with key activities of daily living such as eating, dressing and personal hygiene. Home support services provide for performance of labor intensive unskilled or semi-skilled maintenance, cleaning tasks or routine household chores.

The Department of Aging assists families who maintain frail relatives in their home through the Family Caregiver Support Program. Working through the AAAs, the program provides benefits counseling, services and, depending on income, financial assistance including supplies, services and home adaptations and devices.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Pennsylvanians 60 years and older	2,440,000	2,489,000	2,539,000	2,589,000	2,641,000	2,694,000	2,748,000
Persons receiving assistance:							
Congregate meals	144,644	157,433	157,500	157,500	157,500	157,500	157,500
Transportation (complete round trips)	95,705	113,768	113,800	113,800	113,800	113,800	113,800
Intensive community long-term care	3,021	5,046	6,038	6,348	6,350	6,350	6,350
Attendant care services	3,211	3,284	3,290	3,290	3,290	3,290	3,290
Home delivered meals	39,567	42,430	42,500	42,500	42,500	42,500	42,500
Home support services	22,598	20,255	20,300	20,300	20,300	20,300	20,300
Personal care services	27,828	31,835	31,900	31,900	31,900	31,900	31,900
Units of services delivered:							
Employment services (unsubsidized job placements)	3,629	5,199	5,200	5,200	5,200	5,200	5,200
Volunteer services (volunteer hours)	4,809,272	4,130,477	4,130,500	4,130,500	4,130,500	4,130,500	4,130,500
Home support services (client hours)	678,300	660,306	660,300	660,300	660,300	660,130	660,130
Personal care services (client hours)	2,138,747	2,692,729	2,692,800	2,692,800	2,692,800	2,692,800	2,692,800
Shared ride trips by older Pennsylvanians	7,641,000	7,941,000	7,004,850	7,242,850	7,497,850	7,752,850	8,007,850

The number of people receiving home support services decreased from the level shown in last year's budget based upon the most recent data available from the AAAs.

Program: Community Services for Older Pennsylvanians (continued)

Program Recommendations:

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

GENERAL FUND:			
Transitional Care and Family Caregiver Support		\$ 1,278	Aging Programs
\$ -1,300	—Transitional Care demonstration project phased out in 1990-91.		—to continue current program.
-35	—nonrecurring project.		
-6,165	—transfer to the Family Caregiver Support appropriation.	\$ 925	PENNCARE
\$ -7,500	<i>Appropriation Decrease</i>	5,998	—to continue current program.
		1,700	—annualize Statewide expansion of OPTIONS.
			—PRR — Expanded Service for the Frail Elderly. This Program Revision will demonstrate the feasibility of providing community services as an alternative to nursing home care as an entitlement program. See the Program Revision following this subcategory for further information.
Family Caregiver Support		\$ 8,623	Appropriation Increase
\$ 6,165	—transfer from the Transitional Care and Family Caregiver Support appropriation.		
4,250	—annualize Statewide expansion of the Family Caregiver Support program.		
\$ 10,415	Appropriation Increase		
LOTTERY FUND:		\$ -4,931	Older Pennsylvanians Shared Ride
General Government Operations			—PRR — Lottery Restructuring. This Program Revision will transfer the Older Pennsylvanians Shared Rides program from the Department of Transportation to the Department of Aging where it will be a block grant to the AAAs. See the Program Revision following the Pharmaceutical Assistance subcategory for further information.
\$ 240	—to continue current program.		
18	—annualize day care licensure.		
143	—PRR — Lottery Restructuring. This Program Revision will transfer the Older Pennsylvanians Shared Ride program from the Department of Transportation to the Department of Aging. See the Program Revision following the Pharmaceutical Assistance subcategory for further information.		
\$ 401	Appropriation Increase		

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Transitional Care and Family Caregiver Support	\$ 3,702	\$ 7,500					
Family Caregiver Support .....	.....	.....	\$ 10,415	\$ 10,415	\$ 10,415	\$ 10,415	\$ 10,415
TOTAL GENERAL FUND	\$ 3,702	\$ 7,500	\$ 10,415	\$ 10,415	\$ 10,415	\$ 10,415	\$ 10,415
LOTTERY FUND:							
General Government Operations	\$ 3,022	\$ 3,062	\$ 3,463	\$ 3,567	\$ 3,674	\$ 3,784	\$ 3,898
Aging Programs	57,585	59,733	61,011	62,536	64,099	65,701	67,344
PENNCARE — Lottery	49,119	61,833	70,456	72,217	74,022	75,873	77,770
Older Pennsylvanians Shared Rides	49,043	55,931	51,000	52,275	53,582	54,922	56,295
Demand Response Equipment Grants ...	2,297	2,300	2,300	2,300	2,300	2,300	2,300
Abuse Intervention Services for Older Pennsylvanians	4,000	4,160	4,160	4,160	4,160	4,160	4,160
TOTAL LOTTERY FUND	\$ 165,066	\$ 187,019	\$ 192,390	\$ 197,055	\$ 201,837	\$ 206,740	\$ 211,767

Program Revision: Expanded Services for the Frail Elderly

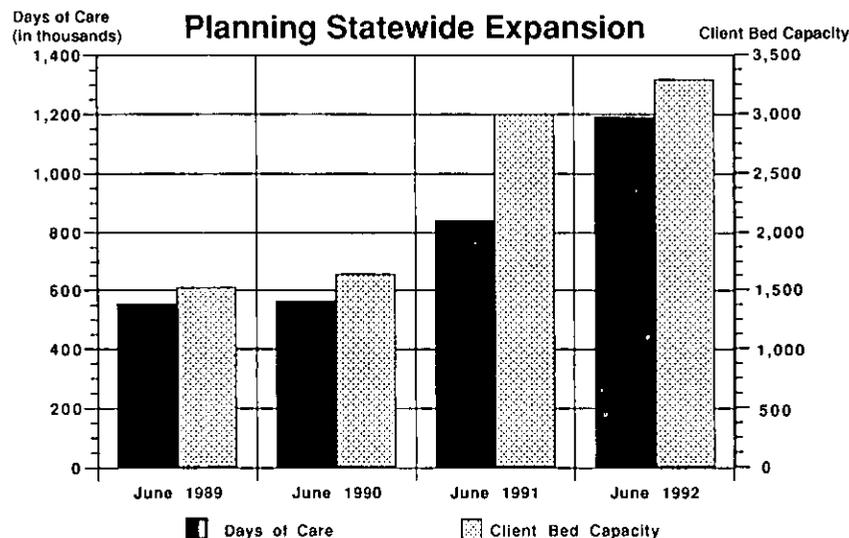
The fastest growing segment of Pennsylvania's elderly population is persons age 85 and over. These individuals are more likely to be frail and experience medical conditions which make it difficult for them to care for themselves without assistance, thereby increasing the need for professional assistance or support from family or friends. In recognition of this situation, the Federal Government recently enacted legislation which expands the optional services covered by the Medicaid Program to include home and community care services for functionally disabled elderly individuals. If the Commonwealth elects to fund such services using Federal money made available through this new legislation, it will ultimately be required to provide these services on an entitlement basis. Before the Commonwealth commits to such an approach, which requires a State match, this Program Revision will provide these services to a limited number of eligible participants to test the demand for the program and its cost effectiveness.

The department is currently in the process of a Statewide expansion of intensive in-home services provided through the Lottery-funded OPTIONS Program (formerly LAMP). This program provides community-based alternatives to nursing home care. While the OPTIONS Program will provide intensive in-home services Statewide by the end of 1990-91,

the number of program recipients is limited by the availability of Lottery Fund revenues. Under the demonstration program established by this Program Revision, the Commonwealth will use \$1.7 million in Lottery funds to secure \$2.3 million in Federal Frail Elderly funds. This \$4.0 million will provide intensive in-home services to approximately 600 additional older Pennsylvanians (approximately 220 days of care per participant) as the OPTIONS Program is expanded Statewide. Persons eligible for Pennsylvania's Frail Elderly demonstration are Medical Assistance recipients who are at least 65 years of age, who reside within a designated geographic region, who are functionally disabled, and who would otherwise need nursing home care. Additional eligibility criteria will be established upon further guidance from the Federal Government.

Through this demonstration program, the Commonwealth has the opportunity to test the impact of providing intensive in-home services as an entitlement to Medical Assistance recipients as an alternative to nursing home care. If this demonstration proves that the Federal Frail Elderly Program can be operated in tandem with the State's OPTIONS program, future Federal funds can be utilized to conserve State resources while enabling more older Pennsylvanians to remain in their homes and communities.

INTENSIVE IN-HOME SERVICES



Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Older persons receiving intensive in-home care							
Current			281	281	281	281	281
Program Revision			600				
Days of care provided							
Current			62,000	62,000	62,000	62,000	62,000
Program Revision			132,000				

This Program Revision is a one year demonstration program.

Program: Expanded Services for the Frail Elderly (continued)

Program Revision Recommendations: _____

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

PENNCARE-Lottery
 \$ 1,700 —to provide intensive in-home services to
 Medical Assistance recipients.

In addition, \$2.3 million in Federal Frail Elderly funds will be used to provide intensive in-home services to Medical Assistance recipients through this demonstration program.

Recommended Program Revision Costs by Appropriation: _____

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
PENNCARE-Lottery	\$ 1,700	.....	.....	.....	.....

PROGRAM OBJECTIVE: To assist eligible older Pennsylvanians who experience difficulty meeting the cost of prescription drugs necessary to maintain healthy lives.

Program: Pharmaceutical Assistance

Act 63 of 1983 established the pharmaceutical assistance program to aid older Pennsylvanians who face a growing burden from the cost of drugs required to maintain healthy, productive lives. The program, financed by Lottery Fund revenue and administered by the Department of Aging, is referred to as PACE.

The PACE program pays the entire cost of prescription drugs and insulin supplies after a mandatory co-payment is made by eligible participants. Since the inception of the program, the co-payment has been \$4.00; however, the law allows a semi-annual adjustment based on financial experience and program expenditure projections.

Pennsylvania residents who are 65 or older qualify for PACE benefits if their annual income is below \$12,000 for single persons and \$15,000 for married persons and if they are not eligible for drug benefits provided by other public assistance or insurance programs. A PACE identification card, which must be renewed annually to assure compliance with the income limit, is used to acquire benefits through local pharmacies.

Participating pharmacies are reimbursed for the cost of drugs plus

a dispensing fee. The act places limits upon the quantities of drugs that may be dispensed per prescription and restricts costs for selected drug products by only reimbursing pharmacies for package sizes greater than the smallest package size available. Pharmacies are required to stock and dispense generic drugs included in the Federal Drug Administration Orange Book unless the prescriber stipulates that the brand is medically necessary. The use of generic drugs is encouraged by requiring claimants to pay a differential if they choose to use a brand name drug when the physician has allowed generic substitution. In addition, the act prohibits payment for less than effective drugs without certification by the physician.

The 1987 PACE reauthorization legislation increased program compliance responsibilities of the Department of Aging as a means of containing costs. In addition to careful review of eligibility, the department audits providers to detect and deter fraud and established a drug utilization review system to monitor and correct misutilization of drug therapies.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Total older Pennsylvanians enrolled	428,000	385,400	371,129	336,829	308,249	280,118	252,785
Total prescriptions per year	11,042,400	10,120,000	9,816,000	9,418,000	8,258,000	7,541,000	6,848,000
Average PACE cost per prescription	\$19.42	\$21.52	\$24.60	\$27.96	\$31.76	\$36.05	\$40.90

Program Recommendations:

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

Transfer to PACE Fund
 \$ -49,000 —PRR — Lottery Restructuring. This Program Revision will increase the number of people eligible for PACE by increasing the income limits and will implement a manufacturer's rebate following the Federal Medical Assistance model and increase the recipient co-pay. See the Program Revision following this subcategory for further information.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
LOTTERY FUND:							
Transfer to PACE Fund	<u>\$ 188,000</u>	<u>\$ 222,000</u>	<u>\$ 173,000</u>	<u>\$ 182,000</u>	<u>\$ 189,000</u>	<u>\$ 196,000</u>	<u>\$ 202,000</u>

Program Revision: Lottery Restructuring

Since 1987, this Administration has taken steps to reduce the threat to the financial integrity of the Lottery Fund. These steps included the return of program costs to the General Fund, the start of new aging programs in the General Fund rather than the Lottery Fund, an increase in the use of generic drugs in the Pharmaceutical Assistance Contract for the Elderly (PACE) and the coordination of the Shared Ride Program. These efforts will result in a cumulative savings to the Lottery Fund of \$332.4 million as of June 1991. While intense efforts have been made to contain Lottery costs, efforts also have been made to increase Lottery revenues. These initiatives, which include extending both the Daily Number and the Big 4 drawings to seven days a week, have generated \$150.4 million in additional Lottery Fund revenue. These efforts have been successful in postponing a Lottery Fund deficit that otherwise would have occurred in 1989-90. Lottery revenue, however, is no longer expected to be sufficient to support Lottery Fund programs and services in 1991-92. Consequently, decisive action must be taken now. This Program Revision proposes significant changes in Lottery funded programs and services to save a total of \$137 million in 1991-92.

The Lottery Fund currently supports an array of programs and services for older Pennsylvanians. In 1989-90, Lottery Fund expenditures for health care were \$343 million; for housing support, \$153 million; and, for transportation services, \$126 million. This Program Revision preserves those programs and services considered most critical to the well-being of Pennsylvania's older citizens. Other programs and services will be eliminated.

The largest health care program funded by the Lottery is the Pharmaceutical Assistance Contract for the Elderly (PACE). This Program Revision recommends three PACE cost containment initiatives: pharmaceutical manufacturers' rebate, a recipient copay increase and cosmetic medication restrictions. The average prescription cost to the PACE Program increased from \$13.56 in 1986-87 to \$19.42 in 1989-90. This 43 percent increase in the average prescription cost over three years was primarily due to pharmaceutical ingredient cost increases of approximately 14 percent annually. This Program Revision recommends a Pharmaceutical Manufacturers' Rebate Program (PMRP) using the Federal Medicaid model. This cost containment initiative is based on the assumption that as the largest purchaser of drugs in Pennsylvania, the State should be given the same product discounts available to similar purchasers. The PMRP will require manufacturers to provide the State a 12 percent rebate on brand name drugs and a 10 percent rebate on generic drugs for pharmaceuticals purchased through PACE after January 1, 1991 (15 and 11 percent respectively after January 1, 1993). Manufacturers of brand name drugs will also be required to remit to the State any price increases after October 1990 that exceed the Consumer Price Index. The PMRP is expected to save the Lottery Fund \$39.5 million in 1991-92. A graphic presentation of the impact of the PMRP is included in the Medical Assistance Cost Containment Program Revision in the Department of Public Welfare presentation.

The second PACE cost containment initiative increases the amount a cardholder pays for each prescription. The PACE law (Act 63 of 1983) states that the amount of the copayment paid by program recipients is to be increased in proportion to the increase in prescription costs. Since the inception of the PACE Program, however, the copay has remained constant at \$4.00 per prescription. The \$4.00 copay represented 28 percent of the average prescription cost in 1984-85 but will represent only 14 percent of the projected average prescription cost in 1991-92. Consequently, while the average prescription cost will have doubled between 1984-85 and 1991-92, the average prescription cost incurred by PACE will have increased 140 percent because the copay has remained constant. This Program Revision will increase the copay

from \$4.00 to \$6.00 per prescription, which will represent 21 percent of the average prescription cost in 1991-92. This Program Revision will also eliminate PACE coverage for cosmetic medications such as Retin-A and Rogaine.

The modifications to the PACE Program will save the Lottery Fund a total of \$58 million in 1991-92 and enable the continuation of the much valued prescription drug coverage. A portion of these savings (\$6 million) will be offset, however, by increasing the income eligibility criteria for the PACE Program. Currently, some PACE cardholders may become ineligible for benefits due to Social Security (SS) cost-of-living adjustments (COLA). To prevent the disqualification of current cardholders and to enable other older Pennsylvanians who were previously not eligible to receive benefits, this Program Revision increases the annual income limits for both single and married persons by 8 percent (from \$12,000 to \$13,000 for singles and from \$15,000 to \$16,200 for a couple). The increased income eligibility criteria will be effective September 1991 and is expected to benefit 25,329 individuals. These cost containment initiatives and the change in eligibility criteria for PACE results in a net savings to the Lottery Fund of \$52 million.

Two other benefits provided through Lottery revenue include Property Tax and Rent Rebate (PTRR), which provides support for housing costs, and the companion Older Persons Inflation Need Dividend (OPIN). The PTRR program will cost \$113.9 million in 1991-92 and will assist 436,000 older Pennsylvanians to maintain their homes. This program will be continued. OPIN, however, which provides a bonus to PTRR recipients, will be discontinued. This Program Revision will save the Lottery Fund \$27.3 million in 1991-92.

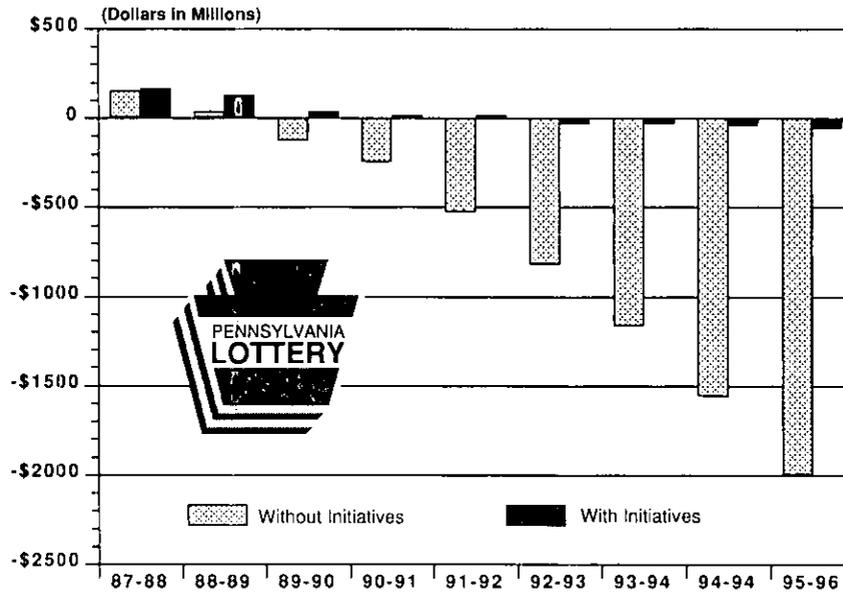
This Program Revision also proposes changes to the three Lottery funded transportation programs and services for older Pennsylvanians. The Free Ride Program currently reimburses carriers the average cost per ride or the base cost per ride, whichever is greater. Consequently, in many cases the Lottery Fund is reimbursing carriers at rates greater than would be paid by eligible riders if they were paying the fare themselves. To better reflect the actual cost per ride, this Program Revision proposes to revise the carrier reimbursement formula to require payment equal to the lesser of the average cost per ride or the base cost per ride. In addition, funding for the Shared Ride Program will be combined with the Department of Aging's (PDA) current transportation services and distributed through a block grant to the Area Agencies on Aging (AAAs). The AAAs will coordinate transportation services more efficiently and will target priority rides (medical, nutritional, senior centers). In addition, PDA will administer the Demand Response Equipment grants to counties to support the costs of transit vehicles. This Program Revision also recommends the elimination of the Lottery Fund transfer to the Motor License Fund to subsidize the motor vehicle registration of older Pennsylvanians. These changes to the transportation programs will save the Lottery Fund a total of \$37.9 million.

Finally, this Program Revision will transfer an additional \$20 million of Long-Term Care expenditures from the Lottery Fund to the General Fund. In 1986-87, almost \$173 million was funded from the Lottery Fund which had previously been funded from the General Fund. Since 1987-88, this Administration has transferred major portions of the funding responsibility for these programs back to the General Fund. This Program Revision will continue that effort and bring the cumulative total dollars transferred from the Lottery Fund to the General Fund to \$336.8 million.

In summary, this Program Revision proposes significant changes to Lottery-funded programs in order to preserve essential health care, housing support and transportation services for older Pennsylvanians. Combined, the proposed initiatives save a total of \$137 million in 1991-92 and preserve the integrity of the Lottery Fund in future years.

Program Revision: Lottery Restructuring (continued)

Lottery Fund Integrity



Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Older Pennsylvanians enrolled in PACE							
Current	428,000	385,400	345,800	311,500	282,920	254,789	227,456
Program Revision			371,129	336,829	308,249	280,118	252,785
Cost to the Commonwealth per free transit trip							
Current	\$1.19	\$1.31	\$1.31	\$1.31	\$1.31	\$1.31	\$1.31
Program Revision			\$1.05	\$1.05	\$1.05	\$1.05	\$1.05
Shared ride trips by older Pennsylvanians							
Current	7,641,000	7,941,000	8,241,000	8,521,000	8,821,000	9,121,000	9,421,000
Program Revision			7,004,850	7,242,850	7,497,850	7,752,850	8,007,850

Program Revision Recommendations:

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

LOTTERY FUND			
	Aging		
	Pharmaceutical Assistance Fund	\$ 2,300	Demand Response Equipment Grants
\$ -39,560	—cost savings generated from the Pharmaceutical Manufacturers' Rebate Program.		—to provide grants to counties to support the costs of transit vehicles.
\$ -18,293	—cost savings generated from increasing the recipient copayment from \$4.00 to \$6.00.	\$ -60,000	Transportation
\$ -400	—cost savings generated from the elimination of coverage for cosmetic drugs.		Older Pennsylvanians Shared Rides
\$ 6,032	—to increase the recipient income eligibility limits by 8 percent.	\$ -2,300	—to transfer the Shared Ride Program to the Department of Aging. (Reflects projected program cost without the Program Revision.)
\$ -52,221	<i>Appropriation Decrease</i>		Demand Response Equipment Grants
	Older Pennsylvanians Shared Rides		—to transfer the Demand Response Equipment Program to the Department of Aging.
\$ 51,000	—to restructure the Shared Ride Program as a transportation block grant through the Area Agencies on Aging.		

Program Revision: Lottery Restructuring (continued)
Program Recommendations (continued)

<p>Older Pennsylvanians Free Transit \$ -26,000 —cost savings generated from revising the carrier reimbursement formula to require payment amounting to the lesser of the average cost per ride or the base cost per ride.</p> <p>Transfer to the Motor License Fund — Vehicle Registration \$ -2,900 —cost savings generated from discontinuing the motor vehicle registration subsidy program. (Reflects projected program cost without the Program Revision.)</p>	<p>Revenue Older Pennsylvanians Inflation Dividend \$ -27,300 —cost savings generated from discontinuing the Older Pennsylvanians Inflation Needs Dividend program. (Reflects projected program cost without the Program Revision.)</p> <p>Public Welfare Medical Assistance—Long-Term Care \$ -20,000 —to transfer program costs from the Lottery Fund to the General Fund.</p> <p>GENERAL FUND Public Welfare Long-Term Care Facilities \$ 20,000 —to transfer program costs to the General Fund from the Lottery Fund.</p> <p>\$ -117,421 <i>Program Revision Total</i></p>
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Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
LOTTERY FUND:							
AGING							
Pharmaceutical Assistance Fund	\$ -52,221	\$ -50,026	\$ -52,187	\$ -52,419	\$ -50,267
Older Pennsylvanians Shared Ride	51,000	52,275	53,582	54,922	56,295
Demand Respond Equipment Grants	2,300	2,300	2,300	2,300	2,300
TOTAL AGING	\$ 1,079	\$ 4,549	\$ 3,695	\$ 4,803	\$ 8,328
TRANSPORTATION							
Older Pennsylvanians Shared Ride	\$ -60,000	\$ -61,500	\$ -63,038	\$ -64,614	\$ -66,229
Demand Response Equipment Grants	-2,300	-2,300	-2,300	-2,300	-2,300
Older Pennsylvanians Free Transit	-26,000	-26,000	-26,000	-26,000	-26,000
Transfer to Motor License Fund Vehicle Registration	-2,900	-3,000	-3,000	-3,000	-3,000
TOTAL TRANSPORTATION	\$ -91,200	\$ -92,800	\$ -94,338	\$ -95,914	\$ -97,529
REVENUE							
Older Pennsylvanians Inflation Dividend	\$ -27,300	\$ -23,000	\$ -22,500	\$ -22,000	\$ -21,500
PUBLIC WELFARE							
Medical Assistance—Long-Term Care	\$ -20,000	\$ -30,000	\$ -30,000	\$ -30,000	\$ -30,000
TOTAL LOTTERY FUND	\$ -137,421	\$ -141,251	\$ -143,143	\$ -143,111	\$ -140,701
GENERAL FUND:							
PUBLIC WELFARE							
Long-Term Care Facilities	\$ 20,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
TOTAL GENERAL FUND	\$ 20,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
TOTAL ALL FUNDS	\$ -117,421	\$ -111,251	\$ -113,143	\$ -113,111	\$ -110,701



Commonwealth of Pennsylvania

Department of Agriculture

The Department of Agriculture carries out activities to ensure wholesome and quality agricultural products for consumers; to expand existing and develop new domestic and foreign markets for Pennsylvania's agricultural products; to develop and encourage proper farming and conservation practices; to prevent, control and eradicate diseases among livestock, poultry and plants; to regulate the conduct of horse racing; and to improve the quality of life in rural Pennsylvania.

PROGRAM REVISION
Budgeted Amounts Include the Following Program Revision:

Title	Appropriation	1991-92 State Funds (In thousands)
GENERAL FUND		
Expanded Services to the Needy	Emergency Food Assistance	\$ 1,000
<p>This Program Revision will enable the department to increase the financial support to counties and lead agencies to feed needy individuals and families. This is part of the Expanded Services to the Needy Program Revision funded with \$5.8 million in State, Federal and Other funds across various agencies. Please see the Department of Public Welfare for further details on this Program Revision.</p>		
DEPARTMENT TOTAL		<u>\$ 1,000</u>

AGRICULTURE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 16,853	\$ 18,053	\$ 18,143
(F) Diagnostic Laboratory Services	39	10	30
(F) FDA Food Sanitation Inspection	72	.....	.....
(F) Poultry Grading Services	136	116	116
(F) Market News Reporting	18	20	.....
(F) Medicated Feed Mill Inspection	26	13	14
(F) Donated Foods	141	150	150
(F) Plant Pest Detection System	31	32	32
(F) Household Commodity Program	2,288	2,800	2,500
(F) Pseudorabies Pilot Project	35	50	50
(F) Pesticide Control	367	619	500
(F) Consumer Saving	33	.....	.....
(F) Rural Development	17	.....	.....
(F) Rural Transportation	78	.....	.....
(F) Farmers' Market Food Coupons	122	212	366
(F) Commodity Supplemental Food Program .....	.....	.....	90
(A) Feed and Fertilizer	293	363	417
(A) Lime Inspection	30	32	32
(A) Soil Conditioner	23	15	14
(A) Milk Plant Inspections	28	35	33
(A) Fruit Tree Improvement	19	20	20
(A) Animal Industry Services	16	16	16
(A) Special Conferences and Projects	7	7	10
(A) Administrative Services	485	501	506
(A) Pesticide Regulation	757	800	876
(A) Training Rides and Attractions	4	7	7
(A) Chesapeake Bay Project	20	48	.....
(A) Government Donated Foods — Administration .....	.....	.....	2
(A) WIC — Reimbursement	100	100	100
Total — General Government Operations	<u>\$ 22,038</u>	<u>\$ 24,019</u>	<u>\$ 24,024</u>
Agricultural Conservation Easement Administration	74	122	124
Agricultural Research	2,997	2,500	2,500
Agricultural Promotion	458	495	300
Subtotal — State Funds	<u>\$ 20,382</u>	<u>\$ 21,170</u>	<u>\$ 21,067</u>
Subtotal — Federal Funds	3,403	4,022	3,848
Subtotal — Augmentations	1,782	1,944	2,033
Total — General Government	<u>\$ 25,567</u>	<u>\$ 27,136</u>	<u>\$ 26,948</u>

AGRICULTURE

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GRANTS AND SUBSIDIES:			
Animal Health Commission	\$ 1,624 ^a	\$ 1,624 ^b	\$ 1,624
Swine Pseudorabies .....	.....	225	.....
Animal Indemnities	399	250	250
Transfer to State Farm Products Show Fund	1,000	1,000	650
Livestock Show	152	152	152
Open Dairy Show	90	90	90
Junior Dairy Show	36	36	36
4-H Club Shows	41	41	41
Payments to Pennsylvania Fairs	3,750	3,750	2,950
Emergency Food Assistance	9,492	10,000	11,000
EFAP - Administration	197	150	.....
Mushroom Promotion	100	100	.....
FFA Foundation	33	40	.....
Emergency Apple Marketing	100	100	.....
Total — Grants and Subsidies	\$ 17,014	\$ 17,558	\$ 16,793
STATE FUNDS	\$ 37,396	\$ 38,728	\$ 37,860
FEDERAL FUNDS	3,403	4,022	3,848
AUGMENTATIONS	1,782	1,944	2,033
GENERAL FUND TOTAL	\$ 42,581	\$ 44,694	\$ 43,741
ECONOMIC REVITALIZATION FUND			
GRANTS AND SUBSIDIES:			
PENNAG Fund .....	.....	\$ 1,000	\$ 1,000
FARM PRODUCTS SHOW FUND			
GENERAL GOVERNMENT:			
General Operations	\$ 2,041	\$ 3,130	\$ 2,734
(A) Transfer from General Fund .....	.....^c	.....^c	.....^c
Total — General Government	\$ 2,041	\$ 3,130	\$ 2,734
CAPITAL IMPROVEMENTS:			
Farm Show Roof Replacement	\$ 1,000	\$ 1,819	.....
FARM PRODUCTS SHOW FUND TOTAL	\$ 3,041	\$ 4,949	\$ 2,734

^aActually expended as: \$298,000 for Livestock Diagnostic Contract; \$298,000 for Poultry Laboratory Diagnostic Contract; \$228,000 for Field Investigation; \$131,000 for Johne's Disease; \$225,000 for Brucellosis Vaccination; \$273,000 for Rabies Research; \$171,000 for Poultry Surveillance.

^bActually appropriated as: \$1,703,000 for Animal Health Commission and \$171,000 for Poultry Surveillance.

^cNot added to the total to avoid double counting: 1989-90 actual is \$1,000,000, 1990-91 available is \$1,000,000 and 1991-92 recommended is \$650,000.

AGRICULTURE

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
RACING FUND			
<i>GENERAL GOVERNMENT:</i>			
State Racing Commissions	\$ 5,000	\$ 5,282	\$ 5,596
Race Horse Testing Laboratory	887	885	908
(A) Out-of-State Testing — Reimbursement .....	.....	413	492
Payments to Pennsylvania Fairs—Administration	183	191	193
Total — General Government	\$ 6,070	\$ 6,771	\$ 7,189
<i>GRANTS AND SUBSIDIES:</i>			
Transfer to the General Fund	\$ 1,612	\$ 1,091	\$ 1,236
STATE FUNDS	\$ 7,682	\$ 7,449	\$ 7,933
AUGMENTATIONS .....	.....	413	492
RACING FUND TOTAL	\$ 7,682	\$ 7,862	\$ 8,425
OTHER FUNDS			
<i>GENERAL FUND:</i>			
Agriculture Farm Operations	\$ 223	\$ 310	\$ 250
Recovery on Lost Commodities	51	51	51
Dog Law Administration	3,355	3,851	3,980
Farm Loan Program	5	79	79
Pesticide Regulatory Account	819	890	1,314
Poultry Inspection	14	13	13
Public Weighmasters	17	18	18
GENERAL FUND TOTAL	\$ 4,484	\$ 5,212	\$ 5,705
<i>RACING FUND:</i>			
Sire Stakes Fund	\$ 2,185	\$ 2,292	\$ 3,920
Breeders' Fund	2,019	2,514	3,603
RACING FUND TOTAL	\$ 4,204	\$ 4,806	\$ 7,523
OTHER FUNDS TOTAL	\$ 8,688	\$ 10,018	\$ 13,228
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 37,396	\$ 38,728	\$ 37,860
SPECIAL FUNDS	10,723	13,398	11,667
FEDERAL FUNDS	3,403	4,022	3,848
AUGMENTATIONS	1,782	2,357	2,525
OTHER FUNDS	8,688	10,018	13,228
TOTAL ALL FUNDS	\$ 61,992	\$ 68,523	\$ 69,128

AGRICULTURE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
EMERGENCY FOOD ASSISTANCE							
General Funds.....	\$ 9,689	\$ 10,150	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000
Federal Funds.....	2,410	3,012	2,956	3,016	3,016	3,016	3,016
Other Funds.....	100	100	102	102	102	102	102
TOTAL.....	\$ 12,199	\$ 13,262	\$ 14,058	\$ 14,118	\$ 14,118	\$ 14,118	\$ 14,118
PROTECTION & DEVELOP. OF AGRI. INDUSTRIES							
General Funds.....	\$ 27,707	\$ 28,578	\$ 26,860	\$ 27,758	\$ 28,223	\$ 28,704	\$ 29,203
Special Funds.....	3,224	6,140	3,927	3,989	4,095	4,201	4,307
Federal Funds.....	993	1,010	892	892	892	892	892
Other Funds.....	6,166	7,056	7,636	7,775	7,879	7,987	8,100
TOTAL.....	\$ 38,090	\$ 42,784	\$ 39,315	\$ 40,414	\$ 41,089	\$ 41,784	\$ 42,502
HORSE RACING REGULATION							
Special Funds.....	\$ 7,499	\$ 7,258	\$ 7,740	\$ 9,936	\$ 13,103	\$ 16,329	\$ 16,325
Other Funds.....	4,204	5,219	8,015	9,498	10,813	10,974	11,012
TOTAL.....	\$ 11,703	\$ 12,477	\$ 15,755	\$ 19,434	\$ 23,916	\$ 27,303	\$ 27,337
ALL PROGRAMS:							
GENERAL FUND.....	\$ 37,396	\$ 38,728	\$ 37,860	\$ 38,758	\$ 39,223	\$ 39,704	\$ 40,203
SPECIAL FUNDS.....	10,723	13,398	11,667	13,925	17,198	20,530	20,632
FEDERAL FUNDS.....	3,403	4,022	3,848	3,908	3,908	3,908	3,908
OTHER FUNDS.....	10,470	12,375	15,753	17,375	18,794	19,063	19,214
TOTAL.....	\$ 61,992	\$ 68,523	\$ 69,128	\$ 73,966	\$ 79,123	\$ 83,205	\$ 83,957

AGRICULTURE

Program: Protection and Development of Agricultural Industries (continued)

The Pesticide Control Law provides for the regulation of the use, handling, storage and transportation of pesticides. The department achieves its statutory responsibilities by requiring registration of all pesticide products, testing and licensing of all persons who use pesticides to insure minimum competency levels and periodically inspecting those who use, store or transport pesticides. Complaints about misuse are also investigated by the department. During 1989-90, 930 pesticide dealers were licensed, 2,703 pesticide application businesses

were licensed, 28,371 pesticide applicators certified, 1,144 service technicians registered, more than 10,000 pesticide products registered, 962 inspections and investigations conducted and 230 samples analyzed. This program attempts to provide for the optimum use of pesticides, while minimizing their adverse effects on human life and the environment.

Pesticide expenditures are reflected in this program as Other Funds.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Agribusiness Development							
Dollar volume of food and agricultural exports (millions)	\$270	\$290	\$310	\$330	\$330	\$330	\$330
Trade leads generated	850	850	1,000	1,100	1,100	1,100	1,100
Animal Health							
Animals examined to determine disease (thousands)	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Animals quarantined (thousands)	400	150	150	150	150	150	150
Animals destroyed	25,000	3,000	3,000	3,000	3,000	3,000	3,000
Consumable Agricultural Products							
Incidence of food products showing major discrepancies	62,799	63,000	63,000	63,000	63,000	63,000	63,000
Dollar value of:							
products removed from the market (thousands)	\$2,026	\$2,500	\$2,500	\$2,000	\$2,000	\$2,000	\$2,000
consumer commodities inspected (thousands)	\$47,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000

The dollar value of food and agricultural exports has increased compared to last year's projections due to a better quality of trade leads and better preparation by companies that sell their products overseas.

The number of animals quarantined decreased compared to last year's projections because the number of poultry flocks infected with laryngotracheitis was reduced.

The increase in the number of animals destroyed in 1989-90 compared to last year's projections was attributed to a tuberculosis outbreak in cattle and the pseudorabies epidemic.

Program Recommendations:

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

<p>General Fund:</p> <p>General Government Operations</p> <p>\$ -301 —nonrecurring projects.</p> <p>297 —to continue current program.</p> <p>94 —to expand operations of the Animal Health Commission.</p> <hr/> <p>\$ 90 <i>Appropriation Increase</i></p> <p>Agricultural Conservation Easement Administration</p> <p>\$ 2 —to continue current program.</p>	<p>Agricultural Promotion</p> <p>\$ -195 —nonrecurring projects.</p> <p>Swine Pseudorabies</p> <p>\$ -225 —nonrecurring projects.</p> <p>Transfer to State Farm Products Show Fund</p> <p>\$ -350 —reduction in General Fund support in order to enable the Farm Products Show Fund to become increasingly self-sufficient.</p>
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All Other General Fund programs are recommended at current levels or decrease due to nonrecurring projects.

AGRICULTURE

Program: Protection and Development of Agricultural Industries (continued)

Program Recommendations: (continued)

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

	RACING FUND		Farm Show Roof Replacement
	Payments to Pennsylvania Fairs - Administration	\$ -1,819	—roof replacement project completed.
\$ -3	—nonrecurring projects.		
5	—to continue current program.		
<u>\$ 2</u>	<i>Executive Authorization Increase</i>		
	FARM PRODUCTS SHOW FUND:		
	General Operations		
\$ -117	—nonrecurring projects.		
-373	—to continue current program.		
80	—Initiative — to seal and reline the North parking lot at the Farm Show.		
14	—Initiative — to fund additional costs resulting from increased events at the Farm Show Building.		
<u>\$ -396</u>	<i>Executive Authorization Decrease</i>		

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	\$ 16,853	\$ 18,053	\$ 18,143	\$ 18,687	\$ 19,248	\$ 19,825	\$ 20,420
Agricultural Conservation Easement Administration	74	122	124	128	132	136	140
Agricultural Research	2,997	2,500	2,500	2,500	2,500	2,500	2,500
Agricultural Promotion	458	495	300	300	300	300	300
Animal Health Commission	1,624	1,624	1,624	1,624	1,624	1,624	1,624
Swine Pseudorabies . . . . .	. . . . .	225	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Animal Indemnities	399	250	250	250	250	250	250
Transfer to State Farm Products Show Fund	1,000	1,000	650	500	400	300	200
Livestock Show	152	152	152	152	152	152	152
Open Dairy Show	90	90	90	90	90	90	90
Junior Dairy Show	36	36	36	36	36	36	36
4-H Club Shows	41	41	41	41	41	41	41
Payments to Pennsylvania Fairs	3,750	3,750	2,950	3,450	3,450	3,450	3,450
Mushroom Promotion	100	100	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
FFA Foundation	33	40	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Emergency Apple Marketing	100	100	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL GENERAL FUND	<u>\$ 27,707</u>	<u>\$ 28,578</u>	<u>\$ 26,860</u>	<u>\$ 27,758</u>	<u>\$ 28,223</u>	<u>\$ 28,704</u>	<u>\$ 29,203</u>

AGRICULTURE

Program: Protection and Development of Agricultural Industries (continued)

Appropriations within this Program: (continued)

(Dollar Amounts in Thousands)

	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
ECONOMIC REVITALIZATION FUND							
PENNAG Fund .....	.....	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
FARM PRODUCTS SHOW FUND							
General Operations	\$ 2,041	\$ 3,130	\$ 2,734	\$ 2,790	\$ 2,890	\$ 2,990	\$ 3,090
Roof Replacement	1,100	1,819	.....	.....	.....	.....	.....
Total Farm Products Show Fund	<u>\$ 3,041</u>	<u>\$ 4,949</u>	<u>\$ 2,734</u>	<u>\$ 2,790</u>	<u>\$ 2,890</u>	<u>\$ 2,990</u>	<u>\$ 3,090</u>
RACING FUND							
Payments to Pennsylvania Fairs — Administration	<u>\$ 183</u>	<u>\$ 191</u>	<u>\$ 193</u>	<u>\$ 199</u>	<u>\$ 205</u>	<u>\$ 211</u>	<u>\$ 217</u>

PROGRAM OBJECTIVE: To prevent consumer fraud in the racing industry.

Program: Horse Racing Regulation

Activities in this program area include the development and implementation of rules, regulations and procedures to insure the public and harness and horse owners of honest and safe competitive pari-mutuel harness and horse racing.

Horse racing in Pennsylvania is governed by Act 93 of 1983. This act merged the State Harness Racing Fund and the State Horse Racing Fund into the Racing Fund, adjusted the tax schedule and revised the

distribution of funds in order to assist the racing industry by increasing the funds retained by the tracks.

From monies remaining in the Racing Fund after payment of necessary expenses, percentages of the amount wagered, as specified by law, are credited to the Breeders' Fund and to the Sire Stakes' Fund. All remaining monies in the Racing Fund are then transferred to the General Fund in the subsequent fiscal year.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Investigations to insure compliance with established rules and regulations:							
Harness	341	300	300	300	300	300	300
Horse	1,834	2,000	2,000	2,000	2,000	2,000	2,000
Participant licenses issued:							
Harness	3,657	5,000	5,000	5,000	5,000	5,000	5,000
Horse	6,972	8,000	8,000	8,000	8,000	8,000	8,000
Licenses suspended for noncompliance of rules and regulations:							
Harness	433	400	400	400	400	400	400
Horse	316	330	330	330	330	330	330
Racing days approved:							
Harness	357	370	370	370	370	370	370
Horse	421	500	500	500	500	500	500

The increase compared to projections in last year's budget in investigations to insure compliance with established rules and regulations for Harness is due to the continued growth of off-track wagering, increasing security measures and upgraded testing.

The decreases in the number of participant licenses issued for harness racing from last year's budget is due to the completion of a three year licensing phase ending in 1989-90; for horse racing it is based on a recent trend indicating less participants.

The increase for licenses suspended for noncompliance of rules and regulations for harness racing from last year's budget is due to the continued growth of off-track wagering.

Program Recommendations:

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

<p>State Racing Commissions</p> <p>\$ -93 —nonrecurring projects.</p> <p>407 —to continue current program.</p> <hr/> <p>\$ 314 <i>Executive Authorization Increase</i></p>	<p>Transfer to the General Fund</p> <p>\$ 145 —funds available for transfer. Law requires June 30th ending surplus to be transferred to the General Fund.</p>
<p>Race Horse Testing Lab</p> <p>\$ -10 —nonrecurring projects.</p> <p>3 —to continue current program.</p> <p>30 —for drug screening test kits in order to further enhance the integrity of racing.</p> <hr/> <p>\$ 23 <i>Executive Authorization Increase</i></p>	

AGRICULTURE

Program: Horse Racing Regulation (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
STATE RACING FUND:							
State Racing Commissions	\$ 5,000	\$ 5,282	\$ 5,596	\$ 5,764	\$ 5,937	\$ 6,115	\$ 6,298
Race Horse Testing Lab	887	885	908	935	963	992	1,022
Transfer to the General Fund	1,612	1,091	1,236	3,237	6,203	9,222	9,005
TOTAL STATE RACING FUND	\$ 7,499	\$ 7,258	\$ 7,740	\$ 9,936	\$ 13,103	\$ 16,329	\$ 16,325

AGRICULTURE

PROGRAM OBJECTIVE: To distribute surplus and donated food through institutions and counties or designated lead agencies to individuals and families who are dependent or disadvantaged to support minimum standards of living and economic independence.

Program: Emergency Food Assistance

The State funded Emergency Food Assistance Program provides grants to counties or a designated lead agency to purchase food to be provided to the needy. These grants are allocated to counties based on three factors: unemployment, food stamp recipients not on public assistance and medical assistance recipients. Administrative costs of this program are funded from the grants, with a six and one-half percent limit on administrative allocations.

This program also distributes Federal surplus food through two programs: the traditional program involving schools, prisons, hospitals, summer camps, etc; and the Federal Emergency Food Assistance

Program (EFAP) which involves distribution of surplus food to the needy in Pennsylvania who meet certain eligibility criteria.

The traditional program distributes commodities among the states based on daily census and allocates commodities within the State based on the same criteria. The EFAP commodities are allocated among the states according to unemployment and poverty levels and are allocated within the State based on the same criteria. Administrative and warehousing costs for both programs have been borne by the Federal Government.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Dollar value of commodities distributed (thousands)	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000
Persons receiving donated or surplus foods (thousands):							
Traditional program	1,000	1,000	1,000	1,000	1,000	1,000	1,000
EFAP	3,100	3,100	3,100	3,100	3,100	3,100	3,100
Emergency Food Assistance Program .	2,600	2,600	2,600	2,600	2,600	2,600	2,600

The reduction in the dollar value of commodities distributed compared to last year's projections is due to a reduction in the quantities of commodities received from the Federal Government. The number of persons participating in the Emergency Food Assistance Program is projected to remain unchanged, with the additional funds proposed making increased amounts of food available for the program participants.

Program Recommendations:

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

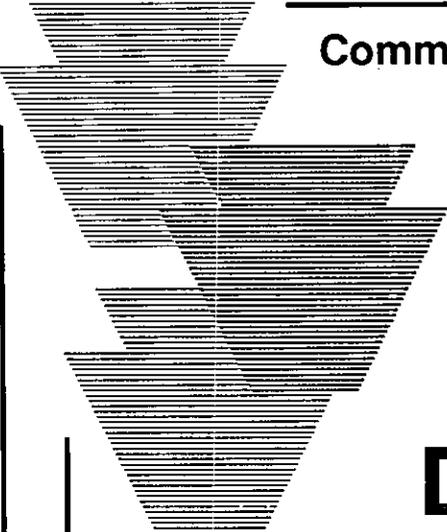
<p>Emergency Food Assistance \$ 1,000 —PRR — Expanded Services to the Needy. To increase the financial support to counties and lead agencies to feed needy individuals and families. See the Program Revision following the Human Services Program in the Department of Public Welfare for further information.</p>	<p>EFAP-Administration \$ -150 —nonrecurring projects.</p>
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AGRICULTURE

Program: Emergency Food Assistance (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Emergency Food Assistance	\$ 9,492	\$ 10,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000
EFAP—Administration	197	150	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	<u>\$ 9,689</u>	<u>\$ 10,150</u>	<u>\$ 11,000</u>	<u>\$ 11,000</u>	<u>\$ 11,000</u>	<u>\$ 11,000</u>	<u>\$ 11,000</u>



Commonwealth of Pennsylvania

Department of Banking

The Department of Banking protects the public through the examination of records, accounts and policies of State-chartered financial institutions.

BANKING

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
REGULATION OF FINANCIAL INSTITUTIONS							
Special Funds.....	\$ 8,108	\$ 8,798	\$ 9,020	\$ 9,004	\$ 9,274	\$ 9,553	\$ 9,839
TOTAL.....	\$ 8,108	\$ 8,798	\$ 9,020	\$ 9,004	\$ 9,274	\$ 9,553	\$ 9,839
ALL PROGRAMS:							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SPECIAL FUNDS.....	8,108	8,798	9,020	9,004	9,274	9,553	9,839
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
TOTAL.....	\$ 8,108	\$ 8,798	\$ 9,020	\$ 9,004	\$ 9,274	\$ 9,553	\$ 9,839

PROGRAM OBJECTIVE: To insure the maintenance of an economically sound and competitive system of State-chartered financial institutions.

Program: Financial Institution Regulation

This program involves supervision and examination of the records, accounts and policies of State-chartered banking institutions, bank holding companies, State-chartered savings associations, sales finance companies, installment sellers, money transmitters, consumer discount companies, collector-repossessors, pawnbrokers and State-chartered credit unions. Other activities included in this program area are examinations of business development credit corporations and special investigations where necessary.

As of June 30, 1990, there were 166 banks under the department's supervision: 137 commercial banks, 11 savings banks, 5 private banks and 13 trust companies. In addition there were 6 foreign banks which established 7 branch offices in Pennsylvania. Also there are 109 bank holding companies and 37 multi-bank holding companies in operation in Pennsylvania.

Department of Banking responsibilities were significantly expanded by Acts 69, 205 and 206 of 1986, which provide for regional reciprocal interstate banking by commercial banks, savings banks, and savings and loan associations. Under these acts, the department must approve all of the following interstate activity: interstate acquisitions and denovo

(newly chartered) banks by all commercial bank holding companies, and interstate branching, mergers and acquisitions by State-chartered thrift institutions. Under these interstate banking acts, the department is to monitor the safety and soundness of the interstate institutions and ensure that the needs of Pennsylvania's communities are adequately served. This entails assuring that Pennsylvania residents have available to them the basic transaction accounts offered by the in-state institutions, and that the State's economy does not suffer through a lack of loans and other services that are required to enhance and maintain the State's economy.

Acts 69 and 205 included triggers, effective March 4, 1990, that permit Pennsylvania banks to branch Statewide. Reciprocal interstate banking will be nationwide.

Act 90 of 1989 enacted the Mortgage Bankers and Brokers Act, which requires the Banking Department to license and examine mortgage companies and mortgage brokers.

Act 95 of 1989 permits State-chartered credit unions to branch interstate on a reciprocal basis.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Supervision of State-chartered:							
Banks	166	172	175	178	181	184	187
Savings and loan associations	138	131	124	117	110	103	96
Credit unions	143	136	129	123	118	115	112
Consumer credit agencies and branches							
licensed	2,602	3,000	3,100	3,100	3,100	3,100	3,100
Installment sellers licensed	4,010	3,000	3,000	3,000	3,000	3,000	3,000

The decline in the program measures compared to those projected in last year's budget for supervision of the Installment Sellers Licenses is attributable to the recent increase in licensing fees. The marked increase in the program measures for licensing of Consumer Credit Agencies and Branches is due to a change in the methods used to arrive at the total number of licensees. (Previously, a company holding three separate licenses was only counted as one licensee; more appropriately the company actually holds three separate, distinct licenses.)

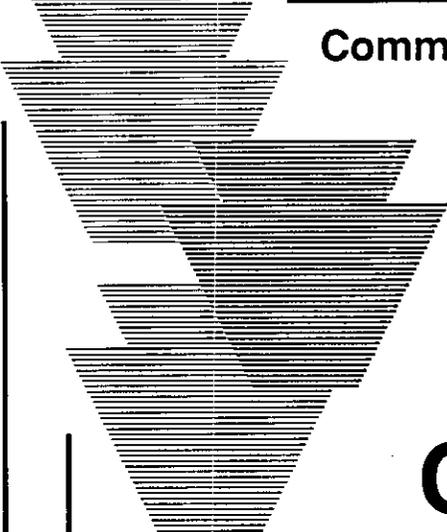
Program Recommendations:

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

General Operations	Transfer to General Fund
\$ -137 —nonrecurring projects.	\$ 825 —one-time transfer to the General Fund.
81 —to continue current program.	
278 —one-time training assessment by Education Foundation of State Bank Examiners.	
<u>\$ 222 Executive Authorization Increase</u>	

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
BANKING DEPARTMENT FUND:							
General Operations	\$ 8,108	\$ 8,798	\$ 9,020	\$ 9,004	\$ 9,274	\$ 9,553	\$ 9,839
Transfer to General Fund			825				
TOTAL BANKING DEPARTMENT FUND	<u>\$ 8,108</u>	<u>\$ 8,798</u>	<u>\$ 9,845</u>	<u>\$ 9,004</u>	<u>\$ 9,274</u>	<u>\$ 9,553</u>	<u>\$ 9,839</u>



Commonwealth of Pennsylvania

Civil Service Commission

The Civil Service Commission administers the Commonwealth's merit system. The responsibilities of the commission include: recruitment of qualified candidates; evaluation of applicants' education and experience to determine if minimum requirements have been met; development and administration of examinations; and certification of eligibles to the appointing agencies.

CIVIL SERVICE COMMISSION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 1	\$ 1	\$ 1
(A) Fees from Agencies	8,614	8,786	9,168
(A) Special Merit System Services	560	629	602
(A) Special Merit System Services — U.C.D. EXAM .....	.....	1,071	1,030
STATE FUNDS	\$ 1	\$ 1	\$ 1
AUGMENTATIONS	9,174	10,486	10,800
GENERAL FUND TOTAL	\$ 9,175	\$ 10,487	\$ 10,801

CIVIL SERVICE COMMISSION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
PERSONNEL SELECTION							
General Funds.....	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Other Funds.....	9,174	10,486	10,800	10,075	10,390	10,715	11,051
TOTAL.....	\$ 9,175	\$ 10,487	\$ 10,801	\$ 10,076	\$ 10,391	\$ 10,716	\$ 11,052
ALL PROGRAMS:							
GENERAL FUND.....	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	9,174	10,486	10,800	10,075	10,390	10,715	11,051
TOTAL.....	\$ 9,175	\$ 10,487	\$ 10,801	\$ 10,076	\$ 10,391	\$ 10,716	\$ 11,052

CIVIL SERVICE COMMISSION

PROGRAM OBJECTIVE: To provide a sufficient number of qualified, available persons to meet merit system manpower needs.

Program: Personnel Selection

Through this program, the Civil Service Commission provides qualified persons to meet merit system staffing needs.

The commission works toward bringing the Commonwealth merit system into full compliance with all State laws and regulations concerning employee selection procedures and the Federal Uniform Guidelines on Employee Selective Procedures. This includes job analysis and implementation of a program to identify and correct adverse impacts of exams on protected groups.

Goals of the commission include: 1) identification and elimination of adverse impact; 2) development of more valid examinations; 3) the identification and elimination of discrimination in the Commonwealth's personnel system; 4) increased efficiency in meeting personnel needs of other State agencies; and 5) prompt and accurate resolution or adjudication of complaints, grievances and appeals.

The funds supporting this program are received from billing various General and Special Fund agencies.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Total eligibles on lists	144,979	155,000	165,000	165,000	165,000	165,000	165,000
Persons scheduled for exams	115,661	120,000	120,000	120,000	120,000	120,000	120,000
Appeal requests received and processed	476	500	500	500	500	500	500
Certifications audited	10,500	11,500	11,500	11,500	11,500	11,500	11,500
Handicapped persons provided employment information	366	450	450	500	500	550	600
Handicapped persons hired	58	70	85	100	125	150	200

Data for the measures: total eligibles on lists, persons scheduled for exams, appeal requests received and processed and certifications audited, has decreased substantially from the data printed in last year's budget. This is primarily due to reduced recruitment and hiring activity, fewer furloughs than anticipated and a decision not to certify employee's at the completion of their training.

The number of handicapped persons provided employment information and handicapped persons hired is projected to increase in future years as this recently implemented program is fully developed.

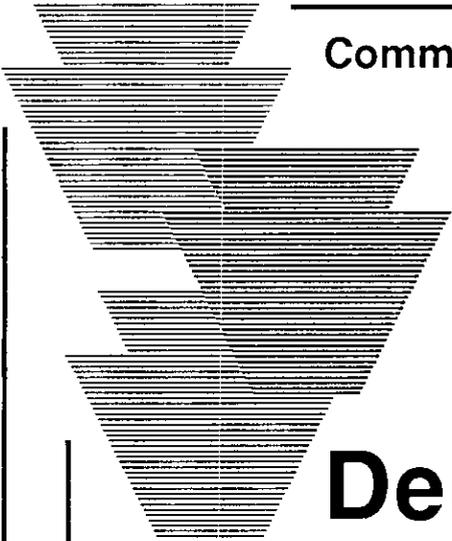
Program Recommendations:

This budget recommends the following changes in augmentations received from agency billings. (Dollar Amounts in Thousands)

General Government Operations	
\$ 355	—to continue current program.
-41	—for the administration of the Uniform Commercial Driving Examination which will be completed in 1991-92.
<u>\$ 314</u>	<i>Augmentation Increase</i>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>



Commonwealth of Pennsylvania

Department of Community Affairs

The Department of Community Affairs provides a system of services and programs permitting the development and redevelopment of Pennsylvania's communities to enhance the total environment of citizens. The department seeks to improve the capabilities of local governments to meet critical social and economic problems and to develop human resources so each citizen will have an equal opportunity to achieve the full measure of the State's economic prosperity. It carries out these activities through technical consultation and assistance; grants for housing, redevelopment, flood plain management, planning and manpower training.

COMMUNITY AFFAIRS

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1991-92 State Funds (In thousands)
GENERAL FUND		
Expanded Services for the Needy	Housing and Redevelopment Assistance .....	.....

This Program Revision commits \$600,000 of the department's existing Housing and Redevelopment Assistance appropriation to the rehabilitation of housing units under the Pennsylvania Partnership for Housing initiative. This is part of the Expanded Services for the Needy Program Revision funded with \$5.8 million in State, Federal and Other funds across various agencies. Please see the Department of Public Welfare for further details on this Program Revision.

ECONOMIC REVITALIZATION FUND

Commitment to Economic Development	Recreational Improvement and Rehabilitation	\$ 500
	Heritage Parks	1,050
	Subtotal	\$ 1,550

This Program Revision will enable the department to expand its assistance to local governments in acquiring and rehabilitating parks, open space and community center buildings and in comprehensively planning, developing, managing and marketing significant natural, recreational and historical resources to attract tourism into a region. This is part of the \$27.75 million commitment to Economic Development Program Revision. Please see the Economic Development Partnership for further details on this Program Revision.

DEPARTMENT TOTAL	\$ 1,550
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COMMUNITY AFFAIRS

Summary by Fund and Appropriation

GENERAL FUND	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL GOVERNMENT:			
General Government Operations	\$ 28,460	\$ 35,085	\$ 10,318
(F) LWCF — Administration	40	30	20
(F) SCDBG — Administration	962	921	1,025
(F) CSBG — Administration	606	791	856
(F) Operation Outreach	15	50	25
(F) Training Road and Street Maintenance	82	98	148
(F) Police Management	20		
(F) Folk Arts	39	55	58
(F) Folklife Resource Survey	194	185	234
(F) LIHEABG — Administration		561	135
(F) Intergovernmental Mobility		52	
(F) DCSI — Regional Police Assistance			300
(A) Mobile and Industrialized Housing Act	272	151	164
(A) Training Course Registration	409	400	400
(A) Heritage Affairs Donation	63	54	57
(A) Energy Conservation Code Fees	93	341	390
(A) Stock Room Reimbursement	26	25	25
(A) RIRA Reimbursement	191	202	150
(A) State Clearinghouse	139	140	140
(A) Environmental Training Partnership			120
(A) DER Operator Outreach			30
(A) DER Recycling Training		45	45
Subtotal — General Government Operations	<u>\$ 31,611</u>	<u>\$ 39,186</u>	<u>\$ 14,640</u>
Hispanic Council	175	255	228
Subtotal — State Funds	<u>\$ 28,635</u>	<u>\$ 35,340</u>	<u>\$ 10,546</u>
Subtotal — Federal Funds	1,958	2,743	2,801
Subtotal — Augmentations	1,193	1,358	1,521
Total — General Government	<u>\$ 31,786</u>	<u>\$ 39,441</u>	<u>\$ 14,868</u>
GRANTS AND SUBSIDIES:			
Circuit Riders	\$ 250	\$ 250	\$ 211
Flood Plain Management	60	60	60
(F) FEMA — Technical Assistance	121	60	60
Total — Flood Plain Management	<u>\$ 181</u>	<u>\$ 120</u>	<u>\$ 120</u>
Community Conservation and Youth Employment	2,736	2,736	2,736
(F) Community Services Block Grant	15,445	16,000	16,241
Total — Community Conservation and Youth Employment	<u>\$ 18,180</u>	<u>\$ 18,736</u>	<u>\$ 18,977</u>
Housing and Redevelopment Assistance	37,000	20,000^a	20,000^a
(F) Small Communities Block Grant	64,919	65,000	60,000
(F) Temporary Housing — Superfund Cleanup	11	100	100
(F) DOE — Weatherization	10,619	10,861	13,324
(F) Centralia Recovery	1,219	3,500	
(F) Emergency Shelter for the Homeless	1,488	1,600	1,600
(F) Permanent Housing For Disabled Homeless	701	2,154	1,500
(F) LIHEABG — Program		10,671	2,565
(A) Return of Unused Project Monies	5,400	5,000	9,000
Total — Housing and Redevelopment Assistance	<u>\$ 121,357</u>	<u>\$ 118,886</u>	<u>\$ 108,089</u>
Enterprise Development	\$ 7,250	.....^b	.....^b
(A) Return of Unused Project Monies	1,010	.....^b	.....^b
Total — Enterprise Development	<u>\$ 8,260</u>		
Regional Councils	200	200	200
Planning Assistance	175	175	175

^aEconomic development setaside portion of program transferred to the Pennsylvania Economic Revitalization Fund (PERF).

^bProgram transferred to the Pennsylvania Economic Revitalization Fund (PERF).

COMMUNITY AFFAIRS

	(Dollar Amounts in Thousands)		
GENERAL FUND	1989-90 Actual	1990-91 Available	1991-92 Budget
<i>GRANTS AND SUBSIDIES: (continued)</i>			
We The People 200	\$ 500	.....	.....
Heritage Parks	550	.....^a	.....^a
Distressed Communities Assistance	2,423	.....	\$ 1,000
Neighborhood Housing Services	250	\$ 250	200
Local Government Loan .....	.....	500	.....
William Telek Memorial Library	500	.....	.....
Regional Planning Council SW PA .....	.....	200	.....
Subtotal — State Funds	\$ 51,893	\$ 24,371	\$ 24,582
Subtotal — Federal Funds	94,523	109,946	95,390
Subtotal — Augmentations	6,410	5,000	9,000
Total — Grants and Subsidies	\$ 152,826	\$ 139,317	\$ 128,972
STATE FUNDS	\$ 80,528	\$ 59,711	\$ 35,128
FEDERAL FUNDS	96,481	112,689	98,191
AUGMENTATIONS	7,603	6,358	10,521
GENERAL FUND TOTAL	\$ 184,612	\$ 178,758	\$ 143,840
ENERGY CONSERVATION AND ASSISTANCE FUND:			
Weatherization	\$ 18,370	.....	.....
ECONOMIC REVITALIZATION FUND:			
Recreational Improvement and Rehabilitation	\$ 1,244	\$ 3,000	\$ 3,500
Enterprise Development .....	.....^b	7,250	7,250
(A) Return of Unused Project Monies .....	.....^b	.....	1,100
Heritage Parks .....	.....^b	950	2,000
Housing and Redevelopment — Economic Development Setaside .....	.....^c	17,000	17,000
STATE FUNDS	\$ 1,244	\$ 28,200	\$ 29,750
AUGMENTATIONS .....	.....	.....	1,100
ECONOMIC REVITALIZATION FUND TOTAL	\$ 1,244	\$ 28,200	\$ 30,850
OTHER FUNDS			
<i>GENERAL FUND:</i>			
ARC Revolving Loan Fund	\$ 100	\$ 100	\$ 100
<i>FINANCIALLY DISTRESSED MUNICIPALITIES</i>			
<i>REVOLVING AID FUND:</i>			
Distressed Community Assistance	\$ 135	\$ 1,850	\$ 1,900
OTHER FUNDS TOTAL	\$ 235	\$ 1,950	\$ 2,000
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 80,528	\$ 59,711	\$ 35,128
SPECIAL FUNDS	19,614	28,200	29,750
FEDERAL FUNDS	96,481	112,689	98,191
AUGMENTATIONS	7,603	6,358	11,621
OTHER FUNDS	235	1,950	2,000
TOTAL ALL FUNDS	\$ 204,461	\$ 208,908	\$ 176,690

^aProgram transferred to the Pennsylvania Economic Revitalization Fund (PERF).

^bProgram funded from the General Fund.

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

COMMUNITY AFFAIRS

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
COMMUNITY DEVELOPMENT AND CONSERVATION							
General Funds.....	\$ 77,655	\$ 58,561	\$ 33,717	\$ 34,034	\$ 34,360	\$ 34,695	\$ 35,040
Special Funds.....	19,614	28,200	29,750	29,750	29,750	29,750	29,750
Federal Funds.....	96,481	112,637	97,891	94,899	94,899	94,899	94,899
Other Funds.....	7,703	6,458	11,721	11,681	11,698	11,715	11,733
TOTAL.....	\$ 201,453	\$ 205,856	\$ 173,079	\$ 170,364	\$ 170,707	\$ 171,059	\$ 171,422
MUNICIPAL ADMINISTRATIVE SUPPORT							
General Funds.....	\$ 2,873	\$ 1,150	\$ 1,411	\$ 1,411	\$ 1,411	\$ 1,411	\$ 1,411
Federal Funds.....	0	52	300	200	100	0	0
Other Funds.....	135	1,850	1,900	1,900	1,900	1,900	1,900
TOTAL.....	\$ 3,008	\$ 3,052	\$ 3,611	\$ 3,511	\$ 3,411	\$ 3,311	\$ 3,311
ALL PROGRAMS:							
GENERAL FUND.....	\$ 80,528	\$ 59,711	\$ 35,128	\$ 35,445	\$ 35,771	\$ 36,106	\$ 36,451
SPECIAL FUNDS.....	19,614	28,200	29,750	29,750	29,750	29,750	29,750
FEDERAL FUNDS.....	96,481	112,689	98,191	95,099	94,999	94,899	94,899
OTHER FUNDS.....	7,838	8,308	13,621	13,581	13,598	13,615	13,633
TOTAL.....	\$ 204,461	\$ 208,908	\$ 176,690	\$ 173,875	\$ 174,118	\$ 174,370	\$ 174,733

COMMUNITY AFFAIRS

PROGRAM OBJECTIVE: To enhance the total environment of Pennsylvania's communities through improvements in the areas of housing, community development, recreational facilities, job training and human services.

Program: Community Development and Conservation

The Department of Community Affairs' (DCA's) role in improving Pennsylvania's communities involves a wide range of both State and Federally funded activities. Program activities are provided under four related elements.

Program Element: Housing and Redevelopment

Housing and Redevelopment provides grants to communities, redevelopment authorities and nonprofit organizations to improve blighted neighborhoods through redevelopment, and the provision of low and moderate income housing through rehabilitation. Within this program, Downtown Assistance and Preservation funds help revitalize central business districts in aging communities.

The weatherization component of the element provides funds to weatherize existing housing stock through furnace retrofits as well as the installation of insulation, storm doors and windows in homes of persons who meet income eligibility standards developed by the Federal Government. Weatherization will continue to be funded from Low-Income Home Energy Assistance Federal Block Grant (LIHEABG) and U.S. Department of Energy weatherization funds in 1991-92.

Program Element: Community Development

The Federal Small Communities Block Grant provides assistance in expanding low and moderate income housing opportunities, enhancing economic development and job opportunities for low and moderate income individuals, correcting public facilities such as water and sewer systems, and improving public facilities that affect public health and safety.

Similarly, Enterprise Development provides grants for locally-planned innovative projects which can stimulate private investment and create jobs in State-designated enterprise zones. These efforts are also supported by use of Enterprise Zone Tax Credits through the Neighborhood Assistance Act.

Planning Assistance funds help communities to develop strategies

and plans for economic development, growth management, and environmental protection. DCA also regulates and assists municipalities in meeting the requirements of the State Flood Plain Management Act.

Through the Neighborhood Assistance Act, tax credits are provided to encourage private sector involvement in developing solutions to problems that are prevalent in low-income communities. These tax credits are available to corporations that contribute funding of services to local organizations administering programs that provide community services education, job training, crime prevention and neighborhood revitalization for low-income residents of impoverished areas.

Program Element: Recreational Facilities

DCA administers Recreational Improvement and Rehabilitation Act (RIRA) grants and Federal Land and Water Conservation Fund monies to assist municipalities in acquiring and rehabilitating parks, open space, and community center buildings. RIRA has been reauthorized until June 30, 1993.

The Heritage Parks Program is an economic strategy that enables the Commonwealth's communities to comprehensively plan, develop, manage and market significant natural, recreational and historic resources to attract tourism into a region. The resources will be linked and focused on the industrial/transportation theme of Pennsylvania's heritage.

Program Element: Job Training and Human Services

The Community Conservation and Youth Employment Program provides General Fund monies to municipalities, community action agencies and non-profit sponsors for the development of employment opportunities and for community conservation activities.

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

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Housing and Redevelopment:							
State funded housing activities and programs:							
Rehabilitation of existing units	2,410	2,083	2,100	2,100	2,100	2,100	2,100
Jobs created	1,212	1,800	1,980	2,180	2,400	2,600	2,800
Homes weatherized	16,488	11,771	8,700	7,300	7,300	7,300	7,300
Community Development:							
Small Communities Block Grant:							
Jobs created and/or retained	723	700	700	700	700	700	700
Housing units rehabilitated	1,192	1,237	1,100	1,100	1,100	1,100	1,100
Recreational Facilities:							
Recreation Improvement and Rehabilitation Act (RIRA) grants	170	80	90	90	90	90	90
RIRA job opportunities created	570	300	315	315	315	315	315

COMMUNITY AFFAIRS

Program: Community Development and Conservation (continued)

Program Measures (continued)

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Job Training and Human Services:							
Persons participating:							
Community conservation and youth employment	75,780	77,533	79,347	81,204	83,104	85,049	87,030
Community Service Block Grant	370,080	375,000	375,000	375,000	375,000	375,000	375,000
Employment related services and training projects	9,177	9,319	9,463	9,610	9,759	9,910	10,000
Job Placement Program:							
Persons placed	3,242	3,266	3,291	3,316	3,341	3,366	3,390

Program measure changes from last year's budget are due to a number of reasons. Rehabilitation of existing housing units is higher due to lower interest rates. Housing jobs created decline due to the general downturn in the housing industry. Homes weatherized decline in 1991-92 and beyond due to decline in Federal funding. Small Communities Block Grant jobs decline due to decreased Federal funding and the decline in the housing industry. Job training measures decline because the community action agencies that administer these programs have increasingly tended to place emphasis on long-term rather than short-term activities.

Program Recommendations:

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

GENERAL FUND:		ECONOMIC REVITALIZATION FUND:	
General Government Operations		Recreational Improvements and Rehabilitation	
\$ -25,366	—nonrecurring projects.	\$ 500	—PRR — Commitment to Economic Development - see the Program Revision following the Investment in Technology Transfer program in the Economic Development Partnership for further information.
529	—to continue current program.		
70	—to replace Federal funds for Weatherization Training School.		
<u>\$ -24,767</u>	<i>Appropriation Decrease</i>		
Hispanic Council		Heritage Parks	
\$ -47	—nonrecurring projects.	\$ 1,050	—PRR — Commitment to Economic Development - see the Program Revision following the Investment in Technology Transfer program in the Economic Development Partnership for further information.
20	—to continue current program.		
<u>\$ -27</u>	<i>Appropriation Decrease</i>		
Neighborhood Housing Services			
\$ -50	—nonrecurring projects.		

All other appropriations are recommended to be continued at current levels. In addition, the agency will commit \$600,000 of existing Housing and Redevelopment Assistance funds to rehabilitate housing units under the Pennsylvania Partnership for Housing initiative. See the Expanded Services to the Needy Program Revision following the Human Services Program in the Department of Public Welfare for further information.

COMMUNITY AFFAIRS

Program: Community Development and Conservation (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	\$ 28,460	\$ 35,085	\$ 10,318	\$ 10,628	\$ 10,947	\$ 11,275	\$ 11,613
Hispanic Council	175	255	228	235	242	249	256
Flood Plain Management	60	60	60	60	60	60	60
Planning Assistance	175	175	175	175	175	175	175
Community Conservation and Youth Employment	2,735	2,736	2,736	2,736	2,736	2,736	2,736
Housing and Redevelopment	37,000	20,000	20,000	20,000	20,000	20,000	20,000
Enterprise Development	7,250	.....	.....	.....	.....	.....	.....
We The People Celebration	500	.....	.....	.....	.....	.....	.....
Heritage Parks	550	.....	.....	.....	.....	.....	.....
Neighborhood Housing Services	250	250	200	200	200	200	200
William Telek Memorial Library	500	.....	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 77,655	\$ 58,561	\$ 33,717	\$ 34,034	\$ 34,360	\$ 34,695	\$ 35,040
ECONOMIC REVITALIZATION FUND:							
Recreational Improvements and Rehabilitation	\$ 1,250	\$ 3,000	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500
Housing and Redevelopment -- Economic Development Setaside .....	.....	17,000	17,000	17,000	17,000	17,000	17,000
Enterprise Development .....	.....	7,250	7,250	7,250	7,250	7,250	7,250
Heritage Parks .....	.....	950	2,000	2,000	2,000	2,000	2,000
TOTAL ECONOMIC REVITALIZATION FUND	\$ 1,250	\$ 28,200	\$ 29,750	\$ 29,750	\$ 29,750	\$ 29,750	\$ 29,750
ENERGY CONSERVATION AND ASSISTANCE FUND:							
Weatherization	\$ 18,370	.....	.....	.....	.....	.....	.....

COMMUNITY AFFAIRS

PROGRAM OBJECTIVE: To improve local governments' ability to provide effective and economical municipal services.

Program: Municipal Administrative Support Capability

Efforts to improve provision of local government services are centered around a variety of activities within this program.

The department provides workshop training, consulting, and peer-to-peer assistance to local government officials and staff in the areas of municipal finance, personnel, police, fire department, codes administration, public works, environmental protection, community development, and general municipal management.

Distressed Community Emergency Aid provides assistance to identify and ameliorate fiscal distress of communities in the Commonwealth. These efforts include providing technical assistance, hiring community coordinators, obtaining other State agency resources, and providing loans or grants to address revenue shortfalls. In addition to the funds shown here, funding is also provided via the Financially

Distressed Municipalities Revolving Aid Fund.

The Regional Councils appropriation is used as an incentive to induce local governments to undertake inter-municipal cooperative efforts, thereby fostering increased efficiency and effectiveness of municipal functions. Community Affairs monitors nearly 500 municipalities, townships and boroughs providing intergovernmental services crossing jurisdictional boundaries. A variety of projects and services are involved such as joint police protection, regional airports and workmen compensation pools, all of which minimize cost and enhance the quality of services delivered.

The Circuit Rider Program provides for sharing of municipal officials possessing the expertise needed to professionally manage distressed and rural areas.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Distressed communities receiving assistance	393	378	378	378	378	378	378
Municipal officials/employees trained	25,000	25,500	26,000	26,000	26,000	26,000	26,000

Program Recommendations:

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

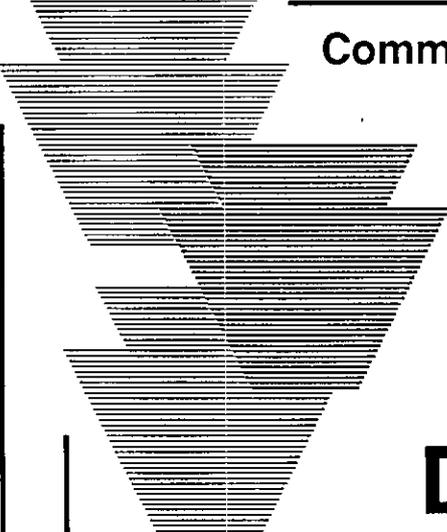
	GENERAL FUND:	
\$ 1,000	Distressed Communities Assistance	—to augment funds presently available in the Financially Distressed Municipalities Revolving Aid Fund.
\$ -39	Circuit Riders	—increased local match requirements for existing participants results in decreased State funding requirements.

In addition, \$300,000 in Federal Drug Control System Improvement Funds will be provided to encourage the consolidation of local police agencies, which will reduce police costs and provide major improvement in police service and protection. This will support 8 new regional police forces benefiting at least 20 municipalities in 1991-92. A local match of \$100,000 is required to support this program.

Other programs are funded at current levels or are nonrecurring projects.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Regional Councils	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200
Distressed Communities Assistance	2,423	.....	1,000	1,000	1,000	1,000	1,000
Circuit Riders	250	250	211	211	211	211	211
Local Government Loan .....	.....	500	.....	.....	.....	.....	.....
Regional Planning Council - SW PA .....	.....	200	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 2,873	\$ 1,150	\$ 1,411	\$ 1,411	\$ 1,411	\$ 1,411	\$ 1,411



Commonwealth of Pennsylvania

Department of Corrections

The department maintains a State system for the custody and rehabilitation of convicted criminals. Included within this system are residential programs and pre-release programs to provide inmates with supervision, counseling and treatment to enable them to satisfactorily adjust to society.

CORRECTIONS

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
INSTITUTIONAL:			
State Correctional Institutions	\$ 333,342	\$ 414,046 ^a	\$ 451,003
PENNFREE — Drug and Alcohol Treatment	212 ^b	.....	.....
PENNFREE — Farview Conversion	12,000 ^b	.....	.....
(F) ADMSBG — Alcohol and Drug Services .....	.....	1,063	1,990
(F) DCSI — Correctional Institutions .....	.....	1,646	1,098
(F) Federal Inmates	125	280	280
(F) Mariel — Cuban Inmates	159	160	160
(F) Drug and Alcohol Inventory	40	.....	.....
(F) Veterans Training .....	.....	10	.....
(F) Library Services	10	25	25
(F) ADMSBG — Rehabilitation	110	110	110
(F) Therapeutic Communities	646	496	.....
(F) Drug and Alcohol Rehabilitation	30	.....	35
(F) Narcotics Control Training	54	.....	.....
(F) Substance Abuse .....	.....	60	.....
(A) Institutional Reimbursements	390	405	410
(A) Community Service Centers	309	335	340
STATE FUNDS	\$ 345,554	\$ 414,046	\$ 451,003
FEDERAL FUNDS	1,174	3,850	3,698
AUGMENTATIONS	699	740	750
GENERAL FUND TOTAL	\$ 347,427	\$ 418,636	\$ 455,451
OTHER FUNDS			
MANUFACTURING FUND:			
General Operations	\$ 19,222	\$ 20,120	\$ 23,020
LOCAL CRIMINAL JUSTICE FUND:			
Local Criminal Justice Grants .....	.....	.....	\$ 39,000
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 345,554	\$ 414,046	\$ 451,003
FEDERAL FUNDS	1,174	3,850	3,698
AUGMENTATIONS	699	740	750
OTHER FUNDS	19,222	20,120	62,020
TOTAL ALL FUNDS	\$ 366,649	\$ 438,756	\$ 517,471

^aIncludes recommended supplemental appropriation of \$44,835,000.

^bThis continuing appropriation provides funds for both 1989-90 and 1990-91.

CORRECTIONS

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
	ACTUAL	AVAILABLE	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED
INSTITUTIONALIZATION OF OFFENDERS							
General Funds.....	\$ 345,554	\$ 414,046	\$ 451,003	\$ 476,406	\$ 496,317	\$ 515,374	\$ 534,556
Federal Funds.....	1,174	3,850	3,698	3,754	3,878	4,044	4,210
Other Funds.....	19,921	20,860	62,770	117,507	86,249	33,015	26,804
TOTAL.....	\$ 366,649	\$ 438,756	\$ 517,471	\$ 597,667	\$ 586,444	\$ 552,433	\$ 565,570
ALL PROGRAMS:							
GENERAL FUND.....	\$ 345,554	\$ 414,046	\$ 451,003	\$ 476,406	\$ 496,317	\$ 515,374	\$ 534,556
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	1,174	3,850	3,698	3,754	3,878	4,044	4,210
OTHER FUNDS.....	19,921	20,860	62,770	117,507	86,249	33,015	26,804
TOTAL.....	\$ 366,649	\$ 438,756	\$ 517,471	\$ 597,667	\$ 586,444	\$ 552,433	\$ 565,570

CORRECTIONS

Program: Institutionalization of Offenders (continued)

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Inmates (December)	20,490	22,325	24,487	26,437	28,290	29,948	31,570
Prison Capacity (December)	13,825	14,338	17,173	17,435	21,781	22,381	22,381
Inmates in excess of capacity	6,665	7,987	7,314	9,002	6,509	7,567	9,189
Inmates receiving high school diplomas (GED)	950	975	1,000	1,100	1,550	1,575	1,600
Inmates receiving vocational training	3,407	4,100	4,200	4,300	6,000	6,100	6,150
Inmates receiving other education training	6,110	6,330	6,640	6,940	7,240	7,550	7,850
Inmates receiving drug and alcohol treatment	4,400	4,900	6,000	6,200	8,000	8,100	8,200
Average annual cost per inmate	\$16,279	\$18,546	\$18,418	\$18,020	\$17,544	\$17,209	\$16,932

The program measures for inmates receiving drug and alcohol treatment reflect a revised method of reporting services. Previously, all drug and alcohol treatment including cursory services were counted. Currently, only more intensive services are included in the drug and alcohol treatment measures.

Population and Capacity				
Institutions	Population Dec. 1990	Estimated Population Dec. 1991	Capacity Dec. 1990	Estimated Capacity Dec. 1991
Cambridge Springs	500	500	500	500
Camp Hill	2,285	2,493	1,542	1,778
Cresson	948	1,166	547	795
Dallas	2,035	2,039	1,457	1,457
Frackville	1,038	1,150	540	668
Graterford	4,175	4,287	2,734	2,862
Greensburg	752	752	461	461
Huntingdon	2,007	2,226	1,347	1,595
Mercer	849	1,067	464	712
Muncy	691	887	410	632
Pittsburgh	1,968	1,968	1,620	1,620
Retreat	839	839	480	480
Rockview	2,040	2,093	1,250	1,310
Smithfield	955	1,138	484	692
Waymart	537	964	433	917
Waynesburg	280	379	168	280
Community Service Centers	379	414	401	414
Group Homes	125	125	.....	.....
Federal Prison System	422	.....	.....	.....
TOTAL	<u>22,325</u>	<u>24,487</u>	<u>14,338</u>	<u>17,173</u>

CORRECTIONS

Program: Institutionalization of Offenders (continued)

Expenditures by Institution: (Dollar Amounts in Thousands)

	1989-90 Actual	1990-91 Available	1991-92 Budget		1989-90 Actual	1990-91 Available	1991-92 Budget
Cambridge Springs				Mercer			
State Funds			\$ 5,225	State Funds	\$ 13,206	\$ 17,470	\$ 18,723
Federal Funds				Federal Funds		48	101
Augmentations				Augmentations	3	5	5
TOTAL			\$ 5,225	TOTAL	\$ 13,209	\$ 17,523	\$ 18,829
Camp Hill				Muncy			
State Funds	\$ 36,445	\$ 43,814	\$ 45,024	State Funds	\$ 14,473	\$ 17,260	\$ 18,894
Federal Funds		63	133	Federal Funds	25	790	367
Augmentations	143	135	135	Augmentations	90	95	95
TOTAL	\$ 36,588	\$ 44,012	\$ 45,292	TOTAL	\$ 14,588	\$ 18,145	\$ 19,356
Cresson				Pittsburgh			
State Funds	\$ 14,416	\$ 18,251	\$ 20,951	State Funds	\$ 35,955	\$ 42,135	\$ 43,012
Federal Funds	408	296	361	Federal Funds		63	133
Augmentations				Augmentations			
TOTAL	\$ 14,824	\$ 18,547	\$ 21,312	TOTAL	\$ 35,955	\$ 42,198	\$ 43,145
Dallas				Retreat			
State Funds	\$ 27,088	\$ 32,108	\$ 32,988	State Funds	\$ 12,861	\$ 16,222	\$ 17,384
Federal Funds		48	101	Federal Funds	5	32	66
Augmentations	61	65	65	Augmentations			
TOTAL	\$ 27,149	\$ 32,221	\$ 33,154	TOTAL	\$ 12,866	\$ 16,254	\$ 17,450
Frackville				Rockview			
State Funds	\$ 14,771	\$ 18,302	\$ 19,613	State Funds	\$ 26,473	\$ 31,613	\$ 33,879
Federal Funds	5	32	67	Federal Funds		63	133
Augmentations				Augmentations	52	55	55
TOTAL	\$ 14,776	\$ 18,334	\$ 19,680	TOTAL	\$ 26,525	\$ 31,731	\$ 34,067
Graterford				Smithfield			
State Funds	\$ 50,763	\$ 63,879	\$ 66,910	State Funds	\$ 12,720	\$ 15,998	\$ 19,198
Federal Funds	238	324	421	Federal Funds		53	101
Augmentations	33	35	35	Augmentations			
TOTAL	\$ 51,034	\$ 64,238	\$ 67,366	TOTAL	\$ 12,720	\$ 16,051	\$ 19,299
Greensburg				Waymart			
State Funds	\$ 14,211	\$ 17,350	\$ 18,781	State Funds	\$ 6,672	\$ 14,759	\$ 17,947
Federal Funds		48	101	Federal Funds		254	532
Augmentations				Augmentations			
TOTAL	\$ 14,211	\$ 17,398	\$ 18,882	TOTAL	\$ 6,672	\$ 15,013	\$ 18,479
Huntingdon				Waynesburg			
State Funds	\$ 25,739	\$ 31,197	\$ 33,434	State Funds	\$ 5,962	\$ 7,774	\$ 9,600
Federal Funds		63	133	Federal Funds	10	21	38
Augmentations	8	10	10	Augmentations			
TOTAL	\$ 25,747	\$ 31,270	\$ 33,577	TOTAL	\$ 5,972	\$ 7,795	\$ 9,638
Community Service Centers				Central Office			
State Funds	\$ 7,264	\$ 10,814	\$ 15,240	State Funds	\$ 14,535	\$ 15,100	\$ 14,200
Federal Funds				Federal Funds	483	1,652	910
Augmentations	309	335	350	Augmentations		5	
TOTAL	\$ 7,573	\$ 11,149	\$ 15,590	TOTAL	\$ 15,018	\$ 16,757	\$ 15,110

CORRECTIONS

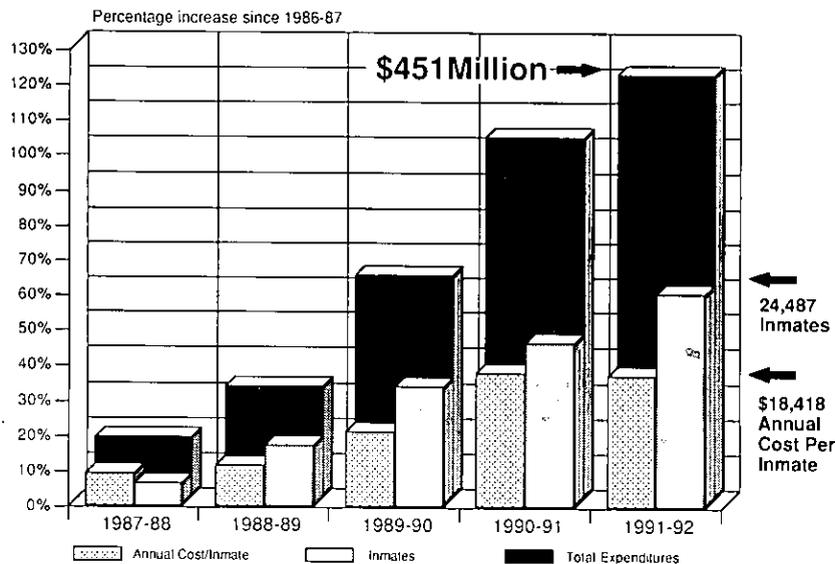
Program: Institutionalization of Offenders (continued)

Program Recommendations:

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

State Correctional Institutions		
\$ 5,225	—Initiative — SCI Cambridge Springs — to increase institutional capacity by adding a new 500 bed State correctional institution.	1,500 —for repairs and facility improvements at SCI Graterford
280	—Initiative — Community Service Center —to open an additional center which will provide 50 beds for inmates screened and determined to be low risk.	1,000 —for continuation of asbestos removal. 4,060 —additional cost of parole violator programs implemented during the latter portion of 1990-91.
612	—Initiative — to increase security at various correctional institutions.	3,756 —to replace equipment and purchase additional equipment due to the larger inmate population.
15,562	—additional cost of 1990-91 initiatives including the new modular housing units, the opening of SCI Waymart and the motivation camp, and SCI Pittsburgh improvements.	9,732 —to continue current program. -10,822 —nonrecurring cost of 1990-91 equipment purchases and housing of inmates in Federal prisons.
6,052	—to provide for additional inmate health care, food, clothing and other operational items due to the larger inmate population.	\$ 36,957 <i>Appropriation Increase</i>

State Correctional Institutions Five Year Growth Comparison



Expenditures are expected to increase from \$204 million in 1986-87 to \$451 million in 1991-92 - a 120% increase. Inmate population is estimated to grow 61% while cost/inmate increases 37%.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
State Correctional Institutions	\$ 333,342	\$ 414,046	\$ 451,003	\$ 476,406	\$ 496,317	\$ 515,374	\$ 534,556
PENNFREE — Drug and Alcohol Treatment Facility	212	.....	.....	.....	.....	.....	.....
PENNFREE — Farview Conversion	12,000	.....	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 345,554	\$ 414,046	\$ 451,003	\$ 476,406	\$ 496,317	\$ 515,374	\$ 534,556



Commonwealth of Pennsylvania

Crime Commission

The Crime Commission conducts investigations into organized crime activities. Through its investigations the commission seeks to determine and combat causes of organized crime as well as prevent such criminal activities.

CRIME COMMISSION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
<i>GENERAL GOVERNMENT:</i>			
Crime Commission	\$ 2,463	\$ 2,514	\$ 2,487
Decade Report on Organized Crime	147	.....	.....
STATE FUNDS	\$ 2,610	\$ 2,514	\$ 2,487
GENERAL FUND TOTAL	\$ 2,610	\$ 2,514	\$ 2,487

CRIME COMMISSION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
CRIMINAL LAW ENFORCEMENT							
General Funds.....	\$ 2,610	\$ 2,514	\$ 2,487	\$ 2,562	\$ 2,639	\$ 2,718	\$ 2,800
TOTAL.....	\$ 2,610	\$ 2,514	\$ 2,487	\$ 2,562	\$ 2,639	\$ 2,718	\$ 2,800
ALL PROGRAMS:							
GENERAL FUND.....	\$ 2,610	\$ 2,514	\$ 2,487	\$ 2,562	\$ 2,639	\$ 2,718	\$ 2,800
SPECIAL FUNDS.....							
FEDERAL FUNDS.....							
OTHER FUNDS.....							
TOTAL.....	\$ 2,610	\$ 2,514	\$ 2,487	\$ 2,562	\$ 2,639	\$ 2,718	\$ 2,800

CRIME COMMISSION

PROGRAM OBJECTIVE: To conduct investigations into organized crime activities and causes of such crime in order to reduce the crime rate.

Program: Criminal Law Enforcement

The commission is an independent State agency managed by five members. The Governor, President Pro Tempore of the Senate, the Speaker of the House, and Minority Leaders of the Senate and House appoint one member each.

The Pennsylvania Crime Commission's basic function is to

investigate organized crime, public corruption and the persons engaged in those activities. Cooperation with other law enforcement agencies, especially through information exchange, is critical to the commission. In conducting those activities the commission utilizes subpoena power, surveillances and other investigative techniques.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Results from investigations or assistance rendered to other agencies:							
Arrests/indictments	118	15	15	15	15	15	15
Convictions	89	15	15	15	15	15	15
Subpoenas issued	222	200	200	200	200	200	200
Executive sessions	120	120	100	100	100	100	100
Public hearings	2	3	3	3	3	3	3
Appearance of commissioners and staff before legislative or regulatory bodies .	20	20	25	25	25	25	25

The unusual one-time increase in 1989-90 for the first two program measures above was caused by an undercover investigation that resulted in 70 arrests and convictions.

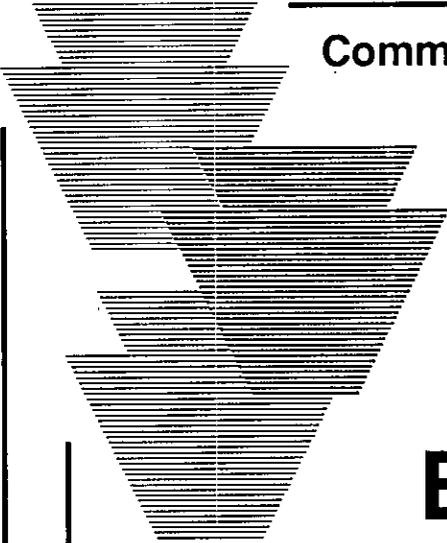
Program Recommendations:

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

General Government Operations
 \$ -27 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	\$ 2,463	\$ 2,514	\$ 2,487	\$ 2,562	\$ 2,639	\$ 2,718	\$ 2,800
Decade Report on Organized Crime	147						
TOTAL GENERAL FUND	\$ 2,610	\$ 2,514	\$ 2,487	\$ 2,562	\$ 2,639	\$ 2,718	\$ 2,800



Commonwealth of Pennsylvania

Economic Development Partnership

The Commonwealth economic development programs have been reorganized under the Economic Development Partnership, a public and private approach that provides the Commonwealth with the essential elements to be competitive with its resources and create employment for its residents. Through the partnership, Pennsylvania will be better equipped to respond to economic development issues as well as to target the Commonwealth's resources to the most critical areas.

ECONOMIC DEVELOPMENT PARTNERSHIP

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1991-92 State Funds (In thousands)
ECONOMIC REVITALIZATION FUND		
Commitment to Economic Development	Business Infrastructure Development	\$ 5,500
	Pennsylvania Industrial Development Authority	12,500
	Center for Light Microscope Imaging	400
	Butler Revitalization	-250
	Ben Franklin Partnership	-3,000
	Engineering School Equipment	1,000
	Super Computer Center	1,000
	Lawrence Revitalization	-250
	Shenango Valley Revitalization	-1,000
	Beaver Valley Revitalization	-1,000
	Mon Valley Revitalization	-2,000
	Industrial Communities Site Development and Action	2,000
	Industrial Resource Centers	2,000
	Machinery and Equipment Loan Fund	5,300
	Community Economic Recovery	2,000
Alle-Kiski Valley Revitalization	-500	
Subtotal	<u>\$ 23,700</u>	

This Program Revision provides funds to assist existing industries in the Commonwealth to counter the adverse effects of the current economic downturn. A total of \$27.75 million is provided by this Program Revision across all departments.

DEPARTMENT TOTAL \$ 23,700

ECONOMIC DEVELOPMENT PARTNERSHIP

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 9,577	\$ 10,322	\$ 7,746
(F) ARC — Technical Assistance	288	450	450
(F) JTPA — Occupational Information	111	130	120
(F) ARC — Response Team	62	60	.....
(F) ARC — Export Partnership .....	.....	250	.....
(F) USSMA — Minority Export .....	.....	450	.....
(F) USAIDTAP — Minority Export .....	.....	520	.....
(F) Self-Employment Alternatives	234	.....	.....
(F) Economic Development Research and Training II	261	.....	.....
(F) Hardwood Initiative	112	300	.....
(F) ARC — Economic Development Research and Training III .....	.....	365	.....
(A) PENNPORTS Reimbursement	25	.....	.....
(A) Ben Franklin Reimbursement	6	.....	.....
(A) Minority Business Development Authority	562	653	655
(A) Nursing Home Loan	228	240	247
(A) Copy Center Services	271	280	295
(A) Pennsylvania Industrial Development Authority	777	970	970
(A) Pennsylvania Economic Development Financing Authority	154	203	200
(A) Job Training Reimbursement	17	100	100
(A) Recycling Fund Reimbursement	63	150	150
(R) Small Business Advocate	503 ^a	483 ^a	569 ^a
Subtotal — General Government Operations	<u>\$ 13,251</u>	<u>\$ 15,926</u>	<u>\$ 11,502</u>
Marketing	10,495	9,000	6,000
Subtotal — State Funds	\$ 20,072	\$ 19,322	\$ 13,746
Subtotal — Federal Funds	1,068	2,525	570
Subtotal — Restricted Revenues	503	483	569
Subtotal — Augmentations	2,103	2,596	2,617
Total — General Government	<u>\$ 23,746</u>	<u>\$ 24,926</u>	<u>\$ 17,502</u>
GRANTS AND SUBSIDIES:			
Industrial Development Assistance	\$ 499	\$ 500	\$ 500
Pennsylvania Industrial Development Authority	6,250	.....^b	.....^b
Site Development	730	.....^b	.....^b
Local Development District Grants	850	850	850
Appalachian Regional Commission	317	350	315
Minority Business Development Authority	2,000	2,000	.....
Community Facilities	7,500	4,000	.....
Minority Business Technical Assistance	250	250	.....
Small Business Development Centers	1,100	1,450	600
International City Project	100	.....	.....
Transfer to Economic Revitalization Fund	34,600	5,600	.....
Ben Franklin Partnership	25,400	.....^b	.....^b
(A) Ben Franklin Job Initiative	250	.....	.....
Tourist Promotion Assistance	7,200	.....^b	.....^b
PENNPORTS	10,418	.....^b	.....^b
J & L Site Development	1,000	.....	.....
Economic Development Financing Authority	247	250	.....
Federal Procurement	249	200	150
Horticultural Society	200	250	.....
Hardwoods Research and Promotion	482	500	400
Music Theater Festival	100	100	.....

^aAppropriation from Restricted Revenue Account.

^bProgram transferred to the Pennsylvania Economic Revitalization Fund (PERF).

ECONOMIC DEVELOPMENT PARTNERSHIP

(Dollar Amounts in Thousands)

GENERAL FUND	1989-90 Actual	1990-91 Available	1991-92 Budget
<i>GRANTS AND SUBSIDIES: (continued)</i>			
Industrial Communities Site Development and Action Program	\$ 9,948	. . . .^b	. . . .^b
Pittsburgh Center for the Arts	100	. . . .	. . . .
North Washington Economic Development	100	. . . .	. . . .
MAGLEV Study .....	. . . .	\$ 300	. . . .
Engineering Research Center .....	. . . .	400	. . . .
Subtotal — State Funds	\$ 109,640	\$ 17,000	\$ 2,815
Subtotal — Augmentations	250	. . . .	. . . .
Total — Grants and Subsidies	\$ 109,890	\$ 17,000	\$ 2,815
STATE FUNDS	\$ 129,712	\$ 36,322	\$ 16,561
FEDERAL FUNDS	1,068	2,525	570
AUGMENTATIONS	2,353	2,596	2,617
RESTRICTED REVENUE	503	483	569
GENERAL FUND TOTAL	\$ 133,636	\$ 41,926	\$ 20,317

ECONOMIC REVITALIZATION FUND

<i>GRANTS AND SUBSIDIES:</i>			
Engineering School Equipment .....	. . . .	\$ 2,000	\$ 1,000
Pennsylvania Industrial Development Authority .....	. . . .^a	. . . .	12,500
Business Infrastructure Development	\$ 17,850	14,000	19,500
Employee Ownership — Technical Assistance	146	250	250
Capital Loan Fund	500	. . . .	. . . .
Beaver Valley Revitalization	1,000	1,000	. . . .
Mon Valley Revitalization	2,000	2,000	. . . .
Shenango Valley Revitalization	1,000	1,000	. . . .
Community Economic Recovery	1,000	1,000	3,000
Industrial Resource Centers	5,000	5,000	7,000
(F) Work Based Learning .....	. . . .	367	300
(A) Reimbursement from Labor and Industry	75	. . . .	. . . .
Lehigh Mountain Top Campus	1,000	1,000	. . . .
Alle-Kiski Valley Revitalization	500	500	. . . .
Machinery and Equipment Loan Fund	3,000	2,700	8,000
Site Development .....	. . . .^a	1,000	1,000
Butler Revitalization	250 ^c	250	. . . .
Ben Franklin Partnership .....	. . . .^a	28,000	25,000
(F) Technology Extension .....	. . . .	300	. . . .
(A) Job Link .....	. . . .	250	150
Lawrence Revitalization	250 ^c	250	. . . .
Super Computer Center .....	. . . .	1,000	1,000
Industrial Communities Site Development and Action Program .....	. . . .^a	10,000	12,000
(F) Industrial Communities Loans .....	. . . .	1,500	. . . .
Tourist Promotion Assistance .....	. . . .^a	7,200	7,200
PENNPORTS .....	. . . .^a	11,950 ^a	11,950
Powdered Metallurgy Research and Development .....	. . . .	400	400
Center for Light Microscope Imaging .....	. . . .	. . . .	400
Economic Development Financing Authority .....	. . . .^a	. . . .^a	250
Subtotal — State Funds	\$ 33,496	\$ 90,500	\$ 110,450
Subtotal — Federal Funds .....	. . . .	2,167	300
Subtotal — Augmentations	75	250	150
ECONOMIC REVITALIZATION FUND TOTAL	\$ 33,571	\$ 92,917	\$ 110,900

^aProgram funded from the General Fund.

^bProgram transferred to the Pennsylvania Economic Revitalization Fund (PERF).

^cActually appropriated as \$500,000 for Butler-Lawrence Revitalization.

ECONOMIC DEVELOPMENT PARTNERSHIP

(Dollar Amounts in Thousands)

	1989-90 Actual	1990-91 Available	1991-92 Budget
OTHER FUNDS			
<i>SUNNY DAY FUND:</i>			
Piper North, Inc.	\$ 10,000	.....	.....
Centocor, Inc. ....	.....	\$ 8,500	.....
Children's Hospital of Philadelphia ....	.....	9,000	.....
Enzymatics, Inc. ....	.....	3,000	.....
Ambridge Marine, Inc. ....	.....	2,500	.....
Sony Corporation of America ....	.....	10,000	.....
May Department Stores Company ....	.....	5,000	.....
Koppel Steel Corporation ....	.....	4,000	.....
Consolidated Rail Corporation ....	.....	2,500	.....
SUNNY DAY FUND TOTAL	\$ 10,000	44,500	.....
OTHER FUNDS TOTAL	\$ 10,000	\$ 44,500	.....
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 129,712	\$ 36,322	\$ 16,561
SPECIAL FUNDS	33,496	90,500	110,450
FEDERAL FUNDS	1,068	4,692	870
RESTRICTED REVENUE	503	483	569
AUGMENTATIONS	2,428	2,846	2,767
OTHER FUNDS	10,000	44,500	.....
TOTAL ALL FUNDS	\$ 177,207	\$ 179,343	\$ 131,217

ECONOMIC DEVELOPMENT PARTNERSHIP

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
MANAGEMENT AND POLICY							
General Funds.....	\$ 29,820	\$ 21,772	\$ 15,811	\$ 19,043	\$ 19,282	\$ 19,529	\$ 19,783
Special Funds.....	6,000	13,200	10,200	10,200	10,200	10,200	10,200
Federal Funds.....	1,068	2,525	570	570	570	570	570
Other Funds.....	2,452	2,876	2,986	3,076	3,169	3,264	3,362
TOTAL.....	\$ 39,340	\$ 40,373	\$ 29,567	\$ 32,889	\$ 33,221	\$ 33,563	\$ 33,915
INVESTMENT IN PRIVATE CAPITAL							
General Funds.....	\$ 21,244	\$ 4,250	\$ 750	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Special Funds.....	3,646	12,950	33,000	33,000	35,000	35,000	35,000
Federal Funds.....	0	1,500	0	0	0	0	0
Other Funds.....	10,154	44,703	200	206	212	218	225
TOTAL.....	\$ 35,044	\$ 63,403	\$ 33,950	\$ 36,206	\$ 38,212	\$ 38,218	\$ 38,225
INVESTMENT IN TECHNOLOGICAL TRANSFER							
General Funds.....	\$ 25,400	\$ 700	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Special Funds.....	6,000	37,400	34,800	33,800	33,800	33,800	33,400
Federal Funds.....	0	667	300	0	0	0	0
Other Funds.....	325	250	150	0	0	0	0
TOTAL.....	\$ 31,725	\$ 39,017	\$ 35,250	\$ 33,800	\$ 33,800	\$ 33,800	\$ 33,400
INVESTMENT IN PUBLIC CAPITAL							
General Funds.....	\$ 53,248	\$ 9,600	\$ 0	\$ 0	\$ 150,000	\$ 150,000	\$ 150,000
Special Funds.....	17,850	26,950	32,450	32,450	32,450	32,450	32,450
TOTAL.....	\$ 71,098	\$ 36,550	\$ 32,450	\$ 32,450	\$ 182,450	\$ 182,450	\$ 182,450
ALL PROGRAMS:							
GENERAL FUND.....	\$ 129,712	\$ 36,322	\$ 16,561	\$ 22,043	\$ 172,282	\$ 172,529	\$ 172,783
SPECIAL FUNDS.....	33,496	90,500	110,450	109,450	111,450	111,450	111,050
FEDERAL FUNDS.....	1,068	4,692	870	570	570	570	570
OTHER FUNDS.....	12,931	47,829	3,336	3,282	3,381	3,482	3,587
TOTAL.....	\$ 177,207	\$ 179,343	\$ 131,217	\$ 135,345	\$ 287,683	\$ 288,031	\$ 287,990

ECONOMIC DEVELOPMENT PARTNERSHIP

PROGRAM OBJECTIVE: To utilize State economic development resources in a cohesive and cost-effective manner in order to assist in the job creation and retention process within the Commonwealth.

Program: Management and Policy

This program is keyed toward the development of both Statewide and regional/local economic development strategies; it also seeks to ensure that the Commonwealth's economic development programs are managed and utilized in a targeted and cost-effective manner that maximizes their impact on business development.

A key function is the Governor's Response Team. The Response Team reacts immediately to key problems and opportunities related to economic development including major business locations, relocations, expansions or dislocations which require administration-wide, multi-departmental involvement.

Marketing and local planning assistance efforts further supplement the day to day operations of the Economic Development Partnership (EDP). Marketing plays an important role in two distinct areas: selling Pennsylvania to individuals as an attractive place to vacation in order to maximize Pennsylvania's share of the tourism dollar; and selling Pennsylvania to industry as possessing a good business climate, as well as being an excellent place to live and work. Toward these ends, the Partnership runs two separate extensive multi-media advertising campaigns, one targeting economic development and the other targeting tourism.

The economic development marketing component includes efforts to increase foreign and domestic investments in Pennsylvania, and to expand the markets for products of Pennsylvania firms overseas. A primary means available to assist export trade is to provide small businesses with support in overcoming the many legal, financial and logistical problems inherent in doing business internationally. Domestically the marketing program targets key industries — those in which Pennsylvania has exhibited a particular competitive advantage.

The tourism marketing component also involves the Tourist Promotion Assistance (TPA) grant program, which assists county and regional tourist promotion agencies in Pennsylvania by providing grants as matching assistance for advertising and promotion expenses. A key element of tourism marketing is the proper meshing of the Commonwealth's tourism program with the TPAs' efforts.

An important local assistance effort is Industrial Development Assistance, a program of State grants matched by local economic development agencies. These grants aid the local agencies in arranging financing packages, and in local marketing and promotion activities.

A second local assistance program involves grants to seven Local Development Districts covering 52 counties. These agencies provide direct managerial and technical assistance to small businesses along with packaging loan transactions.

The other major local assistance efforts of the Partnership involve the revitalization and community economic programs first authorized by the Legislature in June 1984 out of the Pennsylvania Economic Revitalization Fund (PERF). Funding is provided for economic development efforts in the Mon, Shenango and Beaver Valley areas, thereby targeting funds to three of the most distressed areas of the Commonwealth. Grants are available to help finance special planning and marketing efforts designed to be a part of a comprehensive local economic recovery strategy to retain existing jobs, to assist in business startups and expansions and to attract new industry. Similarly, the Community Economic Recovery Program provides grants for these same purposes to distressed areas of the State not included in the three revitalization programs.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Traveler expenditures (in millions)	\$13,965	\$14,663	\$15,396	\$16,166	\$16,974	\$17,823	\$18,750
Tourist Promotion Assistance:							
Public/private funds leveraged (in thousands)	\$22,760	\$23,205	\$23,669	\$24,143	\$24,626	\$25,119	\$25,621
Designated distressed communities assisted	405	405	405	405	405	405	405
Regional Planning Initiatives			6	6	6	6	6
Feasibility studies funded	28	28	28	28	28	28	28

Travel expenditures are lower and projected to increase at a slower rate than estimated in last year's budget due to the downturn in the growth rate of the national economy.

ECONOMIC DEVELOPMENT PARTNERSHIP

Program: Management and Policy (continued)

Program Recommendations:

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

GENERAL FUND:		ECONOMIC REVITALIZATION FUND:
General Government Operations		Community Economic Recovery
\$ -2,560 —nonrecurring projects.		\$ 2,000 —PRR — Commitment to Economic
-16 —to continue current program.		Development - See the Program Revision
\$ -2,576 Appropriation Decrease		following the Investment in Technology
		Transfer program in the Economic
		Development Partnership for further
		information.
 Marketing		
\$ -3,000 —to fund Statewide tourism advertising		
campaign.		
 Appalachian Regional Commission		
\$ -35 —reduction in Commonwealth's assessment.		
 Hardwoods Research and Promotion		
\$ -100 —based on 1990-91 program restructuring.		

The Mon Valley, Beaver Valley, Shenango Valley, Butler, Lawrence and Alle-Kiski Valley Revitalization Programs are being discontinued and funds transferred to other economic development programs. All other appropriations are recommended to be continued at current levels or reduced for nonrecurring projects.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	\$ 9,577	\$ 10,322	\$ 7,746	\$ 7,978	\$ 8,217	\$ 8,464	\$ 8,718
Marketing	10,495	9,000	6,000	9,000	9,000	9,000	9,000
Industrial Development Assistance	499	500	500	500	500	500	500
Local Development District Grants	850	850	850	850	850	850	850
Appalachian Regional Commission	317	350	315	315	315	315	315
Tourist Promotion Assistance	7,200	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Pennsylvania Horticultural Society	200	250	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Hardwoods Research and Promotion	482	500	400	400	400	400	400
Pittsburgh Center for the Arts	100	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
North Washington Economic Development	100	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL GENERAL FUND	\$ 29,820	\$ 21,772	\$ 15,811	\$ 19,043	\$ 19,282	\$ 19,529	\$ 19,783
ECONOMIC REVITALIZATION FUND							
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	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Butler Revitalization	250	250	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Lawrence Revitalization	250	250	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Alle-Kiski Valley Revitalization	500	500	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Tourist Promotion Assistance . . . . .	. . . . .	7,200	7,200	7,200	7,200	7,200	7,200
TOTAL ECONOMIC REVITALIZATION FUND	\$ 6,000	\$ 13,200	\$ 10,200	\$ 10,200	\$ 10,200	\$ 10,200	\$ 10,200

ECONOMIC DEVELOPMENT PARTNERSHIP

PROGRAM OBJECTIVE: To ensure that the Commonwealth's public infrastructure promotes business expansion and relocation within the Commonwealth.

Program: Investment in Public Capital

Since most infrastructure improvement activities, such as water, sewer, highway and bridge improvements, fall under the purview of agencies other than the Economic Development Partnership (EDP), most EDP efforts in this area involve working with these other agencies to ensure that public infrastructure improvements meet the needs of both business and the public. Nonetheless, several important public infrastructure improvement programs are operated by the EDP.

The Site Development Program provides grants for access roads, water distribution and treatment, sewage collection lines and channel realignment.

The Partnership also administers funds for the development of the Philadelphia, Erie and Pittsburgh ports. PENNPORTS is a recently created agency that focuses on the economic enhancement of all three ports under one umbrella agency, including the newly created

Philadelphia Regional Port Authority. These funds are used to aid in capital development of these ports, which not only generate port and shipping related jobs, but also assist Pennsylvania firms in exporting their products.

The Business Infrastructure Development (BID) Program was established in 1984 within the Pennsylvania Economic Revitalization Fund (PERF) to make grants and loans to local sponsors for the installation of specific infrastructure improvements necessary to complement planned industrial investment by private companies. As with the Site Development and Community Facilities grants, BID is geared toward increasing Pennsylvania's share of domestic and international commerce and creating new jobs. In contrast to the other two programs, BID ties infrastructure grants to actual business development as opposed to anticipated business development.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Site Development/BID:							
Jobs created/retained	5,501	4,000	4,957	4,957	4,957	4,957	4,957
Public/private funds leveraged (in thousands):	\$446,662	\$250,000	\$340,000	\$340,000	\$340,000	\$340,000	\$340,000
Projects/communities assisted in distressed areas:	38	33	33	33	33	33	33

Compared to projections in last year's budget, jobs created/retained and public/private funds leveraged are higher in 1989-90 due to some major projects completed under BID, and are higher in other years due to revised projections.

Program Recommendations:

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

GENERAL FUND
Transfer to PERF
 \$ -5,600 —PERF programs being funded with proposed new PERF bond authority. See the Commitment to Economic Development Program Revision following the Investment in Technology Transfer program in the Economic Development Partnership for further information.

Community Facilities
 \$ -4,000 —program eliminated. Duplicative of PENNVEST efforts.

ECONOMIC REVITALIZATION FUND:
Business Infrastructure Development
 —PRR — Commitment to Economic Development. See the Program Revision following the Investment in Technology Transfer program in the Economic Development Partnership for further information.

ECONOMIC DEVELOPMENT PARTNERSHIP

Program: Investment in Public Capital (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Site Development	\$ 730	.....	.....	.....	.....	.....	.....
Community Facilities	7,500	\$ 4,000	.....	.....	.....	.....	.....
Transfer to PERF	34,600	5,600	.....	.....	\$ 150,000	\$ 150,000	\$ 150,000
PENNPORTS	10,418	.....	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 53,248	\$ 9,600	.....	.....	\$ 150,000	\$ 150,000	\$ 150,000
 ECONOMIC REVITALIZATION FUND:							
Business Infrastructure Development	\$ 17,850	\$ 14,000	\$ 19,500	\$ 19,500	\$ 19,500	\$ 19,500	\$ 19,500
Site Development .....	.....	1,000	1,000	1,000	1,000	1,000	1,000
PENNPORTS .....	.....	11,950	11,950	11,950	11,950	11,950	11,950
TOTAL ECONOMIC REVITALIZATION FUND	\$ 17,850	\$ 26,950	\$ 32,450	\$ 32,450	\$ 32,450	\$ 32,450	\$ 32,450

ECONOMIC DEVELOPMENT PARTNERSHIP

PROGRAM OBJECTIVE: To ensure that capital for the creation, location, retention and expansion of private business is available at each step of the business life cycle for all types and sizes of business, and to make possible lower capital costs as an attraction for businesses to invest or re-invest in Pennsylvania.

Program: Investment in Private Capital

The Partnership has a broad array of programs available to create the best possible climate for business development.

Program Element: Industrial Development

The Pennsylvania Industrial Development Authority (PIDA) was established in 1956 to make long-term, low-interest business loans to firms which are engaged in manufacturing or industrial enterprises. PIDA funds may be used for land and buildings. Current policy targets PIDA funds to small and advanced technology businesses and enterprise zones. A qualified business may receive up to \$2 million at interest rates ranging from three percent to nine percent, depending upon the unemployment rate in the county where the project is located.

The Pennsylvania Capital Loan Fund (PCLF) makes low interest loans to small businesses for projects which will result in long-term net new employment opportunities. Loans may be used for the purchase of buildings and associated land, building renovation, the purchase of machinery and equipment and for working capital.

The Industrial Communities Action Program and the Industrial Communities Site Development Program help to restore underutilized land and facilities in distressed areas throughout the Commonwealth to productive use.

The Machinery and Equipment Loan Fund provides low-interest loans to manufacturers, industrial firms, agricultural processors and mining operations for machinery acquisitions and upgrading and feasibility assessments.

The Sunny Day Fund provides business expansion loans to large industrial, manufacturing, or research and development enterprises considering a location in the Commonwealth.

Program Element: Minority Business

The Pennsylvania Minority Business Development Authority

(PMBDA) offers low-interest loans to minority-owned businesses for fixed asset financing and, recently, for working capital and other financing needs. These efforts can be particularly crucial given the difficulty minority entrepreneurs have in securing adequate funding, especially working capital.

This program also includes funds for technical assistance to minority business owners in the areas of management, accounting, personnel and other administrative details necessary to operate a business. PMBDA also provides funds for a bond guarantee program.

Program Element: Employee Ownership Assistance

The Employee Ownership Assistance Program (EOAP) is a Commonwealth effort to assist in establishing employe-owned enterprises in existing industries and industries which are experiencing layoffs or would otherwise close. Recent revisions to the program expand EOAP to include healthy firms, new firms and service firms.

Program Element: Pennsylvania Economic Development Financing Authority (PEDFA)

The Pennsylvania Economic Development Financing Authority (PEDFA) is a loan program with the ability to finance economic development projects through pooled bond issues. PEDFA can finance land, buildings, machinery and equipment. Applications must be submitted through an industrial development authority.

Program Element: Federal Procurement

This program assists private industry in Pennsylvania to obtain increases in Federal contracts. Such assistance was previously provided sporadically at the local level. This program is targeted toward developing a comprehensive and coordinated Statewide effort to bring such contracts and resulting jobs to Pennsylvania that would otherwise be lost to states that actively pursue these Federal dollars.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Jobs created/retained:	20,040	28,000	30,439	31,939	32,939	33,939	34,349
Public/private funds leveraged (in thousands):	\$309,313	\$309,313	\$470,000	\$480,000	\$505,000	\$510,000	\$515,000
Businesses assisted	356	556	646	656	666	676	686

The program measure data shown in last year's budget was based on PIDA's 1988-89 activity, which was the second most productive year in the history of PIDA. The data shown above has been reduced to reflect normal PIDA activity, and also reflects the impact of the PRR referred to in the program recommendations.

ECONOMIC DEVELOPMENT PARTNERSHIP

Program: Investment in Private Capital (continued)

Program Recommendations:

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

GENERAL FUND:			
	Minority Business Development Authority		
	Minority Business Technical Assistance	\$ 5,300	Machinery and Equipment Loan Fund
\$ -2,250	—balance in Minority Business Development Fund is sufficient to maintain desired program level.		—PRR — Commitment to Economic Development. See the Program Revision following the Investment in Technology Transfer program in the Economic Development Partnership for further information.
	Federal Procurement		
\$ -50	—to continue current program.		
	Small Business Development Centers		Industrial Community Site Development and Action Program
\$ -850	—reduced State support.	\$ 2,000	—PRR — Commitment to Economic Development. See the Program Revision following the Investment in Technology Transfer program in the Economic Development Partnership for further information.
	ECONOMIC REVITALIZATION FUND:		
	Pennsylvania Industrial Development Authority		
\$ 12,500	—PRR — Commitment to Economic Development. See the Program Revision following the Investment in Technology Transfer program in the Economic Development Partnership for further information.		

All other appropriations are recommended to be continued at current levels or reduced for nonrecurring projects.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Pennsylvania Industrial Development Authority	\$ 6,250						
Minority Business Development Authority	2,000	\$ 2,000		\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Minority Business Technical Assistance	250	250		250	250	250	250
International City Project	100						
Music Theatre Festival — SE	100	100					
J & L Site Development	1,000						
Pennsylvania Economic Development Financing Authority	247	250					
Federal Procurement	249	200	\$ 150	150	150	150	150
Industrial Communities Site Development and Action Program	9,948						
Small Business Development Centers	1,100	1,450	600	600	600	600	600
TOTAL GENERAL FUND	\$ 21,244	\$ 4,250	\$ 750	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
ECONOMIC REVITALIZATION FUND:							
Pennsylvania Industrial Development Authority			\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500
Employe Ownership-Technical Assistance	\$ 146	\$ 250	250	250	250	250	250
Capital Loan Fund	500					2,000	2,000
Pennsylvania Economic Development Financing Authority			250	250	250	250	250
Machinery and Equipment Revolving Loan Fund	3,000	2,700	8,000	8,000	8,000	8,000	8,000
Industrial Communities Site Development and Action Program		10,000	12,000	12,000	12,000	12,000	12,000
TOTAL ECONOMIC REVITALIZATION FUND	\$ 3,646	\$ 12,950	\$ 33,000	\$ 33,000	\$ 33,000	\$ 35,000	\$ 35,000

ECONOMIC DEVELOPMENT PARTNERSHIP

PROGRAM OBJECTIVE: To promote the use of advanced technology in order to help Pennsylvania industries compete successfully in the national and international market places; to encourage research and development of new products and processes that will foster the start-up of new business within the Commonwealth; and to fund research centers that will provide an incentive for indigenous business formation, as well as serving to attract investment in Pennsylvania.

Program: Investment in Technology Transfer

Recognizing the instrumental role that technology development can play in Pennsylvania's effort to remain competitive, the Commonwealth has established a number of transfer programs geared to provide the necessary resources to stimulate greater utilization of advanced technology.

The Ben Franklin Partnership (BFP) is Commonwealth's major technology development and transfer program. BFP programs promote advanced technology in an effort to make traditional industries more competitive in the marketplace and to spin off new small businesses on the leading edge of technological innovation. Businesses and nonprofit agencies are eligible to apply. The Ben Franklin Partnership supports a wide range of initiatives and programs to help create new advanced technology companies, to improve the competitive ability of young, small technology oriented firms and to develop a technology skilled workforce for Pennsylvania.

The Industrial Resource Centers (IRC) Program is designed to improve the competitive ability of Pennsylvania's traditional and emerging manufacturing firms by helping them to understand and implement modern manufacturing techniques and technologies. While

the Ben Franklin Partnership helps companies develop new technologies, the IRC's work with existing small and medium size manufacturers to quickly adopt existing technologies and techniques that do not require substantial research. The centers are operated as nonprofit corporations and given significant direction from a board comprised of a majority of private sector representatives.

An ongoing effort in technology transfer is the Commonwealth's commitment to the Super Computer Center. These funds supplement a joint effort with University of Pittsburgh, Carnegie Mellon University and Westinghouse Electric Corporation that first established and will now upgrade a National Super Computer Center which will eventually serve as the hub of a national communication network for related research facilities.

As a support effort keyed to enhancing Pennsylvania's capability to attract and retain talented scientific minds, an ongoing Engineering School Equipment Program was created in the Pennsylvania Economic Revitalization Fund (PERF) in 1984. This funding is available to each of Pennsylvania's 15 accredited engineering colleges and universities provided these universities can raise the required private match.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Jobs created/retained (cumulative)	903	1,115	1,611	2,250	3,932	5,313	7,138
Public/private funds leveraged (in thousands)	\$ 119,047	\$ 126,500	\$ 118,686	\$ 118,686	\$ 118,686	\$ 118,686	\$ 118,686
Businesses assisted	963	1,235	1,240	1,240	1,240	1,240	1,240

The changes in program measure data compared to that shown in last year's budget is based on better IRC data as a result of the program maturing, the anticipated expenditures by the Ben Franklin Partnership in 1990-91 and the impact of the PRR referred to in the program recommendations.

Program Recommendations:

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

ECONOMIC REVITALIZATION FUND:

Engineering School Equipment
 \$ -2,000 —three-year continuing appropriation.
 1,000 —PRR — Commitment to Economic Development - To establish this program as one receiving an annual appropriation rather than an appropriation every third year. See the Program Revision following this program for further information.
 \$ -1,000 *Appropriation Decrease*

Ben Franklin Partnership
 \$ -3,000 —PRR — Commitment to Economic Development - To reprioritize resources in a countercyclical funding effort. See the Program Revision following this program for further information.

Industrial Resource Centers
 \$ 2,000 —PRR — Commitment to Economic Development - To help manufacturers to adapt modern practices and technologies. See the Program Revision following this program for further information.

ECONOMIC DEVELOPMENT PARTNERSHIP

Program: Investment in Technology Transfer (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Ben Franklin Partnership	\$ 25,400						
MAGLEV Study		\$ 300					
Engineering Research Center		400					
TOTAL GENERAL FUND	\$ 25,400	\$ 700					
ECONOMIC REVITALIZATION FUND:							
Engineering School Equipment		\$ 2,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Industrial Resource Centers	\$ 5,000	5,000	7,000	7,000	7,000	7,000	7,000
Lehigh Mountaintop Campus	1,000	1,000					
Super Computer Center		1,000	1,000				
Powdered Metallurgy Research and Development		400	400	400	400	400	
Center for Light Microscope Imaging			400	400	400	400	400
Ben Franklin Partnership		28,000	25,000	25,000	25,000	25,000	25,000
TOTAL ECONOMIC REVITALIZATION FUND	\$ 6,000	\$ 37,400	\$ 34,800	\$ 33,800	\$ 33,800	\$ 33,800	\$ 33,400

ECONOMIC DEVELOPMENT PARTNERSHIP

Program Revision: Commitment to Economic Development

The expansion and diversification of Pennsylvania's economy over the last several years places the Commonwealth in a strong position to weather the national recession. To take full advantage of that position, there are challenges that must be addressed.

The Economic Development Partnership (EDP) leads the economic development community in Pennsylvania and is committed to maintaining its program of economic development in the face of constrained public resources. In addition, the Departments of Community Affairs and Labor and Industry have programs with substantial economic development components. The primary funding vehicle for maintaining these efforts is the Pennsylvania Economic Revitalization Fund (PERF). This fund was created in 1984 as the result of a bi-partisan effort to respond to economic problems of that period. The original intent was to finance a three year effort using bond funds designed to bolster the Commonwealth's economy at a time when General Fund resources were limited. As the economy rebounded, PERF programs were funded from General Fund revenues as opposed to bond proceeds. The fund was formally established in the 1988-89 budget as a permanent economic development fund. In the face of limited General Fund revenues for 1990-91, the remaining bonding authority for PERF was used to continue funding a variety of economic development programs and to begin preemptive action to counter the impact of the national economic downturn on Pennsylvania's economy. Because of the substantial multiplier effects associated with targeting public sector resources, it is prudent to once again rely on PERF's bonding authority. Accordingly, this Program Revision proposes that a referendum be placed before the electorate authorizing the Commonwealth to issue \$300 million in additional PERF bonds to be used over two years. Bond funds will be used for existing economic development programs in the 1991-92 and 1992-93 budgets of the Economic Development Partnership, Agriculture, Community Affairs and Labor and Industry and to bolster those programs which have the greatest countercyclical potential.

The Economic Development Partnership will receive the bulk of the funding and will target their efforts primarily through the Governor's Response Team, the Regional Opportunities process and the Industrial Resource Centers. Each of these investment vehicles has been developed during the present administration and is designed to target public resources to sectors of the economy where the most value will result. The Response Team is equally suited to attract high profile companies to expand in Pennsylvania or intervene in situations designed to help Pennsylvania companies grow or survive during difficult times when they might otherwise go out of business. The Regional Opportunities process focuses public investment on distressed communities, creating opportunities for business to locate in those parts of the Commonwealth that have the greatest need. The Industrial Resource Centers assist smaller and medium-sized manufacturers with plant modernizations and other investments required to maintain operations and to compete in the world economy.

The Response Team relies heavily on the EDP's core financing programs and this Program Revision provides \$12.5 million to the Pennsylvania Industrial Development Authority (PIDA), a \$5.3 million increase to the Machinery and Equipment Loan Fund (MELF), and a \$5.5 million increase to the Business Infrastructure Development (BID) appropriation. These recapitalizations are necessary for the Response Team to continue to attract quality businesses to Pennsylvania and to

intervene and assist existing companies to survive.

The key funding elements of the Regional Opportunities process are the Industrial Communities Site Development and Action Program and the Community Economic Recovery Program (CERP). This Program Revision reallocates the line item revitalization appropriations for Beaver Valley, Mon Valley, Shenango Valley, Alle-Kiski Valley, Butler and Lawrence which were originally intended to be seed money to build local coalitions that would plan for local economic recovery. During the last several years much of what was intended has been accomplished. The reallocated funds will be used to increase the Industrial Communities Site Development and Action Program by \$2 million and to increase CERP by \$2 million. The CERP funds are awarded on a competitive basis and usually fund the planning phase of Regional Opportunities projects. Due to their competitive nature, CERP funds allow the EDP to influence project development Statewide.

The Industrial Resource Centers (IRCs) help manufacturers adopt modern production practices and technologies. This Program Revision provides a \$2 million increase to allow the IRCs to expand their efforts to apply known technologies to enhance competitiveness. By improving the competitive performance of manufacturers, particularly smaller firms, IRCs strengthen Pennsylvania's manufacturing employment base, which is a particularly valuable service in the present climate of uncertainty.

In addition to these investments by the Economic Development Partnership and in recognition of the competitive advantages Pennsylvania offers in the area of advanced technologies, the National Science Foundation (NSF) has targeted the Commonwealth for additional investments. This Program Revision provides \$1 million for the Pittsburgh Super Computer Center which will leverage additional NSF matching funds. These funds will support the continued upgrade and expansion of the Super Computer Center which provides vital support services to the rapidly growing advanced technology community in Western Pennsylvania. Also, the NSF has awarded Carnegie-Mellon University a \$1 million grant to establish a Center for Light Microscope Imaging and Biotechnology. This Program Revision provides \$400,000 in State matching funds. In addition, \$1 million is provided for Engineering School Equipment grants which leverage additional private investment. Thus, the Commonwealth's 15 engineering schools can continue to teach their undergraduates with the most up-to-date technical equipment available.

This Program Revision also provides increases to several programs in the Departments of Community Affairs and Labor and Industry which have positive economic and countercyclical impacts. A \$500,000 increase to the Recreational Improvement and Rehabilitation (RIRA) Program and a \$1.05 million increase to the Heritage Parks Program will help meet the growing demand for these programs and have the added value of creating short-term construction jobs. These funds will be targeted to areas where job creation is most needed. In addition, this Program Revision provides a \$2.5 million increase to the Department of Labor and Industry for the Pennsylvania Conservation Corps. This will create 740 new jobs for a sector of the population which is traditionally hardest hit by an economic downturn—the young poor. The increase will be accompanied by a change in allocating the funds from 55 percent for materials and 45 percent for wages to 75 percent for wages and 25 percent for materials. This change will nearly triple the number of jobs created by this program at a time when they are needed most.

ECONOMIC DEVELOPMENT PARTNERSHIP

Program Revision: Commitment to Economic Development (continued)

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Recreational Improvement and Rehabilitation (RIRA)							
Grants to communities							
Current	170	90	90	90	90	90	90
Program Revision			95	95	95	95	95
Jobs created							
Current	570	300	300	300	300	300	300
Program Revision			315	315	315	315	315
Engineering School Equipment							
Private funds leveraged (in millions)							
Current	\$2	\$3					
Program Revision			\$3	\$3	\$3	\$3	\$3
Business Infrastructure Development (BID)							
Projects funded							
Current	30	20	20	20	20	20	20
Program Revision			28	28	28	28	28
Jobs created							
Current	2,446	2,094	2,094	2,094	2,094	2,094	2,094
Program Revision			3,051	3,051	3,051	3,051	3,051
Private funds leveraged (in millions)							
Current	\$595	\$161	\$161	\$161	\$161	\$161	\$161
Program Revision			\$251	\$251	\$251	\$251	\$251
Community Economic Recovery							
Feasibility studies funded							
Current	20	18	18	18	18	18	18
Program Revision			28	28	28	28	28
Regional planning initiatives funded							
Current							
Program Revision			6	6	6	6	6
Industrial Resource Centers							
Companies assisted							
Current	552	600	600	600	600	600	600
Program Revision			706	706	706	706	706
Projects funded							
Current	710	800	800	800	800	800	800
Program Revision			936	936	936	936	936
Private/public funds leveraged (in millions)							
Current	\$31	\$33	\$33	\$33	\$33	\$33	\$33
Program Revision			\$38	\$38	\$38	\$38	\$38
Machinery and Equipment Loan Fund							
Projects funded							
Current	11	12	12	12	12	12	12
Program Revision			28	28	28	28	28
Jobs created/retained							
Current	639	650	650	650	650	650	650
Program Revision			1,853	1,853	1,853	1,853	1,853
Private funds leveraged (in millions)							
Current	\$7	\$15	\$15	\$15	\$15	\$15	\$15
Program Revision			\$35	\$35	\$35	\$35	\$35

ECONOMIC DEVELOPMENT PARTNERSHIP

Program Revision: Commitment to Economic Development (continued)

Program Measures: (continued)

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Industrial Communities Site Development and Action							
Jobs created/retained							
Current	520	495	495	495	495	495	495
Program Revision			731	731	731	731	731
Center for Light Microscope Imaging							
Full-time employees							
Current		4	4	4	4	4	4
Program Revision			25	32	38	43	50
Federal funds leveraged (in millions)							
Current							
Program Revision			\$1	\$2	\$2	\$2	\$2
Private sector jobs created (cumulative)							
Current			3	5	6	8	10
Program Revision			10	13	25	40	58
Pennsylvania Conservation Corps							
Additional youths employed							
Current	527	460	460	460	460	460	460
Program Revision			1,200	1,200	1,200	1,200	1,200

Program Revision Recommendations:

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

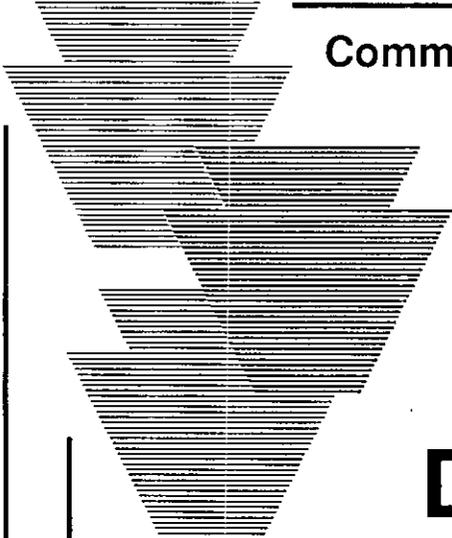
<p>Community Affairs Recreational Improvement and Rehabilitation</p> <p>\$ 500 —to meet additional demand for this program and create needed short-term jobs.</p> <p>Heritage Parks</p> <p>\$ 1,050 —to meet additional demand for this program and create needed short-term jobs.</p> <p>Economic Development Partnership Engineering School Equipment</p> <p>\$ 1,000 —to leverage private funds to support equipment purchases for undergraduate engineering programs.</p> <p>Business Infrastructure Development</p> <p>\$ 5,500 —to recapitalize this program which links grant money with actual business development.</p> <p>Community Economic Recovery</p> <p>\$ 2,000 —to provide for additional local economic recovery planning grants on a competitive basis Statewide.</p> <p>Industrial Resource Centers</p> <p>\$ 2,000 —to provide for additional resources to modernize the production methods of manufacturers.</p> <p>Machinery and Equipment Loan Fund</p> <p>\$ 5,300 —to recapitalize the fund, thereby providing increased low-interest machinery and equipment financing for Pennsylvania business.</p>	<p>\$ 1,000</p> <p>\$ 2,000</p> <p>\$ 12,500</p> <p>\$ 400</p> <p>\$ -8,000</p> <p>\$ 2,500</p> <p>\$ 27,750</p>	<p>Super Computer Center</p> <p>—to continue to upgrade the Cray super computer.</p> <p>Industrial Communities Site Development and Action</p> <p>—to fund additional Regional Opportunities projects targeted to distressed communities.</p> <p>Pennsylvania Industrial Development Authority</p> <p>—to recapitalize the authority, which makes low-interest loans to manufacturing and industrial enterprises for investment in land and buildings.</p> <p>Center for Light Microscope Imaging</p> <p>—to leverage additional NSF funds and facilitate the expansion of this center.</p> <p>—reallocated to other economic development programs. These funds are from the elimination of the Beaver Valley, Mon Valley, Shenango Valley, Alle-Kiski Valley, Butler and Lawrence Revitalization appropriations, and a \$3,000,000 reduction in the Ben Franklin Partnership.</p> <p>Labor and Industry Pennsylvania Conservation Corps</p> <p>—to meet additional demand for this program and to create 740 new jobs for Pennsylvania youths.</p> <p><i>Program Revision Total</i></p>
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ECONOMIC DEVELOPMENT PARTNERSHIP

Program Revision: Commitment to Economic Development (continued)

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
PENNSYLVANIA ECONOMIC REVITALIZATION FUND:							
COMMUNITY AFFAIRS							
Recreational Improvement and Rehabilitation			\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Heritage Parks			1,050	1,050	1,050	1,050	1,050
TOTAL COMMUNITY AFFAIRS.....			\$ 1,550	\$ 1,550	\$ 1,550	\$ 1,550	\$ 1,550
ECONOMIC DEVELOPMENT PARTNERSHIP							
Engineering School Equipment			\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Business Infrastructure Development			5,500	5,500	5,500	5,500	5,500
Mon Valley Revitalization			-2,000	-2,000	-2,000	-2,000	-2,000
Beaver Valley Revitalization			-1,000	-1,000	-1,000	-1,000	-1,000
Shenango Valley Revitalization			-1,000	-1,000	-1,000	-1,000	-1,000
Community Economic Recovery			2,000	2,000	2,000	2,000	2,000
Industrial Resource Centers			2,000	2,000	2,000	2,000	2,000
Butler Revitalization			-250	-250	-250	-250	-250
Lawrence Revitalization			-250	-250	-250	-250	-250
Alle-Kiski Valley Revitalization			-500	-500	-500	-500	-500
Machinery and Equipment Loan Fund			5,300	5,300	5,300	5,300	5,300
Ben Franklin Partnership			-3,000	-3,000	-3,000	-3,000	-3,000
Super Computer Center			1,000				
Industrial Communities Site Development and Action			2,000	2,000	2,000	2,000	2,000
Pennsylvania Industrial Development Authority			12,500	12,500	12,500	12,500	12,500
Center for Light Microscope Imaging			400	400	400	400	400
TOTAL ECONOMIC DEVELOPMENT PARTNERSHIP			\$ 23,700	\$ 22,700	\$ 22,700	\$ 22,700	\$ 22,700
LABOR AND INDUSTRY							
Pennsylvania Conservation Corps			\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
TOTAL PENNSYLVANIA ECONOMIC REVITALIZATION FUND.....			\$ 27,750	\$ 26,750	\$ 26,750	\$ 26,750	\$ 26,750



Commonwealth of Pennsylvania

Department of Education

The Department of Education promotes and encourages desirable educational change based upon research and development so that all Pennsylvanians may benefit from a quality educational program which gives the greatest promise of developing each individual to his fullest potential as a contributing member of society.

The department conducts programs to assist the local school districts in improving educational and administrative techniques, curricula and guidance services, and provides consultant and data collection services on higher education. The bulk of the department's budget consists of subsidies for basic and higher education.

EDUCATION

Summary by Fund and Appropriation

GENERAL FUND	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL GOVERNMENT:			
General Government Operations	\$ 19,337	\$ 21,160	\$ 18,164
(F) Adult Basic Education	535	776	943
(F) Education of Exceptional Children	3,098	3,700	3,700
(F) ECIA Chapter (I)	1,977	2,604	2,834
(F) State Approving Agency (VA)	632	750	750
(F) Food and Nutrition Service	2,433	3,000	3,000
(F) Migrant Education — Administration	231	325	350
(F) Emergency Immigrant Education	4	5	3
(F) Civil Rights Technical Assistance	597	700	650
(F) Vocational Education	3,619	4,394	3,050
(F) Transition for Refugee Children	4	6	.....
(F) Math and Science Teacher Training	454	499	743
(F) Recruitment of Migrants	28	56	.....
(F) AIDS Demonstration/Training	141	400	400
(F) Byrd Scholarships	29	50	30
(F) Project Learning Tree	2	4	4
(F) DFSC — Administration	803	1,500	1,163
(F) DFSC — Special Programs	4,526	8,632	6,053
(F) JTPA — Linkage	923	858	900
(F) ECIBG — Administration	2,692	1,000	620
(F) State and Community Highway Safety	471	500	444
(F) Addiction Prevention	223	283	.....
(F) Developmental Disabilities — Public Relations	28	28	34
(F) NOICC	25	15	6
(F) Homeless Assistance	345	548	1,378
(F) Homeless Assistance — Administration	9	61	40
(F) Asbestos Plan Assistance	8	.....	.....
(F) Dropout Prevention — Appalachia	221	.....	.....
(F) Migrant Even Start .....	.....	148	.....
(F) Star Schools .....	.....	1,500	.....
(F) Medical Assistance — Nurses Aid Program	225	2,492	200
(F) Workplace Literacy	448	1,036	838
(F) Preschool Grant	373	735	500
(F) Severely Handicapped .....	.....	74	91
(F) Math/Science Technology .....	.....	491	.....
(F) ECIBG — Technology Initiatives	722	.....	.....
(F) State Legalization Impact Assistance	659	1,390	1,814
(F) Head Start Collaboration Project .....	.....	85	.....
(F) Alcohol and Drug Abuse — CORA .....	.....	267	.....
(A) EDP Services	68	67	67
(A) Air Force	31	.....	.....
(A) Environmental Education	94	100	100
(A) PennSERVE	300	300	300
(A) Approved Private Schools	20	70	70
(A) School Cooperative Conference	2	.....	.....
(A) National Center for Statistics	8	11	11
(A) Model Day Care	1,000	1,000	1,000
(A) Name the Orbiter	2	.....	.....
(A) Crayola	113	.....	.....
(A) OBRA	25	504	200
(A) American Foundation for Negro Affairs	330	170	.....
(A) Interest Earnings — Nutrition Education	1	.....	.....
(A) Teacher Testing Reimbursement	41	.....	.....
(A) National Geographic Alliance .....	.....	25	.....
(A) PEMA .....	.....	6	.....
Subtotal — State Funds	\$ 19,337	\$ 21,160	\$ 18,164
Subtotal — Federal Funds	26,485	38,912	30,538
Subtotal — Augmentations	2,035	2,253	1,748
Total — General Government Operations	\$ 47,857	\$ 62,325	\$ 50,450
State Library	\$ 2,906	\$ 2,928	\$ 2,982
(F) LSCA I	1,050	1,081	1,135
(F) Nuclear Regulatory Commission Document	2	14	15
(F) National Endowment for the Humanities Newspaper Project	142	51	.....

EDUCATION

GENERAL FUND	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
GENERAL GOVERNMENT: (continued)			
General Government Operations (continued)			
State Library (continued)			
(A) Penalties and Reimbursements	\$ 21	\$ 17	\$ 17
(A) LEXIS	1	1	1
(A) Newspaper Project	5	.....	.....
(A) White House Conference	17	47	.....
Subtotal — State Funds	\$ 2,906	\$ 2,928	\$ 2,982
Subtotal — Federal Funds	1,194	1,146	1,150
Subtotal — Augmentations	44	65	18
Total — State Library	\$ 4,144	\$ 4,139	\$ 4,150
Subtotal — State Funds	\$ 22,243	\$ 24,088	\$ 21,146
Subtotal — Federal Funds	27,679	40,058	31,688
Subtotal — Augmentations	2,079	2,318	1,766
Total — General Government	\$ 52,001	\$ 66,464	\$ 54,600
Institutional:			
Youth Development Centers Education	\$ 4,843	\$ 5,225	\$ 6,046
Correctional Institutions Education	6,575	7,377	7,695
(F) Correctional Education	658	1,300	1,430
(F) JTPA Corrections	277	890	350
(A) Adult Literacy	200	269	350
Total — Correctional Institutions Education	\$ 7,710	\$ 9,836	\$ 9,825
Scranton State School for the Deaf	\$ 3,971	\$ 4,146	\$ 4,595
(F) ESEA — Education for the Handicapped	56	83	81
(F) School Milk Lunch	21	30	30
(F) Life Long Learning	1	11	11
(F) Adult Basic Education	5	10	10
(A) Cafeteria	69	64	64
Total — Scranton State School for the Deaf	\$ 4,123	\$ 4,343	\$ 4,791
Scotland School for Veterans' Children	\$ 8,694	\$ 8,593	\$ 3,500
(F) ESEA — Education for the Disadvantaged	208	500	500
(F) School Milk Lunch	248	250	250
(A) Cafeteria Fees	82	74	74
Total — Scotland School for Veterans' Children	\$ 9,232	\$ 9,417	\$ 4,324
Thaddeus Stevens State School of Technology	\$ 4,328	\$ 4,412	\$ 4,612
(F) Vocational Education	49	550	350
(A) Tuition and Fees	728	751	724
Total — Thaddeus Stevens State School	\$ 5,105	\$ 5,713	\$ 5,686
Subtotal — State Funds	\$ 28,411	\$ 29,752	\$ 26,448
Subtotal — Federal Funds	1,523	3,624	3,012
Subtotal — Augmentations	1,079	1,158	1,212
Total — Institutional	\$ 31,013	\$ 34,534	\$ 30,672
GRANTS AND SUBSIDIES:			
Support of Public Schools:			
Equalized Subsidy for Basic Education	\$ 2,661,268	\$ 2,746,350	\$ 2,886,350
PENNFREE — Community and School Based Drug Prevention	6,000^a	.....	.....
(F) DFSC — School Districts	7,915	13,500	14,536
School Performance Incentives	5,000	5,000	3,000
Agenda for Excellence	17,251	.....	.....
For the Improvement of Teaching	1,500	1,500	1,500
Adult Literacy	6,992	7,000	7,000
Vocational Education	34,796	38,922 ^b	38,922
(F) Single Parent Homemaker .....	.....	450	.....
Authority Rentals and Sinking Fund Requirements	142,800	142,800	198,800
Pupil Transportation	212,900	223,545	242,145
Nonpublic Pupil Transportation	12,950	13,200	12,600
Special Education	447,340	417,000 ^c	476,000

^aThis continuing appropriation provides funds for both 1989-90 and 1990-91.

^bIncludes recommended supplemental appropriation of \$3,200,000.

^cIncludes recommended supplemental appropriation of \$37,000,000 including \$20,200,000 from the Tax Stabilization Reserve Fund and \$16,800,000 from the General Fund.

EDUCATION

(Dollar Amounts in Thousands)

GENERAL FUND

	1989-90 Actual	1990-91 Available	1991-92 Budget
GRANTS AND SUBSIDIES: (continued)			
Support of Public Schools (continued)			
Instructional Support Teams		\$ 5,000	\$ 9,000
Early Intervention—Handicapped Children	14,800	\$ 24,338	32,000
(F) Child Care Services Block Grant			4,912
Homebound Instruction	475	475	465
Tuition for Orphans and Children Placed in Private Homes	16,000	19,500	20,433
Payments in Lieu of Taxes	80	80	85
Education of Migrant Laborers' Children	200	210	210
(A) Migrant Education	630	630	630
Education of the Disadvantaged	1,000	1,000	1,000
Special Education—Approved Private Schools	56,100	58,344	65,475
Private Residential Rehabilitative Institutions	500	500	500
Higher Education of Blind or Deaf Students	50	50	50
Intermediate Units	13,500	14,175	14,175
School Food Services	11,738	11,920	11,920
School Employees' Social Security	200,823	221,907	240,000
(A) School Employees' Social Security	5,505		
School Employees' Retirement Fund Transfer	405,949	570,858	463,555
School District Payments—Racing	3,500	3,500	
Education of Indigent Children	100	105	112
(F) ECIBG — School Districts	18,968	18,943	16,787
(F) ECIBG — Discretionary		3,900	3,821
Subtotal — State Funds	\$ 4,273,612	\$ 4,527,279	\$ 4,725,297
Subtotal — Federal Funds	26,883	36,793	40,056
Subtotal — Augmentations	6,135	630	630
Total — Support of Public Schools	\$ 4,306,630	\$ 4,564,702	\$ 4,765,983
Other Grants and Subsidies:			
Customized Job Training	\$ 10,033	\$ 9,500	\$ 6,500
(F) Job Link		3,000	3,000
JTPA — Matching Funds	5,400	5,200	5,002
(F) JTPA — Educational Training	5,878	5,700	5,700
Services to Nonpublic Schools	48,859	50,422	50,422
Textbooks for Nonpublic School	9,408	9,709	9,709
Student Supplies for Nonpublic Schools	5,545	5,722	5,722
Teen Pregnancy and Parenthood	928	928	928
(F) Teenage Parenting		1,211	1,500
Comprehensive Reading	295	300	300
Dropout Prevention	1,000	1,100	1,100
Statewide Business — Education Partnership			300
Improvement of Library Services	22,138	22,809	22,809
Library Services for Blind and Handicapped	1,939	2,036	2,036
Library Access	5,000	5,000	3,000
School Library Catalog	500	500	300
College of Physicians	100	100	
Educational Radio and Television Grants	174	175	
Distance Learning			450
Conservatory Leadership School	30	30	
Ethnic Heritage	200	200	150
Governor's Schools for Excellence	936	973	1,049
Subtotal — State Funds	\$ 112,485	\$ 114,704	\$ 109,777
Subtotal — Federal Funds	5,878	9,911	10,200
Subtotal — Other Grants and Subsidies	\$ 118,363	\$ 124,615	\$ 119,977
Higher Education — Other Grants and Subsidies:			
Community Colleges	\$ 110,268	\$ 124,071	\$ 132,181
Higher Education of the Disadvantaged	7,104	7,497	7,497
Rural Initiatives	367	254	254
Higher Education Equipment	6,597	5,000	
Annenberg Center	150	150	
Rural Post Secondary Education		150	
Subtotal — Higher Education — Other Grants and Subsidies	\$ 124,486	\$ 137,122	\$ 139,932

EDUCATION

GENERAL FUND	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GRANTS AND SUBSIDIES: (continued)			
Other Grants and Subsidies: (continued)			
State System of Higher Education:			
State Universities	\$ 338,496 ^a	\$ 361,912 ^g	\$ 361,912
Recruitment of the Disadvantaged	250	300	300
Deferred Maintenance	3,800	3,800	.....
Cheyney Enhancement	935	.....	.....
McKeever Center	250	250	.....
Teaching Academy	500	500	500
Library Enhancement	750	.....	.....
Affirmative Action	300	1,115	1,115
Subtotal — State System of Higher Education	\$ 345,281	\$ 367,877	\$ 363,827
State-Related Universities:			
The Pennsylvania State University:			
Educational and General	\$ 178,556 ^b	\$ 191,400 ^h	\$ 191,400
Medical Programs	9,201 ^c	9,413	9,413
Agricultural Research	18,765	19,268	17,268
Agricultural Extension Services	19,154	19,729	19,729
Recruitment of the Disadvantaged	250	300	300
Biotechnology	750	.....	.....
Psychiatric Education	1,500	1,625	1,375
Pennsylvania College of Technology	8,887	9,287	9,287
Pennsylvania College of Technology — Debt Service	3,009	884	1,614
Subtotal — The Pennsylvania State University	\$ 240,072	\$ 251,906	\$ 250,386
University of Pittsburgh:			
Educational and General	\$ 112,565 ^d	\$ 118,584 ⁱ	\$ 118,584
Medical Programs	6,320	6,465	6,465
Dental Clinics	1,067	1,067	1,067
Titusville Campus	849	887	887
Recruitment of the Disadvantaged	250	300	300
Applied Research Center	750	.....	.....
Western Psychiatric Institute	7,629	7,972	7,972
Western Teen Suicide Center	515	515	515
Bradford Campus	1,170	1,205	805
Subtotal — University of Pittsburgh	\$ 131,115	\$ 136,995	\$ 136,595
Temple University:			
Educational and General	\$ 123,251 ^e	\$ 129,486 ^j	\$ 129,486
Medical Programs	8,413	8,606	8,606
Dental Clinics	1,067	1,067	1,067
Technology Programs	750	.....	.....
Recruitment of the Disadvantaged	250	300	300
Maxillofacial Prosthodontics	100	100	100
Subtotal — Temple University	\$ 133,831	\$ 139,559	\$ 139,559
Lincoln University:			
Educational and General	\$ 8,991 ^f	\$ 9,407 ^k	\$ 9,407
Recruitment of the Disadvantaged	250	300	300
International Affairs	300	300	300
Subtotal — Lincoln University	\$ 9,541	\$ 10,007	\$ 10,007
Non-State-Related Universities and Colleges:			
Delaware Valley College of Science and Agriculture	\$ 424	\$ 459	\$ 170
James Michener Arts Center	200	200	80
Drexel University	5,849	5,849	2,340

^aActually appropriated as \$333,406,000 for State Universities and \$5,090,000 for Tuition Challenge grant.

^bActually appropriated as \$161,158,000 for Educational and General, \$14,085,000 for Research, and \$3,313,000 for Tuition Challenge grant.

^cActually appropriated as \$4,481,000 for Medical Programs and \$4,720,000 for Elizabethtown Hospital.

^dActually appropriated as \$110,441,000 for Educational and General and \$2,124,000 for Tuition Challenge grant.

^eActually appropriated as \$121,000,000 for Educational and General and \$2,251,000 for Tuition Challenge grant.

^fActually appropriated as \$8,896,000 for Educational and General and \$95,000 for Tuition Challenge grant.

^gIncludes Educational and General appropriation of \$348,409,000 and \$13,503,000 from the Tuition Challenge grant.

^hIncludes Educational and General appropriation of \$183,129,000 and \$8,271,000 from the Tuition Challenge grant.

ⁱIncludes Educational and General appropriation of \$115,411,000 and \$3,173,000 from the Tuition Challenge grant.

^jIncludes Educational and General appropriation of \$126,445,000 and \$3,041,000 from the Tuition Challenge grant.

^kIncludes Educational and General appropriation of \$9,296,000 and \$111,000 from the Tuition Challenge grant.

EDUCATION

GENERAL FUND

(Dollar Amounts in Thousands)

	1989-90 Actual	1990-91 Available	1991-92 Budget
<i>GRANTS AND SUBSIDIES: (continued)</i>			
<i>Non-State-Related Universities and Colleges: (continued)</i>			
Hahnemann Medical College:			
Medical Programs	\$ 5,210	\$ 5,210	\$ 3,647
Allied Health Programs	851	951	596
Subtotal — Hahnemann Medical College	\$ 6,061	\$ 6,161	\$ 4,243
Thomas Jefferson University:			
Medical Programs	\$ 6,303	\$ 6,303	\$ 4,412
Operations and Maintenance	4,417	4,417	3,092
Subtotal — Thomas Jefferson University	\$ 10,720	\$ 10,720	\$ 7,504
The Medical College of Pennsylvania:			
Medical Programs	\$ 3,233	\$ 3,533	\$ 1,832
Allied Health Programs	979	979	555
Subtotal — The Medical College of Pennsylvania	\$ 4,212	\$ 4,512	\$ 2,387
University of Pennsylvania:			
Instruction	\$ 16,633	\$ 16,633	\$ 6,653
Dental Clinics	1,067	1,067	747
Medical Programs	4,596	4,596	3,217
School of Veterinary Medicine	8,005	8,005	5,604
New Bolton	3,755	3,924	1,502
Food and Animal Clinics	2,022	2,113	809
Center for Animal Health and Productivity	1,234	1,290	494
Subtotal — University of Pennsylvania	\$ 37,312	\$ 37,628	\$ 19,026
Pennsylvania College of Podiatric Medicine	\$ 1,269	\$ 1,369	\$ 719
Pennsylvania College of Optometry	1,662	1,662	880
Philadelphia University of the Arts	1,120	1,120	448
Philadelphia College of Textiles and Science	559	559	224
Philadelphia College of Osteopathic Medicine	5,607	5,607	3,925
Subtotal — Non-State-Related Universities and Colleges	\$ 74,995	\$ 75,846	\$ 41,946
Non-State-Related Institutions:			
Berean:			
Maintenance	\$ 1,092	\$ 1,092	\$ 764
Rental Payments	95	102	71
Subtotal — Berean	\$ 1,187	\$ 1,194	\$ 835
Downingtown	\$ 969	\$ 969	\$ 678
Rental	81	81	57
Special Projects	54	54	38
Subtotal — Downingtown	\$ 1,104	\$ 1,104	\$ 773
Johnson Technical Institute	\$ 209	\$ 209	\$ 146
Williamson Free School of Mechanical Trades	76	76	30
Subtotal — Non-State-Related Institutions	\$ 2,576	\$ 2,583	\$ 1,784
Subtotal — Higher Education Subsidies	\$ 1,061,897	\$ 1,121,895	\$ 1,084,036
Total—Grants and Subsidies	\$ 5,447,994	\$ 5,763,878	\$ 5,919,110
STATE FUNDS	\$ 5,498,648	\$ 5,817,718	\$ 5,966,704
FEDERAL FUNDS	61,963	90,386	84,956
AUGMENTATIONS	9,293	4,106	3,608
GENERAL FUND TOTAL	\$ 5,569,904	\$ 5,912,210	\$ 6,055,268

EDUCATION

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
MOTOR LICENSE FUND			
GENERAL GOVERNMENT:			
Commercial Driver Licensing Test Preparation		\$ 3,000	
GRANTS AND SUBSIDIES:			
Safe Driving Course	\$ 1,785	\$ 2,196	\$ 1,949
MOTOR LICENSE FUND TOTAL	<u>\$ 1,785</u>	<u>\$ 5,196</u>	<u>\$ 1,949</u>
OTHER FUNDS			
GENERAL FUND:			
Vocational Education Act	\$ 36,017	\$ 38,050	\$ 48,659
Education Consolidation and Improvement Act:			
Education of Children of Low-Income Families —			
Title I	227,893	255,509	301,180
Adult Basic Education	5,422	7,575	8,075
Education of Handicapped	73,293	75,752	82,931
Food Nutrition Services	143,368	150,536	158,063
Library Services — Extension, Development, and			
Improvement	4,186	4,826	4,798
Pennsylvania State University — Land Grant Aid	49	50	50
Transition Program — Refugee Children	295	20	
Emergency Immigrant Assistance	177	177	177
Math and Science Teacher Training	5,095	5,655	6,658
Removal of Architectural Barriers	128		
Surety Bond Proceeds	65	100	100
Tax Sheltered Annuities	10,168	10,500	11,000
Training Personnel for Education of Handicapped	75	171	181
Byrd Scholarships		347	382
Homeless Adult Assistance	265	220	272
Temporary Special Aid	1,376		
Severely Handicapped Program		172	156
Private Licensed Schools	674	472	496
Medical Assistance Reimbursements		3,000	8,000
Education of the Handicapped Part C		1	
GENERAL FUND TOTAL	<u>\$ 508,546</u>	<u>\$ 553,133</u>	<u>\$ 631,178</u>
SCHOOL EMPLOYEES RETIREMENT FUND:			
Administration	\$ 13,757	\$ 14,385	\$ 15,305
OTHER FUNDS TOTAL	<u>\$ 522,303</u>	<u>\$ 567,518</u>	<u>\$ 646,483</u>
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 5,498,648	\$ 5,817,718	\$ 5,966,704
SPECIAL FUNDS	1,785	5,196	1,949
FEDERAL FUNDS	61,963	90,386	84,956
AUGMENTATIONS	9,293	4,106	3,608
OTHER FUNDS	522,303	567,518	646,483
TOTAL ALL FUNDS	<u>\$ 6,093,992</u>	<u>\$ 6,484,924</u>	<u>\$ 6,703,700</u>

EDUCATION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
EDUCATION SUPPORT SERVICES							
General Funds.....	\$ 19,337	\$ 21,310	\$ 18,164	\$ 18,709	\$ 19,270	\$ 19,848	\$ 20,443
Federal Funds.....	26,485	42,812	34,359	34,359	34,359	34,359	34,359
Other Funds.....	12,203	12,753	12,748	12,800	12,853	12,908	12,965
TOTAL.....	\$ 58,025	\$ 76,875	\$ 65,271	\$ 65,868	\$ 66,482	\$ 67,115	\$ 67,767
BASIC EDUCATION							
General Funds.....	\$ 4,366,124	\$ 4,623,232	\$ 4,817,986	\$ 4,903,342	\$ 4,980,868	\$ 5,061,296	\$ 5,145,065
Special Funds.....	1,785	5,196	1,949	1,949	1,949	1,949	1,949
Federal Funds.....	28,357	37,178	40,397	40,385	40,385	40,385	40,385
Other Funds.....	514,386	553,179	631,753	632,227	632,715	633,217	633,734
TOTAL.....	\$ 4,910,652	\$ 5,218,785	\$ 5,492,085	\$ 5,577,903	\$ 5,655,917	\$ 5,736,847	\$ 5,821,133
JOB TRAINING							
General Funds.....	\$ 21,233	\$ 20,591	\$ 17,125	\$ 17,263	\$ 17,406	\$ 17,553	\$ 17,704
Federal Funds.....	5,927	9,250	9,050	9,050	9,050	9,050	9,050
Other Funds.....	728	751	724	746	768	791	815
TOTAL.....	\$ 27,888	\$ 30,592	\$ 26,899	\$ 27,059	\$ 27,224	\$ 27,394	\$ 27,569
LIBRARY SERVICES							
General Funds.....	\$ 32,583	\$ 33,373	\$ 31,127	\$ 33,416	\$ 33,508	\$ 33,603	\$ 33,701
Federal Funds.....	1,194	1,146	1,150	1,150	1,150	1,150	1,150
Other Funds.....	4,230	4,891	4,816	4,817	4,818	4,819	4,820
TOTAL.....	\$ 38,007	\$ 39,410	\$ 37,093	\$ 39,383	\$ 39,476	\$ 39,572	\$ 39,671
HIGHER EDUCATION							
General Funds.....	\$ 1,059,371	\$ 1,119,212	\$ 1,082,302	\$ 1,086,102	\$ 1,086,102	\$ 1,086,102	\$ 1,086,102
Other Funds.....	49	50	50	50	50	50	50
TOTAL.....	\$ 1,059,420	\$ 1,119,262	\$ 1,082,352	\$ 1,086,152	\$ 1,086,152	\$ 1,086,152	\$ 1,086,152
ALL PROGRAMS:							
GENERAL FUND.....	\$ 5,498,648	\$ 5,817,718	\$ 5,966,704	\$ 6,058,832	\$ 6,137,154	\$ 6,218,402	\$ 6,303,015
SPECIAL FUNDS.....	1,785	5,196	1,949	1,949	1,949	1,949	1,949
FEDERAL FUNDS.....	61,963	90,386	84,956	84,944	84,944	84,944	84,944
OTHER FUNDS.....	531,596	571,624	650,091	650,640	651,204	651,785	652,384
TOTAL.....	\$ 6,093,992	\$ 6,484,924	\$ 6,703,700	\$ 6,796,365	\$ 6,875,251	\$ 6,957,080	\$ 7,042,292

EDUCATION

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

Program: Education Support Services

Education Support Services provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of services provided.

In addition to including the executive offices of the Department of Education, budget, publication and legal offices, this program also provides staff support to the State Board of Education and other administrative boards and commissions. These include boards for

private, academic, business, trade and correspondence schools, and the Professional Standards and Practices Commission.

The funds from the School Employees' Retirement Fund used for administration of the School Employees' Retirement System are also included as other funds in this program. Administration of the School Employees' Retirement System includes provision of benefits for retired school employees and counseling and information services for active employees. The system currently provides benefits to over 90,000 annuitants.

Program Recommendations:

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

	General Government Operations
\$ -4,000	—nonrecurring projects.
1,004	—to continue current program.
\$ -2,996	<i>Appropriation Decrease</i>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	<u>\$ 19,337</u>	<u>\$ 21,160</u>	<u>\$ 18,164</u>	<u>\$ 18,709</u>	<u>\$ 19,270</u>	<u>\$ 19,848</u>	<u>\$ 20,443</u>

Program: Basic Education (continued)

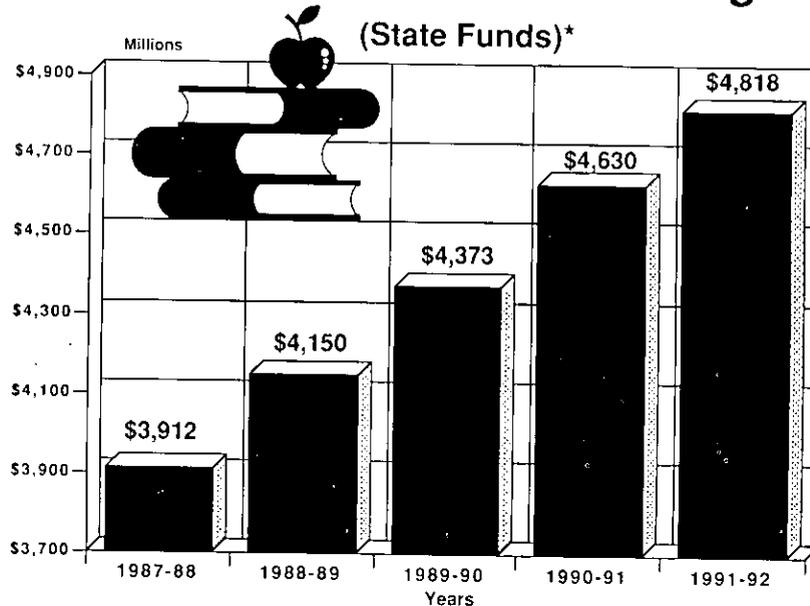
A substantial basic education program is provided to adults at the Commonwealth's fourteen correctional institutions. Adults who are incarcerated in the institutions are provided the opportunity to participate in an education program which includes: an assessment component that diagnoses the academic achievement levels of each inmate entering an educational program; a basic education curriculum with instruction geared to preparation for the General Education Development diploma; remedial instruction in reading and mathematics; and vocational education and training with emphasis on providing entry level employment skills. There are also opportunities to obtain college level instruction and job placement services throughout the State Correctional system.

Program Element: Special Education

Special education, in partnership with basic education, is serving about 286,500 school aged students in Pennsylvania school districts, intermediate units, approved private schools, private residential facilities and State schools and hospitals.

The major special education appropriation provides monetary support for programs for exceptional children served by the public schools of the Commonwealth. Public school special education programs are operated by all 29 intermediate units and approximately 410 public school districts. When appropriate public education is not available, students are assigned to department approved private schools.

Basic Education Funding



*Includes funding from PHEAA for Computer Purchases and Computer Training.

EDUCATION

Program: Basic Education (continued)

Program Measures

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Basic Education							
Public school enrollments (K-12)	1,655,099	1,667,630	1,688,960	1,715,910	1,742,180	1,772,040	1,799,040
Median instructional cost per public school pupil	\$3,379	\$3,575	\$3,825	\$4,090	\$4,375	\$4,680	\$5,000
High school graduation rates	82.0	82.0	82.0	82.0	82.0	82.0	82.0
Graduates enrolling in business, technical or college programs	70,060	66,200	64,370	65,030	64,050	66,360	69,100
Vocational education enrollments	120,000	116,800	115,100	116,000	118,300	122,600	127,200
Vocational education students placed in jobs	24,400	23,400	23,000	23,200	23,700	24,500	25,400
Percent of students passing Testing for Essential Learning Skills	76%	76%	76%	76%	76%	76%	76%
Students served by dropout prevention programs	6,819	10,600	11,130	11,686	12,270	12,884	13,582
Students served by teen parenting programs	4,139	4,542	4,769	5,007	5,257	5,519	5,795
Total General Educational Development (GED) diplomas	13,852	18,000	18,560	19,000	19,250	19,500	20,000
Enrollment in adult basic education	88,000	88,000	88,000	89,000	89,000	89,000	89,000
Scotland School for Veterans' Children enrollment	380	380	360	360	360	360	360
Downingtown Industrial and Agricultural School enrollment	88	90	100	90	95	100	100

Vocational education enrollment and vocational education students placed in jobs are estimated to decrease slightly in 1991-92 and then increase in future years due to projected increase in secondary enrollment.

The number of students served by dropout prevention program increased significantly between 1989-90 and 1990-91 due to increased State and Federal monies that were directed for the start-up of new programs.

The number of students served by Teen Parenting programs is estimated to increase slightly each year since local effort has been increasing annually.

The large decrease in GED diplomas in 1989-90 resulted from fewer individuals taking and passing the test. However, for the first half of 1990-91, 9,305 diplomas were issued. It is anticipated that the Adult Literacy program will have a positive effect on the GED program in the current and future years.

Basic Education-Nonpublic Schools

Nonpublic school enrollment	341,229	336,560	333,320	331,420	329,750	329,410	329,490
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Basic Education-Adjudicated Youth and Incarcerated Adults

Youth Development Centers							
Total youths served	1,297	1,350	1,400	1,500	1,500	1,500	1,500
Corrections Education							
Enrollments in institutional programs	5,573	6,000	6,325	6,500	6,500	6,500	7,500
Classes presented	291	317	325	325	325	325	345
General Educational Development diplomas (GED's) issued	507	600	700	700	700	700	750
Inmates placed in jobs through job placement programs	407	475	550	600	600	600	650

Total youth served in Youth Development Centers has increased significantly in 1990-91 due to recent program expansions in Bensalem, New Castle and Danville Youth Development Centers.

Enrollments in Corrections Education institutional programs has increased significantly in 1990-91 due to start-up of correctional education programs at Waymart State Correctional Institution.

Correction Education inmates placed in jobs has increased significantly as a result of the addition of two job placement specialists.

Special Education

Pupils enrolled in programs for the physically and mentally handicapped	206,800	206,000	205,000	203,000	200,000	196,000	191,000
Pupils enrolled in programs for the gifted and talented	80,400	80,500	80,600	80,700	80,800	80,900	81,000
Scranton School for the Deaf enrollments	101	99	105	105	105	105	105
Students in approved vocational education programs	14,000	13,500	13,400	13,550	13,800	14,300	14,400
Students in approved vocational education programs placed in jobs	2,800	1,890	1,880	1,900	1,930	2,000	2,090

A recent change in the eligibility requirement enables additional special education students the opportunity to participate in approved vocational education programs.

The number of students in approved vocational education programs placed in jobs shows a significant decline from the 1989-90 fiscal year due to recent changes in Special Education Regulations which permit more extensive job training before placement.

EDUCATION

Program: Basic Education (continued)

Program Recommendations:

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

GENERAL FUND:			
\$ 450	Scranton State School for the Deaf —to continue current program.	\$ -10	Homebound Instruction —need based on estimate of homebound students.
\$ -5,093	Scotland School for Veterans' Children —implementation of school closure.		Tuition for Orphans and Children in Private Homes —to continue current program.
\$ 821	Youth Development Centers — Education —to continue current program.	\$ 933	Payments in Lieu of Taxes —to continue current program.
\$ -265	Correction Education —nonrecurring projects.	\$ 5	Special Education-Approved Private Schools —to continue current program.
583	—to continue current program.	\$ 7,131	School Employees' Social Security —to meet employers' share.
\$ 318	<i>Appropriation Increase</i>	\$ 18,093	School Employees' Retirement Fund Transfer —program reduction based upon an independent actuarial analysis of estimated employer's share.
\$ 140,000	Equalized Subsidy for Basic Education —PRR — Improving Basic Education. To increase the Factor for Educational Expense (FEE) to \$3,325 and to make available additional State reimbursement to less affluent school districts.	\$ -107,303	School District Payments—Racing —payments discontinued
\$ 4,000	Instructional Support Team —PRR — Expansion of Instructional Support teams. To provide additional funds for the second year of implementation of IST's in the school districts.	\$ -3,500	Statewide Business—Education Partnership —PRR — Statewide Business—Education Partnership for Workforce Development. Provides for the development of local Business-Education Partnership Strategies for the development of educational programs to ensure the availability of a suitably educated workforce for the next century.
\$ -2,000	School Performance Incentives —revised estimate of program requirements.	\$ 300	Distance Learning —Initiative establishes State funding for distance learning program to provide students and adults, particularly those in rural areas, with opportunities to participate in educational programs through telecommunications technology.
\$	Vocational Education —Initiative increases area vocational technical school and high school reimbursements for adult affidavit programs which provide training and retraining for adults in order to keep their skills competitive in the labor market.	\$ 450	Educational Radio and Television —Program incorporated into new Distance Learning Initiative.
\$ 76,000	Authority Rentals and Sinking Fund —maintain current program.	\$ -175	Education of Indigent Children —to continue current program.
-20,000	—Initiative revises current method of support for school district construction and renovation projects. Savings result from refinancing school district bonds and making discounted lump sum payments rather than periodic payments to school districts.	\$ 7	Governor's School of Excellence —to continue current program.
\$ 56,000	<i>Appropriation Increase</i>	\$ 76	Downingtown Industrial and Agricultural School—Maintenance —funding reductions.
\$ 18,600	Pupil Transportation —to continue current program.	\$ 331	
\$ -600	Nonpublic Pupil Transportation —revised estimate of program requirements.		
\$ 59,000	Special Education —PRR — Improving Special Education. To provide a new funding mechanism for special education based upon the number of students and aid ratio in each school district.		
\$ 2,503	Early Intervention —PRR — Expansion of Preschool Education Programs. To provide services to an additional 1,200 children age 3 to school entry age.		
640	—technical assistance.		
4,519	—maintain current program.		
\$ 7,662	<i>Appropriation Increase</i>	\$ -247	MOTOR LICENSE FUND: Safe Driving Program —to continue current program.
		\$ -3,000	Commercial Driver Licensing Test Preparation —nonrecurring project.

EDUCATION

Program: Basic Education (continued) Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Scranton State School for the Deaf	\$ 3,971	\$ 4,145	\$ 4,595	\$ 4,733	\$ 4,875	\$ 5,021	\$ 5,172
Scotland School for Veterans' Children ..	8,694	8,593	3,500	400	400	.....	.....
Youth Development Centers	4,843	5,225	6,046	6,348	6,665	6,998	7,348
Correction Education	6,575	7,377	7,695	7,926	8,164	8,409	8,661
Equalized Subsidy for Basic Education ..	2,661,268	2,746,350	2,886,350	2,886,350	2,886,350	2,886,350	2,886,350
PENNFREE Community and School							
Based Drug Prevention	6,000	.....	.....	.....	.....	.....	.....
Instructional Support Team .....	.....	5,000	9,000	9,000	9,000	9,000	9,000
School Performance Incentives	5,000	5,000	3,000	3,000	3,000	3,000	3,000
Agenda for Excellence	17,251	.....	.....	.....	.....	.....	.....
For the Improvement of Teaching	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Adult Literacy	6,992	7,000	7,000	7,000	7,000	7,000	7,000
Vocational Education	34,796	38,922	38,922	38,922	38,922	38,922	38,922
Authority Rentals and Sinking Fund	142,800	142,800	198,800	206,752	215,022	223,623	232,568
Pupil Transportation	212,900	223,545	242,145	262,023	269,883	277,980	286,319
Nonpublic Pupil Transportation	12,950	13,200	12,600	12,600	12,600	12,600	12,600
Special Education	348,340	417,000	476,000	499,800	524,790	551,030	578,582
Special Education—Supplemental	99,000	.....	.....	.....	.....	.....	.....
Early Intervention	14,800	24,338	32,000	34,503	36,818	39,227	41,230
Homebound Instruction	475	475	465	465	465	465	465
Tuition for Orphans and Children Placed in Private Homes	16,000	19,500	20,433	22,969	23,658	24,368	25,099
Payments in Lieu of Taxes	80	80	85	85	85	85	85
Education of Migrants' Children	200	210	210	210	210	210	210
Education of Disadvantaged	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Special Education — Approved Private Schools	56,100	58,344	65,475	68,749	72,186	75,795	79,585
Private Residential Rehabilitative Institutions	500	500	500	500	500	500	500
Intermediate Units	13,500	14,175	14,175	14,175	14,175	14,175	14,175
School Food Services	11,738	11,920	11,920	11,920	11,920	11,920	11,920
School Employees' Social Security	200,823	221,907	240,000	249,600	259,584	269,967	280,766
School Retirement	405,949	570,858	463,555	482,097	501,381	521,436	542,293
School District Payments — Racing	3,500	3,500	.....	.....	.....	.....	.....
Education of Indigent Children	100	105	112	112	112	112	112
Services to Nonpublic School	48,859	50,422	50,422	50,422	50,422	50,422	50,422
Textbooks for Nonpublic Schools	9,408	9,709	9,709	9,709	9,709	9,709	9,709
Student Supplies for Nonpublic Schools ..	5,545	5,722	5,722	5,722	5,722	5,722	5,722
Teen Pregnancy and Parenting	928	928	928	928	928	928	928
Comprehensive Reading	295	300	300	300	300	300	300
Dropout Prevention	1,000	1,100	1,100	1,100	1,100	1,100	1,100
Statewide Business—Education							
Partnership .....	.....	.....	300	.....	.....	.....	.....
Distance Learning .....	.....	.....	450	450	450	450	450
Education Radio and Television	174	175	.....	.....	.....	.....	.....
Ethnic Heritage Studies	200	200	150	150	150	150	150
Governor's Schools of Excellence	936	973	1,049	1,049	1,049	1,049	1,049
Conservatory Leadership School	30	30	.....	.....	.....	.....	.....
Downtown Industrial and Agricultural School — Maintenance	969	969	678	678	678	678	678
Downtown Industrial and Agricultural School — Rental	81	81	57	57	57	57	57
Downtown Special Projects	54	54	38	38	38	38	38
TOTAL GENERAL FUND	\$ 4,366,124	\$ 4,623,232	\$ 4,817,986	\$ 4,903,342	\$ 4,980,868	\$ 5,061,296	\$ 5,145,065
MOTOR LICENSE FUND							
Safe Driving Program	\$ 1,785	\$ 2,196	\$ 1,949	\$ 1,949	\$ 1,949	\$ 1,949	\$ 1,949
Commercial Driver Licensing Test Preparation .....	.....	3,000	.....	.....	.....	.....	.....
TOTAL MOTOR LICENSE FUND	\$ 1,785	\$ 5,196	\$ 1,949	\$ 1,949	\$ 1,949	\$ 1,949	\$ 1,949

Program Revision: Improving Basic Education

In nearly all states there is considerable variation in the amounts that local school districts spend to educate their public elementary and secondary students. Reasons for these variations in expenditures include differences in the mix of available state, local and Federal revenues, differences in student educational needs, differences in the cost of educational services, and differences in the ability and/or willingness of local taxpayers to pay for education. Still, public elementary and secondary school financing has become an issue nationally because the educational expenditures of more affluent school districts are outpacing those of less affluent districts.

In the 1983-84 school year, Pennsylvania established the Equalized Subsidy for Basic Education (ESBE) to distribute the Commonwealth's support for basic education among its school districts. The ESBE subsidy formula is called "equalized" because it is designed to provide a higher level of funding to poor school districts and a lower level of funding to wealthy school districts. Approximately 83 percent of the ESBE subsidy is inversely distributed to school districts based on their wealth — affluent school districts with a great deal of property and personal income to tax receive smaller subsidy payments than less affluent districts. Each school district's base ESBE subsidy is determined by multiplying its weighted average daily student membership (WADM) by a dollar amount called the factor for educational expense (FEE) and the school district's aid ratio which represents the district's ability to raise its own revenue given the district's property market value and personal income. The FEE is set each fiscal year and is \$2,380 for 1990-91. The remainder of the subsidy consists of supplements which provide additional funding to school districts with special financial needs, such as districts that are small, districts with high local tax efforts, or districts with a large number of students from poor families. Thus, the Commonwealth's ESBE formula has many features designed to equalize resources among school districts of varying wealth. In addition to the ESBE, the Commonwealth makes social security and retirement payments on behalf of school districts. These payments are equal to one-half of the employer's share of each school employe's social security and retirement assessments and are

determined by each school district's payroll.

This Program Revision proposes to change the ESBE formula to direct even more funding to poor school districts. The basic formula components remain the same — the annually set FEE is multiplied by each district's weighted average daily membership and aid ratio. However, with the Program Revision, elementary ADMs will be given a greater weighting than secondary ADMs, and the minimum aid ratio will be lowered from 0.15 to 0.00. As a result, more funding will be directed toward school districts based on elementary enrollments and less funding will be directed toward more affluent districts with low aid ratios. The poverty supplement will remain a percent of the FEE, but the tax effort supplement will be targeted more toward low spending/high taxing school districts, and tax effort payments will be based on total expenditures rather than on instructional expenditures. Small district assistance payment calculations also will be modified to provide more support for poorer school districts. The two percent minimum funding increase guaranteed all school districts regardless of need will be reduced to 1 percent in the 1991-92 fiscal year and eliminated in the 1992-93 fiscal year.

This Program Revision proposes that the State share of school district retirement and social security payments be distributed under the ESBE subsidy so that the aid ratio can be applied. Under the current payment method, wealthier school districts with higher teacher salaries receive more of the Commonwealth's social security and retirement payments than do poorer school districts with lower teacher salaries. Distributing these new funds through the ESBE formula on the basis of school district aid ratios will direct more State social security and retirement payments to the less affluent school districts.

The ESBE subsidy formula changes proposed by this Program Revision will distribute an even greater portion of the basic instruction subsidy on the basis of school district wealth and will assure that less affluent school districts have the educational resources necessary to develop and operate quality education programs.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Additional school employe social security and retirement funds distributed based on a student (WADM) and aid ratio basis (in thousands)							
Current							
Program Revision			\$ 34,000	\$ 34,000	\$ 34,000	\$ 34,000	\$ 34,000

Program Revision Recommendations:

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

<p>Education Equalized Subsidy for Basic Education \$ 140,000 —to increase the Factor for Educational Expense (FEE) to \$3,325, and to target a greater portion of the subsidy to less affluent school districts.</p>	<p>\$ 19,000</p> <hr/> <p>\$ 174,000</p>	<p>School Employes' Retirement Fund —to meet employer's share based on students (WADM) and aid ratio.</p>
<p>School Employes' Social Security \$ 15,000 —to meet employer's share based on students (WADM) and aid ratio.</p>		<p>Program Revision Total</p>

Program Revision: Improving Special Education

For a number of years, school districts and intermediate units spent more for special education than was appropriated by the General Assembly. Overspending occurred because, under the current special education excess cost reimbursement system, the State is required to pay all special education costs above the basic costs incurred to educate students in regular education programs. In the past, school districts and intermediate units could increase their approved annual budgets by adding new special education classes, intensifying educational and support services, or developing new programs and services. This resulted in additional costs to the Commonwealth.

Act 43 of 1989 includes provisions to address the financial and program problems inherent in the current special education system. As part of the act, the Commonwealth made available \$99 million to school districts to cover past overspending in the special education system. In accordance with other Act 43 provisions, the Commonwealth revised special education regulations and standards to improve special education programs and services, and to provide for more prudent management and fiscal accountability. In spite of these changes, school district and intermediate unit special education overspending continues. It is clear that changes must be made to establish a more reasonable growth rate for special education costs and funding.

This Program Revision proposes to change the special education funding methodology from an excess cost payment system to a payment system that phases in State support to school districts based on the number of students and the aid ratio of each school district. Under this proposal, school districts, rather than the intermediate units, will be responsible for special education services. State funding will flow directly to the school districts, which then can provide services themselves, contract with intermediate units, or contract with other school districts. State payments to intermediate units for special education program operations would be phased out over a two-year period. Intermediate units (IU) will continue to receive administrative funds from the IU General Operating Appropriation.

Under this Program Revision, school districts will receive 1991-92 State support for special education programs from five sources: payments made to districts for incurred 1990-91 special education excess

costs; a new special education subsidy payment based on total students and aid ratio; set aside payments to cover the higher costs of educating severely handicapped children; contingency payments for unique circumstances and/or financial hardships associated with educating severely handicapped children; and payment increases resulting from phasing out the withholding of special education student tuition for students enrolled in IU special education programs.

State reimbursement for school district excess costs incurred in 1990-91 will be fully paid in 1991-92. The special education subsidy payment for each school district will be determined by multiplying an amount per student set each year by each district's average daily membership (ADM) and market value/personal income aid ratio. School districts also will receive payments to cover the higher costs of educating severely handicapped students with special needs. A set-aside fund for severely handicapped children will be phased in over a two-year period. In 1991-92, 0.5 percent of the total school district ADMs will be funded at \$7,500 per ADM. In 1992-93, one percent of the total school district ADMs will be funded at \$7,500 per ADM. About 16,000 ADMs, or six percent of all special education students, would be eligible for this set-aside funding. In addition, a contingency fund will be available to provide additional State support for unique circumstances and/or financial hardships associated with educating severely handicapped children. In 1991-92, school districts will receive a portion of their special education student tuition to help pay for special education programs. Under the current excess cost system, these tuition payments are utilized by the State to make direct payments to the intermediate units. Beginning in 1992-93, school districts will retain their entire special education student tuition.

This Program Revision will focus accountability for special education on school districts while providing increased annual funding for special education. These changes will: assure timely, stable and predictable State special education subsidy payments; improve school district and State-level planning, reporting and budgeting; and provide a more predictable and understandable mechanism for funding special education.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Additional special education funds distributed to school districts							
Current
Program Revision	\$59,000	\$59,000	\$59,000	\$59,000	\$59,000

Program Revision Recommendations:

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

Special Education	
\$59,000	—to fund special education program costs based on school district students and aid ratio.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Special Education	\$59,000	\$59,000	\$59,000	\$59,000	\$59,000

Program Revision: Expansion of Instructional Support Teams

In 1990-91, the Commonwealth revised special education regulations and standards in order to improve special education programs and services and to provide for more prudent management and fiscal accountability. Prior to the adoption of the new regulations and standards, many students who needed only remedial instruction were placed in special education programs because regular education programs could not provide alternative services to meet the remedial needs of these students.

An important change to the Commonwealth's approach to special education was made in 1990-91 with the creation of Instructional Support Teams (ISTs) in about 430 elementary school buildings in the Commonwealth. The ISTs include teachers, social workers, psychologists and administrators. The aim is to help teachers adapt their instruction to assist students who are exhibiting problems in learning and require only remedial educational services.

To date, 104 school districts have volunteered to be in the first wave of IST training and implementation and are currently in the first stages of that training. Final outcome data from these districts is not expected until the end of the year, but preliminary results are encouraging. Outcome data from other school districts which have been operating pilot ISTs over the past two years as precursors to the official IST

implementation last year, show positive results. In every single building in ten school districts where the IST has been implemented on a pilot basis, there has been a significant increase in the number of students succeeding in school and a reduction in the number of students being referred to special education programs.

This Program Revision builds upon last year's efforts by providing resources to establish additional ISTs to assist teachers in providing improved remedial services to nonspecial education students. Participating school districts will receive reimbursement for costs associated with hiring full-time substitute teachers to temporarily replace permanent teachers who will undergo training in the IST concept. These trained teachers will then provide training to other school district personnel at the building level.

This Program Revision establishes new ISTs in 430 additional school buildings, doubling current program efforts. About 180,000 additional students will be eligible for IST services. All school district staff in these buildings will be trained in instructional techniques that provide more and better support for students with learning problems. As the ISTs become fully operational, students will be able to remain in regular classes to achieve their educational goals rather than be placed in special education programs.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
School buildings with Instructional Support Teams (ISTs)							
Current		430	430	430	430	430	430
Program Revision			860	860	860	860	860
Students eligible for service from ISTs							
Current		180,000	180,000	180,000	180,000	180,000	180,000
Program Revision			360,000	360,000	360,000	360,000	360,000

Program Revision Recommendations:

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

Education
Instructional Support Teams
 \$ 4,000 —to provide additional educational support for remedial services.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Instructional Support Teams			\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000

Program Revision: Expansion of Preschool Education Programs

Pennsylvania currently supports a \$44 million program that provides services to over 19,000 developmentally delayed and handicapped children from birth through school entry age. Under the Federal Education of the Handicapped Act, states are required to assure that these services are available to all handicapped and developmentally delayed children between the ages of three and school entry age by July 1, 1991. Pennsylvania has expanded this Federal requirement with the passage of Act 212, of 1990 which requires that these services be available to all handicapped and developmentally delayed children from birth through school entry age. Although Pennsylvania is already serving a significant portion of this population, this Program Revision will enable the Departments of Public Welfare and Education to increase the number of children being served and the types of services provided.

On an average daily basis, the Department of Public Welfare currently serves 5,600 children between birth and two years of age. Over the next five years it is estimated that the average daily caseload will increase by 4,400 children to an estimated 10,000 infants and toddlers experiencing developmental delays. These 10,000 children represent two percent of live births in the Commonwealth. National statistics show that the two percent figure is a reasonable projection of the number of infants and toddlers experiencing delays. This Program Revision will provide funding to serve an additional 1,170 children in the 1991-92 fiscal year. In addition, the Department of Public Welfare will undertake an

intensive screening and tracking effort to identify children between the ages of birth and two who have not yet shown evidence of developmental delays but who are considered to be at a higher risk than the general population. The at risk children include those who were born with a low birth weight, were placed in intensive care at birth, were born to drug dependent mothers, were confirmed as being abused, or were exposed to lead and developed lead poisoning. This Program Revision will also provide funding for case management (one case manager per 35 children), training and technical assistance.

The Department of Education is currently serving 13,639 children between the ages of three and school entry age. In addition 5,362 children are participating in special education as a part of the kindergarten program. This program revision provides sufficient funds to serve an additional 1,200 children in 1991-92. The services provided by the Department of Education include: an individualized plan for each child which may include homebound programs; classroom services in regular preschool programs; or intermediate unit full-time classes for disabled students.

Pennsylvania's commitment to expanding this program is expected to reduce the number of children who will need special education by school entry age thus improving the students' opportunity for intellectual development.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Children between the ages of birth and two served.							
Current	5,600	5,600	4,800	4,800	4,800	4,800	4,800
Program Revision .....	.....	.....	8,770	8,385	10,000	10,000	10,000
Children between the ages of three and school entry age. The Department of Education							
Current	1,923	13,639	13,639	13,639	13,639	13,639	13,639
Program Revision .....	.....	.....	14,839	15,839	16,739	17,589	18,391

Program Revision Recommendations:

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

<p>Education Early Intervention—Handicapped Children \$ 2,503 —to provide services for 1,200 additional children ages three to school entry age.</p>	<p>Public Welfare Early Intervention \$ 1,875 —to provide services for 1,170 additional children ages birth to two and to implement a case management program.</p>
<p>\$ 4,378 Program Revision Total</p>	

In addition \$2.8 million in Social Service Block Grant funds will be provided for this program.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Education							
Early Intervention—Handicapped Children	2,503	4,818	7,129	9,538	11,541
Public Welfare							
Early Intervention	\$ 1,875	\$ 6,195	\$ 9,643	\$ 10,429	\$ 10,849
TOTAL GENERAL FUND	\$ 4,378	\$ 11,013	\$ 16,772	\$ 19,967	\$ 22,390

Program Revision: Statewide Business-Education Partnership for Work Force Development

For the Commonwealth to compete in today's economy requires a quality work force having a variety of job skills and the flexibility to adapt to new technologies and economic changes. The Commonwealth currently funds and administers many programs designed to support the development of its youth and young adults in preparation for employment in a changing economic environment.

A number of Pennsylvania communities have developed partnerships between schools and business as a way to insure that quality workers will continue to be available in their labor market areas. These partnerships undertake various activities. Business and higher education institutions communicate to schools the skills and qualities students need to succeed in the work world or to go on to college. Businesses also provide both financial and human resource support to schools. Schools implement programs designed to improve student performance in those skill areas identified as desirable by business or higher education institutions.

This Program Revision seeks to bring together the existing State, Federal and local community efforts to ensure the availability of a quality work force through the creation of a Statewide business-education partnership. This Statewide partnership will provide leadership to help coordinate the regional business-education initiatives already underway,

and will assist efforts in other communities desiring to develop locally based business-education partnerships.

Additional resources are not required to fund the Statewide partnership oversight efforts. This Program Revision solely funds one-time challenge grants to assist communities in establishing local partnerships across the State. The challenge grants will encourage development of local programs directed at increasing the job skills and education levels of the Commonwealth's work force. Local partnerships comprised of basic and higher education administrators and educators, business leaders, community service providers and labor unions will focus efforts on students who could be more aggressively served by the Commonwealth's educational and work force development systems. The challenge grants will be used to initiate local strategy development and will be matched in kind by private funds.

Ten new local business-education partnership projects are expected to be developed under this Program Revision. The challenge grants are expected to develop the local strategies necessary for the local partnerships. The local partnerships will then work toward developing school reforms that improve school performance, meet business needs, promote job creation and ensure quality workers for the twenty-first century.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Local school-business partnerships developed							
Current
Program Revision	10	.....	.....	.....	.....
Private funds leveraged (in thousands)							
Current
Program Revision	\$ 300	.....	.....	.....	.....

Program Revision Recommendations:

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

Education
Statewide Business—Education Partnership
\$ 300 —to provide one-time challenge grants to assist in the creation of local partnerships for work force development.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Statewide Business—Education Partnership	\$ 300	.....	.....	.....	.....

EDUCATION

PROGRAM OBJECTIVE: To improve the employment capabilities of those persons in the Commonwealth who are unemployed or underemployed.

Program: Job Training

This program includes funding for the Job Training Partnership, Customized Job Training Program and programs offered through Thaddeus Stevens State School of Technology, Berean Training and Industrial School, Johnson Technical Institute and Williamson Free School of Mechanical Trades.

Under the Federal Job Training Partnership Act, State Government, local government and the private sector work cooperatively in the development, planning and implementation of programs. Eight percent of funds under Title II-A of the act are earmarked for involvement of the education community in providing vocational skills training, counseling and remedial services to participants with matching funds provided from State and local sources. Up to 20 percent of the education funds can be used for coordination and linkage activities between education

institutions and entities responsible for local administration of employment and training services.

The Customized Job Training Program supplies firms with workers specifically trained for available jobs as well as training current employees in the use of new technologies. Customized Job Training plays an important role in creating and fostering an environment suitable to economic growth.

Thaddeus Stevens State School of Technology provides post-secondary vocational training to indigent youths at State expense. Berean Training and Industrial School offers one and two year post secondary trade and technical training. Johnson Technical Institute and Williamson Free School of Mechanical Trades provide secondary three year technical programs.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Providers offering economic development training plans	275	275	275	275	275	275	275
Trainees enrolled in economic development training programs	31,697	22,230	22,230	22,230	22,230	22,230	22,230
Trainees completing instruction	16,824	11,368	11,368	11,368	11,368	11,368	11,368
Trainees placed in jobs	15,595	9,950	9,950	9,950	9,950	9,950	9,950
Stevens enrollments	353	470	500	500	500	500	500
Berean enrollments	214	300	300	300	300	300	300
Johnson enrollments	344	352	359	395	426	460	483
Williamson enrollments	211	220	220	230	235	240	245

Actual data for trainees enrolled in economic development training programs, trainees completing instruction and trainees placed in jobs is substantially higher for 1989-90 than the data shown in the 1990-91 Budget based upon more recent data. Data for these measures shows a reduction in 1990-91 and future years due to decreased availability of State funding.

Stevens and Berean enrollments have increased significantly due to new recruitment efforts.

Estimated enrollment data for 1990-91 were substantially higher for Johnson in the 1990-91 Budget. These figures have been re-estimated to reflect actual enrollment data.

Program Recommendations:

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

\$ -198	JTPA—Matching Funds —nonrecurring projects.	\$ -468	Non—State—related Institutions —funding reduction.
\$ -31	Thaddeus Stevens State School of Technology —nonrecurring projects.		
231	—to maintain current program.		
\$ 200	Appropriation Increase		
\$ -3,000	Customized Job Training —revised estimate of program requirements.		

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
JTPA-Matching Funds	\$ 5,400	\$ 5,200	\$ 5,002	\$ 5,002	\$ 5,002	\$ 5,002	\$ 5,002
Customized Job Training	10,033	9,500	6,500	6,500	6,500	6,500	6,500
Thaddeus Stevens State School of Technology	4,328	4,412	4,612	4,750	4,893	5,040	5,191
Non-State-related Institutions	1,472	1,479	1,011	1,011	1,011	1,011	1,011
TOTAL GENERAL FUND	\$ 21,233	\$ 20,591	\$ 17,125	\$ 17,263	\$ 17,406	\$ 17,553	\$ 17,704

PROGRAM OBJECTIVE: To provide and improve library services to citizens of the Commonwealth, special libraries, and agencies and employes of government.

Program: Library Services

This program includes funding to support and improve State and local library services and to insure access to these services by citizens of the Commonwealth. The program includes: the State Library, Improvement of Library Services, Library Services for the Blind and Handicapped, Library Access, and the School Library Catalog.

The State Library is the agency of the Commonwealth charged with developing, improving and coordinating library services and systems in the State. It provides Statewide leadership in the development of libraries as essential contributors to cultural and economic well being of Pennsylvania communities.

The appropriation for Improvement of Library Services encourages local libraries to meet the information, education and recreation needs of the Commonwealth. These funds assist in supporting 28 district libraries making their resources and services available to all residents of their respective areas on behalf of the Commonwealth. In addition, they support four regional resource center libraries, which are designated by State law to acquire research collections and make them available to all residents.

Library Services for the Blind and Physically Handicapped provides operating funds to Pennsylvania's regional libraries for direct mail services to Pennsylvania residents who are blind and physically handicapped and cannot utilize regular print materials. Seventy percent of the users of this program are elderly persons who are often homebound and isolated with no other access to the world of books. The service is provided through contracts with the Carnegie Library of Pittsburgh and the Free Library of Philadelphia.

The Library Access Program allows people to use any participating public library no matter where they live. Libraries are reimbursed for the cost of lending books to people living outside their service area.

The School Library Catalog Program provides students and teachers with information about library holdings across the Commonwealth. It provides students and teachers with access to books, journals and other information held by any participating school, college or university. The program's objective is to increase access to educational materials and to automate the time consuming management functions of Pennsylvania school libraries.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Percentage of State population served by State-aided libraries	96%	96%	97%	98%	98%	98%	98%
Items lent (in thousands)	44,215	46,425	46,425	50,000	51,500	52,000	52,700
Titles in State Library collection listed in machine readable catalog data base ..	592,682	615,000	640,000	665,000	690,000	715,000	740,000
Patron queries handled by State Library staff	138,179	138,000	138,000	138,000	138,000	138,000	138,000
Items loaned under the Statewide library card system	6,593	6,600	3,960	6,600	6,800	7,000	7,200
Citizens served by Access Pennsylvania database	243,000	303,090	330,000	363,000	399,000	462,000	535,000

Items lent is estimated to remain constant in 1991-92 due to reductions in funding for Library Access.

A significant increase is estimated in 1990-91 for the number of titles in the State Library collection listed in the machine readable catalog data base due to the one-time purchase of 35,000 Early American Cataloged titles.

Items loaned under the Statewide library card system have decreased in 1991-92 due to reduction in funding.

EDUCATION

Program: Library Services (continued)

Program Recommendations:

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

\$ 54	State Library —to continue current program.	\$ -200	School Library Catalog. —reduction in funds available for School Library Catalog grants.
\$ -2,000	Library Access —reduction in funds available for Library Access grants.	\$ -100	College of Physicians —nonrecurring project.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
State Library	\$ 2,906	\$ 2,928	\$ 2,982	\$ 3,071	\$ 3,163	\$ 3,258	\$ 3,356
Improvement of Library Services	22,138	22,809	22,809	22,809	22,809	22,809	22,809
Library Services for the Blind and Handicapped	1,939	2,036	2,036	2,036	2,036	2,036	2,036
Library Access	5,000	5,000	3,000	5,000	5,000	5,000	5,000
School Library Catalog	500	500	300	500	500	500	500
College of Physicians	100	100	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 32,583	\$ 33,373	\$ 31,127	\$ 33,416	\$ 33,508	\$ 33,603	\$ 33,701

PROGRAM OBJECTIVE: To fulfill Pennsylvania's requirements for graduates of higher education programs, to respond to the demands of students for higher education and to support the public institutions providing those programs.

Program: Higher Education

Higher education in Pennsylvania is provided through 237 degree granting institutions which include the State System of Higher Education, the four State-related universities, 11 State-aided colleges and universities, the community colleges, and the Commonwealth's independent colleges, universities, and specialized degree granting institutions.

Funding for these institutions is through direct grant appropriations and, for most of the independent sector, through the Institutional Assistance Grants and student support programs of the Higher Education Assistance Agency.

Table 1
Full-Time Equivalent Enrollments at State-Supported Institutions of Higher Education, Actual and Projected

Institutional Category	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
State System of Higher Education	90,197	91,202	91,579	92,902	93,428	93,918	94,503
State-related Universities	126,358	125,499	126,430	125,566	125,847	126,288	126,857
Community Colleges	64,474	68,476	71,192	74,155	77,146	80,320	83,763
State-aided Institutions	38,636	38,895	38,864	39,033	39,263	39,476	39,687
TOTAL	319,665	324,072	328,065	331,656	335,684	340,002	344,810

The enrollment data in Table 1 reflects transfer of Williamsport Area Community College from the Community College category to the State-related category due to affiliation with the Pennsylvania State University as the Pennsylvania College of Technology.

Program Element: State System of Higher Education

Funding for the 14 universities of the State System of Higher Education is distributed through the Chancellor's office to the individual universities in accordance with a formula which considers the enrollment and programs of the school and the cost of operating and maintaining the individual campuses. The universities provide a broad liberal arts curriculum, but each has a specific mission; some in health sciences, others in technologies and all of them in teacher education. Most offer the master's degree level in some of their programs. The system has established the Academy for the Profession of Teaching to provide research in teaching methods and a forum for discussion of teaching methods and issues.

Program Element: Community Colleges

Funding for the community colleges is shared by sponsoring counties or school districts, the students through tuition payments and the Commonwealth. Commonwealth appropriations are based on a formula which considers the number of students enrolled, the number of students in each of several technical programs for which additional stipends are paid to recognize the high cost of those programs and the capital costs of the college. The colleges offer two-year liberal arts curricula for transfer to other institutions and two-year programs in technologies or other vocational areas which culminate in an associate degree or certificate.

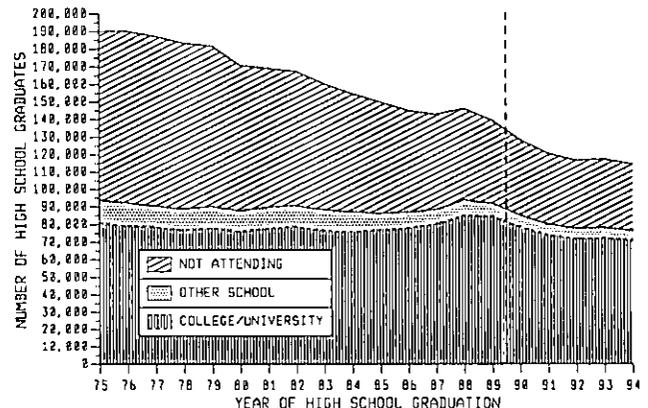
Program Element: State-related Universities

Funding for the four State-related universities—The Pennsylvania State University, the University of Pittsburgh, Temple University and Lincoln University provides basic support for the educational program. The first three of these Commonwealth universities are major research universities; they provide programs to the doctoral level in the arts and sciences and professional schools in medical and legal fields.

Program Element: State-aided Colleges and Universities

Aid to the 11 State-aided colleges and universities provides support for a varied group of programs in agriculture, medicine, physical sciences, technology and the arts. The University of Pennsylvania is a major research university and is supported by a variety of appropriations supporting its general programs and medical fields, which include the only veterinary science school in the State and others.

Figure 1
High School Postgraduate Activity
1975 to 1989 with Projections for
1990 Through 1994



EDUCATION

Program: Higher Education (continued)

Enrollment and Degree Programs:

Full-time equivalent enrollment in State-supported institutions is expected to increase by slightly more than six percent over the next five years but that trend differs markedly from one sector to another. The enrollment is affected by two factors: the population of college age students continues its decline but the impact of the decrease is offset by increases in attendance of older students and part-time students.

There has been some concern about the number of Pennsylvania high school graduates who choose not to attend college. In 1989, of 139,232 high school graduates 84,628 or 61 percent had planned to attend college and another five percent some other type of postsecondary

institution. This is a substantial improvement over 1985 when only 51 percent of high school graduates planned to attend college. Figure 1 shows that while there is cause for concern in the numbers of graduates not attending postsecondary education, the statistics have improved steadily over the past ten years.

The Pennsylvania Association of Colleges and Universities (PACU), the Higher Education Assistance Agency, and the Department of Education are all working with school districts to disseminate information to students and their parents about the importance of postsecondary education, the choices available to students, the financial aid available and the high school preparation required.

Table 2
State-Supported Institutions FTE Enrollments by Subject Area

Subject Area	Number and Percent of Total	1989-90 Actual	1990-91 Projected	1991-92 Projected	1992-93 Projected	1993-94 Projected	1994-95 Projected	1995-96 Projected	Percent Change
Agricultural and Natural Resources	# %	3,039 0.95	3,101 0.96	3,079 0.94	3,069 0.93	3,079 0.92	3,119 0.92	3,172 0.92	4.38
Arts and Letters	# %	48,913 15.30	49,310 15.22	50,411 15.37	51,105 15.41	51,756 15.42	52,467 15.43	53,282 15.45	8.93
Business, Management, Data Processing	# %	64,999 20.33	66,694 20.58	66,815 20.37	68,167 20.55	69,129 20.59	70,129 20.63	71,261 20.67	9.63
Communications and Related Technologies	# %	10,538 3.30	10,695 3.30	10,723 3.27	10,895 3.29	11,010 3.28	11,100 3.26	11,196 3.25	6.12
Computer and Information Sciences	# %	7,270 2.27	7,259 2.24	7,491 2.28	7,674 2.31	7,824 2.33	7,981 2.35	8,147 2.36	12.06
Education	# %	40,929 12.80	41,329 12.75	41,973 12.79	42,139 12.71	42,506 12.66	42,895 12.62	43,338 12.57	5.89
Engineering, Architecture and Environmental Design	# %	20,434 6.39	20,576 6.35	20,542 6.26	20,652 6.23	20,765 6.19	20,914 6.15	21,077 6.11	3.15
Engineering and Related Technologies	# %	7,249 2.27	7,721 2.38	7,761 2.37	8,066 2.43	8,315 2.48	8,654 2.55	8,922 2.59	23.08
Health Professions, Health Sciences and Biological Sciences	# %	38,903 12.17	39,435 12.17	40,976 12.49	40,699 12.26	41,223 12.28	41,800 12.29	42,442 12.31	9.10
Home Economics, Human Services and Public Affairs	# %	14,689 4.60	14,942 4.61	15,016 4.58	15,263 4.60	15,491 4.61	15,737 4.63	16,083 4.66	9.49
Industrial, Repair, Construction and Transport Technologies	# %	2,733 0.85	2,916 0.90	3,023 0.92	3,159 0.95	3,317 0.99	3,458 1.02	3,611 1.05	32.13
Law	# %	3,549 1.11	3,602 1.11	3,631 1.11	3,608 1.09	3,659 1.09	3,713 1.09	3,787 1.10	6.71
Physical Sciences, Mathematics and Related Technologies	# %	14,638 4.58	14,667 4.53	14,686 4.48	14,761 4.45	14,857 4.43	14,991 4.41	15,113 4.38	3.24
Social Sciences, Psychology, Area Studies and Foreign Languages	# %	31,239 9.77	31,179 9.62	31,227 9.52	31,611 9.53	31,844 9.49	32,028 9.42	32,260 9.36	3.27
Multi-Interdisciplinary Studies/Military Sciences	# %	10,543 3.30	10,646 3.29	10,711 3.26	10,818 3.26	10,909 3.25	11,016 3.24	11,119 3.22	5.46
TOTAL	# %	319,665 100.00	324,072 100.00	328,065 100.00	331,656 100.00	335,684 100.00	340,002 100.00	344,810 100.00	7.87

Program: Higher Education (continued)

Along with higher education enrollment size, the mix of enrollments by discipline will shape the future of higher education. Table 2 shows the projections of enrollment in the State-supported institutions from 1989-90 through 1995-96. It reflects the increased choices of job-oriented disciplines with good employment rates such as computer science, engineering technology and industrial technologies but also reflects slower growth in the engineering and physical science/mathematics enrollments than in the past.

A review of fields in which degrees are awarded shows the greatest numbers of four-year degrees are in Business (including Marketing),

Education, Engineering (with emphasis on Electrical and Mechanical engineering), Health Sciences (including Medicine and Nursing), the Social Sciences (including Political Science and Economics), and the Arts and Letters programs.

The publicly funded sector institutions in Pennsylvania graduate over 64,000 students annually with degrees ranging from the two-year Associate Degree to doctoral and professional degrees. Pennsylvania degree graduates from both the public and private sector total over 90,000 annually.

Table 3
Higher Education Degrees Awarded by State-Supported
Institutions of Higher Education
Actual and Projected

Institutional Category	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
State System of Higher Education	16,285	16,665	16,856	17,048	17,272	17,417	17,502
State-related Universities	29,506	29,533	29,536	29,567	29,495	29,537	29,706
Community Colleges	9,684	10,226	10,631	11,084	11,992	12,093	12,611
State-aided Institutions	10,427	10,717	10,650	10,660	10,783	10,878	10,948
TOTAL	65,902	67,141	67,673	68,359	69,542	69,925	70,767

Table 3 reflects transfer of Williamsport Area Community College from the Community College category to the State-related category due to affiliation with The Pennsylvania State University as the Pennsylvania College of Technology.

Figure 2

Associate And Baccalaureate Degrees Awarded By
Higher Education Institutions With Projections
For 1989-90 To 1993-94

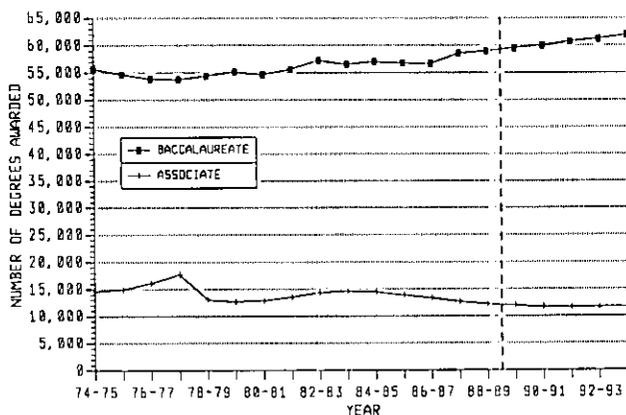
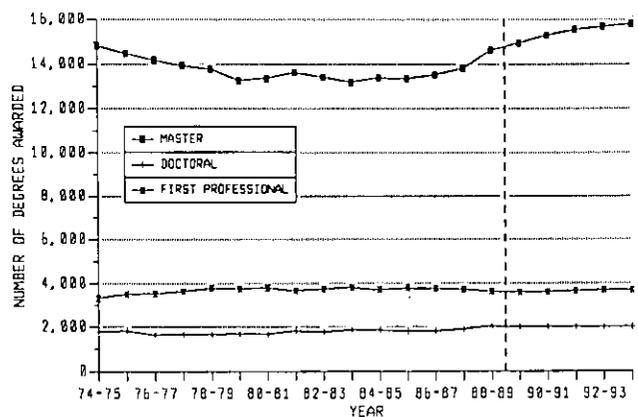


Figure 3

Degrees Awarded Above the Baccalaureate By
Higher Education Institutions with Projections
For 1989-90 To 1993-94



Program: Higher Education (continued)

Program Element: Support for Educationally Disadvantaged and Minority Students

The Higher Education Equal Opportunity Program provides grants to colleges for tutorial and counseling services for economically and educationally disadvantaged students to aid them in succeeding in college.

The 1983 agreement between the Department of Education and the Federal Office of Civil Rights provided a five-year plan to enhance Cheyney and Lincoln Universities and increase minority enrollment at the other State system and State-related universities. While that agreement has ended, the budget continues the initiative it began. Funding is included to continue to help with the cost of recruiting and retaining minority students. Funds for the enhancement of Lincoln are continued as part of its education and general appropriation. Funds are provided for an affirmative action program at the State System of Higher Education.

Program Element: Research

An essential ingredient for a healthy economy and the creation of new jobs in any region is the existence of vigorous research universities. Regions with the most dynamic economies are those where research and development investments have been heavy. The research university not only provides new ideas, technologies and products to industry but also educates and motivates graduates to turn those ideas, technologies and products into industry and jobs.

While the University of Pittsburgh and Temple University are also major research universities, the Pennsylvania State University is the primary recipient of direct research funds designated by the Commonwealth to support research in agriculture, engineering, biological and physical sciences, earth and mineral sciences, health and

human services and others. Penn State is the Commonwealth's Federally designated land-grant university and as such has received funds designated for agricultural research since 1901.

The continued State support for organized research is a means of promoting a responsive position on the ever changing needs of the Commonwealth. In this regard, colleges and universities can play a major role in the economic development of the Commonwealth through the creation of a climate which will attract new high technology industries to the State.

Program Element: Community Service

Public and community services are provided by all sectors of higher education and include short-term courses and workshops and programs in the arts. The bulk of Commonwealth funding in this area supports the Cooperative Extension Service of Penn State. The service offers consultation to any State resident on agricultural or environmental issues. It operates the Agricultural Extension Computer Network which, with a computer in every county extension office, offers a Statewide network of information linked to the resources of the main campus.

Program Element: Support Services

The Department of Education provides leadership and support services to all sectors of higher education. Responsibilities include liaison with the national accrediting agencies, the State Board of Education and other governing boards, policy review and development based on comprehensive planning and research and implementation of the higher education master plan and the Commonwealth of Pennsylvania plan for equal education opportunity. The agency also provides certificates to those seeking teaching certification in Pennsylvania.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Office of Civil Rights reviews of institutional plans	32	31	31	31	31	31	31
Teacher certifications	25,835	28,000	28,500	29,000	30,000	30,000	30,000
Tests administered for certification	11,500	12,000	12,200	12,500	12,700	12,700	12,700
Programs evaluated	682	715	730	760	800	840	880
Minority enrollments at public institutions ..	30,040	31,242	32,000	32,000	32,100	32,200	32,300
Students served by Act 101 programs ...	11,500	12,000	12,200	12,500	12,700	12,700	12,700

Program Recommendations:

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

<p>Community Colleges</p> <p>\$ 8,110 —to fund formula driven portions of the subsidy.</p> <p>The Pennsylvania State University Agricultural Research</p> <p>\$ -2,000 —nonrecurring projects</p>	<p>The Pennsylvania State University Psychiatric Education</p> <p>\$ -250 —nonrecurring projects.</p>
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EDUCATION

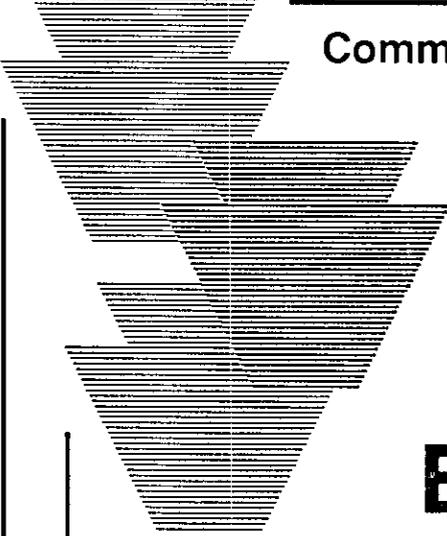
Program: Higher Education (continued)
Program Recommendations: (continued)

		The Pennsylvania State University
		Pennsylvania College of Technology
\$	730	—debt service requirement
		University of Pittsburgh
		Bradford Campus
\$	-400	—nonrecurring projects
		State-aided Universities
\$	-33,900	—reduce funding.

Other appropriations in this subcategory are continued at current year levels or discontinued.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Higher Education of the Blind and Deaf . . .	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Community Colleges	110,268	124,071	132,181	132,181	132,181	132,181	132,181
Higher Education for the Disadvantaged . .	7,104	7,497	7,497	7,497	7,497	7,497	7,497
Rural Initiatives	367	254	254	254	254	254	254
Higher Education Equipment	6,597	5,000	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Annenberg Center	150	150	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Rural Post Secondary Education Improvement . . . . .	. . . . .	150	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
State System of Higher Education (SSHE)	345,281	367,877	363,827	367,627	367,627	367,627	367,627
The Pennsylvania State University	240,072	251,906	250,386	250,386	250,386	250,386	250,386
University of Pittsburgh	131,115	136,995	136,595	136,595	136,595	136,595	136,595
Temple University	133,831	139,559	139,559	139,559	139,559	139,559	139,559
Lincoln University	9,541	10,007	10,007	10,007	10,007	10,007	10,007
State-aided Colleges and Universities	74,995	75,846	41,946	41,946	41,946	41,946	41,946
TOTAL GENERAL FUND	\$ 1,059,371	\$ 1,119,362	\$ 1,082,302	\$ 1,086,102	\$ 1,086,102	\$ 1,086,102	\$ 1,086,102



Commonwealth of Pennsylvania

Emergency Management Agency

The Pennsylvania Emergency Management Agency develops and maintains a comprehensive plan and program for the civil defense of the Commonwealth. Primarily, the plan calls for the protection of life and property both under enemy attack and in the event of natural disasters and man-made disasters. The agency also provides loans to volunteer fire, ambulance and rescue companies, and coordinates State fire services.

EMERGENCY MANAGEMENT AGENCY

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
GENERAL FUND	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL GOVERNMENT:			
General Government Operations	\$ 3,346	\$ 2,931	\$ 3,321
(F) Civil Preparedness	2,040	2,800	2,780
(F) Flash Flood Project — Warning System	35	300	375
(A) Nuclear Facility	96	100	100
Total — General Government Operations	\$ 5,517	\$ 6,131	\$ 6,576
State Fire Commissioner's Office ^a	854	898	935
(F) Fire Prevention .....	.....	5	5
(A) Arson Fines .....	.....	2	2
State Fire Academy .....	.....	946	.....
Total — State Fire Commissioner's Office	\$ 854	\$ 1,851	\$ 942
Subtotal — State Funds	4,200	4,775	4,256
Subtotal — Federal Funds	2,075	3,105	3,160
Subtotal — Augmentations	96	102	102
Total — General Government	\$ 6,371	\$ 7,982	\$ 7,518
GRANTS AND SUBSIDIES:			
Firefighters Memorial Flag .....	.....	.....	\$ 10
Local Government Costs	\$ 311	\$ 45	.....
Emergency Disaster Relief — Allegheny River Oil Spill	1,000	.....	.....
Total — Grants and Subsidies	\$ 1,311	\$ 45	\$ 10
STATE FUNDS	\$ 5,511	\$ 4,820	\$ 4,266
FEDERAL FUNDS	2,075	3,105	3,160
AUGMENTATIONS	96	102	102
GENERAL FUND TOTAL	\$ 7,682	\$ 8,027	\$ 7,528
OTHER FUNDS			
GENERAL FUND:			
Disaster Relief Assistance .....	.....	\$ 50	.....
Contributions for Civil Defense	\$ 1	2	.....
Emergency Management and Disaster Assistance	2,183	4,000	\$ 4,000
Radiological Emergency Response Planning	581	632	500
Radiation Emergency Response Fund	503	680	500
Radiation Transportation Emergency Response Fund .....	.....	114	120
GENERAL FUND TOTAL	\$ 3,268	\$ 5,478	\$ 5,120
HAZARDOUS MATERIALS RESPONSE FUND:			
Administration and Training .....	.....	.....	\$ 378
Grants to Counties .....	.....	.....	882
HAZARDOUS MATERIALS RESPONSE FUND TOTAL .....	.....	.....	\$ 1,260
OTHER FUNDS TOTAL	\$ 3,268	\$ 5,478	\$ 6,380
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUNDS	\$ 5,511	\$ 4,820	\$ 4,266
FEDERAL FUNDS	2,075	3,105	3,160
AUGMENTATIONS	96	102	102
OTHER FUNDS	3,268	5,478	6,380
TOTAL — ALL FUNDS	\$ 10,950	\$ 13,505	\$ 13,908

^aPreviously entitled Office of Fire Safety.

EMERGENCY MANAGEMENT AGENCY

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
EMERGENCY MANAGEMENT							
General Funds.....	\$ 4,657	\$ 2,976	\$ 3,321	\$ 3,421	\$ 3,542	\$ 3,648	\$ 3,757
Federal Funds.....	2,075	3,100	3,155	3,155	3,155	3,155	3,155
Other Funds.....	3,364	5,578	6,480	6,480	6,480	6,480	6,480
TOTAL.....	\$ 10,096	\$ 11,654	\$ 12,956	\$ 13,056	\$ 13,177	\$ 13,283	\$ 13,392
FIRE PREVENTION AND SAFETY							
General Funds.....	\$ 854	\$ 1,844	\$ 945	\$ 963	\$ 992	\$ 1,022	\$ 1,053
Federal Funds.....	0	5	5	5	5	5	5
Other Funds.....	0	2	2	2	2	2	2
TOTAL.....	\$ 854	\$ 1,851	\$ 952	\$ 970	\$ 999	\$ 1,029	\$ 1,060
ALL PROGRAMS:							
GENERAL FUND.....	\$ 5,511	\$ 4,820	\$ 4,266	\$ 4,384	\$ 4,534	\$ 4,670	\$ 4,810
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	2,075	3,105	3,160	3,160	3,160	3,160	3,160
OTHER FUNDS.....	3,364	5,580	6,482	6,482	6,482	6,482	6,482
TOTAL.....	\$ 10,950	\$ 13,505	\$ 13,908	\$ 14,026	\$ 14,176	\$ 14,312	\$ 14,452

EMERGENCY MANAGEMENT AGENCY

PROGRAM OBJECTIVE: To develop and maintain a Statewide emergency force capable of immediate and effective action in event of natural disasters and rapid organizational expansion to cope with technological emergencies.

Program: Emergency Management

This program provides essential services and facilities during emergencies, coordinates State, county and local activities associated with emergency services and coordinates Pennsylvania's national preparedness operations with those of other states and the Federal Emergency Management Program.

The Pennsylvania Emergency Management Agency (PEMA) has developed a basic organization designed on the National Governors' Association model of comprehensive emergency management. A multi-agency training program is designed to develop and maintain a Statewide emergency force composed of State, county and local units jointly capable of: (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 preparedness in the event of war or other resource based emergencies.

The Commonwealth's civil preparedness and response capability in the event of emergencies is provided through the maintenance of a Statewide hazard assessment, planning, warning, training and education, communications, hazardous materials teams system, and radiation-monitoring network and the nucleus of an organization to facilitate deployment of resources to protect life and property. Federal, State, county and local emergency management activities and training are coordinated through this program. PEMA is responsible for county, municipal and State planning and response around nuclear power plants.

This program involves 49 counties.

Counties are required to have an approved emergency program plan consisting of: (1) a statement of accomplishments; (2) required financial needs; (3) hazard vulnerability; and (4) goals indicating projected activity. The Federal Emergency Management Agency (FEMA) requires annual review and update of emergency operations plans programs and periodic exercises.

Requirements of the Environmental Protection Agency under the Federal Superfund Amendments and Reauthorization Act (SARA Title III) involve upgrading chemical emergency preparedness facility plans. Responsibilities for preparedness involve state and county governments and chemical manufacturers.

Another area included in this program is that of readiness training at the county and local level as measured through a comprehensive exercise program. With the development of a much more extensive and integrated program of training, exercises and tests, the ability of the county and local forces to provide a comprehensive and coordinated first line response to emergency conditions has been greatly enhanced at a relatively low cost, thereby reducing recovery costs to the local, State and Federal Governments.

New missions assigned in 1989 for these programs include prison/community safety, 911 emergency phone response program implementation, statewide chemical safety and disaster assistance program responsibility.

Program Recommendations:

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

General Government Operations	Local Government Costs
\$ 258 —to fund current program.	\$ -45 —nonrecurring reimbursement to local governments for costs incurred during the Camp Hill prison disturbance.
132 —Initiative — Hazardous Materials Response — to enhance the Commonwealth's hazardous materials response capabilities in order to review approximately 2,800 local hazardous materials plans.	
\$ 390 Appropriation Increase	

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	\$ 3,346	\$ 2,931	\$ 3,321	\$ 3,421	\$ 3,542	\$ 3,648	\$ 3,757
Local Government Costs	311	45	.....	.....	.....	.....	.....
Emergency and Disaster Relief — Allegheny River Oil Spill	1,000	.....	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 4,657	\$ 2,976	\$ 3,321	\$ 3,421	\$ 3,542	\$ 3,648	\$ 3,757

EMERGENCY MANAGEMENT AGENCY

PROGRAM OBJECTIVE: To minimize the loss of life and property due to fire by developing and maintaining Statewide municipal fire and emergency service capability.

Program: Fire Prevention and Safety

This program provides for the administration and operation of the Volunteer Company Loan Program which provides low interest loans to rescue and fire companies and units; the administration and operation of the Lewistown Fire Academy which provides training classes to professional as well as volunteer fire and ambulance personnel; and operating funds for the Fire Commissioner to coordinate and organize all fire safety functions.

The State Fire Commissioner is responsible for coordinating Federal, State and private fire safety funds in Pennsylvania; assisting State agencies in the development of plans related to fire safety; reviewing existing or proposed rules and regulations affecting the safety of Commonwealth citizens; and providing a cost-effective fire loss management system for the Commonwealth.

Through its contacts with government agencies, the business community, consumers and the fire service, the Fire Commissioner's Office renders technical assistance, collects, reviews and disseminates pertinent information about fire death data and fire prevention and control techniques, and conducts Statewide fire safety educational programs for the entire fire community.

The State Fire Academy at Lewistown is the catalyst for fire training delivery. The academy provides advanced professional development for fire service officers, command personnel, instructors and other

specialists engaged in fire prevention and suppression activities; acts as the educational hub for all other fire and emergency services training in Pennsylvania; and serves the Commonwealth's fire community. Fire Academy personnel work closely with the community colleges for local level course development and delivery as well as county fire schools. Over 50,000 students take local level courses.

Another area of assistance to the fire fighting and prevention community is the Volunteer Company Loan Fund. The purpose of the fund is to improve the capabilities of volunteer fire companies, ambulance services and rescue squads through the provision of low interest loans for establishing or modernizing facilities to house fire fighting apparatus, purchasing new apparatus or equipment for firefighting, protective services, communications and accessory equipment. Priority is given to replacement of outmoded or unsafe equipment and provision of additional equipment needed to meet unusual demand. Interest is two percent per annum for a maximum of ten years. Act 100 of 1990 authorized a referendum providing for both a \$25 million bond issue to continue this program and an increase in individual loan limits. The referendum was approved by the electorate on November 12, 1990; the new funding is reflected in the financial statement for this Fund elsewhere in this budget.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Local fire training graduates	51,564	58,000	61,000	63,000	65,000	67,000	67,000
Fire school graduates	632	700	1,000	1,100	1,200	1,300	1,400
Volunteer loans granted (in thousands) ..	\$12,300	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000

Fire school graduates for the actual and available year are lower than projected in last year's budget because the burn building was not completed when anticipated.

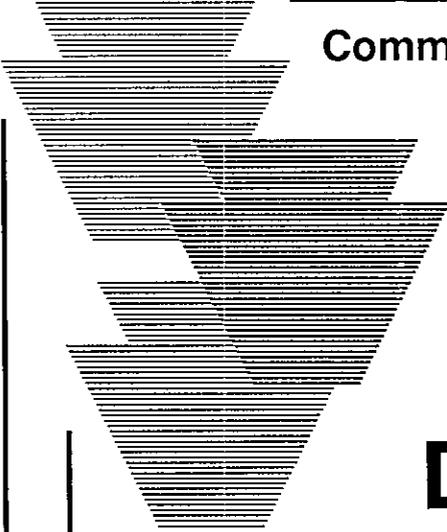
Program Recommendations:

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

<p>State Fire Commissioner's Office \$ 37 —to continue current program.</p> <p>State Fire Academy \$ -946 —one time funding to complete capital improvement projects.</p>	<p>Firefighters Memorial Flag \$ 10 —to fund the production, acquisition and distribution of the Firefighters Memorial Flag.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
State Fire Commissioner's Office	\$ 854	\$ 898	\$ 935	\$ 963	\$ 992	\$ 1,022	\$ 1,053
State Fire Academy		946					
Firefighters Memorial Flag			10				
TOTAL GENERAL FUND	\$ 854	\$ 1,844	\$ 945	\$ 963	\$ 992	\$ 1,022	\$ 1,053



Commonwealth of Pennsylvania

Department of Environmental Resources

The Department of Environmental Resources is responsible for managing the State's natural resources, enforcing laws and regulations to prevent environmental pollution and degradation and acting as a trustee to guarantee the rights of all Pennsylvanians, including future generations, to a clean environment.

The department's presentation includes the Citizens Advisory Council, the Environmental Hearing Board, the Environmental Quality Board, the State Conservation Commission, the State Board for Certification of Sewage Enforcement Officers, the State Board for Certification of Sewage Treatment and Waterworks Operators and the Water Facilities Loan Board.

ENVIRONMENTAL RESOURCES

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 8,936	\$ 9,732	\$ 9,023
(F) Surface Mine Conservation	907	1,119	1,111
(F) EPA Planning Grant	252	317	303
(F) Construction Management — Administration	287	394	417
(F) Safe Drinking Water Act — Administration	65	85	88
(A) Department Services	5	5	5
(A) Computer Services	35	35	35
(A) Clean Air Fund	50	50	50
(A) Solid Waste Abatement Fund	115	115	115
(A) Clean Water Fund	57	57	57
Subtotal — Federal Funds	\$ 1,511	\$ 1,915	\$ 1,919
Subtotal — Augmentations	262	262	262
Total — General Government Operations	\$ 10,709	\$ 11,909	\$ 11,204
Environmental Hearing Board	973	1,257	1,351
(F) Surface Mine Conservation	17	40	40
(A) Reimbursement for Services	4	10	10
Total — Environmental Hearing Board	\$ 994	\$ 1,307	\$ 1,401
EDP Support	2,282	2,827	2,827
(A) Reimbursement for EDP Costs .....	. . . .	1,972	1,972
Total — EDP Support	\$ 2,282	\$ 4,799	\$ 4,799
Water Quality Testing Laboratories	359	359	299
Office of Resources Management	17,236	18,589	19,216
(F) Coastal Zone Management	825	1,800	1,800
(F) Water Resources Management Act .....	. . . .	10	. . . .
(F) Land and Water Conservation Fund	806	1,500	1,000
(F) National Water Use Data System .....	. . . .	10	. . . .
(F) Bituminous Demonstration Project .....	. . . .	20	20
(F) Surface Mining Control and Reclamation	249	272	272
(F) Upper Delaware National Scenic River .....	. . . .	10	10
(F) Topographic and Geologic Survey Grants	37	75	75
(F) Bituminous Coal Resources	21	225	225
(F) Surface Mine Conservation	191	195	215
(F) Bond Forfeiture	172	350	300
(F) Delaware River Estuary Management Conference	76	425	300
(F) Emergency Disaster Relief .....	. . . .	200	200
(F) Abandoned Mine Reclamation	43,339	60,000	60,000
(F) Centralia Mine Fire Recovery .....	. . . .	15	. . . .
(A) Water Well Drillers Act Receipts	51	60	60
(A) Topographic and Geological Services	11	10	15
(A) Wild Resources Conservation Fund	186	250	250
(A) Payments for Department Services	832	130	140
(A) Sale of Vehicles	1	5	5
(A) Pennsylvania Conservation Corps .....	. . . .	184	302
Subtotal — Federal Funds	45,716	65,107	64,417
Subtotal — Augmentations	1,081	639	772
Total — Office of Resources Management	\$ 64,033	\$ 84,335	\$ 84,405

ENVIRONMENTAL RESOURCES

GENERAL FUND	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL GOVERNMENT: (continued)			
Chesapeake Bay Agricultural Source Abatement	\$ 2,909	\$ 3,000	\$ 3,013
(F) Chesapeake Bay Pollution Abatement	2,927	3,500	3,500
Total — Chesapeake Bay Preservation	<u>\$ 5,836</u>	<u>\$ 6,500</u>	<u>\$ 6,513</u>
Deep Mine Safety	3,584	3,733	3,835
(F) Training and Education of Underground Coal Miners	357	650	1,000
(F) Office of Surface Mining — Deep Mine Safety	41	150	100
Total — Deep Mine Safety	<u>\$ 3,982</u>	<u>\$ 4,533</u>	<u>\$ 4,935</u>
Office of Environmental Protection	53,864	60,321	64,940
(F) EPA — Planning Grant - Administration	3,116	4,700	5,000
(F) Water Pollution Control Grants	3,192	3,150	3,025
(F) Water Pollution Control — NPDES	1,845	1,271	.....
(F) Air Pollution Control Grants	3,261	4,500	4,509
(F) Radiation Regulation and Monitoring	92	110	114
(F) Surface Mine Control and Reclamation	9,105	11,000	11,000
(F) Diagnostic X-Ray Equipment — Testing	26	30	30
(F) Surface Mine Control and Reclamation — Laboratories	323	465	318
(F) Rural Clean Water	242	281	60
(F) Water Quality Outreach Training	40	100	55
(F) Water Quality Management Planning Grants	1,355	1,500	1,170
(F) Construction Management Assistance Grants	1,926	2,750	2,100
(F) Safe Drinking Water Act	1,712	2,375	2,500
(F) Lake Wallenpaupack — Phase II	101	300	279
(F) Lake Nockamixon	165	300	69
(F) Lake Ontelaunee — Phase I .....	.....	60	60
(F) Lake Luxembourg — Phase I .....	.....	30	24
(F) Lake Jean .....	.....	50	45
(F) Indoor Radon Abatement .....	.....	500	200
(F) PHHSBG — Vector Control	1,334	1,800	1,800
(F) PHHSBG — Administration	69	180	180
(F) Small Operators Assistance Program	1,261	1,600	1,600
(F) Non-Point Source Pollution	238	1,500	1,299
(F) Pollution Protection .....	.....	300	.....
(F) Permit Compliance System	19	13	.....
(F) Water Pollution Control Planning .....	.....	300	.....
(F) Presque Isle Bay Ecosystem .....	.....	150	50
(F) Non-Point Source Implementation .....	.....	501	650
(A) Safe Drinking Water Account	217	408	84
(A) Sale of Vehicles	27	27	15
(A) Clean Air Fund	1,345	2,944	1,593
(A) Reimbursement — Laboratory Services	1,438	1,061	900
(A) Clean Water Fund	1,460	2,475	881
(A) Department Services	89	89	89
(A) Natural Gas Policy Act Filing Fees	60	60	60
(A) Solid Waste Abatement Fund	1,204	1,335	320
(A) Food Site Inspection	16	16	16
(A) Sewage Construction Assistance	270	132	167
(A) Reimbursement — PENNVEST	1,215	1,174	1,185
(A) Reimbursement — PENNVEST Water Pollution Control Revolving Fund	124	569	1,228
Subtotal — Federal Funds	<u>\$ 29,422</u>	<u>\$ 39,816</u>	<u>\$ 36,137</u>
Subtotal — Augmentations	7,465	10,290	6,538
Total — Office of Environmental Protection	<u>\$ 90,751</u>	<u>\$ 110,427</u>	<u>\$ 107,615</u>

ENVIRONMENTAL RESOURCES

GENERAL FUND	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL GOVERNMENT: (continued)			
Seasonal Farm Worker Camp Inspections	\$ 250	\$ 291	\$ 251
(F) State Legalization Impact .....	.....	57	57
Total — Seasonal Farm Worker Camp Inspections	<u>\$ 250</u>	<u>\$ 348</u>	<u>\$ 308</u>
Radon Testing	951	1,217	893
State Forestry Operations	13,096	11,316	13,480
(F) Forest Fire Prevention and Control	260	315	315
(F) Forestry Incentives and Agricultural Conservation	16	30	30
(F) Watershed Protection and Flood Prevention .....	.....	10	10
(F) Resources Conservation and Development	2	8	8
(F) Forest Management and Processing	33	215	215
(F) Renewable Resources Evaluations .....	.....	25	.....
(F) Cooperative Forest Insect and Disease Control	500	500	500
(A) Services to State Parks .....	.....	175	175
(A) Sale of Forest Products	7,857	10,450	9,052
(A) Forest Fire Control	76	75	80
(A) Sale of Vehicles	16	10	20
(A) Departmental Services	44	105	105
(A) Private Donations .....	.....	15	.....
(A) Pennsylvania Conservation Corps .....	.....	1,713	820
Subtotal — Federal Funds	811	1,103	1,078
Subtotal — Augmentations	7,993	12,543	10,252
Total — State Forestry Operations	<u>\$ 21,900</u>	<u>\$ 24,962</u>	<u>\$ 24,810</u>
Gypsy Moth and Other Insect Control	3,348	3,536	3,573
(F) Forest Insect and Disease Control	2,092	3,200	3,200
(A) Reimbursement from Counties	256	460	460
Total — Gypsy Moth and Other Insect Control	<u>\$ 5,696</u>	<u>\$ 7,196</u>	<u>\$ 7,233</u>
Black Fly Control and Research	2,495	1,812	2,471
(A) County Contributions	483	500	900
Total — Black Fly Control and Research	<u>\$ 2,978</u>	<u>\$ 2,312</u>	<u>\$ 3,371</u>
State Parks	36,788	38,005	39,007
(F) Forest Insect and Disease Control .....	.....	4	.....
(A) Sewage Systems Use	101	75	75
(A) Use of King's Gap	30	25	25
(A) State Park User Fees	6,719	7,102	7,102
(A) Private Donations	1	25	25
(A) Sale of Vehicles	8	15	15
(A) Concessions	1	2	2
(A) Prior Year Revenues	828	.....	.....
(A) Recycled Materials	2	.....	.....
(A) Reimbursement for Services Rendered	102	.....	.....
(A) Pennsylvania Conservation Corps .....	.....	891	2,203
Subtotal — Federal Funds .....	.....	4	.....
Subtotal — Augmentations	7,792	8,135	9,447
Total — State Parks	<u>\$ 44,580</u>	<u>\$ 46,144</u>	<u>\$ 48,454</u>
Subtotal — State Funds	\$ 147,071	\$ 155,995	\$ 164,179
Subtotal — Federal Funds	82,894	115,542	111,448
Subtotal — Augmentations	25,336	34,811	30,613
Total — General Government	<u>\$ 255,301</u>	<u>\$ 306,348</u>	<u>\$ 306,240</u>

ENVIRONMENTAL RESOURCES

GENERAL FUND	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GRANTS AND SUBSIDIES:			
<i>Low Level Radioactive Waste Control</i>	\$ 736	\$ 950	\$ 200
(F) <i>Low Level Radiation Waste</i> .....	.....	2,400	.....
Total — <i>Low Level Radioactive Waste Control</i>	\$ 736	\$ 3,350	\$ 200
<i>Hazardous Waste Control</i>	15,926	10,926	.....
<i>Flood Control Projects</i>	1,286	1,000	.....
<i>Flood Plain Renovation</i>	1,000	1,000	.....
<i>Storm Water Management</i>	977	650	596
<i>Sewage Facilities Planning Grants</i>	493	650	950
<i>Sewage Facilities Enforcement Grants</i>	1,600	1,450	1,800
<i>Sewage Treatment Plant Operations Grants</i>	22,500	25,300	30,600
<i>Delaware River Master</i>	63	66	70
<i>Ohio River Basin Commission</i>	8	8	8
<i>Susquehanna River Basin Commission</i>	276	290	310
<i>Interstate Commission on the Potomac River</i>	26	30	30
<i>Delaware River Basin Commission</i>	880	880	880
<i>Ohio River Valley Water Sanitation Commission</i>	109	114	118
<i>Chesapeake Bay Commission</i>	176	200	200
<i>Great Lakes Protection Fund</i>	500	500	250
<i>Local Soil and Water District Assistance</i>	1,500	1,500	1,500
<i>Interstate Mining Commission</i>	10	10	15
<i>Abandoned Surface Mine Reclamation</i>	2,000	2,000	.....
<i>Anthracite Emergency Bond Fund</i>	50	.....	.....
<i>Annual Fixed Charges — Flood Lands</i>	20	23	32
<i>Annual Fixed Charges — Project 70</i>	17	18	18
<i>Annual Fixed Charges — Forest Lands</i>	1,198	1,225	1,225
<i>Vector Control</i>	497	500	.....
<i>Appalachian States Waste Compact</i>	100	200	117
<i>Marianna Borough Cleanup</i>	200	.....	.....
<i>Wernersville State Hospital Utilities</i> .....	.....	184	.....
<i>Center for Hazardous Materials Research</i>	500	500	.....
<i>Schuylkill River Dredging</i>	850	.....	.....
Subtotal — <i>State Funds</i>	\$ 53,497	\$ 50,174	\$ 38,918
Subtotal — <i>Federal Funds</i> .....	.....	2,400	.....
Total — <i>Grants and Subsidies</i>	\$ 53,497	\$ 52,574	\$ 38,918
STATE FUNDS	\$ 200,568	\$ 206,169	\$ 203,097
FEDERAL FUNDS	82,894	117,942	111,448
AUGMENTATIONS	25,336	34,811	30,613
GENERAL FUND TOTAL	\$ 308,798	\$ 358,922	\$ 345,158

ENVIRONMENTAL RESOURCES

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
OTHER FUNDS			
<i>GENERAL FUND:</i>			
Safe Drinking Water Account	\$ 614	\$ 2,309	\$ 828
Radiation Protection Fund	2,779	3,256	2,963
Clean Water Fund	2,777	13,902	3,923
Snowmobile Regulation	405	600	600
Clean Air Act	2,189	5,138	3,265
Solid Waste Abatement Fund	1,849	5,963	2,000
Well Plugging Account	423	1,866	493
GENERAL FUND TOTAL	<u>\$ 11,036</u>	<u>\$ 33,034</u>	<u>\$ 14,072</u>
 <i>OIL AND GAS LEASE FUND:</i>			
General Operations	\$ 4,189	\$ 14,500	\$ 5,500
OIL AND GAS LEASE FUND TOTAL	<u>\$ 4,189</u>	<u>\$ 14,500</u>	<u>\$ 5,500</u>
 <i>SURFACE MINING CONSERVATION AND RECLAMATION FUND:</i>			
General Operations (EA)	\$ 2,868	\$ 4,500	\$ 3,000
SURFACE MINING CONSERVATION AND RECLAMATION FUND TOTAL	<u>\$ 2,868</u>	<u>\$ 4,500</u>	<u>\$ 3,000</u>
 <i>NON-COAL SURFACE MINING CONSERVATION AND RECLAMATION FUND:</i>			
General Operations (EA)	\$ 19	\$ 150	\$ 150
NON-COAL SURFACE MINING CONSERVATION AND RECLAMATION FUND TOTAL	<u>\$ 19</u>	<u>\$ 150</u>	<u>\$ 150</u>
 <i>COAL AND CLAY MINE SUBSIDENCE INSURANCE FUND</i>			
General Operations (EA)	\$ 1,019	\$ 1,179	\$ 1,292
Payment of Claims (EA)	2,000	2,000	2,000
COAL AND CLAY MINE SUBSIDENCE INSURANCE FUND TOTAL	<u>\$ 3,019</u>	<u>\$ 3,179</u>	<u>\$ 3,292</u>

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
<i>WILD RESOURCE CONSERVATION FUND:</i>			
General Operations (EA)	\$ 690	\$ 750	\$ 750
WILD RESOURCE CONSERVATION FUND TOTAL	\$ 690	\$ 750	\$ 750
<i>LOW LEVEL WASTE FUND:</i>			
General Operations (EA)	\$ 1,076	\$ 1,489	\$ 1,439
LOW LEVEL WASTE FUND TOTAL	\$ 1,076	\$ 1,489	\$ 1,439
<i>REGIONAL FACILITY SITING FUND:</i>			
General Operations .....	.....	\$ 8,397	\$ 15,197
REGIONAL FACILITY SITING FUND TOTAL .....	.....	\$ 8,397	\$ 15,197
<i>HAZARDOUS SITES CLEANUP FUND:</i>			
General Operations (EA)	\$ 11,397	\$ 14,075	\$ 15,299
Transfer from General Fund .....	.....^b	.....^b	.....
Hazardous Sites Cleanup	15,101	46,632	28,675
Recycling Grants	72	2,000	2,000
Host Municipality Grants	87	2,650	2,350
Loan to Storage Tank Fund .....	.....	870	.....
Federal Superfund Contributions	793	3,000	3,000
HAZARDOUS SITES CLEANUP FUND TOTAL	\$ 27,450	\$ 69,227	\$ 51,324
<i>RECYCLING FUND:</i>			
Recycling Coordinator Reimbursement	\$ 10	\$ 800	\$ 1,200
Reimbursement for Municipal Inspection .....	.....	1,200	1,200
Reimbursement for Host Municipality Review of Permit Applications	32	500	500
Administration of Recycling Program	259	750	750
County Planning Grants	2,116	4,000	2,000
Municipal Planning Grants	6,920	24,000	16,000
Municipal Recycling Performance Program	61	5,000	5,000
Public Education/Technical Assistance	3,246	7,500	3,500
RECYCLING FUND TOTAL	\$ 12,644	\$ 43,750	\$ 30,150
<i>STORAGE TANK FUND:</i>			
General Operations	\$ 1,306	\$ 4,481	\$ 4,791
Federal Grant — UST	245	200	184
Federal Grant — LUST	799	3,658	2,544
Transfer to Tank Loan Program .....	.....	.....	300
STORAGE TANK FUND TOTAL	\$ 2,350	\$ 8,339	\$ 7,819
OTHER FUNDS TOTAL	\$ 65,341	\$ 187,315	\$ 132,693
DEPARTMENT TOTAL — ALL FUND			
GENERAL FUND	\$ 200,568	\$ 206,169	\$ 203,097
FEDERAL FUNDS	82,894	117,942	111,448
AUGMENTATIONS	25,336	34,811	30,613
OTHER FUNDS	65,341	187,315	132,693
TOTAL ALL FUNDS	\$ 374,139	\$ 546,237	\$ 477,851

^bTransfer amounts are shown as General Fund appropriations and are not shown here to avoid double-counting: \$15,928,000 in 1989-90, and \$10,928,000 in 1990-91.

ENVIRONMENTAL RESOURCES

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
ENVIRONMENTAL SUPPORT SERVICES							
General Funds.....	\$ 12,191	\$ 13,816	\$ 13,201	\$ 13,598	\$ 14,006	\$ 14,426	\$ 14,859
Federal Funds.....	1,528	1,955	1,959	1,959	1,959	1,959	1,959
Other Funds.....	266	2,244	2,244	2,244	2,244	2,244	2,244
TOTAL.....	\$ 13,985	\$ 18,015	\$ 17,404	\$ 17,801	\$ 18,209	\$ 18,629	\$ 19,062
ENVIRONMENTAL MANAGEMENT AND PROTECTION							
General Funds.....	\$ 102,737	\$ 106,650	\$ 105,529	\$ 125,027	\$ 127,942	\$ 131,202	\$ 134,559
Federal Funds.....	29,820	40,673	37,294	36,080	35,421	34,720	33,874
Other Funds.....	58,244	161,284	107,240	117,909	127,884	133,664	137,757
TOTAL.....	\$ 190,801	\$ 308,607	\$ 250,063	\$ 279,016	\$ 291,247	\$ 299,586	\$ 306,190
RADIATION PROTECTION							
General Funds.....	\$ 1,787	\$ 2,367	\$ 1,210	\$ 1,237	\$ 1,265	\$ 1,293	\$ 1,322
Federal Funds.....	0	2,400	0	0	0	0	0
Other Funds.....	3,855	13,142	19,599	12,708	9,328	5,526	4,229
TOTAL.....	\$ 5,642	\$ 17,909	\$ 20,809	\$ 13,945	\$ 10,593	\$ 6,819	\$ 5,551
FOREST RESOURCES MANAGEMENT							
General Funds.....	\$ 17,642	\$ 16,077	\$ 18,278	\$ 18,789	\$ 19,316	\$ 19,859	\$ 20,418
Federal Funds.....	2,903	4,303	4,278	4,278	4,278	4,278	4,278
Other Funds.....	8,939	13,753	11,462	11,262	11,262	11,262	11,262
TOTAL.....	\$ 29,484	\$ 34,133	\$ 34,018	\$ 34,329	\$ 34,856	\$ 35,399	\$ 35,958
WATER AND MINERAL RESOURCES MANAGEMENT							
General Funds.....	\$ 29,386	\$ 29,213	\$ 25,822	\$ 29,488	\$ 30,175	\$ 30,883	\$ 31,612
Federal Funds.....	48,643	68,607	67,917	57,597	47,597	47,597	47,597
Other Funds.....	11,176	22,968	12,714	12,478	12,528	12,594	12,636
TOTAL.....	\$ 89,205	\$ 120,788	\$ 106,453	\$ 99,563	\$ 90,300	\$ 91,074	\$ 91,845
RECREATION AREAS AND FACILITIES MANAGEMENT							
General Funds.....	\$ 36,825	\$ 38,046	\$ 39,057	\$ 40,227	\$ 41,432	\$ 42,673	\$ 43,952
Federal Funds.....	0	4	0	0	0	0	0
Other Funds.....	8,197	8,735	10,047	10,047	10,047	10,047	10,047
TOTAL.....	\$ 45,022	\$ 46,785	\$ 49,104	\$ 50,274	\$ 51,479	\$ 52,720	\$ 53,999

ENVIRONMENTAL RESOURCES

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
ALL PROGRAMS:							
GENERAL FUND.....	\$ 200,568	\$ 206,169	\$ 203,097	\$ 228,366	\$ 234,136	\$ 240,336	\$ 246,722
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	82,894	117,942	111,448	99,914	89,255	88,554	87,708
OTHER FUNDS.....	90,677	222,126	163,306	166,648	173,293	175,337	178,175
TOTAL.....	\$ 374,139	\$ 546,237	\$ 477,851	\$ 494,928	\$ 496,684	\$ 504,227	\$ 512,605

ENVIRONMENTAL RESOURCES

PROGRAM OBJECTIVE: To provide administrative and technical support for the Commonwealth's environmental protection and resources management programs.

Program: Environmental Support Services

This program provides the administrative and technical systems which control and support the department's programs. Included are the executive and administrative offices, the Office of Chief Counsel, information and data processing systems, the Citizens Advisory Council,

and the Environmental Quality Board. The Environmental Hearing Board was separated from the Department of Environmental Resources by Act 94 of 1988. It is included here for presentation purposes.

Program Recommendations:

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

General Government Operations	Environmental Hearing Board
\$ -1,100 —nonrecurring projects.	\$ 94 —to continue current program.
391 —to continue current programs.	
\$ -709 <i>Appropriation Decrease</i>	

The Electronic Data Processing Support appropriation is continued at the current level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	\$ 8,936	\$ 9,732	\$ 9,023	\$ 9,294	\$ 9,573	\$ 9,860	\$ 10,156
Electronic Data Processing Support	2,282	2,827	2,827	2,912	2,999	3,089	3,182
Environmental Hearing Board	973	1,257	1,351	1,392	1,434	1,477	1,521
TOTAL GENERAL FUND	\$ 12,191	\$ 13,816	\$ 13,201	\$ 13,598	\$ 14,006	\$ 14,426	\$ 14,859

ENVIRONMENTAL RESOURCES

PROGRAM OBJECTIVE: To provide, or assist in, effective management of forest lands and to reduce plant loss and damage caused by insects, disease and forest fires.

Program: Forest Resources Management

This program is responsible for the management of two million acres of State forest lands. These forest lands offer many social and recreational opportunities. Hiking, camping, hunting, fishing, cross-country skiing, canoeing and snowmobiling are examples of the diverse activities in State forests. Properly managed, forests yield economic benefits such as the promotion of tourism. In addition, there is the harvest of timber for wood products, the protection of groundwater for municipal and other uses, and the production and underground storage of natural gas. This program also provides management assistance to the more than 490,000 owners of private forest lands, and oversees fire, insect and disease control activities affecting Pennsylvania's forests.

The gypsy moth continues to be the major forest pest problem in

Pennsylvania as well as the northeastern United States. Unfortunately, an increase in the number of acres defoliated in the Commonwealth occurred in 1990, when approximately 4.4 million acres were affected.

The other major threat to the Commonwealth's forests is fire. Through aggressive prevention and extinction activities, the size of the average forest fire has been held to less than eight acres.

This program also maintains the Pennsylvania National Diversity Inventory. This computerized data base contains location information for rare, unique and unusual features of the Commonwealth. It provides information for State and Federal regulatory agencies and for State, regional and local government planning.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Forest fires	1,327	1,250	1,250	1,250	1,250	1,250	1,250
Acres of private timber land affected by professional assistance	95,000	95,000	95,000	95,000	95,000	95,000	95,000
Acres receiving insect suppression treatment	393,171	400,000	400,000	400,000	400,000	400,000	400,000

The program measure showing the number of acres receiving insect suppression treatment reflects the higher acreage defoliated by the gypsy moth.

Program Recommendations:

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

<p>State Forestry Operations</p> <p>\$ 164 —to continue current program.</p> <p>2,000 —to replace one-time funds from Timber Sales restricted account.</p> <hr/> <p>\$ 2,164 <i>Appropriation Increase</i></p>	<p>Gypsy Moth and Other Insect Control</p> <p>\$ 37 —to continue current program.</p>
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The Annual Fixed Charges - Forest Lands appropriation is continued at the current level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
State Forestry Operations	\$ 13,096	\$ 11,316	\$ 13,480	\$ 13,884	\$ 14,301	\$ 14,730	\$ 15,172
Gypsy Moth and Other Insect Control ...	3,348	3,536	3,573	3,680	3,790	3,904	4,021
Annual Fixed Charges — Forest Lands ..	1,198	1,225	1,225	1,225	1,225	1,225	1,225
TOTAL GENERAL FUND	\$ 17,642	\$ 16,077	\$ 18,278	\$ 18,789	\$ 19,316	\$ 19,859	\$ 20,418

ENVIRONMENTAL RESOURCES

PROGRAM OBJECTIVE: To manage water and mineral resources in a way which insures against their undue destruction and depletion while allowing economic benefits from their use.

Program: Water and Mineral Resources Management

The Commonwealth's water and mineral resources are managed through comprehensive planning, regulatory activities, and project development. A wide variety of activities are included in this program.

The management of water resources begins with the development of long range plans for multi-purpose water use, insuring adequate supplies for drinking as well as industrial, agricultural and commercial activities. This includes active participation in a number of organizations and commissions involving the major river basins which lie within the Commonwealth and the Chesapeake Bay.

The Storm Water Management Program administers Act 167 of 1978 which requires county and municipal governments to develop and implement plans to control storm water runoff, to control erosion and sedimentations, and to protect groundwater recharge areas. The Flood Plain Management Program is a companion program, administering Act 166 of 1978 which authorizes the regulation of flood plains. Together these two programs address the threat to lives and property posed by storm runoff and flooding by advance planning and controlling construction and development in flood plains and in areas which contribute to devastating storm runoff.

The Dam Safety and Encroachments Program regulates the construction, operation and maintenance of obstructions,

encroachments, and changes to waterways in the Commonwealth. Existing dams are inspected for health and safety hazards. New dam construction is regulated with permits, design review and inspections. Waterway encroachments are permitted, especially for the protection of wetlands which are vital for water quality, flood control, stream flow, and plant and animal habitat.

Closely linked with the management of water resources is the management of soil resources. Not only is valuable topsoil lost, but sedimentation from erosion and nutrients from farm lands are major non-point sources of water pollution, especially to the Chesapeake Bay.

Another aspect of this program is planning and design work to resolve environmental degradation and health and safety problems resulting from inactive and abandoned coal mines. This includes the reclamation of abandoned mines, abatement of acid mine drainage, control of underground mine fires and refuse bank fires, and control of surface subsidence from abandoned deep mines.

Contributing to these programs, as well as the department's environmental protection programs, is topographic and geologic surveying. The program gathers, analyzes, interprets and disseminates information about the surface and subsurface geology, mineral resources, groundwater and topography of the Commonwealth.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Abandoned mine sites designated as potential safety problems	1,735	1,675	1,610	1,545	1,480	1,415	1,350
Earth disturbance permits issued	142	200	200	200	200	200	200
Dam inspections	1,635	1,850	1,850	1,850	1,850	1,850	1,850

Program Recommendations:

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

<p>Office of Resources Management \$ 627 —to continue current programs.</p> <p>Chesapeake Bay Agricultural Source Abatement \$ 13 —to continue current program.</p> <p>Abandoned Surface Mine Reclamation \$ -2,000 —temporary elimination of General Fund support.</p> <p>Flood Control Projects \$ -1,000 —temporary elimination of General Fund support.</p>	<p>Delaware River Master \$ 4 —to continue current level of participation.</p> <p>Susquehanna River Basin Commission \$ 20 —to continue current level of participation.</p> <p>Stormwater Management Grant \$ -55 —reduction in number of grant applications.</p>
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All other appropriations in this program are either recommended at current program levels or are nonrecurring programs.

ENVIRONMENTAL RESOURCES

Program: Water and Mineral Resources Management (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Office of Resources Management	\$ 17,236	\$ 18,589	\$ 19,216	\$ 19,792	\$ 20,386	\$ 20,998	\$ 21,628
Chesapeake Bay Agricultural Source							
Abatement	2,909	3,000	3,013	3,103	3,196	3,292	3,391
Abandoned Surface Mine Reclamation	2,000	2,000	.....	2,000	2,000	2,000	2,000
Flood Control Projects	1,286	1,000	.....	1,000	1,000	1,000	1,000
Flood Plain Renovations	1,000	1,000	.....	.....	.....	.....	.....
Delaware River Master	63	66	70	70	70	70	70
Ohio River Basin Commission	8	8	8	8	8	8	8
Susquehanna River Basin Commission ..	276	290	310	310	310	310	310
Interstate Commission on the Potomac River	26	30	30	30	30	30	30
Delaware River Basin Commission	880	880	880	880	880	880	880
Conservation Districts	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Storm Water Management Grants	977	650	595	595	595	595	595
Chesapeake Bay Commission	175	200	200	200	200	200	200
Marianna Borough Cleanup	200	.....	.....	.....	.....	.....	.....
Schuylkill River Dredging	850	.....	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 29,386	\$ 29,213	\$ 25,822	\$ 29,488	\$ 30,175	\$ 30,883	\$ 31,612

ENVIRONMENTAL RESOURCES

PROGRAM OBJECTIVE: To protect and improve the quality of the air, water and environment for the health and safety of the citizens of the Commonwealth.

Program: Environmental Management and Protection

This program encompasses several major program elements which protect the health and safety of the citizens of the Commonwealth as well as the quality of their environment. While protection of citizens and the environment is the highest priority, the Commonwealth's economic health and development are also major concerns.

Program Element: Air Pollution Control

Emissions of air contaminants from existing and future sources must be closely monitored and controlled by the Department of Environmental Resources in order to improve air quality as mandated by the Federal Clean Air Act. The goal of the program is to achieve the best air quality and meet State implementation requirements while providing for industrial growth and environmentally sound energy utilization.

Monitoring air quality occurs at two levels. Ambient monitoring measures overall air quality in an area. Source monitoring, by both operators and mobile teams from the department, is used to check individual sources of emissions. In addition, certain large facilities are required to have instruments installed which continuously monitor emissions, minimizing the risk of accidental release of large amounts of pollutants.

Permits and inspections are the primary regulatory means for ensuring that sources of emissions are designed, constructed and operated within standards. This means that plans for new construction, or modification, of a source of emission must be reviewed and approved by the department. Inspections are part of the application process for new and renewed operating permits. These inspections assure that the facility has been constructed and operated as designed. In addition, on-site inspections are made when investigating complaints and emergencies. The department uses compliance agreements and abatement orders to correct violations of air emission standards.

Also part of this element is the program controlling the removal of asbestos from public buildings. As required by Federal regulations, the department reviews plans for the removal of asbestos from schools and other buildings, certifies and regulates companies doing removal work, and oversees the safe disposal of the asbestos.

Program Element: Water Quality Management

Chronic surface and groundwater pollution problems in Pennsylvania originate from a variety of sources and are classified into two general categories: point and non-point sources. Point sources are those in which the polluting substances are conveyed into a body of water by a pipe or channel, most commonly sewage discharges, industrial waste discharges, and storm or combined sewage drainage. Non-point sources are generally diffused discharges, such as polluted groundwater, drainage from abandoned mines and agricultural runoff. A third, more acute, source of water pollution are the spills and accidents most often related to the storage and transportation of various materials.

Through its planning, permitting, surveillance and monitoring, enforcement, and grants administration activities, this program carries out its duties and responsibilities for developing water quality standards for surface and ground water, regulating water pollution control facilities, and maintaining a Statewide surface and groundwater quality monitoring program. In addition, the National Pollutant Discharge Elimination System (NPDES), a Federal program under the Clean Water Act, has increased the responsibilities of the Commonwealth to monitor industrial pretreatment. This requires that industries remove hazardous and toxic materials from their waste water before release into municipal treatment

plants. The program also reviews plans for facilities and assists local governments in accommodating growth and development. The storage tank program for both underground and above ground tanks is also part of this element. The department registers and inspects these storage tanks, and certifies those companies who install tanks.

Program Element: Community Environmental Management

The major portion of this program element is concerned with providing the citizens of the Commonwealth with safe, clean drinking water by regulating public water systems. These systems provide drinking water to the majority of citizens of the Commonwealth. There are approximately 2,500 community water supplies in the Commonwealth serving 10 million residents and 8,000 non-community water systems generally serving restaurants, industries, schools and motels which must comply with standards. The department also provides some consultative services and inspections for the 700,000 domestic water supplies in Pennsylvania. Approximately one-half of the community water systems and two-thirds of the private water supplies have deteriorated to where many people are at risk of being served unsafe water. Regulatory activities involve permitting and compliance, contaminant investigation and control, public education, and consultative services and inspections. The implementation of Federal and State statutes for the removal of lead from drinking water is also in this element.

In addition to regulating public drinking water systems, this program also inspects food establishments, public bathing places, schools and seasonal farm labor camps for sanitary conditions. The Vector Control Program addresses insect and rodent problems in urban areas. The Black Fly Control Program, by treating bodies of water in participating counties, reduces the black fly population and gives relief to the citizens and visitors of the Commonwealth.

The Emergency Management and Response Program is also part of this program element. It provides support and training to local firefighters and other emergency personnel at accidents and spills of hazardous and toxic materials.

Program Element: Municipal and Residual Waste

Of the 9 million tons of municipal solid waste generated each year in Pennsylvania, 95 percent was dumped in sanitary landfills, four percent was incinerated and only one percent was recycled. With many current landfill sites reaching capacity, and new landfills not being established due to public concern and opposition, local governments are having great difficulty finding landfills to accept their trash, and are experiencing escalating costs for this method of disposal. This reliance on landfills for municipal waste disposal, plus the critical lack of landfill capacity over much of the Commonwealth, demanded that alternatives to landfills be used. Act 101 of 1988, the Municipal Waste Planning, Recycling and Waste Reduction Act, addressed these problems. Counties must adopt waste management plans. Municipalities must adopt recycling and waste reduction plans. Communities in which landfills or waste-to-energy facilities are located have an active role in permitting and inspecting landfills and facilities to assure that these are being operated in a proper manner. In addition, the host community receives money from a tipping fee to use in any way it wishes. The department regulates new and existing landfills to ensure that they are designed, constructed and operated with minimal risk to nearby residents and to the environment. The goal of these efforts is to recycle 25% of Pennsylvania's municipal waste by 1998.

ENVIRONMENTAL RESOURCES

Program: Environmental Management and Protection (continued)

Act 93 of 1988 requires the regulation and control of the disposal of infectious (hospital) wastes. To do this, a manifest system tracks waste from generation until disposal. In addition, a system of inspections assures proper handling of infectious waste. Overall management is guided by revised regulations and a Statewide plan to address present and future needs for incineration and disposal.

Residual waste is non-hazardous materials from industrial, mining, commercial and other similar operations. About 25 million tons are generated each year. A comprehensive set of new regulations for residual waste disposal sites has been completed. These regulations will require the approximately 1,300 residual waste facilities to be permitted or re-permitted. Some will close, requiring the department to inspect them to assure that closures are done in an environmentally sound manner. This program will encourage proper disposal and waste reduction to conserve resources and protect the environment.

Program Element: Hazardous Waste

Act 108 of 1988, the Hazardous Sites Cleanup Act, established a State program to cleanup hazardous waste sites not covered by the Federal Superfund Program. This program has two major parts. First is the identification, assessment and cleanup of existing sites where, in the past, hazardous wastes have been disposed in a manner which is a threat to the citizens and the environment. The identification and assessment of these sites has been completed and actual cleanup has begun with funding coming from several possible sources. First, the department tries to identify the parties responsible for the situation and actively pursues legal actions to recover cleanup costs. Second, for those sites which are dangerous enough to qualify for the Federal Superfund Program, Federal funds are used. The department attempts to accelerate the rate of Federally funded projects, not only to speed remediation, but also to ensure that the Commonwealth receives its share of Superfund monies. The third source of cleanup funding is from several State sources. The Capital Stock/Franchise Tax Surcharge generates over \$30 million per year. Another \$4.5 million is generated from a hazardous waste fee system. A General Fund appropriation for \$15.9 million is also included in this budget. This will allow a cleanup program separate from the Federal Superfund, addressing the cleanup of sites which do not qualify for the Federal program and the emergency cleanup of sites posing immediate health and safety hazards.

In addition to site cleanup, this program also controls the generation, storage, transportation and proper disposal of hazardous wastes in Pennsylvania. Pennsylvania is one of the leading producers of hazardous waste. The Commonwealth's industries annually generate one million tons of hazardous waste, of which 878,000 tons are transported from the generating facility for disposal elsewhere.

Of major importance to economic development is the siting of hazardous waste disposal facilities in the Commonwealth. The program to site two hazardous waste disposal facilities contains incentives to communities which agree to host such facilities. This is important not only to the health and safety of citizens, but also to the economic health of the Commonwealth.

Program Element: Regulation of Mining

The purpose of this program is to minimize adverse environmental impacts of active mining operations. This includes surface and deep coal mines, oil and gas well drilling, and mines for minerals other than coal.

Focusing on the important coal industry, regulatory activities are designed to assure proper land reclamation, prevent water and air pollution and protect the health and safety of the public. In the 1977 Federal Surface Mine Control and Reclamation Act, Congress recognized the national importance of an adequate program to control the adverse environmental impacts of mining. This legislation established a new set of standards for controlling subsidence, coal refuse disposal and surface effects of both underground and surface mines. To foster a strong State role in this regulatory effort, the act provided for delegation by the Federal Government of primary enforcement responsibility (primacy). On July 31, 1982, Pennsylvania was delegated primary enforcement responsibility.

In addition to the environmental regulatory, inspection and compliance activities, this program element is also concerned with mine safety, both the safety of mine operations and the safety training of miners. The Bureau of Deep Mine Safety conducts mine safety training programs to minimize the number of accidents. Certification requirements for underground mine workers are also managed by this program thereby directly influencing the type and degree of expertise of personnel working in responsible positions underground.

The Bureau of Oil and Gas Management is responsible for administering laws and regulations covering the oil and gas industry in Pennsylvania. Through a permitting system for drilling activity, inspecting drilling and storage sites, and monitoring and enforcement actions, the program works toward protecting the environment and balancing conflicting interests of the oil, gas and coal industries.

Another activity of the mining program is the offering of mine subsidence insurance to residential and small commercial owners of property and private structures. This insurance program is directed by the Coal and Clay Mine Subsidence Insurance Board. A special fund is administered by the board in which premium and investment income are deposited and from which insurance claims and costs are paid. The growth in the number and value of policies has steadily increased since the beginning of the fund. With increasing property values and public awareness, this trend is expected to continue. A cash flow statement for this fund is included in the appendix to this budget.

Program Element: Technical Support Services

This program encompasses the technical and administrative support to environmental protection activities. The Bureau of Laboratories is the major component, providing analytical data which determines and identifies pollution levels in samples from any part of the environment. Samples from streams and lakes, solid wastes, drinking water, industrial wastes and fish are analyzed for toxic chemicals. Milk, food, water and air are examined for radiation; water from supply systems, beaches and sewage treatment plants for bacteria; and water from homeowners for potability.

Program Measures

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Air Pollution Control							
Air emission operating permits in effect . . .	5,680	6,000	6,300	6,600	6,900	7,200	7,500
Air emission inspections performed	11,290	11,400	13,050	13,250	13,450	13,650	13,850

ENVIRONMENTAL RESOURCES

Program: Environmental Management and Protection (continued)

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Water Quality Management							
Sewage and industrial waste discharge inspections	4,962	5,000	5,000	5,000	5,000	5,000	5,000
Permits issued for water pollution control facilities	1,231	1,000	1,000	1,000	1,000	1,000	1,000
Enforcement actions	351	350	350	350	350	350	350

The program measure showing permits issued for water pollution control facilities decreases from the level shown in the previous budget, reflecting a revision to the Clean Streams Law which removes permit requirements for certain small sewer extensions.

Community Environmental Management

Annual permits issued — seasonal farm labor camps							
	266	280	280	280	280	280	280
Inspections of food establishments	8,965	9,500	12,000	12,500	12,500	12,500	12,500
Residents of areas in Black Fly Suppression Program							
	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000
Inspections of public drinking water supplies	4,603	5,000	5,400	5,800	5,800	5,800	5,800

Municipal and Residual Waste

Municipal and residual waste facilities permitted							
	255	303	394	394	394	394	394
Percent of municipal waste disposed by alternate methods to landfills	7%	12%	30%	30%	35%	35%	35%

Hazardous Waste

Sites assessed for possible hazardous waste contamination							
	81	25	25	25	25	25	25
Completions of remedial or response actions on hazardous waste sites	7	14	14	20	20	25	25
Hazardous waste inspections performed	1,855	1,715	1,715	1,715	1,715	1,715	1,715
Hazardous waste sites permitted and licensed under Act 97	123	120	120	120	120	120	120

Regulation of Mining

Mine permit actions:							
Coal	872	875	850	825	800	775	750
Non-coal	221	225	225	225	225	225	225
Inspections:							
Complete coal inspections	13,790	13,750	13,750	13,500	13,250	13,000	12,750
Partial coal inspections	22,457	22,500	22,500	22,000	21,750	21,500	21,250
Non-coal inspections	3,225	3,500	3,500	3,500	3,500	3,500	3,500
Oil and gas field inspections	12,581	11,500	11,000	10,000	10,000	10,000	10,000
Mining enforcement orders issued	1,009	1,000	1,000	1,000	1,000	1,000	1,000
Mine subsidence insurance policies in effect							
	37,783	39,000	40,000	41,000	42,000	43,000	44,000
Employees trained in mine safety	7,500	7,500	7,500	7,500	7,500	7,500	7,500

The program measure showing mine permit actions - Non-coal increases from previous levels reflecting improved market conditions for minerals and anticipated revision of regulations. The program measure showing oil and gas field inspections has been reduced because of declining drilling activities.

The number of mine subsidence insurance policies in effect is significantly less than last year's budget based upon the most recent data.

Technical Support Services

Inorganic analysis	790,073	900,000	900,000	900,000	900,000	900,000	900,000
Organic samples	7,015	8,500	8,500	8,500	8,500	8,500	8,500
Bacteriological analysis	32,324	35,000	35,000	35,000	35,000	35,000	35,000
Radiological samples	2,696	4,000	4,000	4,000	4,000	4,000	4,000

The program measure showing organic samples analyzed has been decreased from the level shown in the previous budget based on more recent information.

ENVIRONMENTAL RESOURCES

Program: Environmental Management and Protection (continued)

Program Recommendations:

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

<p>Office of Protection</p> <p>\$ -356 —nonrecurring items.</p> <p>3,000 —to replace one-time funds from special and restricted accounts.</p> <p>1,975 —to continue current program.</p> <p>\$ 4,619 —Appropriation Increase</p>	<p>Ohio River Valley Sanitation Commission</p> <p>\$ 4 —to continue current level of participation.</p>
<p>Sewage Facilities Planning Grants</p> <p>\$ 300 —increased local government planning activity due to PENNVEST requirement to have approved plans prior to filing applications.</p>	<p>Water Quality Testing Laboratory</p> <p>\$ -60 —nonrecurring item.</p>
<p>Sewage Facilities Enforcement Grants</p> <p>\$ 350 —increase in requests from local governments.</p>	<p>Black Fly Control</p> <p>\$ 659 —to continue current program.</p>
<p>Sewage Treatment Plant Operations Grants</p> <p>\$ 5,300 —increase for new and expanded facilities.</p>	<p>Vector Control</p> <p>\$ -500 —temporary reduction in General Fund support.</p>
<p>Great Lakes Protection Fund</p> <p>\$ -250 —payment over four years consistent with other member states.</p>	<p>Deep Mine Safety</p> <p>\$ 102 —to continue current program.</p>
	<p>Seasonal Farm Worker Camp Inspection</p> <p>\$ -40 —nonrecurring items.</p>
	<p>Hazardous Waste Control</p> <p>\$ -10,926 —reduction permitted by available cash balance.</p>
	<p>Interstate Mining Commission</p> <p>\$ 5 —to continue current level of participation.</p>

All other appropriations are recommended at current program levels or are nonrecurring projects.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Office of Protection	\$ 53,864	\$ 60,321	\$ 64,940	\$ 66,888	\$ 68,895	\$ 70,962	\$ 73,091
Sewage Facilities Planning Grants	493	650	950	950	950	950	950
Sewage Facilities Enforcement Grants	1,600	1,450	1,800	1,800	1,800	1,800	1,800
Sewage Treatment Plant Operations Grants	22,500	25,300	30,600	31,518	32,464	33,438	34,441
Ohio River Valley Sanitation Commission	109	114	118	118	118	118	118
Great Lakes Protection Fund	500	500	250	250	. . . . .	. . . . .	. . . . .
Wernersville State Hospital Utilities . . . . .	. . . . .	184	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Water Quality Testing Laboratory	359	359	299	308	317	327	337
Black Fly Control	2,495	1,812	2,471	2,545	2,621	2,700	2,781
Vector Control	497	500	. . . . .	500	500	500	500
Seasonal Farm Worker Camp Inspection	250	291	251	259	267	275	283
Hazardous Waste Control	15,926	10,926	. . . . .	15,926	15,926	15,926	15,926
Deep Mine Safety Inspection	3,584	3,733	3,835	3,950	4,069	4,191	4,317
Interstate Mining Commission	10	10	15	15	15	15	15
Anthracite Bond Fund	50	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Center for Hazardous Materials Research	500	500	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL GENERAL FUND	\$ 102,737	\$ 106,650	\$ 105,529	\$ 125,027	\$ 127,942	\$ 131,202	\$ 134,559

ENVIRONMENTAL RESOURCES

PROGRAM OBJECTIVE: To protect the people from dangerous or unnecessary radiation from natural and man-made sources, including occupational and medical exposure.

Program: Radiation Protection

The program utilizes several means to protect citizens from exposure to dangerous levels of radiation. One is the regulation, licensing and inspection of radiation source users. This involves registration of radiation producing equipment, licensing of users of radioactive materials and inspection of facilities to assure compliance with regulations.

The department also monitors the environment for radiation. This is done primarily in the vicinity of major users of radioactive materials, such as nuclear power plants. Ambient air is sampled continuously while milk produced on local farms and surface waters are sampled monthly and vegetation, fish and silt samples are collected at least annually. The radon surveillance and action program is also part of this activity, measuring levels in private dwellings, advising owners on remedial actions they can take, and conducting research for effective solutions. The department certifies radon testing and mitigation firms to protect the public from inaccurate test results and ineffective construction or remedial techniques.

Another protection activity is the routine inspection and oversight of nuclear power generating facilities in the Commonwealth. These are: Beaver Valley Power Station, Limerick Generating Station, Peach Bottom Atomic Power Station, Susquehanna Steam Electric Station and Three

Mile Island Nuclear Station. An agreement with the U.S. Nuclear Regulatory Commission (NRC) allows State nuclear engineers to review and evaluate plant design and operations, participate in any NRC hearings and participate in routine NRC inspections.

The program also involves planning and emergency preparedness to protect citizens of the Commonwealth in the event of accidents involving radioactive materials at power plants and other facilities utilizing radioactive materials.

Safe disposal of low-level radioactive waste, that is the disposal of such items as contaminated filters, gloves and clothing from hospitals, industries, and university research centers, is also a part of this program. (Spent nuclear fuel and similar highly radioactive materials are not included.) Since the Commonwealth is a major generator of these materials, a disposal site will be established within its borders. The Appalachian Low-Level Radioactive Waste Compact (Act 120 of 1985) committed Pennsylvania to establish a low-level radioactive waste disposal site for the four states in the compact — Delaware, Maryland, West Virginia and Pennsylvania. The Low-Level Radioactive Waste Disposal Act (Act 12 of 1988) establishes the criteria for the selection of a site, operation of a facility and transportation of wastes to the site.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Radiation user inspections performed	1,939	1,680	2,500	2,500	2,500	2,500	2,500
Users brought into compliance through inspections	710	700	700	350	300	250	250
Nuclear plant off-site samples	3,124	3,124	3,124	3,124	3,124	3,124	3,124
Cubic feet of low-level radioactive waste generated in Pennsylvania	200,000	200,000	200,000	200,000	200,000	200,000	200,000

The program measure showing users brought into compliance through inspections has increased compared to the one in last year's budget because of new regulations. The measure decreases in the future as more users comply with these new regulations.

Program Recommendations:

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

<p>Radon Testing \$ -324 —nonrecurring items.</p> <p>Appalachian States Low-Level Waste Compact. \$ -83 —to continue current programs.</p>	<p>Low-Level Radioactive Waste \$ -750 —private contractor assuming site selection responsibility.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Radon Testing	\$ 951	\$ 1,217	\$ 893	\$ 920	\$ 948	\$ 976	\$ 1,005
Appalachian States Low-Level Waste Compact	100	200	117	117	117	117	117
Low-Level Radioactive Waste Program	736	950	200	200	200	200	200
TOTAL GENERAL FUND	\$ 1,787	\$ 2,367	\$ 1,210	\$ 1,237	\$ 1,265	\$ 1,293	\$ 1,322

ENVIRONMENTAL RESOURCES

PROGRAM OBJECTIVE: To provide and manage outdoor recreation facilities and open space areas for citizens of the Commonwealth and out-of-state visitors.

Program: Recreation Areas and Facilities Management

The system of State parks consists of 114 parks in 63 counties. Over 243,000 acres of land and 33,000 acres of water are within these parks. They attract more than 36 million visitors each year, and provide picnicing, swimming, hiking, bicycling, horseback riding, cross-country skiing, camping, boating, fishing and hunting opportunities for citizens and guests of the Commonwealth. In addition to managing these facilities, this program also maintains and restores the State parks and

adds new facilities where needed. User fees and concession charges are used to support the maintenance and operation of the park system.

The Pennsylvania Conservation Corps has been involved with rehabilitation and construction projects in State parks. The corps meets its dual objectives of improving public recreational facilities while providing work training opportunities and job skills to youths.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
State park attendance in visitor days (in thousands)	44,809	45,546	46,759	46,759	46,759	46,759	46,759
Major maintenance or restoration projects completed	187	233	225	225	225	225	225

Program Recommendations:

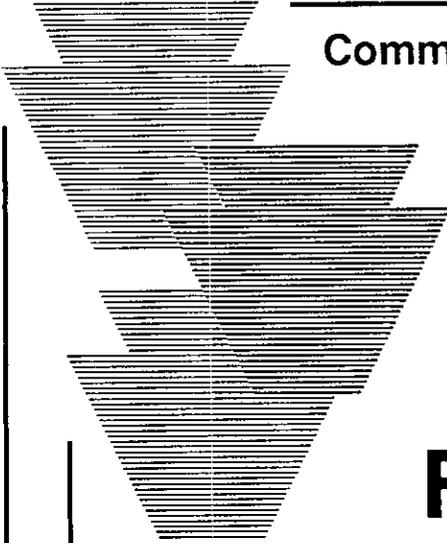
This budget recommends the following changes: (Dollar Amounts in Thousands)

State Parks		Annual Fixed Charges—Flood Lands
\$ 1,002 —to continue current program.	\$ 9	—to continue current programs.

The Annual Fixed Charges - Project 70 appropriation is continued at the current program level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
State Parks	\$ 36,788	\$ 38,005	\$ 39,007	\$ 40,177	\$ 41,382	\$ 42,623	\$ 43,902
Annual Fixed Charges—Flood Lands	20	23	32	32	32	32	32
Annual Fixed Charges—Project 70	17	18	18	18	18	18	18
TOTAL GENERAL FUND	\$ 36,825	\$ 38,046	\$ 39,057	\$ 40,227	\$ 41,432	\$ 42,673	\$ 43,952



Commonwealth of Pennsylvania

Fish Commission

The Fish Commission administers and enforces the fishing and boating laws of the Commonwealth and provides for the protection and propagation of aquatic life.

FISH COMMISSION

Summary by Fund and Appropriation

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
GENERAL FUND			
GRANTS AND SUBSIDIES:			
Atlantic States Marine Fisheries Commission	\$ 8	\$ 9	\$ 9
BOAT FUND			
GENERAL GOVERNMENT:			
General Operations (EA)	\$ 4,441	\$ 4,858	\$ 5,084
(F) U.S. Coast Guard Grant — Boating Safety	712	659	650
(F) Sport Fish Restoration	195	232	244
(A) Sale of Vehicles	17	10	10
STATE FUNDS	\$ 4,441	\$ 4,858	\$ 5,084
FEDERAL FUNDS	907	891	894
AUGMENTATIONS	17	10	10
BOAT FUND TOTAL	\$ 5,365	\$ 5,759	\$ 5,988
FISH FUND			
GENERAL GOVERNMENT:			
General Operations (EA)	\$ 18,049	\$ 19,472	\$ 20,759
(F) Fish and Wildlife Restoration Act	3,277	4,000	3,965
(A) Sale of Vehicles	89	50	50
(A) Reimbursement for Services — Boat Fund .....	.....^a	.....^a	.....^a
(A) Elk Creek Tract Acquisition — Erie County Contribution .....	.....	100	50
(A) Pennsylvania Conservation Corps	116	120	120
STATE FUNDS	\$ 18,049	\$ 19,472	\$ 20,759
FEDERAL FUNDS	3,277	4,000	3,965
AUGMENTATIONS	205	270	220
FISH FUND TOTAL	\$ 21,531	\$ 23,742	\$ 24,944
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 8	\$ 9	\$ 9
SPECIAL FUNDS	22,490	24,330	25,843
FEDERAL FUNDS	4,184	4,891	4,859
AUGMENTATIONS	222	280	230
TOTAL ALL FUNDS	\$ 26,904	\$ 29,510	\$ 30,941

^aNot added to avoid double counting: 1989-90 Actual is \$5,365,000, 1990-91 Available is \$5,759,000 and 1991-92 Budget is \$5,988,000.

FISH COMMISSION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
	ACTUAL	AVAILABLE	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED
RECREATIONAL FISHING AND BOATING							
General Funds.....	\$ 8	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9
Special Funds.....	22,490	24,330	25,843	26,367	26,079	26,862	26,528
Federal Funds.....	4,184	4,891	4,859	4,847	4,942	5,073	5,173
Other Funds.....	222	280	230	180	180	180	180

TOTAL.....	\$ 26,904	\$ 29,510	\$ 30,941	\$ 31,403	\$ 31,210	\$ 32,124	\$ 31,890
	=====						
ALL PROGRAMS:							
GENERAL FUND.....	\$ 8	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9
SPECIAL FUNDS.....	22,490	24,330	25,843	26,367	26,079	26,862	26,528
FEDERAL FUNDS.....	4,184	4,891	4,859	4,847	4,942	5,073	5,173
OTHER FUNDS.....	222	280	230	180	180	180	180

TOTAL.....	\$ 26,904	\$ 29,510	\$ 30,941	\$ 31,403	\$ 31,210	\$ 32,124	\$ 31,890
	=====						

FISH COMMISSION

PROGRAM OBJECTIVE: To establish habitats and environments which will sustain fish and wildlife population for recreational uses and for perpetuation of species, and to provide a satisfactory variety of opportunities for fishing and boating on Commonwealth waters.

Program: Recreational Fishing and Boating

The Fish Commission is responsible for the enforcement of the fishing and boating laws and regulations, registration of boats, the State boating and water safety education programs, and the management and promotion of recreational boating. The Boating Advisory Board, a group of knowledgeable boaters appointed by the Governor, advises the commission on boating matters.

In addition to recreational boating, the commission is responsible for recreational fishing in the Commonwealth. This includes fish

propagation, stocking, fisheries environmental services, the cooperative nurseries program, research and fish management. The commission also provides for the development, improvement and maintenance of facilities for lake and access areas. As water quality is a major factor in aquatic recreation, the commission responds to the need for environmental safeguards and closely monitors the water quality of many streams, lakes and rivers in the Commonwealth.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Fishing licenses sold	1,155,152	1,139,000	1,154,000	1,166,000	1,177,000	1,189,000	1,200,000
Pounds of fish stocked in Commonwealth streams and lakes	2,625,349	2,650,000	2,650,000	2,650,000	2,650,000	2,650,000	2,650,000
Boats registered	278,535	286,000	295,000	305,000	315,000	325,000	335,000

Program Recommendations:

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

BOAT FUND:		FISH FUND:	
General Government Operations		General Government Operations	
\$ -129	—nonrecurring land acquisition.	\$ -279	—nonrecurring land acquisition.
355	—to continue current programs.	1,566	—to continue current programs.
<u>\$ 226</u>	<i>Executive Authorization Increase</i>	<u>\$ 1,287</u>	<i>Executive Authorization Increase</i>

The Atlantic States Marine Fisheries Commission appropriation is continued at the current level of participation.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Atlantic States Marine Fisheries							
Commission	<u>\$ 8</u>	<u>\$ 9</u>	<u>\$ 9</u>	<u>\$ 9</u>	<u>\$ 9</u>	<u>\$ 9</u>	<u>\$ 9</u>
BOAT FUND:							
General Operations							
	<u>\$ 4,441</u>	<u>\$ 4,858</u>	<u>\$ 5,084</u>	<u>\$ 4,985</u>	<u>\$ 4,056</u>	<u>4,178</u>	<u>\$ 4,293</u>
FISH FUND:							
General Operations							
	<u>\$ 18,049</u>	<u>\$ 19,472</u>	<u>\$ 20,759</u>	<u>\$ 21,382</u>	<u>\$ 22,023</u>	<u>\$ 22,684</u>	<u>\$ 22,235</u>



Commonwealth of Pennsylvania

Game Commission

The Game Commission administers and enforces the game laws of the Commonwealth and provides for the protection and propagation of wildlife.

GAME COMMISSION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
GAME FUND	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL GOVERNMENT:			
General Operations	\$ 35,101	\$ 37,091	\$ 44,214
(F) Pittman-Robinson Act Reimbursements	2,615	4,716	3,600
(F) Endangered Species	30	35	35
(F) Surface Mine Regulatory Program	45	45	45
(F) Stream Bank Fencing	12	20	20
(A) Sale of Vehicles	171	200	200
(A) Pennsylvania Conservation Corps	28	200	50
(A) Donations	391	50	50
(A) Hunter Trapper Education Camp	11	10	10
(A) Youth Shooting Sports	9	5	5
Subtotal — Federal Funds	2,702	4,816	3,700
Subtotal — Augmentations	610	465	315
Total — General Government Operations	\$ 38,413	\$ 42,372	\$ 48,229
Land Acquisition and Development	\$ 3,000*	\$ 3,000	\$ 3,000
(F) Land and Water Development Fund	921	562	.....
(F) Pittman-Robinson Act Reimbursements .....	.....	.....	500
(A) Donations .....	.....	162	.....
Total — Land Acquisition and Development	\$ 3,921	\$ 3,724	\$ 3,500
STATE FUNDS	\$ 38,101	\$ 40,091	\$ 47,214
FEDERAL FUNDS	3,623	5,378	4,200
AUGMENTATIONS	610	627	315
GAME FUND TOTAL	\$ 42,334	\$ 46,096	\$ 51,729

*Actually executively authorized as part of General Operations.

GAME COMMISSION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
	ACTUAL	AVAILABLE	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED
WILDLIFE MANAGEMENT							
Special Funds.....	\$ 38,101	\$ 40,091	\$ 47,214	\$ 44,060	\$ 45,292	\$ 46,560	\$ 43,747
Federal Funds.....	3,623	5,378	4,200	4,200	4,200	4,200	4,200
Other Funds.....	610	627	315	265	265	265	265
TOTAL.....	\$ 42,334	\$ 46,096	\$ 51,729	\$ 48,525	\$ 49,757	\$ 51,025	\$ 48,212
ALL PROGRAMS:							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SPECIAL FUNDS.....	38,101	40,091	47,214	44,060	45,292	46,560	43,747
FEDERAL FUNDS.....	3,623	5,378	4,200	4,200	4,200	4,200	4,200
OTHER FUNDS.....	610	627	315	265	265	265	265
TOTAL.....	\$ 42,334	\$ 46,096	\$ 51,729	\$ 48,525	\$ 49,757	\$ 51,025	\$ 48,212

GAME COMMISSION

PROGRAM OBJECTIVE: To establish habitats and environments which will sustain wildlife populations for recreational uses and for the perpetuation of species.

Program: Wildlife Management

The main responsibility of the Game Commission is the perpetuation of the species of wildlife found in Pennsylvania. While those species considered game animals, such as deer, turkey and bear, receive the most attention, others (river otters, osprey, peregrine falcons and eagles, both bald and golden) are also the focus of programs for endangered and threatened species. More common species are not ignored; they receive the protection mandated in the Game and Wildlife Code and are recognized as part of the natural balance.

Enforcement of the provisions of this code is critical; however, the primary means of ensuring the propagation and preservation of wildlife is properly managed land and game habitat. Currently the commission administers over 1.3 million acres of public property, the State Game Lands, and is judiciously acquiring additional lands, focusing on critically important wetlands. The commission also has cooperative programs to encourage good land management and habitat improvement by private landowners, thereby stimulating hunting on private lands.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Hunting licenses sold	1,164,420	1,166,000	1,166,000	1,166,000	1,166,000	1,166,000	1,166,000
Deer taken	388,601	390,000	390,000	300,000	300,000	300,000	300,000
Arrests for violation of game laws	8,467	9,000	9,000	9,000	9,000	9,000	9,000

The program measure showing the number of deer taken declines after 1991-92 as the bonus deer license program ends and the deer population is reduced. The program measure showing arrests for violation of game laws increases, reflecting the graduation of the most recent training class of Wildlife Conservation Officers.

Program Recommendations:

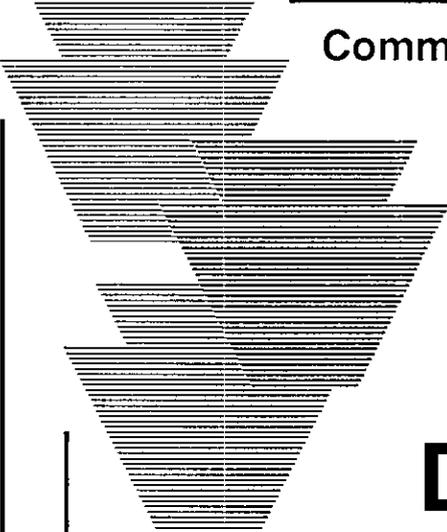
This budget recommends the following changes: (Dollar Amounts in Thousands)

General Government Operations	
\$ 1,894	—to continue current program.
1,209	—Wildlife Conservation Officer (WCO) pay increase.
1,350	—training expenses for new WCO class.
-330	—nonrecurring expenses.
3,000	—Initiative – Radio Network Upgrade – to modify the microwave radio system to meet Federal Communications Commission regulations and to operate with the new Statewide integrated radio system.
<u>\$ 7,123</u>	Executive Authorization Increase

The Land Acquisition and Development Executive Authorization is continued at the current level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GAME FUND:							
General Operations	\$ 35,101	\$ 37,091	\$ 44,214	\$ 41,060	\$ 42,292	\$ 43,560	\$ 40,747
Land Acquisition and Development	3,000	3,000	3,000	3,000	3,000	3,000	3,000
TOTAL GAME FUND	<u>\$ 38,101</u>	<u>\$ 40,091</u>	<u>\$ 47,214</u>	<u>\$ 44,060</u>	<u>\$ 45,292</u>	<u>\$ 46,560</u>	<u>\$ 43,747</u>



Commonwealth of Pennsylvania

Department of General Services

The Department of General Services administers the leasing, purchasing, transportation, construction, repair and maintenance services for all agencies of the Commonwealth.

GENERAL SERVICES

Summary by Fund and Appropriation

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 38,603	\$ 39,697	\$ 38,656
(F) Appalachian Entrepreneurial Exchange Program	10	.....	.....
(A) Employes Group Life Insurance	50	50	50
(A) Federal Surplus Property	304	305	305
(A) State Buildings Use	1,124	1,200	1,078
(A) Sound Equipment	20	21	21
(A) Employee Liability Self Insurance Program	110	52	52
(A) Information Center — Centrix	64	65	.....
(A) Newsroom Services	14	16	16
(A) Computer Services	101	110	100
(A) Plans Forfeiture	36	36	36
(A) Media Center Reimbursements	673	700	668
(A) Recycling Program	260	372	372
(A) GSA Fiscal Function	42	42	42
(A) Services Provided Other Agencies	71	58	.....
(A) Capital Facilities Administration	7,322	7,254	8,562
Total — General Government Operations	<u>\$ 48,804</u>	<u>\$ 49,978</u>	<u>\$ 49,958</u>
Capitol Police Operations	4,383	4,311	4,536
(A) Capitol Police Services	90	75	75
Utility Costs	9,140	10,100	10,911
Harristown Rental Charges	6,489	6,420	6,656
Harristown Utility and Municipal Charges	6,064	6,003	7,547
Printing the Pennsylvania Manual .....	.....	176	.....
Asbestos Response	800	792	600
Excess Insurance Coverage .....	.....	500	500
Subtotal — State Funds	\$ 65,479	\$ 67,999	\$ 69,406
Subtotal — Federal Funds	10	.....	.....
Subtotal — Augmentations	10,281	10,356	11,377
Total — General Government	<u>\$ 75,770</u>	<u>\$ 78,355</u>	<u>\$ 80,783</u>
GRANTS AND SUBSIDIES:			
Capitol Fire Protection	\$ 550	\$ 550	\$ 550
Federal Surplus Pilot Project — Luzerne County	250	250	.....
Total — Grants and Subsidies	<u>\$ 800</u>	<u>\$ 800</u>	<u>\$ 550</u>
STATE FUNDS	\$ 66,279	\$ 68,799	\$ 69,956
FEDERAL FUNDS	10	.....	.....
AUGMENTATIONS	10,281	10,356	11,377
GENERAL FUND TOTAL	<u>\$ 76,570</u>	<u>\$ 79,155</u>	<u>\$ 81,333</u>

GENERAL SERVICES

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
MOTOR LICENSE FUND			
<i>GENERAL GOVERNMENT:</i>			
Asbestos Response	\$ 500	. . . .	. . . .
<i>GRANTS AND SUBSIDIES:</i>			
Tort Claim Payments	\$ 17,700	\$ 26,500	\$ 17,500
MOTOR LICENSE FUND TOTAL	<u>\$ 18,200</u>	<u>\$ 26,500</u>	<u>\$ 17,500</u>
BANKING DEPARTMENT FUND			
<i>GENERAL GOVERNMENT:</i>			
Harristown Rental Charges	\$ 146	\$ 146	\$ 156
Harristown Utility and Municipal Charges	137	137	173
BANKING DEPARTMENT FUND TOTAL	<u>\$ 283</u>	<u>\$ 283</u>	<u>\$ 329</u>
LOTTERY FUND			
<i>GENERAL GOVERNMENT:</i>			
Harristown Rental Charges	\$ 86	\$ 86	\$ 90
Harristown Utility and Municipal Charges	94	94	118
LOTTERY FUND TOTAL	<u>\$ 180</u>	<u>\$ 180</u>	<u>\$ 208</u>
OTHER FUNDS			
<i>REVENUE SHARING TRUST FUND:</i>			
Moving and Relocation Expenses	\$ 200	\$ 203	. . . .
OTHER FUNDS TOTAL	<u>\$ 200</u>	<u>\$ 203</u>	. . . .
DEPARTMENT TOTAL -- ALL FUNDS			
GENERAL FUND	\$ 66,279	\$ 68,799	\$ 69,956
SPECIAL FUNDS	18,663	26,963	18,037
FEDERAL FUNDS	10	. . . .	. . . .
AUGMENTATIONS	10,281	10,356	11,377
OTHER FUNDS	200	203	. . . .
TOTAL ALL FUNDS	<u>\$ 95,433</u>	<u>\$ 106,321</u>	<u>\$ 99,370</u>

GENERAL SERVICES

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
FACILITY, PROPERTY AND COMMODITY MANAGEMENT							
General Funds.....	\$ 66,279	\$ 68,799	\$ 69,956	\$ 72,249	\$ 73,983	\$ 76,126	\$ 77,978
Special Funds.....	18,663	26,963	18,037	18,040	18,043	18,046	18,049
Federal Funds.....	10	0	0	0	0	0	0
Other Funds.....	10,481	10,559	11,377	11,704	12,041	12,388	12,745
TOTAL.....	\$ 95,433	\$ 106,321	\$ 99,370	\$ 101,993	\$ 104,067	\$ 106,560	\$ 108,772
ALL PROGRAMS:							
GENERAL FUND.....	\$ 66,279	\$ 68,799	\$ 69,956	\$ 72,249	\$ 73,983	\$ 76,126	\$ 77,978
SPECIAL FUNDS.....	18,663	26,963	18,037	18,040	18,043	18,046	18,049
FEDERAL FUNDS.....	10	0	0	0	0	0	0
OTHER FUNDS.....	10,481	10,559	11,377	11,704	12,041	12,388	12,745
TOTAL.....	\$ 95,433	\$ 106,321	\$ 99,370	\$ 101,993	\$ 104,067	\$ 106,560	\$ 108,772

GENERAL SERVICES

PROGRAM OBJECTIVE: To maintain the Commonwealth's real property and facilities; to provide Commonwealth agencies with quality commodities in a timely manner; and to settle tort claims in an equitable manner while reducing risks.

Program: Facility, Property and Commodity Management

This program provides for management of the buildings and grounds including police services for the Capitol Complex in Harrisburg and the State office buildings in Philadelphia, Pittsburgh, Scranton, and Reading. The department also manages the acquisition and utilization of space and facilities by State agencies and provides agencies with commodities that conform to accepted standards of quality.

This program is also responsible for preparing plans, designs, surveys, and specifications for all State construction projects. All projects are closely monitored to ensure compliance with State laws and building codes.

This program handles tort claims, in conjunction with the Attorney General's Office, brought against the Commonwealth, its officials, and employees. Act 152 of 1978 reaffirmed the Commonwealth's use of sovereign immunity as a defense against tort claims, but established

criteria for limited amounts of liability in eight specific areas: vehicle liability; medical professional liability; personal property; Commonwealth real estate; potholes and other dangerous conditions; care, custody and control of domestic animals; liquor store sales; and National Guard activities. Claims in the pre-litigation stage are investigated by the department, while the Office of Attorney General defends those claims in litigation.

The assessment of the asbestos danger in Commonwealth-owned buildings will be continued in 1991-92. The hazard potential for areas where asbestos is present will be calculated, and abatement costs estimated.

This program also provides funding to purchase catastrophic property insurance on Commonwealth-owned buildings.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Value of Federal surplus property (in thousands):							
Available	\$2,620	\$2,625	\$2,625	\$2,625	\$2,625	\$2,625	\$2,625
Distributed	\$9,955	\$10,000	\$10,500	\$11,000	\$11,000	\$11,000	\$11,000
Capital facilities projects in design and/or construction	485	475	450	425	425	450	450
Value (in thousands)	\$800,000	\$825,000	\$850,000	\$725,000	\$675,000	\$600,000	\$625,000
Tort claims filed	7,196	7,700	8,239	8,815	9,432	10,093	10,799
Tort claims closed (includes settlements, judgements and denials)	6,770	6,973	7,182	7,398	7,620	7,848	8,084
Tort claims pending	8,169	8,896	9,953	11,370	13,182	15,427	18,142
Amount of claims pending (in thousands)	\$455,007	\$486,857	\$520,938	\$557,403	\$596,421	\$678,171	\$682,843

The rate of automobile tort claims is highly correlated with severe weather. The last few winters were relatively mild which apparently caused a decline in claims. The future year estimates for the amount of claims pending are significantly less than shown last year since recent data shows the rate of increase appears to have declined.

Program Recommendations:

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

<p>General Government Operations</p> <p>\$ -971 —nonrecurring projects.</p> <p>876 —to continue current program.</p> <p>-946 —Administrative costs charged to the Capital Facilities Fund.</p> <hr/> <p>\$ -1,041 <i>Appropriation Decrease</i></p> <p>Capitol Police Operations</p> <p>\$ 30 —nonrecurring projects.</p> <p>255 —to continue current program.</p> <hr/> <p>\$ 285 <i>Appropriation Increase</i></p> <p>Utility Costs</p> <p>\$ 811 —to continue current program.</p>	<p>\$ 1,544</p> <p>\$ 236</p> <p>\$ -176</p> <p>\$ -192</p> <p>\$ -250</p>	<p>Harristown Utility and Municipal Charges</p> <p>—to continue current program.</p> <p>Harristown Rental Charges</p> <p>—for lease charges.</p> <p>Pennsylvania Manual</p> <p>—manual is printed every two years.</p> <p>Asbestos Response</p> <p>—to continue current program.</p> <p>Federal Surplus Pilot Project — Luzerne County</p> <p>—nonrecurring project.</p>
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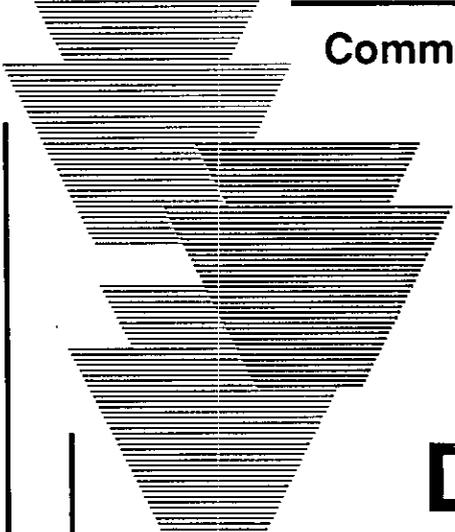
All other programs are recommended to be continued at the current levels.

GENERAL SERVICES

Program: Facility, Property, and Commodity Management (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
General Government Operations	\$ 38,603	\$ 39,697	\$ 38,656	\$ 40,037	\$ 41,238	\$ 42,475	\$ 43,749
Capitol Police Operations	4,383	4,311	4,536	4,672	4,812	4,956	5,105
Utility Costs	9,140	10,100	10,911	11,238	11,575	11,922	12,280
Harristown Rental Charges	6,489	6,420	6,656	6,511	6,510	6,509	6,509
Harristown Utility and Municipal Charges ..	6,064	6,003	7,547	7,773	8,006	8,246	8,493
Pennsylvania Manual .....	.....	176	.....	176	.....	176	.....
Excess Insurance Coverage .....	.....	500	500	500	500	500	500
Capitol Fire Protection	550	550	550	550	550	550	550
Federal Surplus Pilot Project — Luzerne County	250	250	.....	.....	.....	.....	.....
Asbestos Response Program	800	792	600	792	792	792	792
TOTAL GENERAL FUND	\$ 66,279	\$ 68,799	\$ 69,956	\$ 72,249	\$ 73,983	\$ 76,126	\$ 77,978
BANKING DEPARTMENT FUND							
Harristown Rental Charges	\$ 146	\$ 146	\$ 156	\$ 156	\$ 156	\$ 156	\$ 156
Harristown Municipal and Utility Costs ...	137	137	173	115	177	179	181
TOTAL BANKING DEPARTMENT FUND	\$ 283	\$ 283	\$ 329	\$ 271	\$ 333	\$ 335	\$ 337
STATE LOTTERY FUND							
Harristown Rental Charges	\$ 86	\$ 86	\$ 90	\$ 90	\$ 90	\$ 90	\$ 90
Harristown Utility and Municipal Charges .	94	94	118	119	120	121	120
TOTAL STATE LOTTERY FUND	\$ 180	\$ 180	\$ 208	\$ 209	\$ 210	\$ 211	\$ 210
MOTOR LICENSE FUND							
Tort Claim Payments	\$ 17,700	\$ 26,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500
Asbestos Response Program	500	.....	.....	.....	.....	.....	.....
TOTAL MOTOR LICENSE FUND	\$ 18,200	\$ 26,500	\$ 17,500	$ 17,500	$ 17,500	$ 17,500	$ 17,500



Commonwealth of Pennsylvania

Department of Health

The Department of Health is responsible for planning and coordinating all the health resources of the Commonwealth. In addition, the department provides some direct public health services, including programs for children, treatment for certain blood diseases, programs for communicable diseases, and subsidies for research and development.

The Secretary of Health receives assistance and information from approximately fifty advisory groups, the most prominent being: the Advisory Health Board, the Drug, Device and Cosmetic Board, the Drug Policy Council, the Advisory Committee for Clinical Laboratories, the Statewide Health Coordinating Council, and the Advisory Council on Drug and Alcohol Abuse.

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 10,387	\$ 10,900	\$ 9,938
(F) SSA (XVI) D & A Referral/Monitoring	43	46	46
(F) PHHSBG — Administration	274	317	307
(F) National Health Service Corps	3		
(F) ADMSBG — Administration	942	1,750	1,644
(F) MCHSBG — Administration	1,858	2,255	2,182
(F) ADA — Substance Abuse — Administration	75		
(F) Health Assessment	139	373	382
(F) State Legalization Impact Assistance Grant		166	166
(F) Highway Safety Initiative		370	370
(A) Data Center Services	3,387	3,581	3,281
(A) Drug and Alcohol Conference Fees	98		
(A) Pennsylvania State University/Hershey Medical Center — Elizabethtown Hospital	6,210	6,637	7,896
(A) Departmental Services	1,121	1,011	1,011
Subtotal — Federal Funds	\$ 3,334	\$ 5,277	\$ 5,097
Subtotal — Augmentations	10,816	11,229	12,188
Total — General Government Operations	\$ 24,537	\$ 27,406	\$ 27,223
TMI — Health Studies	290	313	269
Quality Assurance	4,116	4,493^a	4,580
(F) Medicare — Health Service Agency Certification	3,990	4,300	5,041
(F) Medicaid Certification	3,153	4,583	4,967
(A) Inpatient Psychiatric Unit Surveys	38	55	55
(A) Publication Fees	11	11	11
(A) ICF/MR Reviews	389	420	420
Subtotal — Federal Funds	\$ 7,143	\$ 8,883	\$ 10,008
Subtotal — Augmentations	438	486	486
Total — Quality Assurance	\$ 11,697	\$ 13,862	\$ 15,074
Vital Statistics	4,866	5,147	5,195
(F) Cooperative Health Statistics	707	845	765
(F) Drake Health Registry	172	178	78
(A) Reimbursement for Microfilming	42	52	52
Total — Vital Statistics	\$ 5,787	\$ 6,222	\$ 6,090
State Laboratory	3,005	3,169	3,161
(F) Medicare — Health Services Agency Certification	185	207	207
(F) Training Network for State LABS		20	10
(F) Research LAB Testing Methodologies		90	19
(A) Licensure of Clinical Laboratories	363	378	378
(A) Blood Lead Testing	26	42	27
(A) Low Volume Proficiency Testing	127	131	144
(A) Lab Personnel Registry	2	2	2
(A) Drug Abuse Proficiency	124	133	135
Subtotal — Augmentations	\$ 642	\$ 686	\$ 686
Total — State Laboratory	\$ 3,832	\$ 4,172	\$ 4,083

^aIncludes recommended supplemental appropriation of \$485,000.

HEALTH

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
GENERAL GOVERNMENT: (continued)			
State Health Care Centers	\$ 13,878	\$ 14,259	\$ 13,704
(F) <i>Indochinese Refugees</i>	56	55	60
(F) <i>Disease Control Immunization</i>	434	739	782
(F) <i>PHHSBG — Health Education and Prevention</i>	567	700	700
(F) <i>PHHSBG — Hypertension Services</i>	1,183	1,375	1,375
(F) <i>PHHSBG — Fluoridation</i>	59	60	60
(F) <i>Medical Assistance — SHCC</i>	7	28	28
(F) <i>Chronic Disease Prevention and Control</i>	30	130	98
(A) <i>Early Periodic Screening, Diagnosis, Treatment</i>	20	22	22
(A) <i>Medical Assistance — SHCC</i>	5	5	5
(A) <i>Departmental Services</i>	8	9	9
Subtotal — Federal Funds	\$ 2,336	\$ 3,087	\$ 3,103
Subtotal — Augmentations	33	36	36
Total — State Health Care Centers	\$ 16,247	\$ 17,382	\$ 16,843
Vietnam Veterans Health Initiative Commission	211	219	184
Diabetes Task Force	397	432	434
(F) <i>Diabetes Control</i>	166	177	180
(F) <i>PHHSBG — Diabetes Task Force</i>	213	218	263
Total — Diabetes Task Force	\$ 776	\$ 827	\$ 877
AIDS Programs	2,638	2,883	2,888
PENNFREE — Aids Outreach	1,000 ^a	.....	.....
PENNFREE — Aids Programs	1,500	.....	.....
(F) <i>HIV Care</i> .....	.....	408	2,200
(F) <i>AIDS Health Education</i>	6,627	7,500	6,852
(F) <i>Home and Community Based HIV Health Services</i> .....	.....	400	.....
Subtotal — Federal Funds	\$ 6,627	\$ 8,308	\$ 9,052
Total — AIDS Program	\$ 11,765	\$ 11,191	\$ 11,940
Cancer Registry	915	1,020	885
Arthritis Task Force	176	159	159
Subtotal — State Funds	\$ 43,378	\$ 42,994	\$ 41,397
Subtotal — Federal Funds	20,883	27,290	28,782
Subtotal — Augmentations	11,971	12,489	13,448
Total — General Government	\$ 76,232	\$ 82,773	\$ 83,627
GRANTS AND SUBSIDIES:			
School Health Examinations	\$ 17,525	\$ 17,500	\$ 17,289
Local Health Departments	18,400	21,631	23,731
Local Health — Environmental	6,554	6,600	6,580
WIC—State Supplement	14,955	15,000	17,000
(F) <i>Women, Infants and Children (WIC)</i>	84,604	97,510	107,044
Maternal and Child Health	1,733	1,786	1,786
(F) <i>MCHSBG — Crippled Children</i>	6,381	7,620	7,870
(F) <i>MCHSBG — Maternal Services</i>	13,189	14,211	14,896
(F) <i>Expanding Genetic Services</i>	4	5	.....
(F) <i>MCHSBG — SSI Disabled Children</i>	918	950	1,000
(F) <i>Childhood Lead Poisoning Prevention</i> .....	.....	700	700
(F) <i>Injury Control</i> .....	.....	289	.....
(F) <i>SPRANS (Newborn Screening)</i>	35	105	.....
Subtotal — Federal Funds	\$ 20,527	\$ 23,880	\$ 24,466
Total — Maternal and Child Health	\$ 22,260	\$ 25,666	\$ 26,252
Occupational Disease Study	250 ^b	65 ^b	65

^aThis continuing appropriation will provide funds for both 1989-90 and 1990-91.

^bOriginally appropriated to the Department of Labor and Industry.

HEALTH

(Dollar Amounts in Thousands)

GENERAL FUND

GRANTS AND SUBSIDIES: (continued)

	1989-90 Actual	1990-91 Available	1991-92 Budget
Cancer Control and Prevention	\$ 3,652	\$ 4,000	\$ 4,000
(F) <i>Data-Based intervention Research</i>	96	201	175
Pittsburgh Cancer Institute	500	500	500
University of Pennsylvania Cancer Center	250	500	250
Assistance to Drug and Alcohol Programs	32,108	32,127	32,127
PENNFREE — Residential Drug Treatment	3,300 ^a	.....	.....
PENNFREE — Assistance to D&A Programs	6,000 ^a	.....	.....
PENNFREE — Student Assistance Program	4,500 ^a	.....	.....
PENNFREE — D&A Facilities Improvements	750 ^a	.....	.....
(F) <i>ADMSBG — Alcohol Services</i>	9,217	26,000	25,529
(F) <i>ADMSBG — Drug Services</i>	13,152	34,500	33,876
(F) <i>ADA — Substance Abuse</i>	3,459	.....	.....
(F) <i>Uniform Data Collection System</i>	33	320	300
(F) <i>Drug Abuse Treatment Time</i>	1,620	3,000	4,000
(F) <i>Community Youth Demonstration Program</i>	80	400	400
(F) <i>Community Youth Drug Program</i>	69	91	125
(F) <i>DFSC — Special Programs — Student Assistance Program</i>	1,150	1,000	1,000
(F) <i>Drug Abuse Improvement in Targeted Cities</i> .....	.....	4,500	4,500
(F) <i>Model Treatment for Critical Populations</i> .....	.....	2,000	548
(F) <i>Model Treatment for Correctional Settings</i> .....	.....	750	750
(F) <i>Model Treatment for Non-Incarcerated Persons</i> .....	.....	500	700
(A) <i>State Stores Fund Transfer</i>	469	633	514
Subtotal — Federal Funds	\$ 28,780	\$ 73,061	\$ 71,728
Total — Assistance to Drug and Alcohol Programs	\$ 75,907	\$ 105,821	\$ 104,369
Renal Dialysis	6,514	6,520	7,600
Emergency Medical Services	1,382	.....	.....
Spina Bifida	1,055	1,055	1,055
Home Ventilators	700	735	2,735
(F) <i>MA Home Ventilator</i>	1,120	1,140	.....
(A) <i>Medical Assistance — Ventilators</i>	658	860	.....
Total — Home Ventilators	\$ 2,478	\$ 2,735	\$ 2,735
Coal Workers Pneumoconiosis Services	350	550	550
(F) <i>Black Lung Clinic</i>	240	720	455
Total — Coal Workers Pneumoconiosis Services	\$ 590	\$ 1,270	\$ 1,005
Centerville Clinic	75	75	.....
Adult Cystic Fibrosis	184	200	208
VD Screening and Treatment	720	827	827
(F) <i>VD Survey and Follow-up</i>	793	1,100	1,002
Total — VD Screening and Treatment	\$ 1,513	\$ 1,927	\$ 1,829
Cooley's Anemia	205	205	205
Screening and Treatment — TB	513	562	562
(F) <i>Tuberculosis Control Program</i>	144	254	219
(F) <i>PHHSBG — Tuberculosis</i>	529	569	569
Total — Screening and Treatment - TB	\$ 1,186	\$ 1,385	\$ 1,350
Hemophilia	1,686	2,300	2,124
Sickle Cell Anemia	1,054	1,112	812
Sickle Cell Camps	36	36	36
Lupus Disease Research	80	85	85
Health Care Services NW	195	195	195

^aThis continuing appropriation will provide funds for both 1989-90 and 1990-91.

HEALTH

	(Dollar Amounts in Thousands)		
GENERAL FUND	1989-90 Actual	1990-91 Available	1991-92 Budget
<i>GRANTS AND SUBSIDIES: (continued)</i>			
Keystone State Games	\$ 200	\$ 200	\$ 200
Tourette Syndrome	100	100	.....
HIB Vaccine	290	290	290
Regional Poison Control Centers	1,575	1,575	.....
American Trauma Society	150	150	.....
Fox Chase Institute for Cancer Research	800	840	800
Wistar Institute — Research	246	246	246
Wistar Institute-AIDS	106	106	106
Cardiovascular Studies — University of Pennsylvania	137	137	137
Cardiovascular Studies — St. Francis Hospital	137	137	137
Central Pennsylvania Oncology Group	148	148	148
Burn Foundation	379	379	379
Cerebral Palsy — St. Christopher's Hospital—Operation and Maintenance	820	820	820
Home for Crippled Children, Pittsburgh	798	798	798
Cerebral Palsy — St. Christopher's Hospital — Handicapped Children's Clinic	146	146	146
Cleft Palate Clinic — Lancaster	58	58	58
Cleft Palate Clinic — Pittsburgh	58	58	58
Tay Sachs Disease — Jefferson Medical College	58	58	58
Subtotal — State Funds	\$ 131,432	\$ 120,412	\$ 124,703
Subtotal — Federal Funds	136,833	198,435	205,658
Subtotal — Augmentations	1,127	1,493	514
Total — Grants and Subsidies	\$ 269,392	\$ 320,340	\$ 330,875
STATE FUNDS	\$ 174,810	\$ 163,406	\$ 166,100
FEDERAL FUNDS	157,716	225,725	234,440
AUGMENTATION	13,098	13,982	13,962
GENERAL FUND TOTAL	\$ 345,624	\$ 403,113	\$ 414,502
 OTHER FUNDS			
<i>EMERGENCY MEDICAL SERVICES OPERATING FUND:</i>			
Emergency Medical Services	\$ 5,999	\$ 9,000	\$ 9,000
Catastrophic Medical and Rehabilitation	1,333	3,000	3,000
OTHER FUNDS TOTAL	\$ 7,332	\$ 12,000	\$ 12,000
 DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 174,810	\$ 163,406	\$ 166,100
FEDERAL FUNDS	157,716	225,725	234,440
AUGMENTATIONS	13,098	13,982	13,962
OTHER FUNDS	7,332	12,000	12,000
TOTAL ALL FUNDS	\$ 352,956	\$ 415,113	\$ 426,502

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
HEALTH SERVICES SUPPORT							
General Funds.....	\$ 17,508	\$ 18,562	\$ 17,679	\$ 18,209	\$ 18,756	\$ 19,319	\$ 19,899
Federal Funds.....	10,662	14,477	15,341	15,341	15,341	15,341	15,341
Other Funds.....	11,896	12,401	13,360	13,760	14,172	14,596	15,034
TOTAL.....	\$ 40,066	\$ 45,440	\$ 46,380	\$ 47,310	\$ 48,269	\$ 49,256	\$ 50,274
HEALTH RESEARCH							
General Funds.....	\$ 9,258	\$ 9,989	\$ 9,535	\$ 9,750	\$ 9,970	\$ 10,197	\$ 10,430
Federal Funds.....	1,258	1,418	1,286	1,286	1,286	1,286	1,286
Other Funds.....	42	52	52	54	56	58	60
TOTAL.....	\$ 10,558	\$ 11,459	\$ 10,873	\$ 11,090	\$ 11,312	\$ 11,541	\$ 11,776
PREVENTIVE HEALTH							
General Funds.....	\$ 83,866	\$ 85,661	\$ 88,980	\$ 89,478	\$ 89,990	\$ 90,518	\$ 91,062
Federal Funds.....	115,656	134,909	145,630	145,630	145,630	145,630	145,630
Other Funds.....	33	36	36	37	38	39	40
TOTAL.....	\$ 199,555	\$ 220,606	\$ 234,646	\$ 235,145	\$ 235,658	\$ 236,187	\$ 236,732
HEALTH TREATMENT SERVICES							
General Funds.....	\$ 17,520	\$ 17,067	\$ 17,779	\$ 18,412	\$ 19,077	\$ 19,776	\$ 20,509
Federal Funds.....	1,360	1,860	455	455	455	455	455
Other Funds.....	7,990	12,860	12,000	12,360	12,731	13,112	13,505
TOTAL.....	\$ 26,870	\$ 31,787	\$ 30,234	\$ 31,227	\$ 32,263	\$ 33,343	\$ 34,469
DRUG AND ALCOHOL ABUSE PREVENTION AND TREATMENT							
General Funds.....	\$ 46,658	\$ 32,127	\$ 32,127	\$ 32,127	\$ 32,127	\$ 32,127	\$ 32,127
Federal Funds.....	28,780	73,061	71,728	71,728	71,728	71,728	71,728
Other Funds.....	469	633	514	514	514	514	514
TOTAL.....	\$ 75,907	\$ 105,821	\$ 104,369	\$ 104,369	\$ 104,369	\$ 104,369	\$ 104,369
ALL PROGRAMS:							
GENERAL FUND.....	\$ 174,810	\$ 163,406	\$ 166,100	\$ 167,976	\$ 169,920	\$ 171,937	\$ 174,027
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	157,716	225,725	234,440	234,440	234,440	234,440	234,440
OTHER FUNDS.....	20,430	25,982	25,962	26,725	27,511	28,319	29,153
TOTAL.....	\$ 352,956	\$ 415,113	\$ 426,502	\$ 429,141	\$ 431,871	\$ 434,696	\$ 437,620

PROGRAM OBJECTIVE: To provide effective administration and support systems through which the substantive programs of the health delivery system and the department can be achieved.

Program: Health Support Services

Health support services include personnel, office services, budget, management and EDP functions. Also included in this program are Quality Assurance activities. The department operates the Public Health Laboratory whose main function is to maintain a state of readiness to support the investigation of disease outbreaks or threats to the public health.

The Quality Assurance Program conducts surveys of hospitals, nursing homes, home health agencies, primary care providers, and intermediate care facilities for the mentally retarded. The surveys determine compliance with standards for sanitation, fire safety, health and level of care required for Medicare and Medicaid certification and a State license. The department requests from the health care facility a plan for correction of deficiencies noted in the survey. The department's capability to accomplish additional duties related to Federal nursing home reform legislation has been strengthened through the provision of additional personnel in the Quality Assurance Program. As a result of an aggressive recruitment and training program for the nursing home and intermediate care facilities for the mentally retarded and safety inspection, these programs are presently inspecting facilities according to Federal timeliness. In addition, the program investigates patient

complaints.

The number of facilities required to be licensed is continuing to increase and additional duties relating to Federal legislation in nursing homes, hospitals and home health agencies have been added. The Department estimates an additional 40% increase in time requirements to perform nursing home surveys; home visits for home health surveys were increased by OBRA from 0 to 5 per survey. The frequency of these inspections and professional requirements for survey teams have increased also.

The 1991-92 Budget includes the required State and Federal funding necessary to continue this effort by providing funds to fill all authorized vacancies for the entire fiscal year.

The State laboratory performs approximately 17,000 tests for diseases including HIV, rabies, hypothyroidism, blood lead and phenylketonuria. The State Public Health Laboratory also supports disease prevention through the provision of testing services for both infectious and non-infectious diseases such as rabies, AIDS, Lyme Disease, hypothyroidism, phenylketonuria, and lead poisoning. In addition, it establishes and monitors the performance standards for 6,000 clinical and physician office laboratories in the Commonwealth.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Health care facilities in Pennsylvania percent of required surveys completed:							
Hospitals (biennially)	50%	75%	85%	100%	100%	100%	100%
Skilled and intermediate care nursing homes	90%	100%	100%	100%	100%	100%	100%
Intermediate care facilities/MR	90%	100%	100%	100%	100%	100%	100%
Home health agencies	63%	75%	70%	70%	70%	70%	70%
Psychiatric hospitals	95%	100%	100%	100%	100%	100%	100%

Measures are changed to reflect completion of required surveys in nursing homes and ICF-MR facilities to meet Federal certification requirements.

Program Recommendations:

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

	General Government Operations	State Laboratories	Quality Assurance
\$ -962	—nonrecurring projects.		\$ 194 —to provide for operating increase to meet OBRA Federal certification requirements.
		\$ 31	—to do additional certification surveys.
\$ -8	—nonrecurring projects.	-138	—decrease in equipment costs.
		\$ 87	—Appropriation Increase

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	\$ 10,387	\$ 10,900	\$ 9,938	\$ 10,236	\$ 10,543	\$ 10,859	\$ 11,185
State Laboratories	3,005	3,169	3,161	3,256	3,354	3,455	3,559
Quality Assurance	4,116	4,493	4,580	4,717	4,859	5,005	5,155
TOTAL GENERAL FUND	\$ 17,508	\$ 18,562	\$ 17,679	\$ 18,209	\$ 18,756	\$ 19,319	\$ 19,899

PROGRAM OBJECTIVE: To develop basic scientific knowledge of the nature of disease, illness, and environmental factors to improve the use of existing and new health resources and information.

Program: Health Research

The State Health Data Center, a designated State center for health statistics under P.L. 94-623, serves as the focal point in Pennsylvania for coordinating the collection, analysis and dissemination of health statistics and information. The center maintains statistical information on the health status of the population, including leading causes of death, life expectancy and infant mortality. The center handles about 3,500 requests for services each year. The Data Center conducts an annual survey of all hospitals, nursing homes and ambulatory supply centers in Pennsylvania to support the need for information on health resources and health services availability, utilization, staffing and patient characteristics.

The State Health Data Center's Vital Records Division is the repository for all records of births, deaths, fetal deaths, marriages and divorces which occurred to Pennsylvania residents.

In 1989-90 the Division of Vital Records continued the program initiative to automate the issuance of certified copies for birth and death records and to decrease the space required to house hard copy documents. This effort was to data enter birth records from 1924 to 1958 and microfilm 7 million birth records and 2.5 million death records. During the first year of this program (1988-89) 1,173 million birth data records were entered for the years 1925 through 1946 and 2.9 million birth data records were entered for the period 1947 through 1958. The final phase of this program will be completed in 1990-91 by the microfilming of the hard copy death records, eliminating the necessity of storing hard copy documents while realizing a leased space reduction.

The Department of Health administers diverse research projects and studies related to the etiology, distribution and trend of major diseases. The department also provides epidemiologic assessment of health problems that include environmental-occupational hazards, health risk behavior and life style of the general public or selected populations, and provides professional consultation and technical support for other agencies, county health departments and local municipalities.

The Pennsylvania Cancer Registry was established in fiscal year 1982-83 and is now operational Statewide with all hospitals reporting to the system. The registry serves as the focal point for definitive information concerning the manner in which cancer is affecting residents in Pennsylvania.

The department has initiated annual Statewide cancer incidence reports as well as selected reports on various types of cancers and population groups within the State. Data are now made available to cancer and health services researchers statewide.

Act 67 of 1987 created the Vietnam Veterans Health Initiative Commission in the Department of Health. The commission has three primary duties: the determination of what medical, administrative and social assistance is needed for veterans as a result of their Vietnam service; an outreach program; and finally to disseminate information to Vietnam veterans and their families.

The TMI Health Research Program continues to assess effects upon the local population of the low-level radiation incident of March 1979. These efforts include the following: a special study of pregnancy outcome within a ten mile radius of TMI; annual updates for TMI population registry and TMI mother/child registry; design of special analysis of morbidity and mortality continuous epidemiological surveillance around all nuclear plants in Pennsylvania.

The Diabetes Task Force within the Department of Health has responsibility for assessing programs and resources for diabetes and making recommendations relating to program needs. The Department's Advisory Board on Arthritis advises on clinical research on Arthritis and Lupus supported by the Department, as well as health services research to provide enhanced diagnostic and self-help programs throughout the Commonwealth.

In addition, the department funds research on cancer, rabies, AIDS, and Lupus disease.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Vital events (births, deaths, fetal deaths, marriages and divorces):							
Registered and processed	426,400	427,200	427,200	427,200	427,200	426,700	426,700
Percent registered and processed within 30 days	40%	40%	41%	42%	43%	43%	44%
Applications for certified copies of birth and death records:							
Filled	503,000	505,000	507,000	509,000	511,000	513,000	515,000
Percent filled within 10 days	81%	87%	94%	99%	99%	99%	99%
Cancer Registry:							
Abstracts received	79,700	80,150	82,150	84,200	86,300	88,400	90,500
Percent coded and keyed	75%	80%	85%	90%	95%	100%	100%
Prior year abstract backlog	50,000	30,000	25,000	20,000	15,000	. . . . .	. . . . .

Program: Health Research (continued)

Program Recommendations:

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

<p>TMI — Health Studies \$ -44 —nonrecurring projects.</p> <p>Vital Statistics \$ 48 —to continue current program.</p> <p>Fox Chase — Cancer Research \$ -40 —nonrecurring projects.</p>	<p>Vietnam Veterans Health Commission \$ -35 —nonrecurring projects.</p> <p>Diabetes Task Force \$ 2 —to continue current program.</p> <p>Cancer Registry \$ -135 —nonrecurring projects.</p> <p>University of Pennsylvania Cancer Center \$ -250 nonrecurring projects.</p>
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Other appropriations in this subcategory are recommended at current funding level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
TMI-Health Studies	\$ 290	\$ 313	\$ 269	\$ 277	\$ 285	\$ 294	\$ 303
Vital Statistics	4,866	5,147	5,195	5,351	5,512	5,677	5,847
Vietnam Veterans Health Commission ...	211	219	184	190	196	202	208
Fox Chase — Cancer Research	800	840	800	800	800	800	800
Wister Institute — Research	246	246	246	246	246	246	246
Wister Institute — AIDS Research	106	106	106	106	106	106	106
Lupus Disease	80	85	85	85	85	85	85
Cardiovascular Studies — Philadelphia ..	137	137	137	137	137	137	137
Cardiovascular Studies — Pittsburgh	137	137	137	137	137	137	137
Cancer Registry	915	1,020	885	912	939	967	996
University of Pennsylvania Cancer Center	250	500	250	250	250	250	250
Arthritis Task Force	175	159	159	164	169	174	179
Diabetes Task Force	397	432	434	447	460	474	488
Pittsburgh Cancer Institute	500	500	500	500	500	500	500
Central Penn Oncology	148	148	148	148	148	148	148
TOTAL GENERAL FUND	\$ 9,258	\$ 9,989	\$ 9,535	\$ 9,750	\$ 9,970	\$ 10,197	\$ 10,430

Program: Preventive Health (continued)

early detection. Cardiovascular risk factors in high risk populations are assessed and intervention prompted through blood pressure and blood cholesterol screening and educational approaches to reducing cardiovascular risks.

Public health programs are administered in part through a field structure consisting of six district offices and a network of health centers which serve all but five counties within the State. The remaining five counties and three municipalities are served by local health departments receiving grants from the department. The District Offices and State Health Care Centers also provide health maintenance services.

The Sexually Transmissible Disease Program provides clinical services for the diagnosis and treatment of sexually transmitted disease. These services are provided to insure that patients with suspected disease have access to diagnostic and treatment services, and also provide diagnosis and treatment to those who have been exposed to a sexually transmitted infection.

The Tuberculosis Control Program utilizes chest clinics that provide a complete program of services for persons with tuberculosis disease. This consists of bacteriological studies, periodic x-ray examinations, physician and nursing evaluations.

The School Health Program administers a Statewide program that provides health services for all school age children who are attending

an elementary, grade or high school, either public or private, and children who are attending a kindergarten which is an integral part of a local school district. The program reimburses 501 school districts and 7 vocational technical schools for a portion of the costs associated with providing medical, dental and nursing services.

The department has created a Tobacco Control Program which has the responsibility for the development, coordination and administration of a Statewide program. This program will initiate efforts to address the health affects of tobacco by collecting and analyzing baseline data related to existing smoking prevention and intervention projects; designing and implementing primary prevention and intervention programs; conducting Statewide public awareness/information programs; developing professional educational programs and develop and maintain a central clearinghouse of current information. This program has the responsibility for the implementing the Clean Indoor Air Law. Regulations, enforcement and complaint procedures have been developed and implemented. An educational program has been developed, and training for district, county and municipal staff involved in the local education/enforcement process is being implemented.

The department has also created an Injury Prevention Program to study the incidence of injury within the Commonwealth and to recommend interventions to eliminate risk factors associated with injury.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Women and Children's Programs:							
Percent low birth weight live births	6.9%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
High risk pregnant women in maternity care projects	29,939	29,468	20,463	20,463	20,463	20,463	20,463
Percent of Statewide pregnant teens served in maternity programs	16%	16%	16%	16%	16%	16%	16%
Average persons participating in women, infants and children programs each month	217,518	223,000	226,842	226,842	226,842	226,842	226,842
Other communicable disease programs:							
HIV tests at publically funded sites . . .	27,866	36,000	39,600	43,560	47,916	52,708	52,708
Percent of women screened found to have gonorrhea	1%	1%	1%	1%	1%	1%	1%
Communicable disease incidences reported:							
Gonorrhea	30,488	30,000	29,500	29,500	29,500	29,500	28,500
Infectious Syphilis	2,578	4,600	6,500	7,500	7,000	6,500	5,500
AIDS	1,133	1,674	1,986	2,383	2,860	3,430	3,930
Others (less animal bites)	10,000	11,000	12,000	12,000	12,000	12,000	12,000

Medical Assistance eligibility increased to 133% of poverty in April 1990. Some of the women formerly served in the high risk maternity care program are now eligible for MA coverage through the Healthy Beginnings program in the Department of Public Welfare. Full implementation of this program is expected to occur in 1991-92.

Program: Preventive Health (continued)

Program Recommendations:

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

<p>State Health Care Centers</p> <p>\$ 593 —to continue current program.</p> <p>19 —to provide for lab equipment.</p> <p><u>-1,167</u> —consolidation of health centers.</p> <p>\$ -555 <i>Appropriation Decrease</i></p> <p>AIDS Programs</p> <p>\$ 5 —to provide for a bi-lingual projects officer.</p> <p>—Initiative — Expansion of AIDS Services — \$2.2 million in Federal Ryan White Comprehensive AIDS funding will provide for the development and operation of eight new community based comprehensive care consortia. The consortia do AIDS needs assessments for their region and then develop a plan to meet the need in cooperation with a regional network of service providers. Of the \$2.2 million, \$986,000 will be allocated to the Department of Public Welfare for the AIDS special pharmaceutical benefit program.</p>	<p>School Health Examinations</p> <p>\$ -211 —to provide for a decrease in Average Daily Membership (ADM).</p> <p>Local Health Departments</p> <p>\$ 2,100 —to provide for an increase in per capita reimbursement rate.</p> <p>Local Health - Environmental</p> <p>\$ -20 —to provide for a decrease in population estimates.</p> <p>Women Infants and Children State Supplement</p> <p>\$ 2,000 —to provide increased participation.</p> <p>—PRR — Nutrition for Children and Families. This Program Revision will serve 3,477 additional participants in 1991-92. See the Program Revision following this program for further information.</p>
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Other appropriations in this subcategory are recommended at the current funding level or are discontinued.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
State Health Care Centers	\$ 13,878	\$ 14,259	\$ 13,704	\$ 14,115	\$ 14,538	\$ 14,974	\$ 15,423
AIDS Programs	2,638	2,883	2,888	2,975	3,064	3,156	3,251
PENNFREE — AIDS Outreach	1,000						
PENNFREE — AIDS Programs	1,500						
School Health Exams	17,525	17,500	17,289	17,289	17,289	17,289	17,289
Local Health Departments	18,400	21,631	23,731	23,731	23,731	23,731	23,731
Local Health — Environmental	6,554	6,600	6,580	6,580	6,580	6,580	6,580
WIC — State Supplement	14,955	15,000	17,000	17,000	17,000	17,000	17,000
Maternal and Child Health	1,733	1,786	1,786	1,786	1,786	1,786	1,786
Occupational Disease Study	250	65	65	65	65	65	65
Cancer Control, Prevention and Research	3,652	4,000	4,000	4,000	4,000	4,000	4,000
Screening and Treatment—TB	513	562	562	562	562	562	562
Screening and Treatment—VD	720	827	827	827	827	827	827
Keystone State Games	200	200	200	200	200	200	200
HIB Vaccine	290	290	290	290	290	290	290
Tay Sachs Disease	58	58	58	58	58	58	58
TOTAL GENERAL FUND	<u>\$ 83,866</u>	<u>\$ 85,661</u>	<u>\$ 88,980</u>	<u>\$ 89,478</u>	<u>\$ 89,990</u>	<u>\$ 90,518</u>	<u>\$ 91,062</u>

Program Revision: Nutrition for Children and Families

The Department of Health administers the State and Federally funded Special Supplemental Food Program for Women, Infants and Children (WIC). The purpose of the WIC program is to serve as an adjunct to good health care during critical periods of growth and development. This program provides food supplements and nutrition education to pregnant, postpartum and nursing women, and to infants and young children from families with inadequate income. Each participant is supplied with vouchers identifying the kinds and amounts of foods to be purchased at authorized retail or grocery stores and pharmacies. The program provides supplemental foods such as milk, cheese, infant formulas, cereals, juices, eggs and peanut butter.

WIC services are provided through 25 local agencies covering 67

counties. The program ensures WIC participants are under routine health care and that nutrition education and counseling are made available on a regular basis. Participants are also referred to other appropriate medical, health and social services in their community intended to promote the utilization of pediatric and obstetrical health care services, and to facilitate early intervention in health problems.

This Program Revision provides an additional \$2 million to make WIC food vouchers available to an additional 3,477 participants per month. Assuming the Federal grant increase is sufficient to cover food cost inflation for all program participants, this recommendation would provide sufficient State funds to increase total WIC participation from 223,365 to 226,842.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Average monthly participation							
Current	217,518	223,000	223,365	223,365	223,365	223,365	223,365
Program Revision .....	.....	.....	226,842	226,842	226,842	226,842	226,842

Program Revision Recommendations:

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

WIC State Supplement
 \$ 2,000 —to provide for 3,477 new participants per month.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
WIC State Supplement	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000

PROGRAM OBJECTIVE: To reduce morbidity and mortality due to disease and health defects by restoring the ill to the highest possible level of health with minimum involvement with the health care system.

Program: Health Treatment Services

Program Element: Inpatient Services

One of the principal concerns of patient management is to provide treatment services at the least expensive level of care that is consistent with standards of good medical practice. Inpatient hospital and nursing care is provided for only the most acute medical conditions that require the facilities and services available in an inpatient setting. Because inpatient care is very expensive, programs providing this type of care have imposed strict controls on admissions and, where possible, are using outpatient services to avoid hospital admissions. These controls and the implementation of the Diagnostic Related Group (DRG) payment mechanism account for fewer patients in the inpatient setting.

Some of the programs operated by the department which provide inpatient care are tuberculosis control, children's cardiac surgery, cleft palate, cystic fibrosis, orthopedic, speech, hearing, spina bifida, and other disabling conditions of children. The department's children's cardiac inpatient program provides intensive diagnostic procedures such as cardiac catheterization and echocardiograms.

Program Element: Outpatient Services

Outpatient treatment services are more economical and cost-effective than inpatient care and are utilized whenever possible to provide needed treatment services for chronic respiratory diseases, physical rehabilitation and reconstruction, chronic diseases other than respiratory, catastrophic blood disorders and acute conditions.

The department provides extensive outpatient support services to persons with chronic respiratory diseases. The Coal Workers' Chronic Respiratory Disease Program provides screening, diagnostic, rehabilitative, educational, referral and follow-up care to all miners ill with pulmonary disease within the Commonwealth.

A Home Ventilator Program for children with chronic respiratory failure is administered by the Children's Hospital of Philadelphia. This program permits 34 children with chronic respiratory problems to have life support equipment and nursing care in their homes.

The Orthopedic Program provides outpatient care to children suffering from orthopedic conditions, amputations, and other related conditions. Services include: prosthetics, orthotics, orthopedic shoes, therapeutic and support services.

The Cleft Palate Program provides comprehensive services which include but are not limited to pediatrics, plastic surgery, general dentistry, orthodontia, prosthodontics, etc., to children under 21 years of age.

The Spina Bifida Program assists patients and their families with some of the health care costs not covered by insurance or other third party resources. The Hemophilia Program consists of eight specialized centers which offer comprehensive evaluation, rehabilitation services and blood products for hospital, outpatients or home use. Patients must be registered with a program to receive these benefits and insure their third party resources are used before State program funds are expended.

Sickle Cell Anemia is a genetically determined red blood cell disorder which affects approximately 2 percent of the black population in Pennsylvania. Patients receive medical and psycho-social services at six Sickle Cell centers.

Cooley's Anemia is found predominantly in individuals of Mediterranean ancestry. While the incidence of Cooley's Anemia cannot be estimated, currently there are 43 patients receiving care under this program.

The Chronic Renal Disease Program provides chronic dialysis, renal transplantation, drugs including cyclosporine, certain physician fees, medical supplies and transportation services to persons having chronic renal failure. During 1987-88 a program was initiated to reimburse renal transplant patients for the cost of cyclosporine retroactively effective to January 1987. The Renal Disease program also supports an organ donor program that promotes transplantation which is less expensive than dialysis and improves the quality of life of kidney patients.

The department provides comprehensive treatment services to diagnosed phenylketonuria (PKU) infants.

The Department of Health administers a program for planning, developing, and upgrading Emergency Medical Services (EMS) Systems throughout the Commonwealth, including the licensing of ambulance services. Funding is made available through the Emergency Medical Services Operating Fund.

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.

The SSI-Disabled Children's Program provides rehabilitative services to children with special health care needs who meet the eligibility criteria of the U.S. Social Security Administration.

The Care Coordination Program provides an integrated and coordinated network of services at the local level to children with special health care needs and their families.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Inpatient Services							
Persons receiving inpatient hospital care from department programs	785	785	790	790	796	796	796
Outpatient Services							
Children and adults receiving outpatient treatment through department supported programs:							
Cardiac	3,145	3,160	3,175	3,190	3,205	3,215	3,225
Cleft palate	3,200	3,200	3,200	3,200	3,200	3,200	3,200
Cystic fibrosis	1,014	1,060	1,110	1,160	1,210	1,260	1,480
Hemophilia	972	1,016	1,035	1,042	1,047	1,050	1,055

Program: Health Treatment Services (continued)

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Children and adults receiving outpatient treatment through department supported programs: (continued)							
Speech and hearing	19,900	19,900	19,900	19,900	19,900	19,900	19,900
Orthopedic	5,100	5,100	5,100	5,100	5,100	5,100	5,100
Phenylketonuria	515	520	525	530	535	540	545
Epilepsy	370	375	380	385	385	385	385
Renal Disease	10,231	11,281	12,281	13,231	14,231	15,231	16,231
Cooley's Anemia	43	43	44	46	47	48	49
Sickle Cell Anemia	1,450	1,500	1,550	1,600	1,650	1,700	1,750
Spina Bifida	1,638	1,658	1,680	1,700	1,725	1,750	1,775
Home Ventilators	33	34	34	35	35	36	36
Chronic respiratory disease	4,000	4,000	4,000	4,000	4,000	4,000	4,000

Program Recommendations:

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

<p>Renal Dialysis \$ 1,080 —to provide for increase in the number of patients and in medical costs.</p> <p>Home Ventilators \$ 2,000 —to provide 100% State support for in-home care of 34 children. State Fund increase needed to offset the discontinuation of State and Federal Medical Assistance funding.</p> <p>Sickle Cell Anemia \$ -300 —nonrecurring project.</p> <p>Tourette Syndrome \$ -100 —nonrecurring project.</p>	<p>American Trauma Society \$ -150 —nonrecurring project.</p> <p>Adult Cystic Fibrosis \$ 8 —to continue current program.</p> <p>Hemophilia \$ -176 —nonrecurring project.</p> <p>Centerville Clinic \$ -75 —nonrecurring project.</p> <p>Regional Polson Control Centers \$ -1,575 —nonrecurring project.</p>
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Other appropriations in this subcategory are recommended at the current funding level or are discontinued.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Renal Dialysis	\$ 6,514	\$ 6,520	\$ 7,600	\$ 7,980	\$ 8,379	\$ 8,798	\$ 9,238
Emergency Health Services	1,382						
Spina Bifida	1,055	1,055	1,055	1,055	1,055	1,055	1,055
Home Ventilators	700	735	2,735	2,872	3,015	3,166	3,324
Coalworkers Pneumoconiosis	350	550	550	550	550	550	550
Centerville Clinic	75	75					
Adult Cystic Fibrosis	184	200	208	218	229	241	253
Cooley's Anemia	205	205	205	205	205	205	205
Hemophilia Treatment	1,686	2,300	2,124	2,230	2,342	2,459	2,582
Sickle Cell Anemia	1,054	1,112	812	812	812	812	812
Sickle Cell Camps	36	36	36	36	36	36	36
Health Care Services NW	195	195	195	195	195	195	195
Regional Polson Control Centers	1,575	1,575					
Tourette Syndrome	100	100					
American Trauma Society	150	150					
Burn Foundation	379	379	379	379	379	379	379
Cerebral Palsy—St. Christopher's Hospital ..	820	820	820	820	820	820	820
Home for Crippled Children	798	798	798	798	798	798	798
Cerebral Palsy—Handicapped Children's Clinic	146	146	146	146	146	146	146
Cleft Palate — Lancaster	58	58	58	58	58	58	58
Cleft Palate — Pittsburgh	58	58	58	58	58	58	58
TOTAL GENERAL FUND	\$ 17,520	\$ 17,067	\$ 17,779	\$ 18,412	\$ 19,077	\$ 19,776	\$ 20,509

PROGRAM OBJECTIVE: To provide educational, intervention, and treatment programs to reduce drug and alcohol abuse and dependency.

Program: Drug and Alcohol Abuse Prevention and Treatment

This program provides counties with funding to purchase drug and alcohol services. Single County Authorities (SCA) prepare prevention, intervention and treatment plans tailored to the needs within their respective geographic locale. The department approves these plans and formulates a Statewide program.

Prevention activities provide current information on the effects of drugs and alcohol. The prevention program's goal is to assist individuals in developing or improving skills that will enable them to choose a lifestyle free of substance abuse. This is done through educational sessions, workshops, media presentations, and an information clearinghouse, ENCORE, operated by the department. Primary emphasis has been given to youth, and a special curriculum is now used in most school districts to address the drug and alcohol problem.

Intervention services provide support to those individuals affected by drug or alcohol problems. Services include information hotlines, drop-in centers, alcohol safety programs and occupational programs. The

Student Assistance Program (SAP) provides school personnel with the knowledge and skills needed to identify students using alcohol or drugs. Students are referred to professional evaluators and if needed, receive treatment services. Also made available are special services designed to divert certain criminal offenders into rehabilitation programs.

Treatment services are funded in hospitals, prisons, shelters, residential units, day care and outpatient programs. Treatment often consists of short-term detoxification followed by a longer term rehabilitation. Most inpatient services are rendered in a non-hospital setting. Outpatient services may follow discharge from a residential program; however many persons are initially treated in the outpatient modality. Typically, admissions to treatment are approximately 50 percent drug related and 50 percent alcohol related. Males represent 72 percent of all treatment admissions. After alcohol, the second most predominant drug abuse problem is cocaine use. Multiple drug use is also a problem.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Prevention Services:							
School personnel trained by Student Assistance Program	6,420	7,240	9,220	10,919	12,518	14,060	14,730
School districts participating in Student Assistance Program	480	500	500	500	500	500	500
Students referred for assessment by Student Assistance Programs	4,284	4,300	4,550	4,800	5,050	5,518	5,518
Treatment Services:							
Residential programs licensed/approved ..	260	291	291	291	291	291	291
Outpatient programs licensed/approved ..	374	419	419	419	419	419	419
Patients enrolled in treatment:							
Male	50,304	54,742	54,742	54,742	54,742	54,742	54,742
Female	19,564	21,288	21,288	21,288	21,288	21,288	21,288
Admissions with primary diagnosis:							
Drug abuse	34,934	38,016	38,016	38,016	38,016	38,016	38,016
Alcohol abuse	34,934	38,014	38,014	38,014	38,014	38,014	38,014
Percent of admissions completing treatment	37.5%	38.0%	38.0%	38.0%	38.0%	38.0%	38.0%

Program: Drug and Alcohol Abuse Prevention and Treatment (continued)

Program Recommendations:

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

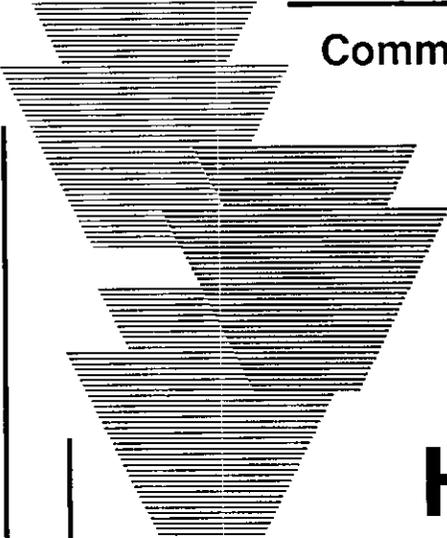
Assistance to Drug and Alcohol Program

—The PENNFREE Drug and Alcohol Program appropriations were one-time continuing appropriations. In addition to \$32.1 million in State funds, \$61 million in Federal funds from the Alcohol Drug Abuse and Mental Health Block Grant (ADMSBG) support this program in Health.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Assistance to Drug and Alcohol Programs	\$ 32,108	\$ 32,127	\$ 32,127	\$ 32,127	\$ 32,127	\$ 32,127	\$ 32,127
PENNFREE — Residential Drug Treatment	3,300 ^a						
PENNFREE — Assistance to D&A Programs	6,000 ^a						
PENNFREE — Student Assistance Program	4,500 ^a						
PENNFREE — D&A Facilities Improvements	750 ^a						
TOTAL GENERAL FUND	\$ 46,658	\$ 32,127	\$ 32,127	\$ 32,127	\$ 32,127	\$ 32,127	\$ 32,127

^aThis continuing appropriation provides funds for both 1989-90 and 1990-91.



Commonwealth of Pennsylvania

Higher Education Assistance Agency

The Higher Education Assistance Agency provides financial aid to higher education students in the form of grants, loans and employment opportunities through the coordination of State and Federal aid programs. In addition the agency provides institutional assistance grants to private institutions enrolling students who participate in the grant program and administers the Information Technology Education program.

HIGHER EDUCATION ASSISTANCE AGENCY

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1991-92 State Funds (In thousands)
GENERAL FUND		
Aid to Students	Grants to Full-Time Students	\$ 14,442
This Program Revision provides a 10 percent increase in the amount of grant money available to full-time students at post-secondary institutions.		
DEPARTMENT TOTAL		<u>\$ 14,442</u>

HIGHER EDUCATION ASSISTANCE AGENCY

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
<i>GRANTS AND SUBSIDIES:</i>			
Grants to Full-Time Students	\$ 127,780	\$ 140,558	\$ 155,000
College Work Study	6,350	6,350	6,350
Institutional Assistance Grants	26,447	29,092	29,092
Equal Opportunity Professional Education	750	750	750
Loan Forgiveness	2,049	2,922	3,740
Computer Training	2,880	2,880	. . . .
Computer Purchases	3,900	3,900	. . . .
GENERAL FUND TOTAL	\$ 170,156	\$ 186,452	\$ 194,932
OTHER FUNDS			
<i>HIGHER EDUCATION ASSISTANCE FUND:</i>			
Reserve for Losses on Guaranteed Loans	\$ 70,043	\$ 108,496	\$ 135,620
State/Federal Administration Reserve	64,675	67,909	71,305
Contract Servicing	45,675	54,075	56,779
Paul Douglas Teacher Scholarship	816	844	844
State Student Incentive Grant	3,177	3,157	2,599
Transfers and Interest Augmenting State Appropriations	5,339	5,873	6,461
Supplemental Loan Account	1,842	1,935	2,032
Loan Sale Discount Account	3,887	. . . .	. . . .
Administration Augmentations	11,206	11,206	11,206
OTHER FUNDS TOTAL	\$ 206,660	\$ 253,495	\$ 286,846
DEPARTMENT TOTAL -- ALL FUNDS			
GENERAL FUND	\$ 170,156	\$ 186,452	\$ 194,932
OTHER FUNDS	206,660	253,495	286,846
TOTAL ALL FUNDS	\$ 376,816	\$ 439,947	\$ 481,778

HIGHER EDUCATION ASSISTANCE AGENCY

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
	ACTUAL	AVAILABLE	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED
FINANCIAL ASSISTANCE TO STUDENTS							
General Funds.....	\$ 136,929	\$ 150,580	\$ 165,840	\$ 165,840	\$ 165,840	\$ 165,840	\$ 165,840
Other Funds.....	206,660	253,495	286,846	286,846	286,846	286,846	286,846
TOTAL.....	\$ 343,589	\$ 404,075	\$ 452,686	$ 452,686	$ 452,686	$ 452,686	$ 452,686
FINANCIAL ASSISTANCE TO INSTITUTIONS							
General Funds.....	\$ 26,447	\$ 29,092	\$ 29,092	\$ 29,092	\$ 29,092	\$ 29,092	\$ 29,092
TOTAL.....	\$ 26,447	\$ 29,092	$ 29,092	$ 29,092	$ 29,092	$ 29,092	$ 29,092
INFORMATION TECHNOLOGY EDUCATION							
General Funds.....	\$ 6,780	\$ 6,780	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL.....	\$ 6,780	\$ 6,780	\$ 0	$ 0	$ 0	$ 0	$ 0
ALL PROGRAMS:							
GENERAL FUND.....	\$ 170,156	\$ 186,452	\$ 194,932	\$ 194,932	\$ 194,932	\$ 194,932	\$ 194,932
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	206,660	253,495	286,846	286,846	286,846	286,846	286,846
TOTAL.....	\$ 376,816	\$ 439,947	\$ 481,778	$ 481,778	$ 481,778	$ 481,778	$ 481,778

HIGHER EDUCATION ASSISTANCE AGENCY

PROGRAM OBJECTIVE: To provide financial assistance to Commonwealth residents in order to promote access to institutions of higher education.

Program: Financial Assistance to Students

The Pennsylvania Higher Education Assistance Agency (PHEAA) provides three kinds of financial assistance to students in the form of grants, work study awards and guaranteed student loans. Funds for the various financial assistance programs flow through the Higher Education Assistance Fund.

Direct grants to students are funded by an annual appropriation from the General Fund and interest earnings from the deposit of that appropriation in the PHEAA Fund. The PHEAA Board annually determines by regulation the distribution of funds to applicants on criteria including family income, family size and the cost of the institution the student will be attending.

The objective of the program is to reduce financial barriers and thereby provide access to higher education for all Commonwealth residents and, within the limits of the resources available, help to provide freedom of choice between public colleges and universities and private universities, colleges and postsecondary schools.

The Guaranteed Student Loan Program, established by the Federal Government and administered by PHEAA, enables students to secure long-term loans from lending institutions. Act 330 of 1982, amended by

Act 5 of 1983, authorized the issuance of tax-exempt bonds to fund a supplemental student loan program for students who need additional assistance. PHEAA includes in this program funds for parents to obtain loans for the education of their children and a special loan program for students in the health professions.

The College Work Study Program provides funds to match Federal and other funds for work study awards which students earn through several on-campus and off-campus job opportunities. The on-campus programs generally provide employment in campus services; off-campus programs place students in work related to the course of study. The program also funds professional development of financial aid personnel.

The Equal Opportunity Professional Education Program provides grants to minority graduates of Lincoln and Cheyney Universities to enter graduate programs of the Commonwealth Universities.

The Loan Forgiveness Program provides loan forgiveness to graduating students who agree to teach in underserved urban and rural areas. The loans can be forgiven in amounts up to \$2,500 each year for four years.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Grants to Full-Time Students:							
Applications for grants	273,157	285,597	297,020	308,900	321,260	334,110	347,470
Applications for grants processed	195,671	196,958	204,840	213,030	221,550	230,410	239,630
Applicants enrolled full-time eligible for and receiving grants	125,141	127,748	130,220	135,430	140,850	146,480	152,340
Percent of applicants assisted	64.0%	64.9%	63.6%	63.6%	63.6%	63.6%	63.6%
Grants as percent of educational costs ..	14.2%	14.3%	14.1%	14.1%	14.1%	14.1%	14.1%
College Work Study:							
Students assisted by Federal college based student aid (matching fund) programs	104,007	90,628	90,650	90,650	90,650	90,650	90,650
College work study jobs made available by off-campus employers	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Students work study earnings (in millions)	\$2.5	\$3.0	\$3.0	\$3.2	\$3.2	\$3.2	\$3.2
Student Loans:							
Students receiving guaranteed loans	353,297	363,856	374,522	380,410	386,326	391,271	396,245

Applications for grants and applications for grants processed are projected to increase approximately 4 percent per year based on historical trends.

Students assisted by Federal college based student aid programs are estimated to drop in 1990-91 since a decision has been made to emphasize the State college work study program.

Program Recommendations:

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

Grants to Full-Time Students
 \$ 14,442 —PRR — Aid to Students. Fifth year of commitment to increase student grant funds by 10 percent annually. See the Program Revision following this program for further information.

Loan Forgiveness
 \$ 818 —to fund 1,351 loan renewals and 550 new loan forgiveness applicants.

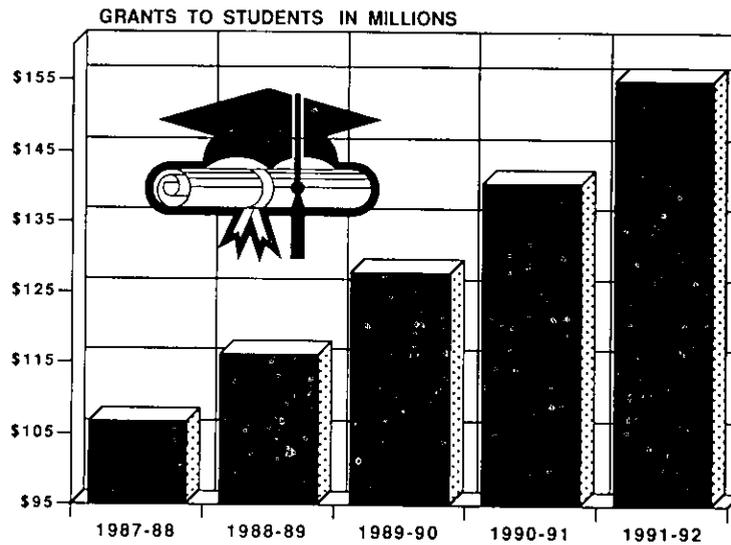
Other appropriations in this program are continued at current year levels.

HIGHER EDUCATION ASSISTANCE AGENCY

Program: Financial Assistance to Students (continued)

Student Aid

Higher Education Assistance Agency



Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Grants to Full-Time Students	\$ 127,780	\$ 140,558	\$ 155,000	\$ 155,000	\$ 155,000	\$ 155,000	\$ 155,000
College Work Study	6,350	6,350	6,350	6,350	6,350	6,350	6,350
Equal Opportunity Professional Education	750	750	750	750	750	750	750
Loan Forgiveness	2,049	2,922	3,740	3,740	3,740	3,740	3,740
TOTAL GENERAL FUND	\$ 136,929	\$ 150,580	\$ 165,840	\$ 165,840	\$ 165,840	\$ 165,840	\$ 165,840

HIGHER EDUCATION ASSISTANCE AGENCY

Program Revision: Aid to Students

As tuition costs rise, access to a postsecondary education becomes more difficult for both low and middle income families. The Commonwealth has been committed to reducing cost as an obstacle to individuals gaining access to the State's higher education system. This Program Revision ensures that the Commonwealth continues to meet this commitment by increasing grants to needy full-time students.

The State Higher Education Grant Program provides grants to needy Pennsylvania residents who are pursuing a postsecondary education

on a full-time basis. The 10 percent increase provided by this Program Revision will enable the Pennsylvania Higher Education Assistance Agency (PHEAA) to increase the maximum grant amount to \$2,300, a \$100 increase over the amount available during 1990-91. The average State grant for all recipients is also expected to increase about \$100 to \$1,450 compared to the \$1,347 average grant award amount for the 1990-1991 academic year. Also, grants will be available for a projected two percent increase in the number of eligible applicants.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Full-time student applications							
Current	273,157	285,597	285,597	285,597	285,597	285,597	285,597
Program Revision .....	.....	.....	297,020	297,020	297,020	297,020	297,020
Applicants eligible for grants							
Current	125,121	127,748	127,748	127,748	127,748	127,748	127,748
Program Revision .....	.....	.....	130,220	130,220	130,220	130,220	130,220

Program Revision Recommendations:

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

Grants to Full-Time Students
 \$14,442 —to increase the maximum grant amount by \$100 and the number of recipients by 2,472.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Grants to Full-Time Students	\$14,442	\$14,442	\$14,442	\$14,442	\$14,442

HIGHER EDUCATION ASSISTANCE AGENCY

PROGRAM OBJECTIVE: To assist independent postsecondary institutions to maintain enrollments and stabilize their educational costs thereby promoting access to institutions in all sectors for Pennsylvania students.

Program: Financial Aid to Institutions

The Institutional Assistance Grants Program, which began in 1974, provides grants to assist independent postsecondary institutions which are nonprofit, nondenominational and nonrecipients of direct State appropriations.

The appropriated funds provide equal per capita grants to the schools based on the number of student grant recipients enrolled during the academic year.

The program helps to preserve and develop the diverse system of higher education in Pennsylvania by allowing private colleges and universities to stabilize their educational costs and maintain enrollments. It recognizes the desirability of helping independent institutions remain fiscally sound and serves to promote full student access to institutions in all sectors by assisting student attendance at Pennsylvania independent colleges and universities.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Grant recipients enrolled at eligible independent institutions	30,977	32,143	32,326	32,326	32,326	32,326	32,326
Per capita grant	\$864	\$939	\$939	\$939	\$939	\$939	\$939
Eligible institutions	90	88	88	88	88	88	88

Program Recommendations:

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

Institutional Assistance Grants
—continued at current year level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Institutional Assistance Grants	\$ 26,447	\$ 29,092	\$ 29,092	\$ 29,092	\$ 29,092	\$ 29,092	\$ 29,092

HIGHER EDUCATION ASSISTANCE AGENCY

PROGRAM OBJECTIVE: To provide teacher training and computer equipment to elementary and secondary schools.

Program: Information Technology Education

The Information Technology Education Act of 1984 established a teacher education and computer purchase program designed to strengthen the computer skills of teachers and students in the Commonwealth's elementary and secondary schools.

Fourteen regional computer resource centers and four outreach sites reflecting the Commonwealth's demography provide access to teachers from all areas of the State. Teachers are trained at these sites in the classroom use of computers and on available software. In addition, new software is reviewed and made available at the centers for periodic review by teachers in the area. Staff in the program also aid schools by

designing computer oriented elementary and secondary school curricula.

Schools in need of computer hardware and software submit requests to the Pennsylvania Higher Education Assistance Agency (PHEAA) which are reviewed in terms of the comprehensive plan developed by the district for equipment and course materials, the equipment currently available to the district and the district aid ratio. Equipment is then purchased with funds appropriated for the program. For districts who are purchasing equipment with their own funds, the staff provides aid in selecting and coordinating equipment. Equipment is also purchased for loan to nonpublic schools.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Teachers trained in microcomputer education	3,190	2,980	.....	.....	.....	.....	.....
New classrooms using microcomputers ..	79	80	.....	.....	.....	.....	.....
Teachers using program hardware and courseware	41,680	44,000	.....	.....	.....	.....	.....

Teachers trained in microcomputer education during 1990-91 is estimated to decrease due to level State funding and increased tuition costs.

The measure of teachers using program hardware and courseware shows the sum of all teachers who have received training through this program in how to use the computer and its use in the classroom and those teachers who have attended software demonstrations at the training and outreach sites to select courseware for their classrooms.

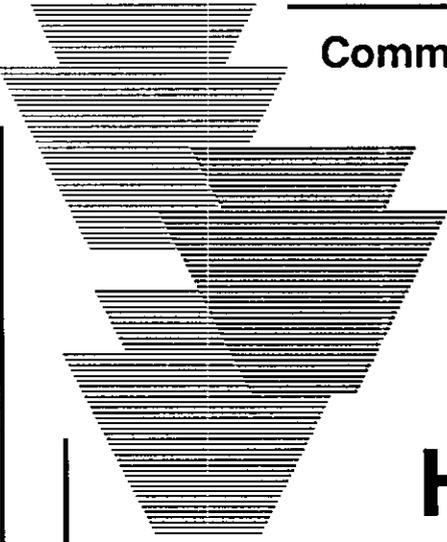
Program Recommendations:

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

These programs are not funded for the budget year. The Information Technology Education Act sunsets June 30, 1992.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Computer Training	\$ 2,880	\$ 2,880	.....	.....	.....	.....	.....
Computer Purchases	3,900	3,900	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 6,780	\$ 6,780	.....	.....	.....	.....	.....



Commonwealth of Pennsylvania

Historical and Museum Commission

The Historical and Museum Commission is the official agency for the conservation and presentation of Pennsylvania's historic heritage. In executing its responsibilities, the commission provides educational and recreational facilities to the public through historical, archaeological, and museum research, administration of public records, museum exhibition and interpretation, and historic site development.

HISTORICAL AND MUSEUM COMMISSION

Summary by Fund and Appropriation

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 13,081	\$ 13,791	\$ 12,519
(F) Historic Preservation	750	1,000	850
(F) Penn Central Railroad Historical Records	24	.....	.....
(F) Land Records Microfilming .....	.....	100	.....
(F) Records Preservation .....	.....	100	.....
(F) Surface Mining Study	24	25	25
(F) Coastal Zone Management	42	.....	.....
(A) Hope Lodge Fund	35	30	30
(A) Historical Preservation Fund	240	250	250
(A) Land Records	12	15	15
(A) Rental of Historic Sites and Properties .....	.....	50	50
Columbus Day Celebration	300	299	150
Maintenance Program	1,500	817	917
Subtotal — State Funds	\$ 14,881	\$ 14,907	\$ 13,586
Subtotal — Federal Funds	840	1,225	875
Subtotal — Augmentations	287	345	345
Total — General Government	<u>\$ 16,008</u>	<u>\$ 16,477</u>	<u>\$ 14,806</u>
GRANTS AND SUBSIDIES:			
Museum Assistance	\$ 725	\$ 875	\$ 412
Humanities Council	100	100	75
University of Pennsylvania Museum	190	190	190
Carnegie Museum	190	190	190
Franklin Institute	625	575	575
Academy of Natural Sciences	351	351	351
Buhl Science Center	190	190	190
Museum of Philadelphia Civic Center	190	190	190
Afro-American Historical and Cultural Museum	169	269	269
Everhart Museum	35	35	35
Morris Arboretum	400	400	.....
Eisenhower Centennial .....	.....	100	.....
Total — Grants and Subsidies	<u>\$ 3,165</u>	<u>\$ 3,465</u>	<u>\$ 2,477</u>
STATE FUNDS	\$ 18,046	\$ 18,372	\$ 16,063
FEDERAL FUNDS	840	1,225	875
AUGMENTATIONS	287	345	345
GENERAL FUND TOTAL	<u>\$ 19,173</u>	<u>\$ 19,942</u>	<u>\$ 17,283</u>
OTHER FUNDS			
GENERAL FUND:			
Preservation of Historic Sites and Properties	\$ 333	\$ 350	\$ 350
Hope Lodge	35	30	30
OTHER FUNDS TOTAL	<u>\$ 368</u>	<u>\$ 380</u>	<u>\$ 380</u>
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUNDS	\$ 18,046	\$ 18,372	\$ 16,063
FEDERAL FUNDS	840	1,225	875
AUGMENTATIONS	287	345	345
OTHER FUNDS	368	380	380
TOTAL ALL FUNDS	<u>\$ 19,541</u>	<u>\$ 20,322</u>	<u>\$ 17,663</u>

HISTORICAL AND MUSEUM COMMISSION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
STATE HISTORIC PRESERVATION							
General Funds.....	\$ 14,981	\$ 15,007	\$ 13,661	\$ 13,912	\$ 14,299	\$ 14,697	\$ 15,107
Federal Funds.....	840	1,225	875	925	925	1,025	1,025
Other Funds.....	655	725	725	730	730	730	730
TOTAL.....	\$ 16,476	\$ 16,957	\$ 15,261	\$ 15,567	\$ 15,954	\$ 16,452	\$ 16,862
MUSEUM DEVELOPMENT AND OPERATION							
General Funds.....	\$ 3,065	\$ 3,365	\$ 2,402	\$ 2,865	\$ 2,865	\$ 2,865	\$ 2,865
TOTAL.....	\$ 3,065	\$ 3,365	\$ 2,402	\$ 2,865	\$ 2,865	\$ 2,865	\$ 2,865
ALL PROGRAMS:							
GENERAL FUND.....	\$ 18,046	\$ 18,372	\$ 16,063	\$ 16,777	\$ 17,164	\$ 17,562	\$ 17,972
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	840	1,225	875	925	925	1,025	1,025
OTHER FUNDS.....	655	725	725	730	730	730	730
TOTAL.....	\$ 19,541	\$ 20,322	\$ 17,663	\$ 18,432	\$ 18,819	\$ 19,317	\$ 19,727

HISTORICAL AND MUSEUM COMMISSION

PROGRAM OBJECTIVE: To manage and safeguard Pennsylvania's historic resources through a comprehensive history and museum program to educate, and to interpret, research and preserve all areas of Pennsylvania history.

Program: State Historic Preservation

The State Historical Preservation Program administered by the Historical and Museum Commission is comprised of five major elements. These elements include: Executive Direction and Administration; Pennsylvania State and Local Records; Historic Site and Museum Operations; Historic Preservation; and Professional History and Museum Support Services.

Program Element: Executive Direction and Administration

This element provides general policy and direction for administering the commission's operations. It includes personnel management, procurement, financial grant administration, fiscal and revenue management, and other services. In addition, it serves to administer a Property Management and Lease Program through cooperative agreements with management groups or profit and non-profit organizations to operate, maintain and utilize alternative use historic sites, buildings and agriculture lands under the custody of the commission.

Program Element: State and Local Records

This element is supported by the State Archives and Land Office. The State Archives is responsible for: the evaluation of State and political subdivision records of the Commonwealth to determine administrative, legal or historical value; records disposition requests and the development of appropriate records management and archival programs; accessing of records, manuscripts and materials deemed appropriate for placement in the State Archives. The commission's archival program also provides information, microfilms, photographs and other materials, and makes available finding aids and guides for researchers and the general public. The Land Office maintains and preserves the records of the first titles acquired by the proprietaries and the Commonwealth to all the lands within Pennsylvania's boundaries, the conveyances and purchasers of the land; papers relating to the surveys of the State boundary lines; maps and other papers pertaining to the colonial history of Pennsylvania.

Program Element: Historic Site and Museum Operations

This element supports the operation of twenty-eight (28) historic

sites and museums throughout the Commonwealth. This program is managed through a regionalized system and provides educational, collections and exhibition programs for interpreting Pennsylvania history. Cooperative initiatives with associate organizations on educational and public events and programs presenting rural and urban life along with lectures and seminars, curatorial methods and ethnic studies are also utilized. A Mobile Museum Program which brings Pennsylvania history to the people is administered by the State Museum. This element is also responsible for administration of museum assistance grants.

Program Element: Historic Preservation

This element is responsible for the identification, protection and enhancement of buildings, structures and districts of historic and architectural significance within the Commonwealth. It provides for the infusion of Federal funds from the Department of the Interior to enhance the economic base of many communities in Pennsylvania; a survey and a National Register nomination program; the maintenance and information network providing direction and assistance to local preservation organizations; the administration of an archaeological program to improve policies and procedures and provide direction to the professional and advocational community; and, to preserve and protect endangered historic public and private buildings, structures and landmarks through a non-profit, Statewide revolving fund.

Program Element: Professional History and Museum Support Services

This element is responsible for providing a comprehensive program of support services. This element serves to coordinate and implement a historic collections inventory system, exhibition program, sales and publications program, and development and implementation of a marketing strategy, as they relate to history. Through historic sites and museums, the commission provides architectural and design services to support a major program of preservation maintenance for all buildings and structures assigned to the commission's custody. This element is also responsible for developing professional policies, procedures and standards to ensure that the commission's programs are carried out in the best interests of the Commonwealth.

HISTORICAL AND MUSEUM COMMISSION

Program: State Historic Preservation (continued)

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
State and Local Records							
Pages of archives and historical manuscripts (in thousands)	121,177	130,000	140,000	150,000	160,000	170,000	180,000
Service request responses History, Archives and Land Records	73,488	74,000	75,000	76,000	77,000	78,000	79,000
Historic Site and Museum Operations							
Annual visitations to commission historical sites and museums (in thousands)	1,850	1,917	1,986	2,058	2,132	2,132	2,175
Historic markers	1,546	1,593	1,635	1,650	1,662	1,675	1,690
Historic Preservation							
Evaluations for the National Register of Historic Properties	230	250	250	275	275	300	300
Historic properties reviewed for tax credit	501	450	400	350	300	250	250
Professional History and Museum Support Services							
Objects maintained and conserved (in thousands)	1,299	1,300	1,301	1,302	1,303	1,304	1,304
Commission buildings undergoing improvement	45	25	25	78	81	81	84

Pages of Archives and Historical Manuscripts shows a substantial increase from the amount estimated in the 1990-91 Budget due to the acquisition and preparation of Penn Central Railroad Records.

Evaluations for the National Register of Historic Properties and historic properties reviewed for tax audit has decreased substantially from the estimates in the 1990-91 Budget due to the slow down in the real estate market.

Commission buildings undergoing improvement has been reduced substantially from the estimate in the 1990-91 Budget due to the Commission's new, more stringent criteria for defining a building undergoing improvement.

Program Recommendations:

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

<p>General Government Operations</p> <p>\$ -1,550 —nonrecurring projects.</p> <p>278 —to continue current program.</p> <p>\$ -1,272 <i>Appropriation Decrease</i></p>	<p>Columbus Day Celebration</p> <p>\$ -149 —nonrecurring projects.</p>	<p>Maintenance Program</p> <p>\$ 100 —for maintenance of the Flagship Niagara.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	\$ 13,081	\$ 13,791	\$ 12,519	\$ 12,895	\$ 13,282	\$ 13,680	\$ 14,090
Columbus Day Celebration	300	299	150				
Maintenance Program	1,500	817	917	917	917	917	917
Humanities Council	100	100	75	100	100	100	100
TOTAL GENERAL FUND	\$ 14,981	\$ 15,007	\$ 13,661	\$ 13,912	\$ 14,299	\$ 14,697	\$ 15,107

HISTORICAL AND MUSEUM COMMISSION

PROGRAM OBJECTIVE: To assure provision of representative artifacts, specimens of history, art, and science for all citizens through the support of museums within the Commonwealth.

Program: Museum Assistance

This program is comprised of two major components, the Museum Assistance Program and Museum Assistance General Operating Support. Both programs provide a source of financial assistance designed to enhance the quality of history and museum activities in Pennsylvania.

The Museum Assistance and Local History Grant Program, established in 1985, is a competitive financial assistance process available to all qualified history related institutions within Pennsylvania. Through the established grant categories (Special Project Support, Technical Assistance, Local History, Local History General Operating and others) organizations may apply to the Historical and Museum Commission for projects ranging from the research of an historic event to a comprehensive exhibit plan and program having significant Statewide impact. Special Project Support Grants and Local History

General Operating, the largest of the financial award categories, requires the successful grantee to provide dollar-for-dollar matching funds. All other categories are non-matching, but grantees are encouraged to provide in-kind support where possible.

The Museum Assistance General Operating Program provides support to major history and cultural related institutions in the Commonwealth: Organizations which currently receive funding from the commission through this program include: the University of Pennsylvania, Carnegie Museum of Natural History, Franklin Institute Science Museum, Academy of Natural Sciences, Buhl Science Center, Museum of the Philadelphia Civic Center, Afro-American Historical and Cultural Museum and the Everhart Museum. Financial assistance to these institutions supports a portion of their general operating budget.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Museum assistance competitive grants awarded	131	135	.....	135	135	135	135
Museum assistance general operating support grants	8	8	8	8	8	8	8

Program Recommendations:

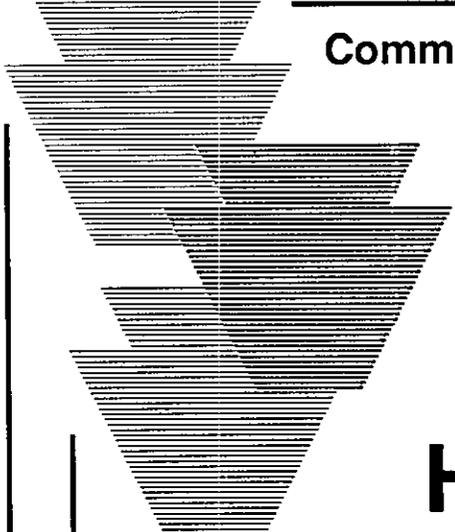
This budget recommends the following changes: (Dollar Amounts in Thousands)

<p>General Operating Support-Museums</p> <p>\$ -400 —Morris Arboretum — nonrecurring project.</p> <p>-100 —Eisenhower Centennial — nonrecurring project.</p>	<p>Museum Assistance</p> <p>\$ -463 —elimination of Museum Assistance competitive grants.</p>
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All other appropriations are recommended at the current year level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Museum Assistance	\$ 725	\$ 875	\$ 412	\$ 875	\$ 875	\$ 875	\$ 875
University of Pennsylvania Museum	190	190	190	190	190	190	190
Carnegie Museum	190	190	190	190	190	190	190
Franklin Institute	625	575	575	575	575	575	575
Academy of Natural Sciences	351	351	351	351	351	351	351
Buhl Science Center	190	190	190	190	190	190	190
Museum of Philadelphia Civic Center	190	190	190	190	190	190	190
Afro-American Historical and Cultural Museum	169	269	269	269	269	269	269
Everhart Museum	35	35	35	35	35	35	35
Morris Arboretum	400	400	.....	.....	.....	.....	.....
Eisenhower Centennial .....	.....	100	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 3,065	\$ 3,365	\$ 2,402	\$ 2,865	\$ 2,865	\$ 2,865	\$ 2,865



Commonwealth of Pennsylvania

Housing Finance Agency

The Housing Finance Agency provides funding for construction and substantial rehabilitation of multi-family housing and purchase, rehabilitation, home improvement and energy conservation for single family homes.

A Homeowner's Emergency Assistance Program also provides assistance through the provision of temporary mortgage assistance payments to those threatened with loss of their home due to financial hardship.

HOUSING FINANCE AGENCY

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1991-92 State Funds (In thousands)
HOUSING FINANCE AGENCY FUNDS		
Expanded Services to the Needy	N/A .....	.....
<p>This Program Revision anticipates the commitment of \$100,000 of the agency's own funds for acquisition and rehabilitation of housing units under the Pennsylvania Partnership for Housing Initiative. This is part of the Expanded Services to the Needy Program Revision funded with \$5.8 million in State, Federal and Other funds across various agencies. Please see the Department of Public Welfare for further details on this Program Revision.</p>		
DEPARTMENT TOTAL		<hr/> <hr/>

HOUSING FINANCE AGENCY

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
<i>GRANTS AND SUBSIDIES:</i>			
Homeowners Emergency Mortgage Assistance	\$ 10,000	\$ 7,500	\$ 7,500
GENERAL FUND TOTAL	<u>\$ 10,000</u>	<u>\$ 7,500</u>	<u>\$ 7,500</u>

HOUSING FINANCE AGENCY

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
COMMUNITY DEVELOPMENT AND CONSERVATION							
General Funds.....	\$ 10,000	\$ 7,500	\$ 7,500	\$ 3,750	\$ 0	\$ 0	0
TOTAL.....	\$ 10,000	\$ 7,500	\$ 7,500	\$ 3,750	\$ 0	\$ 0	0
ALL PROGRAMS:							
GENERAL FUND.....	\$ 10,000	\$ 7,500	\$ 7,500	\$ 3,750	\$ 0	\$ 0	0
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
TOTAL.....	\$ 10,000	\$ 7,500	\$ 7,500	\$ 3,750	\$ 0	\$ 0	0

HOUSING FINANCE AGENCY

PROGRAM OBJECTIVE: To provide and maintain adequate, affordable and safe housing for Commonwealth citizens.

Program: Community Development and Conservation

The Pennsylvania Housing Finance Agency (PHFA) operates two programs to increase the supply of decent, safe and affordable housing: the HOMES Program (Housing Opportunities Make Economic Sense) and the Single Family Homeownership Program; and one program to protect distressed homeowners from foreclosure, the Homeowners Emergency Mortgage Assistance Program.

The HOMES Program and the Single Family Homeownership Program are both financed with proceeds from the sale of securities to private investors. The Homeowners Emergency Mortgage Assistance Program is supported by an annual General Fund appropriation.

The Single Family Homeownership Program offers below market rate mortgage loans to first time home buyers. Funds to operate the program come from the sale of mortgage revenue bonds. In 1990, \$329 million in tax-exempt bonds were sold to provide approximately 6,500 mortgages to first time home buyers throughout Pennsylvania.

The HOMES Program provides multi-family apartment developers with permanent financing for the construction or rehabilitation of rental housing. Under the HOMES Program, PHFA concentrates resources and efforts to help create housing for the homeless and other low-income families.

The HOMES Program has been subsidized through 1990 with \$48 million from PHFA's reserve funds. These funds are provided as deferred second loans. This helps lower development costs and directly reduces

rents. The Board has committed an additional \$15 million to the program for 1991.

Since 1987, PHFA has financed 2,700 rental units for the homeless and other low-income people. PHFA's funds are combined with a wide variety of public and private sources to make the low-income projects feasible.

The Homeowners Emergency Mortgage Assistance Program (HEMAP) was established by Act 91 of 1983. It is designed to protect citizens who, through no fault of their own, are in danger of losing their homes to foreclosure. In accomplishing this mandate, the program achieves the added benefit of preventing homelessness. Eligible applicants receive assistance in an amount sufficient to bring mortgage payments current and may also receive continuing assistance for up to 36 months. HEMAP payments are loans upon which repayment begins and interest starts to accrue when the recipient is financially able to pay.

Act 91 originally had a three year life, with an expiration date of December 23, 1986. The program has been extended twice, first through December 23, 1989 under provisions of Act 189 of 1986 and subsequently through December 23, 1992 by Act 79 of 1989.

Since its creation in 1972, PHFA has financed 33,000 apartment units and 34,000 single family homes through the sale of over \$2.7 billion of tax-exempt bonds. It has channelled over \$123 million of General Fund monies into the HEMAP Program to save 10,500 homes from foreclosure.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Persons eligible for HEMAP loans	1,400	1,400	1,400	700	. . . . .	. . . . .	. . . . .
Approved mortgage assistance loans	1,400	1,400	1,400	700	. . . . .	. . . . .	. . . . .
Dollar value of assistance loans recorded (in thousands)	\$12,460	\$12,460	\$12,460	\$6,230	. . . . .	. . . . .	. . . . .
Average mortgage assistance loan	\$8,900	\$8,900	\$8,900	\$8,900	. . . . .	. . . . .	. . . . .
Mortgage assistance loans qualifying for repayment	3,600	3,600	4,200	4,800	4,800	4,800	4,800
Outstanding principal balance of mortgage assistance loans qualifying for repayment (in thousands)	\$32,040	\$32,040	\$37,380	\$42,720	\$42,720	\$42,720	\$42,720

The future year program measure data reflect the expiration date of the HEMAP program on December 23, 1992 as provided in Act 79 of 1989.

HOUSING FINANCE AGENCY

Program: Community Development and Conservation (continued)

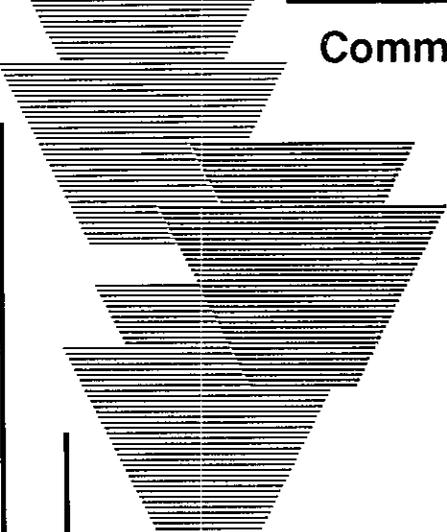
Program Recommendations: _____

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

Recommend continuation of General Fund program current level. In addition, the agency is expected to commit \$100,000 of its own funds to acquire and rehabilitate housing units under the Pennsylvania Partnership for Housing initiative. See the Program Revision entitled Expanded Services to the Needy following the Human Services program in the Department of Public Welfare for further information.

Appropriations within this Program: _____

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Homeowners Emergency Mortgage Assistance	<u>\$ 10,000</u>	<u>\$ 7,500</u>	<u>\$ 7,500</u>	<u>\$ 3,750</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>



Commonwealth of Pennsylvania

Infrastructure Investment Authority

The Pennsylvania Infrastructure Investment Authority administers the PENNVEST program authorized in Act 16 of 1988. This program provides financial assistance, in the form of loans and grants, to municipal authorities and private owners for improving community drinking water supply systems and sewage treatment facilities.

INFRASTRUCTURE INVESTMENT AUTHORITY

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
<i>GRANTS AND SUBSIDIES:</i>			
PENNVEST	\$ 11,500 ^a	\$ 2,000 ^a	\$ 2,000 ^a
<i>(F) Sewage Projects Revolving Loan Fund</i> .....	.....	20,000	40,000
GENERAL FUND TOTAL	\$ 11,500	\$ 22,000	\$ 42,000
PENNVEST FUNDS			
PENNVEST Operations	\$ 3,002	\$ 4,128	\$ 3,896
Grants — Bond Proceeds	2,411	75	.....
Grants — Other Revenue Sources	16,045	25,171	12,000
PENNVEST Water Pollution Control Revolving Fund	1,418	3,400	6,800
<i>(F) Sewage Projects Revolving Loan Fund</i>	1,693	20,000	40,000
PENNVEST Revolving Fund	112,655	100,275	67,474
PENNVEST Nonrevolving Fund	530	-530	11,421
PENNVEST FUNDS TOTAL	\$ 137,754	\$ 152,519	\$ 141,591
DEPARTMENT TOTAL -- ALL FUNDS			
GENERAL FUND	\$ 11,500	\$ 2,000	\$ 2,000
FEDERAL FUNDS .....	.....	20,000	40,000
OTHER FUNDS	137,754	152,519	141,591
TOTAL — ALL FUNDS	\$ 149,254	\$ 174,519	\$ 183,591

^aGeneral Fund appropriations are transferred to the PENNVEST Fund. These appropriations are deposited into the PENNVEST Fund with other sources of revenue such as investment. See detail on next page.

INFRASTRUCTURE INVESTMENT AUTHORITY

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
	ACTUAL	AVAILABLE	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED
ENVIRONMENTAL INFRASTRUCTURE							
General Funds.....	\$ 11,500	\$ 2,000	\$ 2,000	\$ 14,000	\$ 14,000	\$ 13,000	\$ 13,000
Federal Funds.....	0	20,000	40,000	50,000	50,000	50,000	50,000
Other Funds.....	137,754	152,519	141,591	136,513	128,133	127,757	126,885
TOTAL.....	\$ 149,254	\$ 174,519	\$ 183,591	\$ 200,513	\$ 192,133	\$ 190,757	\$ 189,885
ALL PROGRAMS:							
GENERAL FUND.....	\$ 11,500	\$ 2,000	\$ 2,000	\$ 14,000	\$ 14,000	\$ 13,000	\$ 13,000
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	20,000	40,000	50,000	50,000	50,000	50,000
OTHER FUNDS.....	137,754	152,519	141,591	136,513	128,133	127,757	126,885
TOTAL.....	\$ 149,254	\$ 174,519	\$ 183,591	\$ 200,513	\$ 192,133	\$ 190,757	\$ 189,885

INFRASTRUCTURE INVESTMENT AUTHORITY

PROGRAM OBJECTIVE: To promote public health and a clean environment and to further economic development in the Commonwealth by providing a financing program, technical assistance, and administrative support for community drinking water systems and municipal sewage treatment facilities.

Program: PENNVEST

The PENNVEST Program authorized in Act 16 of 1988 provides an investment pool of capital to rebuild and expand community drinking water systems and municipal sewage treatment facilities in the Commonwealth. These systems and facilities are essential for the protection of public health and the promotion of economic development. Many systems and facilities need to be repaired, upgraded or expanded to meet environmental standards and economic development goals. Funding these needed improvements has often proved difficult, especially for small communities.

Initial funding for the PENNVEST Fund comes from several sources: direct appropriation from the General Fund, the \$300 million bond issue approved by voter referendum, the balance of approved Water Facilities Loan Fund bonds, Federal seed money for a sewage treatment facilities revolving loan fund, and some available Capital Facilities bonds. Beginning in 1990-91 and into future fiscal years, the new PENNVEST Revenue Bond Pool Program will provide additional funding. Added to this will be interest earnings on the fund's cash flow, and interest and principal payments made on loans.

PENNVEST funds are used for loans, loan guarantees and grants to municipalities, municipal authorities and private firms to improve water

and sewage systems they own. Also, the Pennsylvania Infrastructure Investment Authority, supported by the Department of Environmental Resources, helps owners apply for funding, provides assistance in planning and designing funded projects, and, if necessary, reviews the applicant's operations to improve efficiency.

To facilitate fund management and accounting, several separate funds have been established. The PENNVEST Fund serves as the repository of appropriated General Fund moneys, interest and investment income, and loan repayments. In addition to loans and grants, administrative costs are paid from this fund. The Water Pollution Control Revolving Fund combines the Federal seed money and the Commonwealth's required matching funds to create a revolving loan fund for sewage treatment facilities construction. The PENNVEST Revolving Fund and the PENNVEST Non-Revolving Fund receive the proceeds from the sale of bonds mentioned above and segregate revolving and non-revolving loans. The PENNVEST Revenue Bond Pool is supported by loan interest and principal repayments from the revolving and non-revolving loans and disburses the proceeds from the sale of PENNVEST Revenue Bonds.

Program Measures:

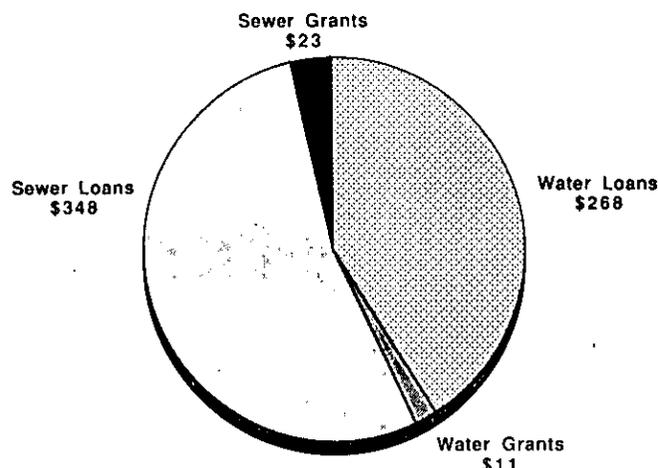
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
PENNVEST projects implemented	177	140	110	94	63	25	25
PENNVEST awards (in millions):							
Loans	\$198	\$214	\$163	\$141	\$92	\$32	\$32
Grants	14	14	12	9	8	8	8
Total	<u>\$212</u>	<u>\$228</u>	<u>\$175</u>	<u>\$150</u>	<u>\$100</u>	<u>\$40</u>	<u>\$40</u>

The program measure showing the number of projects implemented decreases as the initial surge of projects levels off.

LOANS AND GRANTS APPROVED

through December 1990

(millions of dollars)



\$650 Million Total

INFRASTRUCTURE INVESTMENT AUTHORITY

Program: PENNVEST

Program Recommendations: _____

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

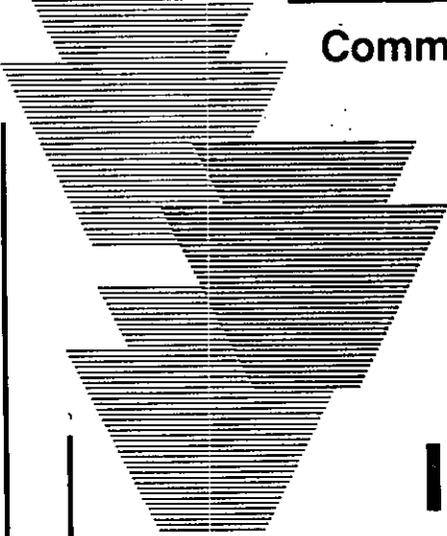
The General Fund contribution to PENNVEST is continued at the current level.

Appropriations within this Program: _____

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 - Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
PENNVEST	\$ 11,500	\$ 2,000	\$ 2,000	\$ 14,000	\$ 14,000	\$ 13,000	\$ 13,000

Funds Available for Grants and Administrative Expenses: _____

GENERAL FUND:							
PENNVEST	\$ 11,500	\$ 2,000	\$ 2,000	\$ 14,000	\$ 14,000	\$ 13,000	\$ 13,000
PENNVEST FUND:							
Investment Income	4,500	2,500	1,500	1,500	1,500	1,500	1,500
TOTAL ALL FUNDS	\$ 16,000	\$ 4,500	\$ 3,500	\$ 15,500	\$ 15,500	\$ 14,500	\$ 14,500



Commonwealth of Pennsylvania

Insurance Department

The Insurance Department executes the insurance laws of the Commonwealth, examines and supervises domestic insurance companies, settles complaints and regulates insurance rates. The department also licenses Pennsylvania and out-of-state companies, makes investigations of alleged violations of the law and supervises the dissolution of companies.

INSURANCE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
<i>GENERAL GOVERNMENT:</i>			
General Government Operations	\$ 11,238	\$ 11,543^a	11,424
(A) Companies in Liquidation	618	805	795
(A) Pennsylvania Bulletin and Code Regulations	132	147	147
(A) Duplicating and Mailing Services	58	40	40
(A) Workmen's Compensation Security Services	356	470	488
(A) Reimbursements — Examination Travel	521	500	500
(A) Reimbursements — Market Conduct Travel	34	40	40
(A) Underground Storage Tank Indemnification Fund Expense .....	.....	90	.....
STATE FUNDS	<u>\$ 11,238</u>	<u>\$ 11,543</u>	<u>\$ 11,424</u>
AUGMENTATIONS	<u>1,719</u>	<u>2,092</u>	<u>2,010</u>
GENERAL FUND TOTAL	<u>\$ 12,957</u>	<u>\$ 13,635</u>	<u>\$ 13,434</u>
OTHER FUNDS			
<i>CATASTROPHIC LOSS BENEFITS CONTINUATION FUND:</i>			
Administration	\$ 5,200	\$ 3,100	\$ 2,970
Claims	64,400	47,500	30,600
Loan Repayment .....	.....	6,100	.....
CATASTROPHIC LOSS BENEFITS CONTINUATION FUND TOTAL	<u>\$ 69,600</u>	<u>\$ 56,700</u>	<u>\$ 33,570</u>
<i>UNDERGROUND STORAGE TANK INDEMNIFICATION FUND:</i>			
Administration	\$ 90	\$ 292	\$ 4,172
Claims .....	.....	.....	73,900
Loan Repayment to Hazardous Sites Cleanup Fund .....	.....	.....	382
UNDERGROUND STORAGE TANK INDEMNIFICATION FUND TOTAL	<u>\$ 90</u>	<u>\$ 292</u>	<u>\$ 78,454</u>
OTHER FUNDS TOTAL	<u>\$ 69,690</u>	<u>\$ 56,992</u>	<u>\$ 112,024</u>
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUNDS	\$ 11,238	\$ 11,543	\$ 11,424
AUGMENTATIONS	1,719	2,092	2,010
OTHER FUNDS	69,690	56,992	112,024
TOTAL ALL FUNDS	<u>\$ 82,647</u>	<u>\$ 70,627</u>	<u>\$ 124,458</u>

^aIncludes recommended supplemental appropriation of \$356,000.

INSURANCE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
INSURANCE INDUSTRY REGULATION							
General Funds.....	\$ 11,238	\$ 11,543	\$ 11,424	\$ 11,767	\$ 12,120	\$ 12,484	\$ 12,859
Other Funds.....	71,409	59,084	114,034	166,510	169,410	146,210	123,810
TOTAL.....	\$ 82,647	\$ 70,627	\$ 125,458	\$ 178,277	\$ 181,530	\$ 158,694	\$ 136,669
ALL PROGRAMS:							
GENERAL FUND.....	\$ 11,238	\$ 11,543	\$ 11,424	\$ 11,767	\$ 12,120	\$ 12,484	\$ 12,859
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	71,409	59,084	114,034	166,510	169,410	146,210	123,810
TOTAL.....	\$ 82,647	\$ 70,627	\$ 125,458	\$ 178,277	\$ 181,530	\$ 158,694	\$ 136,669

PROGRAM OBJECTIVE: To serve Pennsylvania's insurance consumers through fair and efficient regulation of the insurance industry.

Program: Insurance Industry Regulation

Pennsylvania's insurance industry is rapidly expanding both in number of companies and in premium volume in response to the expanding concepts of liability and to the public's demand for new insurance products and services. State regulation must provide a fair but controlled regulatory climate which permits insurers to conduct their business and invest their funds and assure adequate consumer safeguards to the policyholder.

The Insurance Department regulates all aspects of the insurance industry in Pennsylvania. It supervises the operation of 1,440 insurance companies; authorizes the admission of new insurers to the State; tests and licenses insurance agents, brokers and bondsmen; reviews and pre-approves nearly 10,000 rate and policy form filings each year; conducts adjudicatory hearings and handles nearly 400,000 consumer inquiries annually.

Act 6 of 1990 made significant strides in lowering the cost of auto insurance for all Pennsylvanians. The passage of this law required the casualty rating staff to implement the mandatory rate rollbacks of either 10 or 22 percent. This was in addition to processing the requests of auto insurance carriers for relief under the extraordinary circumstances section of the law.

In the health insurance area, major changes in the market place have been seen through the various rate filings that have been submitted. While the Blue Cross and Blue Shield organizations continue to meet the needs of a majority of Pennsylvanians, health maintenance organizations, preferred provider organizations and commercial health insurers continue to offer individuals and businesses a wide variety of products from which to choose.

A major initiative has been undertaken to streamline the review process for new forms filed on life insurance products. The department will be able to evaluate new filings quicker, and in more detail, than ever before.

Property/casualty insurers continue to experience a deterioration in profitability, while pricing of many classes of commercial liability insurance continues to decline. Past experience indicates that the property/casualty industry is cyclical and that prices will increase as insurers move to stem unprofitable operating results. The duration of the "soft" pricing phase of the cycle will have an impact on insurer solvency, as it did in 1985-87. The department will face an increasing regulatory role in working with financially troubled property/casualty insurers. It is likely that some insurers will become insolvent and be placed into liquidation.

During the past two years, the department has moved to aggressively close down and liquidate several unlicensed insurers which claimed exemption from State regulation under Federal law. This action appears to have temporarily stemmed the organization and operation of such unlicensed entities; however, availability and affordability of group accident and health insurance for small employers can still be a problem. The department will need to continue to devote resources to protect small employers and their employees from the possible insolvency of unlicensed entities.

The financial condition of insurers licensed to transact business in Pennsylvania is monitored and regulated through the department's examination and financial analysis functions. In recent years, the number of insurer insolvencies has grown. In addition, there appears to be an increasing number of life/health insurers whose financial conditions are deteriorating. As a result, the department continues to commit substantial resources to complete the implementation of its automated solvency surveillance system. This system will improve the department's solvency regulation through early identification of financially troubled insurers as well as focusing the department's resources toward solving the insurer's operating problems before liquidation becomes a necessity. During the past year, the department has developed and begun implementing new procedures to manage financially troubled insurer regulatory activities. The department is committing increasing resources to this initiative.

In the consumer protection area, the department maintains a Bureau of Consumer Services which, through four regional offices and a consumer education division, provides the public with insurance information, education and complaint resolution services. The Department's Bureau of Enforcement conducts field investigations of insurance law violations and undertakes on-site market conduct examinations of insurance company operations. These two insurance industry oversight functions will focus heavily on insurer and agent activities under the recent Act 6 amendments to the Motor Vehicle Financial Responsibility Law.

The department continues to manage the Catastrophic Loss Benefits Continuation Fund which provides benefits to Pennsylvanians who were catastrophically injured in motor vehicle accidents (prior to January 1, 1990) and incurred medical expenses in excess of \$100,000 up to a lifetime aggregate of \$1 million. The Fund receives certain motor vehicle offense surcharge fees as its source of revenue. Act 70 of 1990 authorized the CAT Fund to borrow funds from the Workers' Compensation Security Fund.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Consumer savings from departmental intervention in insurance claim disputes (in thousands)	\$5,754	\$6,000	\$6,200	\$6,500	\$6,500	\$6,500	\$6,500
Companies in liquidation	25	25	25	25	25	25	25
Rate filings reviewed	14,398	17,100	17,000	17,000	17,000	17,000	17,000

INSURANCE

Program: Insurance Industry Regulation (continued)

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Policy/form filings reviewed	44,861	51,300	48,000	49,000	50,000	51,000	52,000
Companies examined	128	160	190	160	190	170	180
Continuing care providers regulated	90	92	95	97	97	97	97
Enforcement investigations completed	240	250	260	260	260	260	260
Insurer market conduct examinations completed	28	90	90	90	90	90	90

The program measure for both rate filings reviewed and policy/form filings reviewed differ from last year's budget due to changes in both Federal and State laws as well as the development of new products by the insurance industry.

The number of examinations conducted is lower than those in the previous budget largely because of the involvement of field examination staff in department actions against unlicensed multiple employer welfare associations and the increasing complexity of examinations, particularly those involving large or financially troubled insurers. The number of new personnel in training as a result of turnover in examination staff also contributed to a lower than projected number of examinations.

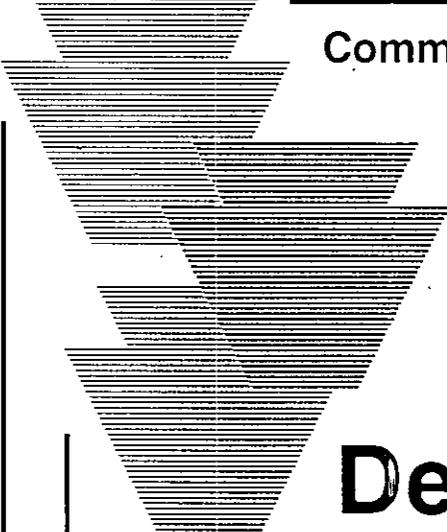
Program Recommendations:

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

General Government Operations	
\$ -46	—nonrecurring projects.
-73	—to fund current programs.
\$ -119	<i>Appropriation Decrease</i>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	<u>\$ 11,238</u>	<u>\$ 11,543</u>	<u>\$ 11,424</u>	<u>\$ 11,767</u>	<u>\$ 12,120</u>	<u>\$ 12,484</u>	<u>\$ 12,859</u>



Commonwealth of Pennsylvania

Department of Labor and Industry

The Department of Labor and Industry serves the labor and industrial interests of the Commonwealth by promoting the health, welfare and safety of employes; maintaining continuous production and employment by acting to reduce industrial strife; rehabilitating the vocationally handicapped; stabilizing the income of employes who become victims of certain occupational diseases or who sustain work related injuries; promoting apprenticeship training programs and assisting displaced workers in retraining and/or relocation.

LABOR AND INDUSTRY

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1991-92 State Funds (in thousands)
ECONOMIC REVITALIZATION FUND		
Commitment to Economic Development	Pennsylvania Conservation Corps	\$ 2,500
<p>This Program Revision will enable the department to create new jobs for a sector of the population which is traditionally hardest hit by an economic downturn — the young poor. This is part of the \$27.75 million commitment to Economic Development Program Revision. Please see the Economic Development Partnership for further details on this Program Revision.</p>		
DEPARTMENT TOTAL		<u>\$ 2,500</u>

LABOR AND INDUSTRY

Summary by Fund and Appropriation

GENERAL FUND	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL GOVERNMENT:			
General Government Operations	\$ 8,053	\$ 5,812	\$ 5,580
(F) JTPA — Administration	2,128	2,184	1,893
(F) National Occupational Information Coordinating Committee	244	298	276
(A) Federal Indirect Cost Reimbursements	1,451	2,181	2,581
Total — General Government Operations	<u>\$ 9,876</u>	<u>\$ 10,475</u>	<u>\$ 10,330</u>
Occupational and Industrial Safety	\$ 6,184	\$ 5,888	\$ 5,815
(A) Federal Indirect Cost Reimbursements	1,511	1,961	2,361
Right-to-Know	1,240	1,220	1,261
(F) SARA Title III .....	.....	365	150
(A) Hazardous Material Response .....	.....	.....	140
PENNSERVE	488	495	495
(F) PENNSERVE	100	100	.....
Literacy Corps Pilot Project	489	495	495
Subtotal — State Funds	14,454	13,910	13,646
Subtotal — Federal Funds	2,472	2,947	2,319
Subtotal — Augmentations	2,962	4,142	5,082
Total — General Government	<u>\$ 19,888</u>	<u>\$ 20,999</u>	<u>\$ 21,047</u>
GRANTS AND SUBSIDIES:			
Occupational Disease Payments	\$ 5,858	\$ 5,814	\$ 5,223
Transfer to Vocational Rehabilitation Fund	17,460	17,460	16,460
(F) Disability Determination	34,321	44,905	41,740
Supported Employment	899	899	899
(F) Supported Employment	475	206	.....
Harmarville Rehabilitation Center	200	200	.....
Centers for Independent Living	825	920	920
Workmen's Compensation Payments	741	695	645
Dislocated Workers	1,249	1,250	1,250
Job Centers	3,164	3,375	2,840
(F) Joint Jobs Initiative	12,162	17,923	24,188
(F) Maintenance Assistance — Pregnant and Parenting Youth	1,950	2,075	2,000
(A) Joint Jobs Initiative	12,644	17,137	14,409
Total — Job Centers	<u>\$ 29,920</u>	<u>\$ 40,510</u>	<u>\$ 43,437</u>
JTPA — Matching Funds	\$ 1,000	.....	.....
(F) Dislocated Workers	23,892	24,000	\$ 24,000
(F) Incentive Grants	11,904	10,000	6,500
(F) Grants to Service Delivery Areas	66,773	67,000	52,000
(F) Summer Youth	37,997	38,000	30,000
(F) Older Workers	4,569	4,586	3,500
(F) Veterans' Employment	1,187	1,187	792
Total — JTPA	<u>\$ 147,322</u>	<u>\$ 144,773</u>	<u>\$ 116,792</u>

LABOR AND INDUSTRY

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
GENERAL FUND			
<i>GRANTS AND SUBSIDIES: (continued)</i>			
Subtotal — State Funds	\$ 31,396	\$ 30,613	\$ 28,237
Subtotal — Federal Funds	195,230	209,882	184,720
Subtotal — Augmentations	12,644	17,137	14,409
Total — Grants and Subsidies	\$ 239,270	\$ 257,632	\$ 227,366
STATE FUNDS	\$ 45,850	\$ 44,523	\$ 41,883
FEDERAL FUNDS	197,702	212,829	187,039
AUGMENTATIONS	15,606	21,279	19,491
GENERAL FUND TOTAL	\$ 259,158	\$ 278,631	\$ 248,413
ECONOMIC REVITALIZATION FUND			
<i>Grants and Subsidies:</i>			
Pennsylvania Conservation Corps	\$ 6,000 ^b	\$ 6,000	\$ 8,500
OTHER FUNDS			
<i>ADMINISTRATION FUND:</i>			
Administration of Unemployment	\$ 145,278	\$ 148,095	\$ 153,565
<i>REHABILITATION CENTER FUND:</i>			
Operation of Rehabilitation Center	\$ 13,501	\$ 15,021	\$ 14,741
<i>VOCATIONAL REHABILITATION FUND:</i>			
Administration of Vocational Rehabilitation ^a	\$ 76,571	\$ 77,792	\$ 79,094
<i>WORKERS' COMPENSATION ADMINISTRATION FUND:</i>			
Administration of Workers' Compensation	\$ 17,067	\$ 19,789	\$ 20,839
OTHER FUNDS TOTAL	\$ 252,417	\$ 260,697	\$ 268,239
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 45,850	\$ 44,523	\$ 41,883
SPECIAL FUNDS	6,000	6,000	8,500
FEDERAL FUNDS	197,702	212,829	187,039
AUGMENTATIONS	15,606	21,279	19,491
OTHER FUNDS	252,417	260,697	268,239
TOTAL ALL FUNDS	\$ 517,575	\$ 545,328	\$ 525,152

^aExcludes transfer from General Fund.

^bActually appropriated to the Department of Environmental Resources.

LABOR AND INDUSTRY

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
	ACTUAL	AVAILABLE	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED
COMMUNITY AND OCCUPATIONAL SAFETY & STABILITY							
General Funds.....	\$ 13,477	\$ 12,920	\$ 12,656	\$ 14,980	\$ 15,429	\$ 15,893	\$ 16,369
Federal Funds.....	244	663	426	426	426	426	426
Other Funds.....	2,962	4,142	5,082	3,194	3,286	3,380	3,477
TOTAL.....	\$ 16,683	\$ 17,725	\$ 18,164	\$ 18,600	\$ 19,141	\$ 19,699	\$ 20,272
JOB TRAINING DEVELOPMENT							
General Funds.....	\$ 6,390	\$ 5,615	\$ 5,080	\$ 5,110	\$ 5,140	\$ 5,172	\$ 5,204
Special Funds.....	6,000	6,000	8,500	8,500	8,500	8,500	8,500
Federal Funds.....	162,662	167,055	144,873	144,873	144,873	144,873	144,873
Other Funds.....	12,644	17,137	14,409	14,409	14,409	14,409	14,409
TOTAL.....	\$ 187,696	\$ 195,807	\$ 172,862	\$ 172,892	\$ 172,922	\$ 172,954	\$ 172,986
WORKERS COMPENSATION AND ASSISTANCE							
General Funds.....	\$ 6,599	\$ 6,509	\$ 5,868	\$ 5,295	\$ 4,745	\$ 4,195	\$ 3,645
Federal Funds.....	34,321	44,905	41,740	41,740	41,740	41,740	41,740
Other Funds.....	162,345	167,884	174,404	179,636	185,025	190,576	196,293
TOTAL.....	\$ 203,265	\$ 219,298	\$ 222,012	\$ 226,671	\$ 231,510	\$ 236,511	\$ 241,678
VOCATIONAL REHABILITATION							
General Funds.....	\$ 19,384	\$ 19,479	\$ 18,279	\$ 20,279	\$ 21,279	\$ 21,819	\$ 21,819
Federal Funds.....	475	206	0	0	0	0	0
Other Funds.....	90,072	92,813	93,835	96,650	99,549	102,535	105,611
TOTAL.....	\$ 109,931	\$ 112,498	\$ 112,114	\$ 116,929	\$ 120,828	\$ 124,354	\$ 127,430
ALL PROGRAMS:							
GENERAL FUND.....	\$ 45,850	\$ 44,523	\$ 41,883	\$ 45,664	\$ 46,593	\$ 47,079	\$ 47,037
SPECIAL FUNDS.....	6,000	6,000	8,500	8,500	8,500	8,500	8,500
FEDERAL FUNDS.....	197,702	212,829	187,039	187,039	187,039	187,039	187,039
OTHER FUNDS.....	268,023	281,976	287,730	293,889	302,269	310,900	319,790
TOTAL.....	\$ 517,575	\$ 545,328	\$ 525,152	\$ 535,092	\$ 544,401	\$ 553,518	\$ 562,366

LABOR AND INDUSTRY

PROGRAM OBJECTIVE: To further economic development in the Commonwealth by promoting the health, welfare, and safety of employes and acting to maintain continuous production and employment through mediation.

Program: Community and Occupational Safety and Stability

The department is responsible for administering a wide range of laws designed to enhance income security, safeguard the health of workers and the general public, and promote labor relations stability and labor-management cooperation.

The income of employes is protected by Minimum Wage, Wage Payment and Collection, and Prevailing Wage laws which the department strictly enforces. Payment of prevailing wage rates is monitored by field inspections.

Labor relations stability is promoted through the provision of mediation services to the public and private sectors. Under the Public Employes Relations Act, parties to a contract in the public sector must notify the department if no agreement has been reached within 21 days after contract negotiations have commenced. In the private sector, dispute notices must be filed with the department based on the National Labor Relations Act and Act 177 of 1937. Each year over 1,000 cases are mediated by the department.

The Pennsylvania Labor Relations Board enforces and implements the provisions of the Commonwealth's laws relating to private and public sector collective bargaining, including the Pennsylvania Labor Relations Act, the Public Employes Relations Act and Act 111 of 1968, providing collective bargaining and arbitration rights to police and fire employes. The Board determines collective bargaining representatives, prevents and discourages unfair practices, and in the public sector, contributes to the resolution of bargaining disputes by the issuance of arbitration panels and the appointment of fact finders.

The Office of Labor-Management Cooperation compliments the department's mediation efforts by creating an environment in which

management and labor can best do their job through collaboration not confrontation. The office prepares and distributes a quarterly newsletter and offers technical assistance to labor-management leaders throughout the State.

The Fire and Panic Act (Act 299 of 1927), the Building Energy Conservation Act (Act 222 of 1980), the Elevator Law (Act 452 of 1929), the Bedding and Upholstery Law (Act 249 of 1973), the Stuffed Toy Law (Act 372 of 1961), and the Employment Agency Law (Act 261 of 1941) are all administered by the department. The department is also responsible for ensuring that buildings are accessible and usable by the physically handicapped under Act 166 of 1988.

The Worker and Community Right-to-Know Act, passed in 1984 and modified by Federal Court decisions, requires all employers doing business in Pennsylvania to provide certain information about hazardous chemicals found in their workplace and to make that information available to emergency response organizations and the public via the department. In addition, worker right-to-know information is required to be provided for public employes and those in the mining industry. The department also acts as a processing agent for employer reporting under the Federal Government's Superfund Amendment Reauthorization Act of 1986 Title III provisions. This act provides for a national system of planning and response to emergencies and community right-to-know provisions operated under state auspices.

The Office for the Deaf and Hearing Impaired includes a central office in Harrisburg and two regional offices in Erie and Scranton. Those offices ensure accessibility to all governmental, public and private services for the deaf and hearing impaired.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Minimum wage violations cited	268	270	310	350	350	350	350
Child labor law violations	1,380	1,400	1,400	1,400	1,400	1,400	1,400
Right-to-know — education/outreach programs	103	45	50	50	50	50	50
Nonpayment of wage violations	953	1,050	1,050	950	850	850	850
Percent of mediated cases involving work stoppages:							
Public bargaining units	4.2%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Private bargaining units	2.2%	10%	10%	10%	10%	10%	10%
Unfair labor practice cases concluded	394	500	500	500	500	500	500
Union representation cases concluded	107	100	100	100	100	100	100
Total inspections performed	124,547	130,000	130,000	130,000	130,000	130,000	130,000
Building approvals issued	13,372	14,000	14,000	14,000	14,000	14,000	14,000
New buildings certified	8,960	9,400	9,400	9,400	9,400	9,400	9,400
Renovations of existing buildings certified	4,412	4,600	4,600	4,600	4,600	4,600	4,600

Child labor law violations were less than estimated last year due to an increased allocation of inspectors to nonpayment of wage violation. Nonpayment of wage violations typically increase when the economy slows. More Right-to-Know education programs were given than shown last year due to an increased demand by school districts. The percentage of mediated cases involving work stoppages is difficult to project. The estimates shown last year have been revised based on current information.

LABOR AND INDUSTRY

Program: Community and Occupational Safety and Stability (continued)

Program Recommendations:

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

	General Government Operations		Right-to-Know Act
\$ -20	—nonrecurring project.	\$ 41	—to continue current program.
-400	—increased use of Federal indirect cost reimbursements.	\$ 41	<i>Appropriation Increase</i>
<u>188</u>	—to continue current program.		
\$ -232	<i>Appropriation Decrease</i>		
\$ -400	Occupational and Industrial Safety —increased use of Federal indirect cost reimbursements.		
<u>327</u>	—to continue current program.		
\$ -73	<i>Appropriation Decrease</i>		

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	\$ 6,053	\$ 5,812	\$ 5,580	\$ 6,805	\$ 7,009	\$ 7,220	\$ 7,436
Occupational and Industrial Safety	6,184	5,888	5,815	5,989	6,169	6,354	6,545
Right-To-Know Act	1,240	1,220	1,261	1,299	1,338	1,378	1,419
TOTAL GENERAL FUND	<u>\$ 13,477</u>	<u>\$ 12,920</u>	<u>\$ 12,656</u>	<u>\$ 14,093</u>	<u>\$ 14,516</u>	<u>\$ 14,952</u>	<u>\$ 15,400</u>

LABOR AND INDUSTRY

PROGRAM OBJECTIVE: To further economic development in the Commonwealth by stabilizing the incomes of employes who become unemployed.

Program: Workers' Compensation and Assistance

This program is designed to provide income security to citizens of the Commonwealth who become victims of certain occupational diseases or sustain work related injuries.

The Governor issued an action plan to improve the administration of Workers' Compensation in Pennsylvania in June of 1987 which set forth 30 action items to rectify long standing problems. To date much progress has been made towards completing the goal of the plan to reduce the delays in resolving litigated Workers' Compensation claims. A comprehensive case management review of the litigation process has been completed and standard operating procedures established in the referee offices. Twenty-eight recommendations to reform the hearing process and to reorganize the Bureau of Workers' Compensation have been implemented and the two remaining will soon be completed. Over a three year period from 1987-88 to 1989-90, the number of new cases

increased by 31 percent, decisions increased by 17 percent, the average length of time required to complete a case decreased from 13 to 10 months, and the percentage of cases over 24 months old declined from 16 to 11. Although significant administrative improvements have been accomplished in the last three years, additional referees and support staff will be hired to handle the increased caseload. The Bureau has embarked on an ambitious public information program to educate employes and employers of their rights and obligations under the Workers' Compensation Act. The program includes a variety of seminars, newsletters and an informational handbook.

The department also processes applications for disability benefits, gathers evidence, and makes recommendations to the Social Security Administration under the Social Security Administration's Disability Determination Program guidelines.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Claimants qualifying for occupational disease payments out of Commonwealth funds	3,015	2,905	2,795	2,685	2,575	2,450	2,340
New claimants eligible for workmen's compensation payments	107,889	110,000	111,500	113,000	114,500	116,000	117,500
Total petitions assigned	34,776	36,000	37,000	37,500	38,000	38,000	38,000
Referee decisions	30,723	31,500	33,500	34,000	35,000	36,000	36,500
Average time in days — Case filed/concluded	292	270	270	270	270	270	270
New claims for Unemployment Compensation	569,566	610,000	610,000	610,000	610,000	610,000	610,000

New petitions assigned to referees grew at a much faster rate than previously expected. These petitions are filed by claimants and dependents, and it is difficult to project activity in this area.

Program Recommendations:

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

<p>Occupational Disease Payments \$ -591 —to continue current program.</p> <p>Workmen's Compensation Payments \$ -50 —to continue current program. These payments are for a special class of recipients who became eligible before March 1968, and not for new claimants shown in the program measure above whose payments are made from the State Workmen's Insurance Fund and by private insurance companies.</p>	<p>\$ -1,040</p> <p>1,031</p> <p>1,059</p> <hr/> <p>\$ 1,050</p>	<p>In addition, this budget recommends the following changes for administration of the Workers' Compensation Program through the Workers' Compensation Administration Fund.</p> <p>Administration of Workmen's Compensation —nonrecurring project. —to continue current program. —to reduce delays in resolving litigated workers' compensation claims.</p> <p><i>Appropriation Increase</i></p>
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In addition, the Occupational Disease Study appropriation has been transferred to the Department of Health.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Occupational Disease Payments	\$ 5,858	\$ 5,814	\$ 5,223	\$ 4,700	\$ 4,200	\$ 3,700	\$ 3,200
Workmen's Compensation Payments	741	695	645	595	545	495	445
TOTAL GENERAL FUND	\$ 6,599	\$ 6,509	\$ 5,868	\$ 5,295	\$ 4,745	\$ 4,195	\$ 3,645

LABOR AND INDUSTRY

PROGRAM OBJECTIVE: To provide meaningful job training and placement services in a coordinated role with other Commonwealth agencies, the private sector and the Federal Government in order to secure unsubsidized employment for unemployed Pennsylvanians.

Program: Job Training Development

This program provides a range of employment and training services through the Job Center Network, the Bureau of Job Service, the Bureau of Job Training Partnership, the Dislocated Worker Unit and PENNSERVE.

Under the Federal Job Training Partnership Act (JTPA) Program, state and local governments work in cooperation with the private sector to establish job training programs. JTPA primarily serves the economically disadvantaged including summer youth and dislocated workers. Uses, eligibility requirements and distribution formulas for these programs are established under the Federal JTPA Act.

Services provided under those programs covered by Federal law include: on-the-job training, institutional skills training, job search assistance, job counseling and skill testing and assessment. Use of these funds is determined locally by a Private Industry Council (PIC) in each Service Delivery Area (SDA). The majority of the members of each PIC are representatives from private sector businesses. The other members represent community-based organizations, local educational agencies, organized labor and economic development organizations.

The State has also used JTPA discretionary funding for special programs developed to serve veterans, welfare recipients and at-risk youth. While the Department of Labor and Industry is the lead agency in administering the JTPA program, the Departments of Public Welfare and Education and the Economic Development Partnership share the responsibility. State funds are also provided for support services, job training for dislocated workers, rapid response programs and for pregnant, parenting and at-risk youth.

Also included in this program is the Joint Jobs Initiative which is a cooperative effort by the Departments of Labor and Industry, Public Welfare and Education. It is designed to improve job training and employment services available to welfare recipients. Two distinct program designs are being utilized in this initiative. The Single Point of Contact Demonstration Program (SPOC) provides comprehensive employment and training services to recipients with multiple barriers to employment. Co-location of services (Single Point of Contact) in the county assistance office is a critical element of this initiative. The Transitionally Needy Demonstration (TN) Project provides transitionally needy welfare recipients with special job training and educational packages, including stipends and transportation for those with no other training income. This project combines on-the-job training, work experience and classroom vocational skills with job specific literacy/basic skills training, GED and job readiness training. Funding for these

programs is provided by each of the three agencies involved.

The statewide operation of SPOC addresses the federal requirement to establish a Job Opportunities and Basic Skills (JOBS) training program contained in the Family Support Act of 1988. This is because the central components of the Family Support Act reflect the program model that has been implemented through SPOC. Participation in SPOC is strictly voluntary for all categories of welfare clients. However, since SPOC implements the Family Support Act, the target groups are consistent with the requirements of the Act.

The Job Center Network offers comprehensive employment, training rehabilitation, education, welfare and support services. Each of the 88 Job Centers is part of the Statewide network to assist individuals seeking jobs and job related services and to employers seeking qualified job applicants. In addition to services available through programs administered by the department, employment and training resources of other Federal, State, local and community-based organizations are provided through the Job Center Network.

The department's Rapid Response Program is operated by the Dislocated Worker Unit in conjunction with the Economic Development Partnership (EDP). When the EDP is unable to keep a business in Pennsylvania or forestall the layoff of employees, the department's Rapid Response Team is available to bring a wide variety of State and local resources to the plant to assist laid-off individuals in finding reemployment. The Rapid Response Team provides a variety of State and local resources, coordinated through local Job Centers to assist dislocated workers and to help them to become reemployed. Local services are also brought to bear including financial and psychological counseling. The department also promotes labor/management cooperation by encouraging the formation of labor/management committees at the plant to coordinate the mix of available services.

PENNSERVE, the Governor's Office of Citizen Service, is the State's focal point for coordinating volunteer activities, providing technical assistance and implementing new citizen service programs such as the Urban Service Corps and the Summer Youth Corps. PENNSERVE also administers the Literacy Corps Program which provides grants to colleges to train students as literacy tutors.

The Conservation Corps was transferred during 1990-91 from the Department of Environmental Resources to Labor and Industry's PENNSERVE Program. This combines citizen service programs under one office, reduces coordination barriers and increases opportunities to leverage Federal Department of Labor funds for youth service corps.

LABOR AND INDUSTRY

Program: Job Training Development (continued)

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Job Training Partnership Program:							
Enrollments	75,205	67,685	67,700	67,700	67,700	67,700	67,700
Placements	17,695	15,926	16,000	16,000	16,000	16,000	16,000
Welfare recipients served	35,034	31,531	31,600	31,600	31,600	31,600	31,600
Joint Jobs Initiative:							
Welfare recipients served	7,274	6,574	6,600	6,600	6,600	6,600	6,600
Welfare recipients placed	1,164	1,048	1,100	1,100	1,100	1,100	1,100
Average hourly wage	\$5.68	\$5.82	\$6.08	\$6.34	\$6.60	\$6.84	\$7.14
Individuals placed through Job Service ..	104,021	103,200	103,200	103,200	103,200	103,200	103,200
Individuals enrolled in on-the-job training ..	8,434	7,591	7,600	7,600	7,600	7,600	7,600
Dislocated Workers:							
Dislocated workers placed	3,167	2,850	2,900	2,900	2,900	2,900	2,900
Average hourly wage	\$8.38	\$8.58	\$8.68	\$8.84	\$9.00	\$9.15	\$9.24
Job Centers in place	88	88	88	88	88	88	88

Federal funding for job training has declined over the last two years, and this lower level of funding is expected to continue in future years. Projections for job training programs have been reduced from prior budget projections to reflect this reduced Federal funding.

Program Recommendations:

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

Job Centers
 \$ -535 —anticipated increase in Federal funds.

All other programs are recommended to be continued at current levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
PENNSERVE	\$ 488	\$ 495	\$ 495	\$ 495	\$ 495	\$ 495	\$ 495
Literacy Corps Pilot Project	489	495	495	495	495	495	495
Dislocated Workers	1,249	1,250	1,250	1,250	1,250	1,250	1,250
JTPA Matching Funds	1,000						
Job Centers	3,164	3,375	2,840	2,840	2,840	2,840	2,840
TOTAL GENERAL FUND	\$ 6,390	\$ 5,615	\$ 5,080	\$ 5,080	\$ 5,080	\$ 5,080	\$ 5,080

LABOR AND INDUSTRY

PROGRAM OBJECTIVE: To enhance the ability of the handicapped unemployed and underemployed to gain full employment.

Program: Vocational Rehabilitation

This program, conducted in conjunction with the Federal Government, has as its target group the estimated 660,000 citizens of the Commonwealth who have a physical or mental disability which results in a handicap to employment.

The Federal Rehabilitation Act of 1973 as amended through 1986 established eligibility criteria for vocational rehabilitation services. There must be a reasonable expectation that services will enable an individual to perform work activity. Primary emphasis is placed on serving severely handicapped individuals. These clients generally require more extensive and varied services over an extended period of time.

During Fiscal Year 1988-89 there was a significant decline in the number of persons accepted for vocational rehabilitation services as well as an increase in the number of cases closed as ineligible or nonrehabilitated. Primarily, these changes were due to an increased emphasis upon adherence to Federal regulations regarding eligibility determinations. These changes will affect future year projections.

To address the needs of persons who are judged too severely handicapped to be eligible for Federal vocational rehabilitation services, State funds are provided for the Independent Living Rehabilitation

Program. Funds are provided to Centers for Independent Living and the Office of Vocational Rehabilitation District Offices. The centers provide information and referral services, peer counseling and benefits counseling services, independent living skills training and other services. The district offices provide a wide range of services including home modification, adaptive appliances, and medical evaluation and treatment to prepare an individual for living independently in the community.

In addition to the independent living initiative, this program includes a Supported Employment initiative that improves employment opportunities for those previously considered too disabled to obtain competitive employment. Supported employment simultaneously combines placement in competitive jobs with training on the job site. Full time job trainers on the site, money management, long term follow-up and other support services are provided.

This program also includes the Hiram G. Andrews Center in Johnstown. The center is funded from fees for services rendered. Most of the services are provided to vocational rehabilitation clients. As of June 30, 1990, the center's resident and community population was 378.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Caseload:							
Carry-over from previous years	47,648	44,285	41,176	38,096	35,043	32,015	29,011
New referrals	33,766	29,805	29,505	29,205	28,905	28,605	28,305
Total caseload	81,414	74,090	70,681	67,301	63,948	60,620	57,316
Cases closed:							
Ineligible	17,420	16,681	15,524	16,369	15,216	15,064	14,912
Rehabilitated	11,757	10,075	9,975	9,875	9,775	9,675	9,575
Competitive	8,478	7,632	7,556	7,480	7,404	7,328	7,252
Noncompetitive	3,279	2,443	2,419	2,395	2,571	2,350	2,323
Nonrehabilitated	7,952	7,158	7,086	7,014	6,942	6,870	6,798
Total cases closed	37,129	33,914	32,585	33,258	31,933	31,609	31,285
Cases carried over	44,285	41,176	38,096	35,043	32,015	29,011	26,031
Severely disabled rehabilitated	8,636	7,772	7,764	7,756	7,748	7,740	7,732
Economic/Client Earnings Information:							
Average weekly earnings for clients closed as competitively employed	\$235	\$240	\$245	\$250	\$255	\$260	\$265
Total weekly earnings for clients closed as competitively employed (in thousands)	\$1,992	\$2,032	\$2,072	\$2,112	\$2,152	\$2,192	\$2,232
Average taxes paid by competitively employed client	\$3,162	\$3,193	\$3,224	\$3,255	\$3,286	\$3,317	\$3,348
Total taxes paid by competitively employed clients (in thousands)	\$26,809	\$27,077	\$27,345	\$27,613	\$27,881	\$28,149	\$28,417

Many of the program measures have been recalculated based on a shift in emphasis by the Office of Vocational Rehabilitation so that it now serves a greater number of the most severely disabled individuals and places them into the competitive labor market.

LABOR AND INDUSTRY

Program: Vocational Rehabilitation (continued)

Program Recommendations: _____

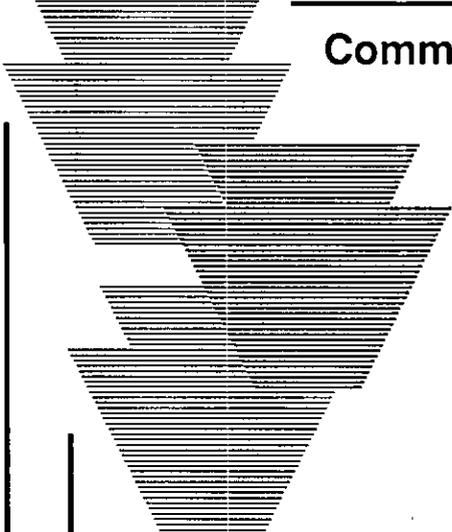
This budget recommends the following changes: (Dollar Amounts in Thousands)

Transfer to Vocational Rehabilitation Fund
 \$ -1,000 —to continue current program at recommended level.

All other programs recommended to be continued at the current year levels or are nonrecurring projects.

Appropriations within this Program: _____

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Transfer to Vocational Rehabilitation Fund	\$ 17,460	\$ 17,460	\$ 16,460	\$ 18,460	\$ 19,460	\$ 20,000	\$ 20,000
Supported Employment	899	899	899	899	899	899	899
Centers for Independent Living	825	920	920	920	920	920	920
Harmarville Rehabilitation Center	200	200	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	<u>\$ 19,384</u>	<u>\$ 19,479</u>	<u>\$ 18,279</u>	<u>\$ 20,279</u>	<u>\$ 21,279</u>	<u>\$ 21,819</u>	<u>\$ 21,819</u>



Commonwealth of Pennsylvania

Liquor Control Board

The Pennsylvania Liquor Control Board controls the manufacture, possession, sale, consumption, importation, use, storage, transportation and delivery of liquor, alcohol and malt or brewed beverages in the Commonwealth.

The board consists of three members appointed by the Governor with Senate confirmation.

The dollar amounts shown are from the State Stores Fund, a special enterprise fund, and are reflected herein as "Other Funds."

LIQUOR CONTROL BOARD

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
OTHER FUNDS			
<i>STATE STORES FUND:</i>			
General Operations (EA)	\$ 183,587	\$ 189,536	\$ 184,047
Comptroller Operations (EA)	6,780	6,897	7,122
Transfer of Profits to the General Fund (EA)	41,250	38,000	33,000
OTHER FUNDS TOTAL	\$ 231,617	\$ 234,433	\$ 224,169

LIQUOR CONTROL

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
LIQUOR CONTROL							
Special Funds.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds.....	231,617	234,433	224,169	221,099	222,075	224,100	224,173
TOTAL.....	\$ 231,617	\$ 234,433	\$ 224,169	\$ 221,099	\$ 222,075	\$ 224,100	\$ 224,173
ALL PROGRAMS:							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	231,617	234,433	224,169	221,099	222,075	224,100	224,173
TOTAL.....	\$ 231,617	\$ 234,433	\$ 224,169	\$ 221,099	\$ 222,075	\$ 224,100	\$ 224,173

LIQUOR CONTROL BOARD

PROGRAM OBJECTIVE: To control the manufacture, distribution and sale of alcoholic beverages in Pennsylvania.

Program: Liquor Control

All bottle sales of wines and spirits in Pennsylvania (with a few exceptions) are made through approximately 681 State Liquor Stores which are run by the Liquor Control Board. This includes both retail sales and wholesale sales to those private establishments which sell by the drink. While malt and brewed beverages are not sold in State Liquor Stores, the Liquor Control Board regulates these sales by licensing the distributors who do sell these items. In addition, the board licenses those

private establishments which make retail sales of alcoholic beverages by the drink.

Act 14 of 1987 reauthorized the Liquor Control Board and made some changes to its responsibilities. Most notably, enforcement of liquor laws was transferred to the Pennsylvania State Police. In addition, an Office of Administrative Law Judge, a Bureau of Wine and a Bureau of Consumer Relations were created within the Liquor Control Board.

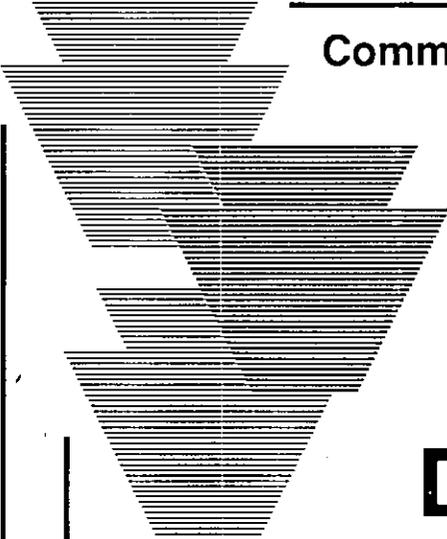
Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Pennsylvania State Liquor Stores	686	681	690	690	690	690	690
Gross sales (includes taxes) (in thousands)	\$781,435	\$791,364	\$801,415	\$809,000	\$813,000	\$817,000	\$821,000
Licenses and permits issued (all types) ..	68,203	68,400	68,500	68,500	68,500	68,600	68,600

Program Recommendations:

This budget recommends the following changes for executive authorizations within the State Stores Fund: (Dollar Amounts in Thousands)

General Government Operations	
\$ -14,057	—nonrecurring expenditures.
3,000	—Initiative—Acquisition of Image Processing Capability— Provides for the acquisition of an image processing capability for the license processing system in order to automate applications, renewals and other licensing forms.
5,568	—to continue current program.
\$ -5,489	Executive Authorization Decrease
Comptroller Operations	
\$ 225	—to continue current program.
Transfer to General Fund	
\$ -5,000	—reduction in amounts available for transfer to General Fund. This reduces the amount of revenue transfer to the General Fund from \$38 million to \$33 million.



Commonwealth of Pennsylvania

Department of Military Affairs

The Department of Military Affairs provides organized combat-ready units, both Army and Air National Guard, for call to Federal duty in the event of national emergency and to State duty in time of disaster or civil disorder. Their duties are to protect the lives and property of the people of Pennsylvania and preserve peace, order and public safety. The Bureau of Veterans Affairs administers the laws that provide for the well-being of Pennsylvania veterans and their dependents.

The Department of Military Affairs consists of the Adjutant General and the State Armory Board, the State Veterans' Commission, the Soldiers and Sailors Home at Erie, the Veterans Home at Hollidaysburg, and the Southeastern Veterans Home at Spring City.

MILITARY AFFAIRS

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revision:

Title	Appropriation	1991-92 State Funds (In thousands)
GENERAL FUND		
Veterans Homes Expansion	Hollidaysburg Veterans Home	\$ 1,874
	Southeastern Veterans Home	3,578
	Subtotal	<u>\$ 5,452</u>
<p>This Program Revision provides 340 new nursing home beds at the Hollidaysburg and Southeastern Pennsylvania veterans homes. A total of \$7.36 million in State, Federal and Other funds is being provided for this Program Revision.</p>		
DEPARTMENT TOTAL		<u>\$ 5,452</u>

MILITARY AFFAIRS

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 11,757	\$ 12,155	\$ 12,901
(F) Facilities Maintenance	1,399	700	600
(F) Employee Support	200	533	507
(F) New Armories	74	185	.....
(F) Telecommunications Expansion .....	.....	1,400	1,400
(A) Rental of Armories and Other Facilities	161	123	123
(A) Lt. Governor's Residence	21	20	20
(A) Child Care Center	56	.....	.....
American Battle Monuments	3	4	4
Armory Maintenance and Repair	497	495	495
Veterans Memorial Commission .....	.....	40^a	.....
Drug Interdiction .....	.....	54	97
Subtotal — State Funds	\$ 12,257	\$ 12,748	\$ 13,497
Subtotal — Federal Funds	1,673	2,818	2,507
Subtotal — Augmentations	238	143	143
Total — General Government	\$ 14,168	\$ 15,709	\$ 16,147
INSTITUTIONAL:			
Erie Soldiers and Sailors Home	\$ 4,180	\$ 4,258	\$ 4,386
(F) Operations and Maintenance	711	888	851
(F) Medical Reimbursement	4	20	10
(A) Aid and Attendance Payments	277	265	315
(A) Residents Fees	953	956	1,000
Total — Erie Soldiers and Sailors Home	\$ 6,125	\$ 6,387	\$ 6,562
Hollidaysburg Veterans Home	9,454	9,667	11,638
(F) Operations and Maintenance	1,755	1,980	2,239
(F) Medical Reimbursement	105	25	25
(F) Dietary Renovations	12	65	.....
(A) Aid and Attendance Payments	749	905	962
(A) Residents Fees	2,427	2,913	3,140
(A) Rental Receipts .....	.....	20	20
Total — Hollidaysburg Veterans Home	\$ 14,502	\$ 15,575	\$ 18,024
Southeastern Veterans Home	4,557	4,969	8,538
(F) Operations and Maintenance	251	278	1,059
(A) Aid and Attendance Payments	4	.....	.....
(A) Residents Fees	318	326	1,314
Total — Southeastern Veterans Home	\$ 5,130	\$ 5,573	\$ 10,911
Subtotal — State Funds	\$ 18,191	\$ 18,894	\$ 24,562
Subtotal — Federal Funds	2,838	3,256	4,184
Subtotal — Augmentations	4,728	5,385	6,751
Total — Institutional	\$ 25,757	\$ 27,535	\$ 35,497

^aThis continuing appropriation provides funds for both 1990-91 and 1991-92.

MILITARY AFFAIRS

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
GRANTS AND SUBSIDIES:			
Education of Veterans Children	\$ 59	\$ 65	\$ 65
Education — National Guard	402	474	665
Veterans Assistance	2,287	2,287	2,478
Blind Veterans Pension	159	159	159
Paralyzed Veterans Pension	380	380	380
National Guard Pension	16	15	15
Total — Grants and Subsidies	<u>\$ 3,303</u>	<u>\$ 3,380</u>	<u>\$ 3,762</u>
STATE FUNDS	\$ 33,751	\$ 35,022	\$ 41,821
FEDERAL FUNDS	4,511	6,074	6,691
AUGMENTATIONS	<u>4,966</u>	<u>5,528</u>	<u>6,894</u>
GENERAL FUND TOTAL	<u>\$ 43,228</u>	<u>\$ 46,624</u>	<u>\$ 55,406</u>

MILITARY AFFAIRS

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
STATE MILITARY READINESS							
General Funds.....	\$ 12,257	\$ 12,748	\$ 13,497	\$ 13,902	\$ 14,319	\$ 14,749	\$ 15,191
Federal Funds.....	1,673	2,818	2,507	2,507	2,507	2,507	2,507
Other Funds.....	238	143	143	148	153	158	163
TOTAL.....	\$ 14,168	\$ 15,709	\$ 16,147	\$ 16,557	\$ 16,979	\$ 17,414	\$ 17,861
VETERANS HOMES							
General Funds.....	\$ 18,191	\$ 18,894	\$ 24,562	\$ 29,805	\$ 33,404	\$ 34,407	\$ 35,439
Federal Funds.....	2,838	3,256	4,184	5,759	6,651	6,850	7,055
Other Funds.....	4,728	5,385	6,751	9,657	11,010	11,342	11,683
TOTAL.....	\$ 25,757	\$ 27,535	\$ 35,497	\$ 45,221	\$ 51,065	\$ 52,599	\$ 54,177
COMPENSATION AND ASSISTANCE							
General Funds.....	\$ 3,303	\$ 3,380	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762
TOTAL.....	\$ 3,303	\$ 3,380	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762	\$ 3,762
ALL PROGRAMS:							
GENERAL FUND.....	\$ 33,751	\$ 35,022	\$ 41,821	\$ 47,469	\$ 51,485	\$ 52,918	\$ 54,392
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	4,511	6,074	6,691	8,266	9,158	9,357	9,562
OTHER FUNDS.....	4,966	5,528	6,894	9,805	11,163	11,500	11,846
TOTAL.....	\$ 43,228	\$ 46,624	\$ 55,406	\$ 65,540	\$ 71,806	\$ 73,775	\$ 75,800

MILITARY AFFAIRS

PROGRAM OBJECTIVE: To achieve and maintain a readiness capability in units of the Pennsylvania National Guard for quick and effective response to State or Federal mobilization.

Program: State Military Readiness

This program provides the administrative, logistical and training support necessary for the Pennsylvania National Guard to maintain requisite readiness capability to serve during emergencies. Such emergencies may result in full or partial mobilization of the Pennsylvania National Guard for State service in the Commonwealth or Federal service anywhere in the world. Costs for military equipment and supplies and training, such as monthly training assemblies and 15 days annual training, are funded 100 percent by the Federal Government. The Commonwealth is responsible for providing for the operation, maintenance and repair of the armories.

The readiness capability of Pennsylvania National Guard units is evaluated according to established Federal inspection and training standards. Primary efforts are directed toward having the Pennsylvania

National Guard in top readiness condition in order to perform its State and Federal missions. The training of personnel is directly dependent upon the adequacy of the operation, maintenance and repair of Air National Guard bases and installations and numerous Army National Guard armories and support facilities. To provide a quicker and more effective response to State or Federal mobilization, a Statewide communications network is in operation.

Included within this program are those activities essential to operate a network of 104 community armories which serve as training locations for National Guard units. These armories may also be utilized as mass care centers for disaster victims and to provide meeting and recreational facilities for local civic and youth organizations.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Armories	104	104	104	104	104	104	104
Pennsylvania National Guard personnel ..	21,858	21,882	21,906	21,930	21,954	21,978	22,002
Percentage of authorized strength level ..	92.6%	92.7%	92.8%	92.9%	93.0%	93.1%	93.2%

Program Recommendations:

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

General Government Operations	
\$ 40	—to upgrade telephone system. In addition \$120,000 in Federal funds are provided.
706	—to maintain current program.
\$ 746	<i>Appropriation Increase</i>

The Armory Maintenance and Repair program and American Battle Monuments are continued at current levels.

Drug Interdiction	
\$ 43	—to increase drug interdiction activities.

The continuing appropriation for Veterans Memorial Commission provides funds for both 1990-91 and 1991-92.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	\$ 11,757	\$ 12,155	\$ 12,901	\$ 13,288	\$ 13,687	\$ 14,098	\$ 14,521
American Battle Monuments	3	4	4	4	4	4	4
Armory Maintenance and Repair	497	495	495	510	525	541	557
Veterans Memorial Commission .....	.....	40	.....	.....	.....	.....	.....
Drug Interdiction .....	.....	54	97	100	103	106	109
TOTAL GENERAL FUND	\$ 12,257	\$ 12,748	\$ 13,497	\$ 13,902	\$ 14,319	\$ 14,749	\$ 15,191

MILITARY AFFAIRS

PROGRAM OBJECTIVE: To provide nursing and domiciliary care for veterans.

Program: Veterans Homes

The Department of Military Affairs is legally mandated to provide skilled nursing and domiciliary care for veterans who are disabled, indigent or in need of care. There are three veterans homes providing such care: the Soldiers and Sailors Home in Erie, the Veterans Home at Hollidaysburg and the Southeastern Pennsylvania Veterans Center. The program receives assistance from the Federal Government at levels of \$9.59 per patient day for domiciliary care, \$22.44 per patient day for nursing home care, and an average of \$7.50 per day for aid-in-attendance given directly to the patient. In addition, residents pay a maintenance

fee to help offset the cost of services.

The Administration is committed to establishing a fourth veterans home. Contracts have been awarded for construction of a 200 bed facility in Scranton. This new nursing care and personal care home is expected to be available for veterans during the 1992-93 fiscal year.

At the request of the Governor, the Pennsylvania War Veterans Council recently recommended sites for a fifth and sixth veterans home in Pennsylvania. Once the reports are reviewed and sites are selected, a capital budget for the homes will be recommended by the Governor.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Beds Available (December):							
Erie	175	175	175	175	175	175	175
Hollidaysburg	379	379	379	527	527	527	527
Southeastern	112	112	304	304	304	304	304
Northeastern				200	200	200	200
Population (December):							
Erie	142	141	140	140	140	140	140
Hollidaysburg	305	309	310	485	485	485	485
Southeastern	95	91	258	282	282	282	282
Northeastern				N/A	N/A	N/A	N/A
Cost per skilled nursing care day:							
Erie	\$153	\$158	\$163	\$168	\$173	\$181	\$190
Hollidaysburg	\$149	\$157	\$142	\$145	\$151	\$157	\$163
Southeastern			\$175	\$180	\$187	\$195	\$202
Northeastern				N/A	N/A	N/A	N/A
Cost per domiciliary care day:							
Erie	\$78	\$83	\$88	\$92	\$96	\$100	\$104
Hollidaysburg	\$110	\$116	\$120	\$124	\$129	\$135	\$140
Southeastern	\$151	\$163	\$160	\$165	\$170	\$176	\$182
Northeastern				N/A	N/A	N/A	N/A

Construction currently in progress will add 148 beds at Hollidaysburg Veterans Home and 192 beds at Southeastern Veterans Home during 1991-92. An additional 200 beds will be added during 1992-93 with construction of a new facility in Scranton.

State Veterans Homes — Expenditures by Institution

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
<i>Erie Soldiers and Sailors Home</i>			
State Funds	\$ 4,180	\$ 4,258	\$ 4,386
Federal Funds	715	908	861
Augmentations	1,230	1,221	1,315
TOTAL	\$ 6,125	\$ 6,387	\$ 6,562
<i>Hollidaysburg Veterans Home</i>			
State Funds	\$ 9,454	\$ 9,667	\$ 11,638
Federal Funds	1,872	2,070	2,264
Augmentations	3,176	3,838	4,122
TOTAL	\$ 14,502	\$ 15,575	\$ 18,024
<i>Southeastern Veterans Home</i>			
State Funds	\$ 4,557	\$ 4,969	\$ 8,538
Federal Funds	251	278	1,059
Augmentations	322	326	1,314
TOTAL	\$ 5,130	\$ 5,573	\$ 10,911

MILITARY AFFAIRS

Program: Veterans Homes (continued)

Institution:	Projected Dec. 1991 Capacity	Population Dec. 1989	Population Dec. 1990	Projected Population Dec. 1991	Projected Percent of Capacity
Erie Soldiers and Sailors Home	175	142	141	140	80%
Hollidaysburg Veterans Home	379	305	309	310	82%
Southeastern Veterans Home	304	95	91	258	85%

Program Recommendations:

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

<p>Erie Soldiers and Sailors Home</p> <p>\$ 10 —to continue installment purchase of new computer system.</p> <p>118 —to maintain current program.</p> <p><u>\$ 128</u> <i>Appropriation Increase</i></p>	<p>Hollidaysburg Veterans Home</p> <p>\$ 1,874 —PRR — Veterans Homes Expansion. To provide 148 new nursing care beds. See Program Revision following this program for further information.</p> <p>246 —to maintain current program.</p> <p>-149 —nonrecurring cost of renovations and purchase of patient care equipment.</p> <p><u>\$ 1,971</u> <i>Appropriation Increase</i></p>	<p>Southeastern Veterans Home</p> <p>\$ 3,578 —PRR — Veterans Homes Expansion. To provide 192 new patient care beds. See Program Revision following this program for further information.</p> <p>231 —to maintain current program.</p> <p>-240 —nonrecurring 1990-91 costs.</p> <p><u>\$ 3,569</u> <i>Appropriation Increase</i></p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Erie Soldiers and Sailors Home	\$ 4,180	\$ 4,258	\$ 4,386	\$ 4,518	\$ 4,654	\$ 4,794	\$ 4,938
Hollidaysburg Veterans Home	9,454	9,667	11,638	13,916	14,333	14,763	15,206
Southeastern Veterans Home	4,557	4,969	8,538	9,531	9,817	10,112	10,415
Northeastern Veterans Home				1,840	4,600	4,738	4,880
TOTAL GENERAL FUND	<u>\$ 18,191</u>	<u>\$ 18,894</u>	<u>\$ 24,562</u>	<u>\$ 29,805</u>	<u>\$ 33,404</u>	<u>\$ 34,407</u>	<u>\$ 35,439</u>

Program Revision: Veterans Homes Expansion

The Commonwealth is committed to increasing the number of nursing home beds available to Pennsylvania veterans. To provide additional beds, construction has been underway at the Hollidaysburg and the Southeastern Pennsylvania Veterans Homes for the past several years. The Department of Military Affairs expects construction to be completed at these two facilities so that these additional beds can be occupied in 1991-92. This Program Revision will provide for the necessary staff and operating expenses associated with the occupancy of these new nursing care beds.

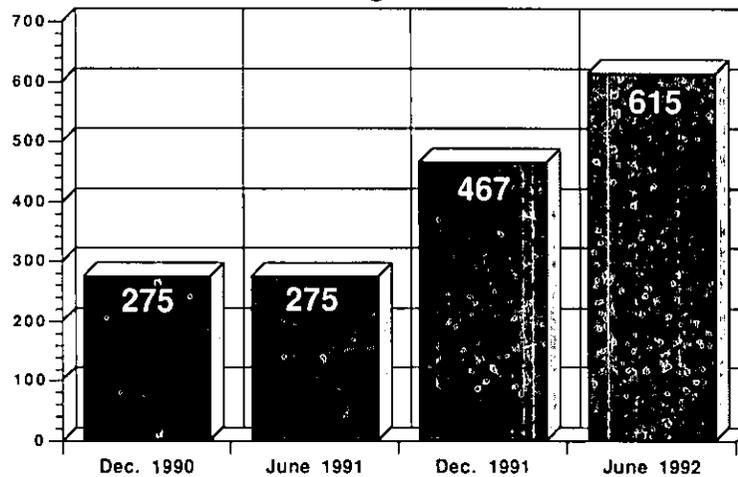
Completion of the new patient building at the Hollidaysburg Veterans Home will provide 148 additional skilled nursing care beds and increase total capacity to 527 beds. Additional staff will be hired to provide necessary care and support services for the new patients to be admitted

during 1991-92. Completion of the new complex at Southeastern Pennsylvania Veterans Home is expected early in 1991-92. The new 192 bed skilled nursing and intermediate care facility will complement the 112 personal care beds presently available. Complete occupancy of the new complex is expected to occur during 1991-92.

This Program Revision provides \$5.452 million in State funds during 1991-92 to support 340 new nursing home beds and to assure high quality care appropriate for Pennsylvania veterans.

When these two projects are completed there will be 615 nursing care beds available for veterans. This represents a 123 percent increase. At present, there are 75 nursing care beds at the Erie Soldiers and Sailors Home and 200 nursing care beds at the Hollidaysburg Veterans Home.

**STATE VETERANS HOMES
Nursing Care Beds**



Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Hollidaysburg Nursing Care Beds							
Current	200	200	200	200	200	200	200
Program Revision .....	.....	.....	348	348	348	348	348
Southeastern Nursing Care Beds							
Current .....	.....	.....	.....	.....	.....	.....	.....
Program Revision .....	.....	.....	192	192	192	192	192

In addition, 75 nursing care beds are available at the Erie Soldiers and Sailors Home.

MILITARY AFFAIRS

Program: Veterans Homes Expansion (continued)

Program Revision Recommendations:

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

\$ 1,874 **Hollidaysburg Veterans Home**
—to operate 148 new nursing care beds.

\$ 3,578 **Southeastern Veterans Home**
—to operate 192 new nursing care beds.

\$ 5,452 *Program Revision Total*

In addition, Federal funds and patient contributions will provide approximately \$1.9 million.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Hollidaysburg Veterans Home			\$ 1,874	\$ 3,860	\$ 3,976	\$ 4,095	\$ 4,218
Southeastern Veterans Home			3,578	4,423	4,556	4,692	4,833
TOTAL GENERAL FUND			\$ 5,452	\$ 8,283	\$ 8,532	\$ 8,787	\$ 9,051

MILITARY AFFAIRS

PROGRAM OBJECTIVE: To provide advisory and financial assistance to eligible Pennsylvania veterans, National Guardsmen and their dependents.

Program: Compensation and Assistance

The Department of Military Affairs administers several activities within this program.

Program Element: Veterans Assistance

Temporary financial assistance is provided for eligible veterans, their spouses and dependent children who are in need of financial assistance. Financial assistance is authorized for food, fuel, shelter and clothing and is limited to a period not exceeding three months. Assistance payments were increased an average of 45% in 1988.

Program Element: Blind Veterans Pension

Pensions of \$100 per month are provided for those Pennsylvania veterans who incurred functional blindness while performing active military service.

Program Element: National Guard Pensions

This program element is responsible for the payment of a pension to guardsmen, widows and dependent family members. A National Guardsman who is injured, otherwise disabled or dies as a result of injuries or other disability received or contracted while performing duty in active service of the Commonwealth, or in the performance of other State military duty, is eligible. Current law provides for a monthly pension for dependents up to a maximum of \$300 per month for a period of ten years. In the case of minor children of a deceased member, the pension is paid until the minor child reaches 18 years of age. A tuition credit of 50 percent at all State-owned universities or approved trade schools for a period not exceeding eight semesters or four years is also

authorized for children of deceased guard personnel who were killed or died while on State active duty.

Program Element: Education of Children of Deceased and Disabled Veterans

Educational gratuities are provided for children of honorably discharged veterans who have been certified as having wartime service-connected disabilities rated as totally and permanently disabled or children of veterans who have died of war service-connected disabilities. Under current law, \$500 per semester is available for eligible students attending post secondary institutions within the Commonwealth.

Program Element: Education — National Guard

Act 152 of 1980 provides a tuition grant to certain members of the Pennsylvania National Guard who enroll in a Pennsylvania institution of higher learning, with degree-granting status, as approved by the Department of Education. The grant is one-half of the cost of the credit with a maximum of \$40 per credit. Assistance is limited to a maximum of six credits per quarter or semester or twelve credits per year.

Program Element: Paralyzed Veterans Pension

This program provides a pension of \$100 per month to those Pennsylvania veterans who have lost the use of two or more extremities while serving on active duty in the armed forces of the United States during an established war, armed conflict or combat-related activity in peacetime.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Veterans in Pennsylvania	1,490,800	1,484,400	1,478,000	1,471,600	1,465,200	1,458,800	1,452,400
Recipients of veterans emergency assistance	16,461	16,055	16,690	16,400	16,100	15,800	15,500
Recipients of blind veterans pensions	125	127	132	132	132	132	132
Students receiving financial aid	58	65	65	65	65	65	65
National Guard personnel receiving educational financial aid	1,420	1,500	1,600	1,600	1,600	1,600	1,600
Participants in paralyzed veterans program	287	305	316	316	316	316	316

MILITARY AFFAIRS

Program: Compensation and Assistance (continued)

Program Recommendations:

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

<p>Education - National Guard</p> <p>\$ 156 —to provide education assistance to an additional 100 National Guard personnel.</p> <p>35 —for anticipated tuition increases.</p> <p><u>\$ 191</u> <i>Appropriation Increase</i></p>	<p>Veterans Assistance</p> <p>\$ 191 —to make financial assistance available to additional veterans.</p>
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In addition, the budget recommends continuation of other programs at current levels.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Education of Veterans Children	\$ 59	\$ 65	\$ 65	\$ 65	\$ 65	\$ 65	\$ 65
Education — National Guard	402	474	665	665	665	665	665
Veterans Assistance	2,287	2,287	2,478	2,478	2,478	2,478	2,478
Blind Veterans Pensions	159	159	159	159	159	159	159
Paralyzed Veterans Pension	380	380	380	380	380	380	380
National Guard Pensions	16	15	15	15	15	15	15
TOTAL GENERAL FUND	<u>\$ 3,303</u>	<u>\$ 3,380</u>	<u>\$ 3,762</u>	$ 3,762	$ 3,762	$ 3,762	$ 3,762



Commonwealth of Pennsylvania

Milk Marketing Board

The Milk Marketing Board supervises, inspects and regulates the milk industry of the Commonwealth and establishes reasonable trade control and marketing practices.

MILK MARKETING BOARD

Summary by Fund and Appropriation

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
GENERAL FUND			
<i>GRANTS AND SUBSIDIES:</i>			
Transfer to Milk Marketing Board	\$ 600	\$ 600	.....
GENERAL FUND TOTAL	<u>\$ 600</u>	<u>\$ 600</u>	<u>.....</u>
MILK MARKETING FUND			
<i>GENERAL GOVERNMENT:</i>			
General Operations	\$ 1,074	\$ 1,354	- \$ 1,693
(A) Transfer from General Fund .....	.....^a	.....^a	.....^a
MILK MARKETING FUND TOTAL	<u>\$ 1,074</u>	<u>\$ 1,354</u>	<u>\$ 1,693</u>
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 600	\$ 600	.....
SPECIAL FUNDS	1,074	1,354	\$ 1,693
TOTAL ALL FUNDS	<u>\$ 1,674</u>	<u>\$ 1,954</u>	<u>\$ 1,693</u>

^aNot added to the total to avoid double counting: 1989-90 actual is \$600,000 and 1990-91 available is \$600,000.

MILK MARKETING BOARD

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
REGULATION OF MILK INDUSTRY							
General Funds.....	\$ 600	\$ 600	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Special Funds.....	1,074	1,354	1,693	1,693	1,693	1,693	1,693
TOTAL.....	\$ 1,674	\$ 1,954	\$ 1,693	\$ 1,693	\$ 1,693	\$ 1,693	\$ 1,693
ALL PROGRAMS:							
GENERAL FUND.....	\$ 600	\$ 600	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SPECIAL FUNDS.....	1,074	1,354	1,693	1,693	1,693	1,693	1,693
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
TOTAL.....	\$ 1,674	\$ 1,954	\$ 1,693	\$ 1,693	\$ 1,693	\$ 1,693	\$ 1,693

MILK MARKETING BOARD

PROGRAM OBJECTIVE: To maintain an adequate supply of wholesome fluid milk.

Program: Milk Industry Regulation

The Milk Marketing Board is a special fund agency financed from milk industry license fees, permit fees and fines. When these revenues have been insufficient to fund board operations, a General Fund transfer was provided. The board supervises, inspects and regulates the milk industry of the Commonwealth and establishes reasonable trade control and marketing practices. It also formulates policy, holds public hearings and subsequently issues and enforces General Marketing Orders, rules and regulations, and handles all legal matters including prosecution and levying of penalties against violators of the Milk Marketing Law.

The board's major function continues to be insuring an adequate milk supply by setting minimum prices paid to farmers, minimum prices dealers can charge wholesale and retail customers, and minimum prices stores can charge consumers. The regulation process is complicated by the existence of Federal Marketing Orders, which are prices established in Washington that must be paid to producers.

The ratio between the supply of fluid milk to demand for fluid milk is one of the board's key impact indicators. This ratio, based on a long-term established economic policy, assumes that when supplies of fluid milk approximate 125 percent of fluid sales a proper balance exists between supply and demand. If the ratio exceeds the 125 percent level by more than eight percentage points, it alerts the board that supply is out of line with demand, calling for a review of producer and resale prices. Conversely, if the ratio drops by more than eight percentage points it alerts the board that demand is out of line with supply and producer prices should be reviewed to provide sufficient incentive to farmers for expanded production.

Act 135 of 1988 transferred the responsibility for setting fees from statute to regulation.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Supply of fluid milk compared to demand for fluid milk	126%	126%	126%	126%	126%	126%	126%
Licenses and permits issued	2,875	3,000	3,000	3,000	3,000	3,000	3,000

Program Recommendations:

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

<p>GENERAL FUND: Transfer to Milk Marketing Fund \$ -600 —reduction in General Fund support due to increased Milk Marketing Fund revenues with the objective of self-sufficiency for this agency.</p>	<p>MILK MARKETING FUND: General Operations \$ 339 —to continue current program.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Transfer to Milk Marketing Fund	\$ 600	\$ 600	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
MILK MARKETING FUND:							
General Operations	\$ 1,074	\$ 1,354	\$ 1,693	\$ 1,693	\$ 1,693	\$ 1,693	\$ 1,693



Commonwealth of Pennsylvania

Board of Probation and Parole

The Board of Probation and Parole rehabilitates and supervises persons on probation or parole, helping them to reintegrate within society. The board attempts to allow an early and controlled release of persons from correctional institutions as well as detect those who cannot adjust to the community. State probation services and pre-sentence investigations are also provided upon request from the courts.

PROBATION AND PAROLE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 25,218	\$ 27,877 ^b	\$ 30,311
PENNFREE — Intensive Drug Parole Units	944 ^a	.....	.....
PENNFREE — Drug Offenders Work Program	53 ^a	175	.....
(F) DCSI — Statewide Urinalysis Testing	113	75	15
(F) DCSI — Special Intensive Supervision Drug Project	465	180	.....
(F) Specialized Drug Training	4	.....	.....
(F) DCSI — Specialized Drug Training Project	13	13	.....
(F) DCSI — State Parole Services .....	.....	248	847
(F) Parole Plan Advocacy	22	.....	.....
(A) Parole Plan Advocacy	11	.....	.....
Subtotal — State Funds	\$ 26,215	\$ 28,052	\$ 30,311
Subtotal — Federal Funds	617	516	862
Subtotal — Augmentations	11	.....	.....
Total — General Government	<u>\$ 26,843</u>	<u>\$ 28,568</u>	<u>\$ 31,173</u>
GRANTS AND SUBSIDIES:			
Improvement of Adult Probation Services	\$ 7,647	\$ 16,960	\$ 7,878
(F) DCSI — Local Probation Services .....	.....	1,357	951
(A) Parole Supervision Fee .....	.....	.....	11,339
PENNFREE — Improvement of Adult Probation Services	869	.....	.....
Total — Grants and Subsidies	<u>\$ 8,516</u>	<u>\$ 18,317</u>	<u>\$ 20,168</u>
STATE FUNDS	\$ 34,731	\$ 45,012	\$ 38,189
FEDERAL FUNDS	617	1,873	1,813
AUGMENTATIONS	11	.....	11,339
GENERAL FUND TOTAL	<u>\$ 35,359</u>	<u>\$ 46,885</u>	<u>\$ 51,341</u>

^aThis continuing appropriation provided funds for both 1989-90 and 1990-91.

^bIncludes recommended supplemental of \$700,000.

PROBATION AND PAROLE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
REINTEGRATION OF THE ADULT OFFENDER							
General Funds.....	\$ 34,731	\$ 45,012	\$ 38,189	\$ 39,098	\$ 40,035	\$ 41,000	\$ 41,994
Federal Funds.....	617	1,873	1,813	1,586	1,586	1,586	1,586
Other Funds.....	11	0	11,339	11,339	11,339	11,339	11,339
TOTAL.....	\$ 35,359	\$ 46,885	\$ 51,341	\$ 52,023	\$ 52,960	\$ 53,925	\$ 54,919
ALL PROGRAMS:							
GENERAL FUND.....	\$ 34,731	\$ 45,012	\$ 38,189	\$ 39,098	\$ 40,035	\$ 41,000	\$ 41,994
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	617	1,873	1,813	1,586	1,586	1,586	1,586
OTHER FUNDS.....	11	0	11,339	11,339	11,339	11,339	11,339
TOTAL.....	\$ 35,359	\$ 46,885	\$ 51,341	\$ 52,023	\$ 52,960	\$ 53,925	\$ 54,919

PROBATION AND PAROLE

PROGRAM OBJECTIVE: To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.

Program: Reintegration of the Adult Offender

The Pennsylvania Board of Probation and Parole operates in a complex and interdependent criminal justice system in the Commonwealth. The primary functions of the board are to grant parole and supervise adult offenders with a maximum sentence of two years or more, revoke the parole of technical parole violators and criminal violators convicted of new crimes, and discharge from parole clients under supervision who have fulfilled their sentences in compliance with the conditions governing parole. Commonwealth judges parole inmates with maximum sentences under two years. Under the direction of the county courts, cases can be certified to the State under special probation and parole supervision. The State provides direct support to county probation through a separate board administered grant-in-aid appropriation which subsidizes manpower at the local level.

The Pennsylvania Board of Probation and Parole's primary goal is to protect the community from crime through a process of supervising offenders who are serving sentences in the community.

The board also has quasi-judicial case decision-making

responsibility. Two dominant types of decisions are made by the board from information provided by field and institutional staff: parole release decisions and revocation decisions.

Explicit parole guidelines are used in the decision-making process in order to structure discretion and maintain fairness in the system. The effect of these successful program efforts in decision-making is that justice is administered fairly and decision-making is more accountable to the public.

In addition to operating the State parole program, the board has the responsibility of administering a grant-in-aid program to support county adult probation personnel and services. The grant-in-aid program provides funds to any county which adds probation staff for pre-sentence investigations and for improved probation supervision and program. Act 134 of 1986, which amended the Probation and Parole Act, provides that counties shall be reimbursed for up to eighty percent (80%) of the personnel costs incurred to administer these additional services and programs, provided that sufficient funds are appropriated.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Probationers and parolees in caseload:							
County	88,607	90,972	93,084	95,196	97,308	99,420	101,532
State	17,218	18,327	20,163	21,411	22,209	23,007	23,805
Annual addition to caseload population ..	8,343	8,843	9,727	10,310	10,691	11,075	11,462
Investigative reports completed	13,994	15,352	15,451	15,550	15,649	15,748	15,847
Annual caseload additions likely to return to prison	3,003	3,183	3,502	3,712	3,849	3,987	4,126
And as a percentage of annual additions to caseload	36%	36%	36%	36%	36%	36%	36%
Average cases per parole agent	84	79	74	65	67	70	72

PROBATION AND PAROLE

Program: Reintegration of the Adult Offender (continued)

Program Recommendations:

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

General Government Operations
 \$ 2,354 —to continue current program.
 80 —to provide for a new parole unit. In addition,
 \$240,000 in DCSI funds will be used to
 support the new parole unit.

\$ 2,434 *Appropriation Increase*

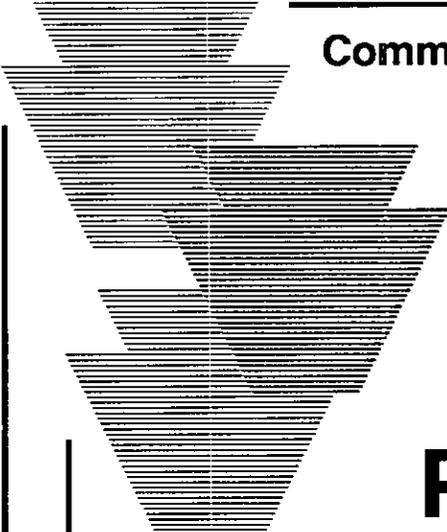
Unified Corrections System

—A Unified Corrections System is proposed which will redefine the roles of the Board of Probation and Parole and the Department of Corrections in the supervision of adult offenders from incarceration to release and through post-release supervision. For a further description of this concept see the Institutionalization of Offenders subcategory in the Department of Corrections.

Improvement of Adult Probation Services
 \$ -9,082 —for grants to counties for professional county personnel salary costs. A charge of \$25 per month will be instituted for employed offenders on State and county parole supervision. These offender supervision fees will generate \$17 million in revenue from county supervised offenders. The first \$1,339,000 of the revenue will be used to cover a portion of county probation and parole drug and alcohol program costs. Of the remaining funds, \$10 million will be used to offset the General Fund costs of the current State grant-in-and program and the balance will be retained by the county for probation and parole services.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	\$ 25,218	\$ 27,877	\$ 30,311	\$ 31,220	\$ 32,157	\$ 33,122	\$ 34,116
PENNFREE—Intensive Drug Parole Units Program	944	175	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Improvement of Adult Probation Services. PENNFREE—Improvement of Adult Probation Services	7,647	16,960	7,878	7,878	7,878	7,878	7,878
	869	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL GENERAL FUND	<u>\$ 34,731</u>	<u>\$ 45,012</u>	<u>\$ 38,189</u>	<u>\$ 39,098</u>	<u>\$ 40,035</u>	<u>\$ 41,000</u>	<u>\$ 41,994</u>



Commonwealth of Pennsylvania

Public Television Network

The Public Television Network promotes and encourages public television in Pennsylvania. The network facilities provide services to the seven public television stations including the recording, storage, and delivery of programs and the interconnection of the stations for Statewide program production and exchange. The network also administers a program of grants to support station operations, instructional television services, program production, and program acquisition.

PUBLIC TELEVISION NETWORK

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 2,761	\$ 2,824	\$ 2,500
(A) Services for the Hearing Impaired	123	98	.....
Subtotal — State Funds	\$ 2,761	\$ 2,824	\$ 2,500
Subtotal — Augmentations	123	98	.....
Total — General Government Operations	\$ 2,884	\$ 2,922	\$ 2,500
GRANTS AND SUBSIDIES:			
Public Television Station Grants	\$ 7,839	\$ 8,057	\$ 6,057
(A) Commerce Production	37	.....	.....
Total — Grants and Subsidies	\$ 7,876	\$ 8,057	\$ 6,057
STATE FUNDS	\$ 10,600	\$ 10,881	\$ 8,557
AUGMENTATIONS	160	98	.....
GENERAL FUND TOTAL	\$ 10,760	\$ 10,979	\$ 8,557

PUBLIC TELEVISION NETWORK

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
PUBLIC TELEVISION SERVICES							
General Funds.....	\$ 10,600	\$ 10,881	\$ 8,557	\$ 10,632	\$ 10,709	\$ 10,789	\$ 10,871
Other Funds.....	160	98	0	0	0	0	0
TOTAL.....	\$ 10,760	\$ 10,979	\$ 8,557	\$ 10,632	\$ 10,709	\$ 10,789	\$ 10,871
ALL PROGRAMS:							
GENERAL FUND.....	\$ 10,600	\$ 10,881	\$ 8,557	\$ 10,632	\$ 10,709	\$ 10,789	\$ 10,871
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	160	98	0	0	0	0	0
TOTAL.....	\$ 10,760	\$ 10,979	\$ 8,557	\$ 10,632	\$ 10,709	\$ 10,789	\$ 10,871

PUBLIC TELEVISION NETWORK

PROGRAM OBJECTIVE: To provide for the development and support of Pennsylvania's noncommercial public television stations.

Program: Public Television Services

The Pennsylvania Public Television Network links the seven independent noncommercial television stations in Pennsylvania to create a system in which stations provide programming to the people of Pennsylvania through independent and group efforts. The stations are located in Bethlehem, Erie, Philadelphia, Pittsburgh, Pittston, University Park and Harrisburg.

Funding for the operations of the noncommercial television stations in Pennsylvania comes from several sources; the major sources, accounting for over 60 percent of the revenue, are private donations from business and industry and contributions from individual members. Other sources are the grants made by the Commonwealth and the Federal Government.

The operation of the network, located in Hershey, is fully funded by a General Fund appropriation. It is directed by a commission which includes representatives from the seven stations, the education community, the Legislature, the Council on the Arts, and the public. The

operations of the commission include governance of the network and Statewide coordinating functions through a computerized microwave telecommunications system. Through the network each station has access to programs produced by other Pennsylvania stations and programs acquired from outside sources. Network promotion and audience research services are also provided as well as guidance in producing programs on cultural, educational, and public affairs of interest to all Pennsylvanians.

The Network Commission provides through its facilities a videoconferencing system for State agencies which results in a reduction in travel time and expense for State agencies.

Instructional television is provided by each of the stations in cooperation with school districts and the Department of Education, which purchases broadcast rights for some nationally produced programs. Some educational television series are produced by Pennsylvania stations for broadcast on Statewide and national television.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Households watching public television at least once a week	2,320,000	2,340,000	2,320,000	2,310,000	2,290,000	2,275,000	2,260,000
Contributing memberships	295,000	300,000	300,000	280,000	270,000	260,000	250,000
Original programming as a percentage of total broadcasting	5.6%	5.6%	5.5%	5.4%	5.3%	5.2%	5.1%

Program Recommendations:

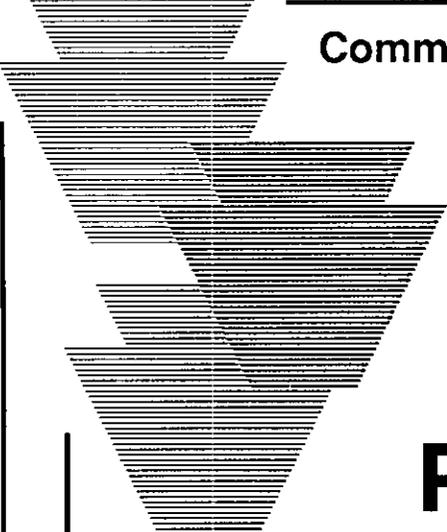
This budget recommends the following changes: (Dollar Amounts in Thousands)

General Government Operations
\$ -324 —to continue current program.

Public Television Station Grants
\$ -2,000 —to continue base operating support for the stations.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	\$ 2,761	\$ 2,824	\$ 2,500	\$ 2,575	\$ 2,652	\$ 2,732	\$ 2,814
Public Television Station Grants	7,839	8,057	6,057	8,057	8,057	8,057	8,057
TOTAL GENERAL FUND	\$ 10,600	\$ 10,881	\$ 8,557	\$ 10,632	\$ 10,709	\$ 10,789	\$ 10,871



Commonwealth of Pennsylvania

Public Utility Commission

The Public Utility Commission insures that safe and adequate public utility services are available at fair and reasonable rates. This is accomplished through enforcement of the Public Utility Law and promulgation of regulations adopted by the commission.

The commission is comprised of five members appointed by the Governor with Senate confirmation.

The dollar amounts shown are not appropriations from the General Fund. The commission receives a budgetary authorization ceiling and then bills the utilities for the amounts of the approved estimate of expenditures and expends directly from the funds collected.

PUBLIC UTILITY COMMISSION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1989-90	1990-91	1991-92
GENERAL FUND	Actual	Available	Budget
GENERAL GOVERNMENT:			
(R) General Government Operations ^a	\$ 29,239 ^b	\$ 31,276 ^c	\$ 31,884
(R) First Class City Taxicab Regulation ^a .....	.....	1,800	1,890
(F) Natural Gas Pipeline Safety	115	115	100
(F) Railroad Safety	5	.....	.....
(F) Motor Carrier Safety	566	575	425
RESTRICTED REVENUES	\$ 29,239	\$ 33,076	\$ 33,774
FEDERAL FUNDS	686	690	525
GENERAL FUND TOTAL	\$ 29,925	\$ 33,766	\$ 34,299

^aAppropriation from a restricted revenue account.

^bActually appropriated as: \$24,897,000 General Government Operations: \$428,000, Chairman and Commissioners; and \$3,914,000 Safety and Enforcement.

^cActually appropriated as: \$26,252,000, General Government Operations, \$411,000, Chairman and Commissioners; and \$4,613,000, Safety and Enforcement.

PUBLIC UTILITY COMMISSION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
REGULATION OF PUBLIC UTILITIES							
Special Funds..... \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0
Federal Funds.....	686	690	525	525	525	525	525
Other Funds.....	29,239	33,076	33,774	34,788	35,831	36,906	38,013
TOTAL..... \$	29,925 \$	33,766 \$	34,299 \$	35,313 \$	36,356 \$	37,431 \$	38,538
ALL PROGRAMS:							
GENERAL FUND..... \$	0 \$	0 \$	0 \$	0 \$	0 \$	0 \$	0
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	686	690	525	525	525	525	525
OTHER FUNDS.....	29,239	33,076	33,774	34,788	35,831	36,906	38,013
TOTAL..... \$	29,925 \$	33,766 \$	34,299 \$	35,313 \$	36,356 \$	37,431 \$	38,538

PUBLIC UTILITY COMMISSION

PROGRAM OBJECTIVE: To ensure that safe and adequate public utility services are available to the public at fair and reasonable rates.

Program: Regulation of Public Utilities

The Public Utility Commission's (PUC) responsibility and the service which it performs as an arm of the General Assembly as expressed in the Public Utility Code is to ensure that safe and adequate utility service is available to the public at fair and reasonable rates.

The types of utilities regulated are electric, gas, steam heat, water, telephone, telegraph, and sewage collection and disposal services; transportation of passengers and property by railroad, aircraft, boat, ferry, and motor carrier; and transportation of certain products by pipeline.

While only 22 of approximately 5,000 utilities regulated are electric, the rate increases requested have historically been much greater than those of all other utilities combined.

In addition to its primary duty of ensuring that adequate service at reasonable rates is available to the public, the commission is required or empowered to:

- prescribe rates for common carrier motor vehicles, and to establish accounting and service requirements for them;
- regulate the formation, merger and consolidation of public utilities;
- determine whether a public utility should be permitted to discontinue service to the public other than for non-payment for service rendered;
- regulate the crossing of public highways by the facilities of public utilities;
- inspect the properties, test the equipment and examine the books and other records of utilities;
- prescribe systems of accounting for public utilities;
- determine whether the issuance of utility stocks and long-term debt by public utilities is necessary or proper for the present and probable future capital needs of the utilities;
- inquire into the reasonableness, from the point of view of the public interest, of contracts between public utilities and municipalities, and of contracts for services between public utilities and their affiliates;
- assess all its expenses on utilities in accordance with Act 33 of March 3, 1972; and,
- conduct management efficiency investigations and construction cost audits.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Utilities regulated:							
Fixed utilities:							
Electric	22	22	22	22	22	22	22
Other	617	615	620	620	615	615	610
Transportation	4,401	4,425	4,450	4,475	4,500	4,500	4,500
Rate requests received:							
Fixed Utilities:							
Electric	3	2	2	1	1	3	4
Other	44	53	53	59	59	62	61
Rate cases completed:							
Fixed utilities:							
Electric	1	3	2	1	1	2	3
Other	52	52	52	62	58	63	57
Transportation	438	445	450	450	450	450	450
Rate increase requested (in millions):							
Fixed utilities:							
Electric	\$747	\$500	\$500	\$400	\$400	\$650	\$700
Other	\$169	\$125	\$150	\$185	\$165	\$150	\$135
Transportation	\$23	\$24	\$25	\$25	\$25	\$25	\$25
Rate increases allowed (in millions):							
Fixed utilities:							
Electric	\$242	\$250	\$250	\$200	\$200	\$325	\$350
Other	\$34	\$67	\$75	\$92	\$52	\$75	\$62
Transportation	\$23	\$23	\$24	\$24	\$24	\$24	\$24

PUBLIC UTILITY COMMISSION

Program: Regulation of Public Utilities (continued)

Program Measures (continued)

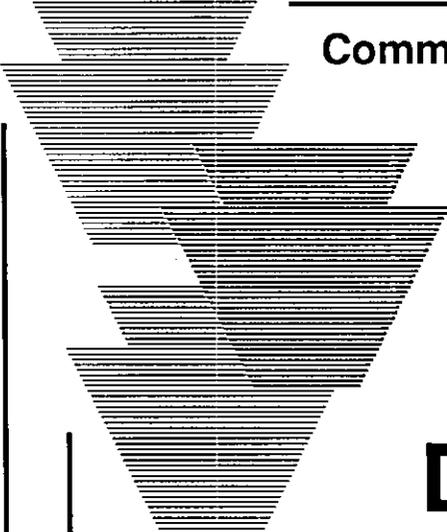
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Audits conducted:							
Fixed utilities:							
Financial	29	30	30	30	30	30	30
Energy fuel	85	70	70	70	70	70	70
Management	11	19	22	18	17	18	18
Transportation	2,072	2,025	2,025	2,025	2,025	2,025	2,025
Enforcement/investigations:							
Fixed utilities	1,915	2,300	2,300	2,300	2,300	2,300	2,300
Transportation:							
Rail safety	47,829	55,000	55,000	55,000	55,000	55,000	55,000
Motor safety	21,338	28,000	28,000	28,000	28,000	28,000	28,000
Consumer services:							
Fixed utilities:							
Complaints received, investigated and resolved	16,268	18,000	18,000	18,000	18,000	18,000	18,000

Transportation audits are higher than shown last year because of a reallocation of resources.

Program Recommendations:

This budget recommends the following changes to the appropriation for the PUC from its restricted revenue account in the General Fund: (Dollar Amounts in Thousands)

<p>General Government Operations</p> <p>\$ 1,508 —to continue current programs.</p> <p>411 —merger of Chairman and Commissioners appropriation into this appropriation.</p> <p>4,613 —merger of Safety and Enforcement appropriation rate into this appropriation.</p> <p>-900 —costs transferred to the First Class City Taxicab Regulation program in 1990-91.</p> <hr/> <p>\$ 5,632 <i>Appropriation Increase</i></p>	<p>Chairman and Commissioners</p> <p>\$ -411 —included in General Government Operation.</p> <p>Safety and Enforcement</p> <p>\$ -4,613 —included in General Government Operations.</p> <p>In addition, this budget recommends the following from a special restricted account:</p> <p>First Class City Taxicab Regulation</p> <p>\$ 90 —to continue current program.</p>
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Commonwealth of Pennsylvania

Department of Public Welfare

The Department of Public Welfare provides financial assistance and medical services to the economically dependent through public assistance grants and medical assistance payments, provides care, treatment and rehabilitation to the socially, mentally and physically disabled and engages in activities, including education and research, which serve to prevent or reduce economic, social, mental and physical disabilities.

Services are provided directly and indirectly through programs of standard setting, regulation, supervision, licensing, grants, subsidies and purchase of services.

The actual delivery of welfare services is executed through regional offices, county boards of assistance and various types of institutions.

PUBLIC WELFARE

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1991-92 State Funds (In thousands)
GENERAL FUND		
Increasing Access to Job Training	New Directions	\$ 4,151
<p style="margin-left: 40px;">This Program Revision provides funds to the New Directions Program to ensure educational and training services can be provided to additional participants in order to meet Federal mandated participation requirement rate (11%) for 1991-92.</p>		
Expansion of Healthy Beginnings	Medical Assistance—Outpatient Medical Assistance—Inpatient Subtotal	\$ 2,097 4,534 <hr style="width: 100%;"/> \$ 6,631
<p style="margin-left: 40px;">This Program Revision makes available inpatient and outpatient services to an additional group of needy children — those between the ages of 6 and 9 at 100 percent of poverty.</p>		
Medical Assistance Cost Containment	Medical Assistance—Outpatient Medical Assistance—Inpatient Medical Assistance—Long-Term Care Facilities Subtotal	\$ -30,428 -28,958 -22,167 <hr style="width: 100%;"/> \$ -81,553
<p style="margin-left: 40px;">This Program Revision provides for a number of initiatives designed to reduce costs for various programs currently funded by Medical Assistance.</p>		
Women's Service Programs	Women's Service Program	\$ 2,000
<p style="margin-left: 40px;">This Program Revision provides resources to support women's service programs that provide alternatives to abortion and additional medical services to women receiving subsidized breast cancer screenings.</p>		
Child Welfare Needs-Based Budget	County Child Welfare Overmatch County Child Welfare Subtotal	\$ 6,000 41,866 <hr style="width: 100%;"/> \$ 47,866
<p style="margin-left: 40px;">This Program Revision provides for a needs-based funding approach for the State reimbursement to counties for child welfare services. The \$41,866,000 includes the PRR — Securing Permanent Homes for Children in Foster Care.</p>		
Securing Permanent Homes for Children in Foster Care	County Child Welfare	\$ 500
<p style="margin-left: 40px;">This Program Revision establishes a demonstration program for assisting up to 300 foster children achieve permanent placement.</p>		

PUBLIC WELFARE

1991-92
State
Funds
(In thousands)

Title	Appropriation	
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GENERAL FUND

Improving Child Care Services	Child Care Block Grant Administration (F) At-Risk Child Care (F) Child Care and Development Block Grant (F)	
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This Program Revision provides a total of \$39.012 million in Federal funds to the Department of Public Welfare to expand day care services. Of this amount, the Department of Education will receive \$4.912 million to provide early childhood development and before-and-after school care.

Expanded Services to the Needy	Homeless Assistance	\$ 275
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This Program Revision provides for additional case management services and housing for the homeless. It also makes available additional portions of nutritious food from the Department of Agriculture's emergency food program and housing initiatives from the Department of Community Affairs and the Housing Finance Agency. A total of \$5.8 million in State, Federal and Other funds is provided by the Program Revision across all departments.

Attendant Care Service Expansion	Attendant Care	\$ 2,393
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This Program Revision provides attendant care services to an additional 600 individuals. This Program Revision totals \$6 million in State and Federal funds.

Expansion of Preschool Education Programs	Early Intervention	\$ 1,875
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This Program Revision provides additional services to children from birth to school age. This is a part of the Program Revision Expansion of Preschool Education Program. Please see the Department of Education for further details on this Program Revision.

Lottery Restructuring	Medical Assistance — Long-Term Care Facilities	\$ 20,000
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LOTTERY FUND

Lottery Restructuring	Medical Assistance — Long-Term Care Facilities	\$ -20,000
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This Program Revision transfers an additional \$20,000,000 in Long-Term Care funding from the Lottery Fund to the General Fund. This is part of the Program Revision Lottery Restructuring. See the Department of Aging for further details.

DEPARTMENT TOTAL	\$ -16,362
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PUBLIC WELFARE

Summary by Fund and Appropriation

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
General Government Operations	\$ 25,170	\$ 29,339	\$ 28,936
(F) Child Welfare Services	2,240	2,603	2,053
(F) Child Welfare Training and Certification	675	2,700	2,700
(F) Child Care and Development Block Grant Administration			399
(F) Rehabilitation Services Facilities	446	342	342
(F) Medical Assistance Administration	13,600	13,769	12,644
(F) Maintenance Assistance Administration	9,672	8,309	7,067
(F) Food Stamp Program — Administration	4,177	2,934	2,650
(F) Developmental Disabilities	2,633	3,723	3,723
(F) Child and Adolescent Services System	490	600	300
(F) Refugees and Persons Seeking Asylum	759	1,234	1,260
(F) ESEA(I) Handicapped Education	438	493	510
(F) Manpower Development — Mental Health	178	180	164
(F) Mental Health Community Support	400	1,219	1,165
(F) Mental Health Data Collection		160	153
(F) Child Welfare/Adoption Exchange	77	165	165
(F) ADMSBG	134	137	168
(F) SSBG	4,913	4,987	4,987
(F) Outreach, Advocacy and Training	123		
(F) Homeless Mentally Ill — Administration	50	70	60
(F) Vocational Improvement Project	199	199	
(F) Handicapped Education — Early Intervention	2,603	3,030	3,074
(F) Monitoring Detainment of Juveniles	84	91	
(F) Mental Health Plan	131	131	90
(F) Child Adolescent Services — Demonstration		150	
(F) States Helping States	25	30	
(F) Child Abuse Prevention Challenge Grant	79	79	
(A) Institutional Collections	640	741	681
(A) Management Development Services	611	633	720
(A) Child Abuse Reviews	607	538	668
(A) Services to Other Agencies	90	88	90
Subtotal — Federal Funds	\$ 44,126	\$ 47,335	\$ 43,674
Subtotal — Augmentations	1,948	2,000	2,159
Total — General Government Operations	\$ 71,244	\$ 78,674	\$ 74,769
Information Systems	27,272	27,323	27,131
(F) Maintenance Assistance	11,856	9,683	7,459
(F) Medical Assistance	8,983	12,893	11,067
(F) Food Stamp Program	5,371	4,427	4,090
(F) Child Support Enforcement	1,003	1,312	5,944
(A) Data Process Reimbursements		370	
Total — Information Systems	\$ 54,485	\$ 56,008	\$ 55,691
County Assistance Offices	183,023	187,737	196,397
(F) Maintenance Assistance	50,451	55,326	45,696
(F) Medical Assistance	26,879	33,378	31,748
(F) Food Stamp Program	42,608	49,161	50,867
(F) LIHEABG — Administration	9,466	9,976	9,563
(F) LIHEABG — Low-Income Families and Individuals	93,398	86,536	88,356
(F) SSBG	12,563	12,743	12,743
Total — County Assistance Offices	\$ 418,388	\$ 434,857	\$ 435,370

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
GENERAL GOVERNMENT: (continued)			
County Administration — Statewide	\$ 27,676	\$ 30,443	\$ 36,127
(F) Maintenance Assistance	8,258	5,637	4,197
(F) Medical Assistance	26,338	29,789	24,753
(F) Food Stamp Program	6,507	10,566	8,978
(A) Fee for Material from Outside Vendors	16	16	16
(A) Food Stamp Retained Collections	800	584	434
Total — County Administration — Statewide	<u>\$ 69,595</u>	<u>\$ 77,035</u>	<u>\$ 74,505</u>
Program Accountability	7,260	6,927	7,174
(F) Medical Assistance	489	674	1,152
(F) Maintenance Assistance	1,413	1,415	1,352
(F) Child Support Enforcement	52,897	60,374	65,725
(F) Food Stamp Program	2,656	3,304	3,385
(A) Food Stamp Collection	166	166	166
(A) Title IV-D Incentive Collection	557	989	930
(A) Restitutions and Overpayments	638	912	912
(A) State Retained Support Collections	981	1,488	1,488
Total — Program Accountability	<u>\$ 67,057</u>	<u>\$ 76,249</u>	<u>\$ 82,284</u>
New Directions	18,078	19,843	24,760
(F) Maintenance Assistance	11,923	26,426	29,610
(F) Work Incentive	5,313	2,500	.....
(F) Food Stamps — Employment and Training	11,840	11,958	12,346
(F) At-Risk Child Care .....	.....	.....	12,812
(A) SPOC Health Insurance Program	4	8	8
Total — Employment and Training Programs	<u>\$ 47,158</u>	<u>\$ 60,735</u>	<u>\$ 79,536</u>
Visually Handicapped	6,019^a	6,410^b	6,541
(F) Rehabilitation for the Blind — Basic Support	7,111	7,273	7,614
(F) Vocational Rehabilitation — Social Security Disability Beneficiaries	152	380	380
(F) Rehabilitation Services Project	40	.....	.....
Total — Visually Handicapped	<u>\$ 13,322</u>	<u>\$ 14,063</u>	<u>\$ 14,535</u>
Subtotal — State Funds	\$ 294,498	\$ 308,022	\$ 327,066
Subtotal — Federal Funds	441,641	483,066	483,511
Subtotal — Augmentations	5,110	6,583	6,113
Total — General Government	<u>\$ 741,249</u>	<u>\$ 797,621</u>	<u>\$ 816,690</u>

^aActually appropriated as \$5,994,000 Visually Handicapped and \$25,000 Direct Care Salary Workers Increase.

^bActually appropriated as \$8,361,000 Visually Handicapped and \$49,000 Direct Care Salary Workers Increase.

PUBLIC WELFARE

GENERAL FUND	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
INSTITUTIONS:			
Youth Development Institutions	\$ 34,232	\$ 40,947	\$ 42,117
(F) Food Nutrition Service	525	525	525
(F) SSBG — Basic Institutional Program	2,244	1,432	1,432
(F) Maintenance Assistance	500		
(F) DFSC — Special Programs — Juvenile Aftercare Services	350	1,350	1,250
(F) DCSI — Drug Control System Improvement-YDC			420
(A) Cafeteria	42	21	20
(A) Institutional Reimbursements	3	8	8
(A) School Lunch Program		22	22
Total — Youth Development Institutions	<u>\$ 37,896</u>	<u>\$ 44,305</u>	<u>\$ 45,794</u>
State General Hospitals	21,546	15,249	9,575
(F) Medicare Services	20,611	19,121	10,412
(F) Medical Assistance	3,648	3,258	1,761
(A) Institutional Collections	21,443	19,650	11,269
(A) Cafeteria Reimbursements	29	26	24
(A) Miscellaneous Reimbursements	136	84	111
Total — State General Hospitals	<u>\$ 67,412</u>	<u>\$ 57,388</u>	<u>\$ 33,152</u>
State Mental Hospitals	363,227	358,032	375,311
(F) Medical Assistance	85,240	80,252	83,937
(F) Medicare Services	36,230	30,357	20,813
(F) Library Services and Construction		14	
(F) Food and Nutrition Services	234	280	208
(F) Energy Conservation Grant	63		
(A) Cafeteria	78	78	
(A) Institutional Collections	28,901	27,434	28,488
(A) Miscellaneous Institutional Reimbursements	175	100	
(A) Pennsylvania Energy Office Grant	697	1,857	
(A) Forensic Collections	222	250	
Total — State Mental Hospitals	<u>\$ 505,067</u>	<u>\$ 498,654</u>	<u>\$ 508,757</u>
Closing Philadelphia State Hospital		39,049	42,396
(F) SSBG — Closing of the Philadelphia State Hospital			1,386
(F) MA — Extended Psychiatric Care		7,200	7,200
(F) ADMSBG — State Mental Hospitals		2,555	
Total Closing Philadelphia State Hospital		<u>48,804</u>	<u>\$ 50,982</u>
Philadelphia Class Patients			\$ 2,101
(F) SSBG			3,169
Total Philadelphia Class Patients			<u>\$ 5,270</u>
State Centers for the Mentally Retarded	101,920	110,075	115,872
(F) Medical Assistance	155,758	155,258	159,098
(F) Food and Nutrition Service	25		
(A) Sale of Reclaimable Material	1		
(A) Institutional Collections	10,920	11,063	11,087
(A) Miscellaneous	77	25	20
Total — State Centers for the Mentally Retarded	<u>\$ 268,701</u>	<u>\$ 276,421</u>	<u>\$ 286,077</u>
Subtotal — State Funds	<u>\$ 510,924</u>	<u>\$ 563,352</u>	<u>\$ 587,372</u>
Subtotal — Federal Funds	305,428	301,602	291,611
Subtotal — Augmentations	62,724	60,618	51,099
Total — Institutional	<u>\$ 879,076</u>	<u>\$ 925,572</u>	<u>\$ 930,032</u>

PUBLIC WELFARE

GENERAL FUND	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GRANTS AND SUBSIDIES:			
Cash Grants	\$ 565,564	\$ 630,699^a	\$ 643,607
(F) Maintenance Assistance	450,376	492,700	499,311
(A) Public Assistance — Restitutions/Over Payments	19,544	18,446	20,870
(A) Child Support Payments	49,507	50,668	57,660
Total — Cash Grants	<u>\$ 1,084,991</u>	<u>\$ 1,192,513</u>	<u>\$ 1,221,448</u>
Supplemental Grants — Aged, Blind and Disabled	78,570	83,075^b	85,268
(F) SSI Refugee Assistance	75	270	175
Medical Assistance — Transportation	14,046	14,046	14,467
(F) Medical Assistance	9,490	10,559	10,875
Total — Transportation	<u>\$ 23,536</u>	<u>\$ 24,605</u>	<u>\$ 25,342</u>
Medical Assistance — Outpatient	366,093^c	450,260^d	463,477
(F) Medical Assistance	349,813	411,499	444,394
(A) Collections	304	368	386
(A) Medicare Part B Recovery	579	40	.....
(A) Federal Drug Rebates .....	.....	.....	19,332
Total — Outpatient	<u>\$ 716,789</u>	<u>\$ 862,167</u>	<u>\$ 927,589</u>
Women's Service Programs .....	.....	.....	2,000
PENNFREE — Medical Assistance Drug and Alcohol	14,000^e	.....	6,430
Medical Assistance — Inpatient	491,653	528,884^f	563,800
(F) Medical Assistance	355,808	679,699	727,156
(A) Inpatient Contributions .....	.....	300,000	300,000
(A) Collections — Inpatient	3,769	4,597	3,962
(A) Refunds — Inpatient	1,830	2,421	458
Total — Inpatient	<u>\$ 853,060</u>	<u>\$ 1,515,601</u>	<u>\$ 1,595,376</u>
Medical Education .....	.....	22,276	.....
Medical Assistance — Capitation	114,145	195,948^g	231,169
(F) Medical Assistance	92,423	136,186	166,747
Total — Capitation	<u>\$ 206,568</u>	<u>\$ 332,134</u>	<u>\$ 397,916</u>
Long-Term Care Facilities	232,056	318,101	352,439
(F) Medical Assistance	505,816	655,353	676,313
(A) Collections	1,185	1,074	1,209
(A) Long-term Care Contributions .....	.....	70,000	70,000
Total — Long-Term Care	<u>\$ 739,057</u>	<u>\$ 1,044,528</u>	<u>\$ 1,099,961</u>
Pre-Admission Assessment	3,175	3,200	3,824
(F) Medical Assistance	5,713	7,324	4,911
(F) Frail Elderly .....	.....	.....	2,300
Total — Pre-Admission Assessment	<u>\$ 8,888</u>	<u>\$ 10,524</u>	<u>\$ 11,035</u>
AIDS — Special Pharmaceutical Services	706	569	2,393
(F) AIDS — Special Pharmaceutical Services	638	1,488	114
(F) Ryan White .....	.....	.....	378
Total — AIDS — Special Pharmaceutical Services	<u>\$ 1,344</u>	<u>\$ 2,057</u>	<u>\$ 2,885</u>

^aIncludes recommended supplemental appropriation of \$84,775,000.

^bIncludes recommended supplemental appropriation of \$4,300,000

^cActually appropriated as \$364,783,000 for MA — Outpatient and \$1,330,000 for Fee Increase Ambulance/Podiatrists.

^dIncludes recommended supplemental appropriation of \$85,361,000 including \$5,443,000 from the Tax Stabilization Reserve Fund and \$79,918,000 from the General Fund.

^eThis continuing appropriation will provide for both 1989-90 and 1990-91.

^fIncludes recommended supplemental appropriation of \$76,157,000 from the Tax Stabilization Reserve Fund.

^gIncludes recommended supplemental appropriation of \$60,367,000 including \$32,000,000 from the Tax Stabilization Reserve Fund and \$28,367,000 from the General Fund.

PUBLIC WELFARE

(Dollar Amounts in Thousands)

GENERAL FUND	1989-90 Actual	1990-91 Available	1991-92 Budget
GRANTS AND SUBSIDIES: (continued)			
Community Mental Health Services	\$ 158,519^a	\$ 166,394^b	\$ 170,870
(F) Medical Assistance — Intensive Case Management	5,500	9,000	9,000
(F) ADMSBG	15,438	19,849	16,215
(F) SSBG	11,709	11,709	14,503
(F) Homeless Mentally Ill	268	2,000	1,466
(F) Evaluation of Family Based MH Services .....	.....	350	350
(F) Children's MH Training .....	.....	100	100
(A) Robert Wood Johnson Grant	54	800	611
Total — Community Mental Health	<u>\$ 191,488</u>	<u>\$ 210,202</u>	<u>\$ 213,115</u>
PENNFREE — Student Assistance	6,000	.....	.....
Eastern Pennsylvania Psychiatric Institute	7,694	.....	.....
Community Mental Retardation Services	272,225^c	292,111^d	295,086
(F) Medical Assistance — MR Services	58,211	64,754	66,483
(F) SSBG — Community MR Services	17,998	17,998	17,998
Total — Community Mental Retardation Services	<u>\$ 348,434</u>	<u>\$ 374,863</u>	<u>\$ 379,567</u>
Elwyn Institute	200	200	.....
Pennhurst Dispersal	2,600	2,700	.....
Philadelphia Association for Retarded Citizens	220	220	150
Intermediate Care Facilities — Mentally Retarded	66,883^e	79,646^f	81,802
(F) Medical Assistance	88,927	104,018	108,415
(A) Cost Settlement	789	367	367
Total — Intermediate Care Facilities/Mentally Retarded	<u>\$ 156,599</u>	<u>\$ 184,031</u>	<u>\$ 190,584</u>
Early Intervention	18,778^g	20,461^h	22,326
(F) SSBG — Early Intervention .....	.....	.....	2,825
(F) MA — Early Intervention .....	.....	.....	1,838
MH/MR - Residential Wage and Hour Ruling	3,000	3,000	.....
Beacon Lodge Camp - Blind Services	77	77	77
Overbrook School	175	175	.....
County Child Welfare	161,993ⁱ	193,134^j	235,000
(F) Child Welfare Services	13,855	10,000	6,000
(F) Maintenance Assistance	82,000	86,000	95,000
(F) SSBG	11,193	13,044	16,238
(F) ADMSBG Child Welfare .....	.....	2,000	.....
(F) DVCSI — Alternatives to Institutionalization—Child Welfare .....	.....	.....	565
Total — County Child Welfare Services	<u>\$ 269,041</u>	<u>\$ 304,178</u>	<u>\$ 362,803</u>
PENNFREE — Children and Youth Programs	5,000	.....	.....
PENNFREE — Family Prevention	1,900	.....	.....
Day Care Services	36,527	37,147	37,147
(F) Dependent Care Planning	519	609	609
(F) SSBG	38,775	38,775	38,775
(F) Child Development Scholarships	122	122	122
(F) Crisis Nursery	150	150	150
(F) Child Care Improvement	232	632	632
(F) Child Care and Development Block Grant (CCDBG) .....	.....	.....	20,889
(F) Handicapped Child Care	120	120	120
Total — Day Care	<u>\$ 76,445</u>	<u>\$ 77,555</u>	<u>\$ 98,444</u>

^aActually appropriated as \$157,193,000 Community Mental Health Services and \$1,325,000 Direct Care Salary Workers Increase.

^bActually appropriated as \$163,723,000 Community Mental Health Services and \$2,671,000 Direct Care Salary Workers Increase.

^cActually appropriated as \$92,470,000 Community Based Services, \$177,053,000 Community Residential Services and \$2,702,000 Direct Care Workers Salary Increase.

^dActually appropriated as \$104,451,000 Community Based Services, \$182,071,000 Community Residential Services and \$5,589,000 Direct Care Workers Salary Increase.

^eActually appropriated as \$66,367,000 Intermediate Care Facilities/MR and \$516,000 Direct Care Salary Workers Increase.

^fActually appropriated as \$78,602,000 Intermediate Care Facilities/MR and \$1,044,000 Direct Care Salary Workers Increase.

^gActually appropriated as \$18,608,000 Early Intervention and \$170,000 Direct Care Salary Workers Increase.

^hActually appropriated as \$20,110,000 Early Intervention and \$351,000 Direct Care Salary Workers Increase.

ⁱActually appropriated as \$160,638,000 County Child Welfare and \$1,355,000 Direct Care Salary Workers Increase.

^jActually appropriated as \$190,638,000 County Child Welfare and \$2,496,000 Direct Care Salary Workers Increase.

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
GENERAL FUND	1989-90 Actual	1990-91 Available	1991-92 Budget
GRANTS AND SUBSIDIES: (continued)			
Arsenal Family and Children's			
Center Pittsburgh	168	168	168
Domestic Violence	4,386^k	5,779^l	5,779
(F) Family Violence and Prevention	319	319	319
(F) SSBG	1,529	1,551	1,551
(F) Homeless Assistance	164	736	.....
(F) DFSC — Special Programs — Domestic Violence .....	.....	449	449
Total — Domestic Violence	<u>\$ 6,398</u>	<u>\$ 8,834</u>	<u>\$ 8,098</u>
PENNFREE — Domestic Violence	449	.....	.....
Rape Crisis	\$ 1,805^c	\$ 2,778^d	\$ 2,778
(F) PHHSBG	180	180	180
(F) SSBG	803	815	815
(F) DFSC — Special Programs — Rape Crisis .....	.....	125	125
Total — Rape Crisis	<u>\$ 2,788</u>	<u>\$ 3,898</u>	<u>\$ 3,898</u>
Breast Cancer Screening	706	706	706
(F) SSBG — Family Planning	4,878	4,948	4,948
Legal Services	2,000	2,000	1,940
(F) SSBG	6,499	6,499	6,499
Human Services Development Fund	18,041^e	18,165^f	.....
(F) SSBG	13,933	13,933	.....
Total — Human Services Development	<u>\$ 31,974</u>	<u>\$ 32,098</u>	<u>\$</u>
Homeless Assistance	13,858^g	14,423^h	14,698
(F) SSBG .....	.....	.....	3,493
(F) SSBG — Shelters	2,768	2,808	2,808
(F) ADMSBG Homeless Services .....	.....	1,033	1,983
(F) Refugees and Persons Seeking Asylum	6,200	6,200	6,200
(F) Immigration Reform and Control	3,525	3,540	3,540
Total — Homeless Assistance	<u>\$ 26,351</u>	<u>\$ 28,004</u>	<u>\$ 32,722</u>
PENNFREE — Transitional Housing for Homeless	2,000	.....	.....
Attendant Care	6,467ⁱ	7,013^j	9,761
(F) SSBG	4,330	4,399	8,006
Services for the Developmentally Disabled	300	1,200	1,302
(F) Medical Assistance	157	1,122	436
(F) SSBG .....	.....	.....	152
Subtotal — State Funds	<u>\$ 2,671,979</u>	<u>\$ 3,094,555</u>	<u>\$ 3,254,464</u>
Subtotal — Federal Funds	2,160,454	2,824,965	2,996,471
Subtotal — Augmentations	77,561	448,781	474,855
Total — Grants and Subsidies	<u>\$ 4,909,994</u>	<u>\$ 6,368,301</u>	<u>\$ 6,725,790</u>
STATE FUNDS	\$ 3,477,401	\$ 3,965,929	\$ 4,168,902
FEDERAL FUNDS	2,907,523	3,609,633	3,771,593
AUGMENTATIONS	145,395	515,932	532,017
GENERAL FUND TOTAL	<u>\$ 6,530,319</u>	<u>\$ 8,091,494</u>	<u>\$ 8,472,512</u>

^kActually appropriated as \$4,279,000 Domestic Violence and \$107,000 Direct Care Salary Workers Increase.

^lActually appropriated as \$5,565,000 Domestic Violence and \$214,000 Direct Care Salary Workers Increase.

^cActually appropriated as \$1,772,000 Rape Crisis and \$33,000 Direct Care Workers Salary Increase.

^dActually appropriated as \$2,713,000 Rape Crisis and \$65,000 Direct Care Workers Salary Increase.

^eActually appropriated as \$17,906,000 Human Services Development and \$135,000 Direct Care Salary Workers Increase.

^fActually appropriated as \$17,906,000 Human Services Development and \$259,000 Direct Care Salary Workers Increase.

^gActually appropriated as \$13,765,000 Homeless Assistance and \$93,000 Direct Care Salary Workers Increase.

^hActually appropriated as \$14,240,000 Homeless Assistance and \$183,000 Direct Care Salary Workers Increase.

ⁱActually appropriated as \$6,043,000 Attendant Care and \$424,000 Direct Care Salary Workers Increase.

^jActually appropriated as \$6,164,000 Attendant Care and \$849,000 Direct Care Salary Workers Increase.

PUBLIC WELFARE

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
LOTTERY FUND			
<i>GRANTS AND SUBSIDIES:</i>			
Medical Assistance — Long-Term Care	\$ 106,000	\$ 96,000	\$ 76,000
LOTTERY FUND TOTAL	<u>\$ 106,000</u>	<u>\$ 96,000</u>	<u>\$ 76,000</u>
ENERGY CONSERVATION AND ASSISTANCE FUND			
<i>GRANTS AND SUBSIDIES:</i>			
Low Income Energy Assistance	\$ 18,000	\$ 26,925	\$ 13,500
ENERGY CONSERVATION AND ASSISTANCE FUND TOTAL	<u>\$ 18,000</u>	<u>\$ 26,925</u>	<u>\$ 13,500</u>
 DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUNDS	\$ 3,477,401	\$ 3,965,929	\$ 4,168,902
SPECIAL FUNDS	124,000	122,925	89,500
FEDERAL FUNDS	2,907,523	3,609,633	3,771,593
AUGMENTATIONS	145,395	515,932	532,017
TOTAL ALL FUNDS	<u>\$ 6,654,319</u>	<u>\$ 8,214,419</u>	<u>\$ 8,562,012</u>

PUBLIC WELFARE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
HUMAN SERVICES SUPPORT							
General Funds.....	\$ 59,702	\$ 63,589	\$ 63,241	\$ 65,138	\$ 67,092	\$ 69,104	\$ 71,176
Federal Funds.....	128,715	141,338	143,848	147,474	151,207	155,101	159,056
Other Funds.....	4,290	5,925	5,655	4,712	4,844	4,982	5,124
TOTAL.....	\$ 192,707	\$ 210,852	\$ 212,744	\$ 217,324	\$ 223,143	\$ 229,187	\$ 235,356
MEDICAL ASSISTANCE							
General Funds.....	\$ 1,257,419	\$ 1,548,533	\$ 1,649,574	\$ 1,773,475	\$ 1,891,422	\$ 2,016,514	\$ 2,149,495
Special Funds.....	106,000	96,000	76,000	66,000	66,000	66,000	66,000
Federal Funds.....	1,343,960	1,924,487	2,045,361	2,178,755	2,318,649	2,470,780	2,624,449
Other Funds.....	29,275	398,260	406,751	398,068	405,094	412,120	419,146
TOTAL.....	\$ 2,736,654	\$ 3,967,280	\$ 4,177,686	\$ 4,416,298	\$ 4,681,165	\$ 4,965,414	\$ 5,259,090
INCOME MAINTENANCE							
General Funds.....	\$ 872,911	\$ 951,797	\$ 986,159	\$ 992,308	\$ 998,728	\$ 1,008,621	\$ 1,018,794
Special Funds.....	18,000	26,925	13,500	4,500	3,375	675	585
Federal Funds.....	755,995	826,966	831,155	834,903	838,852	845,478	852,304
Other Funds.....	69,871	69,722	78,988	79,619	79,651	79,684	79,718
TOTAL.....	\$ 1,716,777	\$ 1,875,410	\$ 1,909,802	\$ 1,911,330	\$ 1,920,606	\$ 1,934,458	\$ 1,951,401
MENTAL HEALTH							
General Funds.....	\$ 525,440	\$ 563,475	\$ 590,678	\$ 606,261	\$ 622,291	\$ 638,779	\$ 655,739
Federal Funds.....	154,682	163,666	158,347	161,489	164,725	168,059	171,493
Other Funds.....	30,127	30,519	29,099	29,099	29,099	29,099	29,099
TOTAL.....	\$ 710,249	\$ 757,660	\$ 778,124	\$ 796,849	\$ 816,115	\$ 835,937	\$ 856,331
MENTAL RETARDATION							
General Funds.....	\$ 465,826	\$ 508,413	\$ 515,236	\$ 532,965	\$ 550,174	\$ 565,084	\$ 580,000
Federal Funds.....	320,919	342,028	356,657	371,788	386,307	396,445	406,745
Other Funds.....	11,787	11,455	11,474	11,808	12,152	12,506	12,870
TOTAL.....	\$ 798,532	\$ 861,896	\$ 883,367	\$ 916,561	\$ 948,633	\$ 974,035	\$ 999,615
HUMAN SERVICES							
General Funds.....	\$ 296,103	\$ 330,122	\$ 364,014	\$ 377,112	\$ 390,982	\$ 405,514	\$ 420,741
Federal Funds.....	203,252	211,148	236,225	235,340	235,340	235,340	235,340
Other Funds.....	45	51	50	52	54	56	58
TOTAL.....	\$ 499,400	\$ 541,321	\$ 600,289	\$ 612,504	\$ 626,376	\$ 640,910	\$ 656,139

PUBLIC WELFARE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1988-89 ACTUAL	1989-90 AVAILABLE	1990-91 BUDGET	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED
ALL PROGRAMS:							
GENERAL FUND.....	\$ 3,477,401	\$ 3,965,929	\$ 4,168,902	\$ 4,347,259	\$ 4,520,689	\$ 4,703,616	\$ 4,895,945
SPECIAL FUNDS.....	124,000	122,925	89,500	70,500	69,375	66,675	66,585
FEDERAL FUNDS.....	2,907,523	3,609,633	3,771,593	3,929,749	4,095,080	4,271,203	4,449,387
OTHER FUNDS.....	145,395	515,932	532,017	523,358	530,894	538,447	546,015
TOTAL.....	<u>\$ 6,654,319</u>	<u>\$ 8,214,419</u>	<u>\$ 8,562,012</u>	<u>\$ 8,870,866</u>	<u>\$ 9,216,038</u>	<u>\$ 9,579,941</u>	<u>\$ 9,957,932</u>

PUBLIC WELFARE

PROGRAM OBJECTIVE: To provide effective administrative and support systems through which the substantive programs of the department can be operated and achieved.

Program: Human Services Support

Human services support provides the administrative and support systems for the operation of health, social, and economic development programs, and directs the development and implementation of human services policies for these programs.

The network of services provides direction and overhead support for youth development centers, general hospitals, state centers for the mentally retarded, state mental hospitals and information system support. Human services support operations provide overall planning, direction, and information system support for a comprehensive social services system and for individuals striving to attain and maintain a minimally acceptable level of living.

This program ensures the quality of services for Pennsylvania residents by licensing and regulating selected medical facilities, and

provides direction for health programs for Pennsylvania residents who are unable to purchase adequate health care services.

The administrative costs for regional offices, various commissions and advisory committees, and the central office are included in this category. A primary concern of the Commonwealth is to minimize administrative costs in relation to service costs.

As part of human services support, the Office of Fraud and Abuse Investigation and Recovery (OFAIR) works to investigate and recover public assistance funds disbursed as a result of welfare fraud or overpayment of benefits. Also, OFAIR operates a Bureau of Child Support Enforcement. This bureau is part of a Federally mandated program to ensure the adequate support of dependent children.

Program Recommendations:

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

General Government Operations		
\$ 3,107	—	to continue current commitment.
<u>-3,510</u>	—	nonrecurring projects.
\$ -403		<i>Appropriation Decrease</i>
 Program Accountability		
\$ 276	—	to continue current program.
196	—	State match for Child Support Enforcement system development.
<u>-225</u>	—	reduced operating costs.
\$ 247		<i>Appropriation Increase</i>
 Information Systems		
\$ -431	—	nonrecurring projects.
1,366	—	to continue current program.
415	—	to provide an uninterrupted power supply and third party liability software.
-2,042	—	reduced operating costs.
\$ 500	—	Initiative — Child Support Systems Expansion
	—	to continue the process of implementing a Statewide integrated automated system to support child support collection activities. Budgeted State moneys generate a 90 percent Federal match. The completed system will provide for direct electronic interconnection among all governmental agencies with child support responsibilities.
<u>-192</u>		<i>Appropriation Decrease</i>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1998-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	\$ 25,170	\$ 29,339	\$ 28,936	\$ 29,804	\$ 30,698	\$ 31,619	\$ 32,567
Information Systems	27,272	27,323	27,131	27,945	28,783	29,646	30,535
Program Accountability	<u>7,260</u>	<u>6,927</u>	<u>7,174</u>	<u>7,389</u>	<u>7,611</u>	<u>7,839</u>	<u>8,074</u>
TOTAL GENERAL FUND	<u>\$ 59,702</u>	<u>\$ 63,589</u>	<u>\$ 63,241</u>	<u>\$ 65,138</u>	<u>\$ 67,092</u>	<u>\$ 69,104</u>	<u>\$ 71,176</u>

PUBLIC WELFARE

Program: Medical Assistance (continued)

Program Element: Medical Assistance Transportation Program

The Medical Assistance Transportation Program provides funding to county governments for Medical Assistance recipients who need assistance traveling to and from a health care service provider or a health care facility.

County governments can provide this service directly, contract with an independent transportation agency or pay agencies which provide transportation as part of a whole human services system.

Sixty-three counties have elected to provide transportation directly. The department selected a provider from a competitive bidding process for two counties and, for the remaining two counties where no provider could be found, local county assistance offices provide these services.

Program Element: Long-Term Care Facilities

Skilled, intermediate and heavy care/intermediate nursing services are provided to persons eligible for Medical Assistance through the long-term care facilities program. Nursing homes certified to participate in the Medical Assistance Program provide one, two or all three levels of care in accordance with established standards.

Skilled nursing care involves daily medical treatment and rehabilitation services prescribed by a licensed physician. The services are provided by or under the supervision of licensed professional nursing personnel or other professional health personnel. Heavy care/intermediate services involve the same coverage as skilled nursing care and are provided to recipients in dually certified skilled beds. Intermediate care is a planned program of health care and management that is provided under the supervision of a physician to recipients with a mental or physical disability whose needs cannot be met in a less intensive setting.

The department pays nursing facilities their actual allowable costs, subject to certain limitations. Allowable costs include net operating costs, including administrative overhead and patient care, and capital costs including depreciation and interest.

Net operating costs are reimbursed up to ceilings established by the department for groups of nursing facilities in each Metropolitan Statistical Area of Pennsylvania. The groups are further defined by ownership. The median of year end reported costs for each group is used to set the ceiling. Separate ceilings are established for skilled and intermediate nursing care. Hospital based nursing units and special rehabilitation nursing facilities are grouped on a Statewide basis for ceiling setting purposes. Depreciation and interest payments are made in addition to net operating costs.

The department has entered into a contract with a reimbursement consultant to design a new reimbursement methodology for nursing home facilities. The new system will more closely align reimbursement with patient needs and resources used to meet these needs.

Program Element: Pre-Admission Assessment

Alternatives to nursing home care for individuals with long-term care needs are being pursued. Pre-admission assessment is one tool being utilized to effectively place individuals in the most appropriate setting for their needs.

The Pre-Admission Assessment Program determines if the needs of individuals applying for nursing home care would be best met in a nursing facility or if the person's needs could be met by utilizing services available in the community, through a less intensive setting, like a personal care boarding home, or through a combination of services that can be provided in the home.

Program Measures

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Persons eligible for Medical Assistance, monthly average	1,230,972	1,322,104	1,389,112	1,382,166	1,375,255	1,368,379	1,361,537
Outpatient							
Outpatient visits:							
Physicians	2,344,361	2,500,329	2,600,565	2,567,536	2,554,485	2,541,711	2,529,002
Dentists	321,754	343,160	356,917	352,384	350,593	348,839	347,095
Total clinic visits	1,092,806	1,165,509	1,212,233	1,196,837	1,190,754	1,184,799	1,178,875
Home health visits	234,485	250,085	260,111	256,807	255,502	254,224	252,953
Prescriptions filled	13,314,541	14,589,548	15,062,559	15,423,103	15,577,334	15,733,107	15,890,439
Inpatient							
Recipients served:							
General hospitals	205,330	218,990	227,770	224,877	223,734	222,615	221,502
Rehabilitation hospitals	9,464	10,094	10,498	10,365	10,312	10,261	10,209
Private psychiatric hospitals	21,399	22,823	23,738	23,436	23,317	23,200	23,084
Average admissions per recipient:							
General hospitals	1.26	1.26	1.26	1.26	1.26	1.26	1.26
Rehabilitation hospitals	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Private psychiatric hospitals	1.43	1.43	1.43	1.43	1.43	1.43	1.43

PUBLIC WELFARE

Program: Medical Assistance (continued)

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Average cost per case/admission:							
General hospitals	\$2,186	\$2,302	\$2,426	\$2,557	\$2,696	\$2,841	\$2,995
Rehabilitation hospitals	\$4,647	\$5,011	\$5,157	\$5,312	\$5,476	\$5,771	\$5,083
Private psychiatric hospitals	\$4,531	\$4,959	\$5,316	\$5,642	\$5,972	\$6,295	\$6,635
Capitation							
Medical Assistance recipients served: (monthly average)							
Fee for service delivery	1,097,466	1,169,339	1,217,431	1,204,590	1,198,566	1,192,573	1,186,610
Capitation programs	133,506	152,765	171,681	177,576	176,689	175,806	174,927
Average HMO program population	52,016	71,297	89,681	95,986	95,507	95,030	94,555
Average HIO program population	81,490	81,468	82,000	81,590	81,182	80,776	80,372
Percent of total eligibles enrolled	10.7%	11.3%	12.2%	12.7%	12.7%	12.7%	12.7%
Transportation Program							
Number of one-way trips	3,829	3,852	3,852	3,852	3,852	3,852	3,852
Long-Term Care Facilities							
Average monthly number of recipients receiving institutional long-term care:							
Skilled nursing care	9,299	.....	.....	.....	.....	.....	.....
Intermediate care	45,173	.....	.....	.....	.....	.....	.....
Heavy Care-Intermediate	8,528	.....	.....	.....	.....	.....	.....
Single level of care .....	.....	68,305	69,269	80,247	71,238	72,243	73,263
Pre-Admission Assessments							
Initial assessments	25,259	30,828	30,828	30,828	30,828	30,828	30,828
Referrals to nursing homes	17,604	25,548	26,940	26,940	26,940	26,940	26,940
Referrals for community services	7,356	11,095	11,700	11,700	11,700	11,700	11,700

The economic downturn has resulted in unanticipated growth in eligibility for all Medical Assistance Programs: 3 percent in 1989-90 and an additional 7 percent through 1990-91.

The Long-Term Care number of recipients reported in 1991-92 is higher than last year's budget based on the most recent validated data.

The growth of the clients in the HIO Program has stabilized since it is restricted to limited areas in Philadelphia. However, there is expansion in both the number of HMOs and in the HMO enrollment in the rest of the State.

	Patient Capacity July 1989	Projected Capacity July 1990	Population July 1989	Projected Population July 1990	Projected Percent of Capacity July 1990
State General Hospitals					
Ashland	135	135	66	65	48%
Coaldale	156	156	90	90	58%
Philipsburg	107	.....	39	.....	.....
Shamokin	86	60	25	26	43%
TOTAL	484	351	220	181	52%

PUBLIC WELFARE

Program: Medical Assistance (continued)

Total Proposed Expenditures by Hospital:

	(Dollar Amounts in Thousands)				(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget		1989-90 Actual	1990-91 Available	1991-92 Budget
ASHLAND				PHILIPSBURG			
State Funds	\$ 7,633	\$ 5,553	\$ 5,097	State Funds	\$ 2,714	\$ 2,663	\$ -90
Federal Funds	4,774	5,544	5,248	Federal Funds	6,347	6,433	50
Augmentations	5,876	6,061	5,358	Augmentations	5,301	5,470	40
TOTAL	<u>\$ 18,283</u>	<u>\$ 17,158</u>	<u>\$ 15,703</u>	TOTAL	<u>\$ 14,362</u>	<u>\$ 14,566</u>	<u>.....</u>
COALDALE				SCRANTON			
State Funds	\$ 4,237	\$ 3,918	\$ 3,798	State Funds	\$ 401	.....	.....
Federal Funds	5,892	6,075	4,985	Federal Funds .....	.....	.....	.....
Augmentations	4,860	5,000	4,660	Augmentations	104	.....	.....
TOTAL	<u>\$ 14,989</u>	<u>\$ 14,993</u>	<u>\$ 13,443</u>	TOTAL	<u>\$ 505</u>	<u>.....</u>	<u>.....</u>
NANTICOKE				SHAMOKIN			
State Funds	\$ 3,369	\$ 297	.....	State Funds	\$ 2,994	\$ 2,609	\$ 524
Federal Funds	3,426	77	.....	Federal Funds	3,820	4,250	1,890
Augmentations	2,514	264	.....	Augmentations	2,932	3,006	1,346
TOTAL	<u>\$ 9,309</u>	<u>\$ 638^a</u>	<u>.....</u>	TOTAL	<u>\$ 9,746</u>	<u>\$ 9,865</u>	<u>\$ 3,760</u>

^aWhile Nanticoke closed on July 1, 1990, funds are needed for closing costs.

Note: The hospital specific costs do not add to the appropriation totals. Administrative costs associated with divestiture and closing facilities represent the remaining costs.

PUBLIC WELFARE

Program: Medical Assistance (continued)

Program Recommendations:

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

<p>GENERAL FUND</p> <p>Outpatient</p> <p>\$ 17,586 —to provide for drug cost increases of 9.9%.</p> <p>16,978 —increased caseload and utilization.</p> <p>1,524 —to provide for other price increases.</p> <p>-3,879 —change in Federal participation.</p> <p>-9,963 —nonrecurring carryover.</p> <p>-1,197 —prior year cost containment initiatives.</p> <p>1,875 —drug and alcohol fee increase previously paid by PENNFREE.</p> <p>157 —change in Federal Poverty Income guidelines.</p> <p>163 —eligibility changes mandated by Federal regulations or the courts.</p> <p>356 —reimbursement for clozaril.</p> <p>-256 —nonrecurring cost for health centers and early and periodic screening, diagnosis and treatment.</p> <p>-552 —savings from provisions of the Federal Omnibus Budget Reconciliation Act of 1990 (OBRA 90) which changed the treatment of impairment related work expenses.</p> <p>85 —increase in Medicare Part B deductibles.</p> <p>553 —case management for AIDS patients.</p> <p>11,205 —annualization of 1990-91 PRRs for Healthy Beginnings and extended care for clients obtaining employment.</p> <p>-254 —prior authorization of incontinent items.</p> <p>5,315 —payment of sanctions for noncompliance with the Federal upper limit for generic drugs.</p> <p>2,097 —PRR — Healthy Beginnings. This Program Revision will extend Medical Assistance eligibility to children born after September 30, 1983 who are under 100 percent of poverty and to pregnant women and their infant child who would otherwise become income ineligible. See the Program Revision following this subcategory for further information.</p> <p>-28,576 —PRR — Medical Assistance Cost Containment. This Program Revision will reduce the cost of Outpatient care by implementing a manufacturers rebate, limiting medical costs deducted from income for Medically Needy eligibility and insuring that medical support is included in child support orders issued by Domestic Relations Courts. See the Program Revision following this subcategory for further information.</p> <p><u>\$ 13,217</u> <i>Appropriation Increase</i></p> <p>Women's Service Programs</p> <p>\$ 2,000 —PRR — Women's Service Programs. This Program Revision will provide specific services to women as an alternative to abortion or to supplement the Breast Cancer Screening Program. See the Program Revision following this subcategory for further information.</p>	<p>\$ 6,430 PENNFREE — Drug and Alcohol Treatment</p> <p>—to continue current program. NOTE: PENNFREE services provided in 1990-91 were funded from the 1989-90 two year continuing appropriation.</p> <p>\$ 1,824 AIDS — Special Pharmaceutical Services</p> <p>—to maintain current program for an additional 4,200 clients. Additional Federal funds will be available from the Ryan White Act.</p> <p>\$ 22,475 Inpatient</p> <p>4,716 —increased caseload and utilization.</p> <p>2,672 —to provide for price increases.</p> <p>-25,796 —buy-in for Medicare Part A.</p> <p>-9,923 —nonrecurring carryover.</p> <p>864 —credit adjustments.</p> <p>957 —hospital specific assistance.</p> <p>992 —nonrecurring third party recoveries.</p> <p>130 —eligibility changes mandated by Federal regulations or the courts.</p> <p>-909 —annual increase in the Federal Poverty Income Guidelines.</p> <p>36,687 —reduction resulting from OBRA 90 which changed the treatment of impairment related work expense.</p> <p>24,567 —hospital litigation settlements.</p> <p>-217 —annualization of prior Healthy Beginnings initiatives and extended care for clients obtaining employment.</p> <p>4,534 —revisions in Federal participation and augmentations.</p> <p>-26,833 —PRR — Healthy Beginnings. This Program Revision will extend Medical Assistance eligibility to children born after September 30, 1983 who are under 100 percent of poverty and to pregnant women and their infant child who would otherwise become income ineligible. See the Program Revision following this subcategory for further information.</p> <p>\$ 34,916 —PRR — Medical Assistance Cost Containment. This Program Revision will curtail Inpatient costs by limiting medical costs deducted from income for Medically Needy eligibility, rescinding current policy of 100 percent State cost for treatment of General Assistance clients between 22 and 64 in freestanding psychiatric facilities, insuring that medical support is included in child support orders issued by Domestic Relations Courts and maintaining the current income eligibility standard for single person families. See the Program Revision following this subcategory for further information.</p> <p><u>\$ -22,276</u> <i>Appropriation Decrease</i></p> <p>Medical Education</p> <p>—to reflect transfer of medical education to the Medical Assistance — Inpatient appropriation.</p>
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NOTE: The savings for the Medical Assistance Cost Containment PRR are less than the amounts shown in the PRR. Some initiatives are being implemented in 1990-91, therefore the Program Recommendation change is the net additional savings.

PUBLIC WELFARE

Program: Medical Assistance (continued)

Program Recommendations:

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

GENERAL FUND		
Capitation		
\$ 21,369 —anticipated cost increases of 9.3% for HIO services. 676 —increased HIO utilization. 7,437 —anticipated cost increases of 8.2% for HMOs. 14,124 —increased utilization of HMOs. 1,814 —to provide for new HMO organizations. -292 —nonrecurring contractor costs. -10,160 —net reduction from HIO rate adjustment, stop-loss and under population payments. -292 —to reflect case mix adjustments. 392 —to annualize the extended benefits of clients who obtain employment. 1,871 —Maxicare settlement costs. 625 —continuation of drug and alcohol non-hospital residential treatment. -972 —nonrecurring carryover. -925 —nonrecurring reimbursement for people in hospitals when the HIO contractor changed. -446 —increased Federal participation.	\$ 3,247 38,519 -1,996 -5,958 -2,646 6,374 -647 389 2,137 2,051 -3,043 -4,206 20,000	Long Term Care —to provide for 2% increase in private nursing home utilization. —to reflect cost inflation. —contract adjustments. —nonrecurring settlement costs. —nonrecurring carryover. —nonrecurring Medicare recoveries. —to reflect revised irrevocable burial reserves and hospice care. —opening of the Betac AIDS facility. —cost of the OBRA 90 requirements. —waiver of the Medicare rate as the upper payment limit. —excess 1990-91 appropriation. —nonrecurring cost of protecting the resources of the community spouse of a nursing home client. —PRR — Lottery Fund Restructuring. This Program Revision returns additional program costs to the General Fund. See the Program Revision following the Pharmaceutical Assistance subcategory in the Department of Aging for further information. —PRR — Medical Assistance Cost Containment. This Program Revision changes the formula for calculating nursing home reimbursement ceilings and reflects revised eligibility standards. See the Program Revision following this subcategory for further information.
\$ 35,221		<i>Appropriation Increase</i>
Medical Assistance — Transportation		
\$ 421	-19,883	—to provide for increased fuel costs.
State General Hospitals		
\$ -2,663 —closing Philipsburg on March 31, 1991. -2,085 —closing Shamokin on September 30, 1991. -456 —closing Ashland on March 31, 1992. -120 —closing Coaldale on March 31, 1992. -297 —nonrecurring costs for Nanticoke. -53 —reduction in administrative costs.	\$ 34,338	<i>Appropriation Increase</i>
\$ -5,674		<i>Appropriation Decrease</i>
Pre-Admission Assessment		
	\$ 624	—increase due to Federal disallowance of enhanced match for initial screening of clients in the counties added to the program due to OBRA 87.

PUBLIC WELFARE

Program: Medical Assistance (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1998-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Medical Assistance — Outpatient	\$ 366,093	\$ 450,260	\$ 463,477	\$ 476,431	\$ 488,227	\$ 500,023	\$ 511,819
Women's Service Programs			2,000	2,000	2,000	2,000	2,000
PENNFREE — Drug and Alcohol Treatment	14,000		6,430	6,430	6,430	6,430	6,430
AIDS — Special Pharmaceutical Services	706	569	2,393	2,632	2,895	3,185	3,504
Medical Assistance — Inpatient	491,653	528,884	563,800	609,889	653,016	696,143	739,270
Medical Education		22,276					
Medical Assistance — Capitation	114,145	195,948	231,169	247,566	258,770	270,552	282,819
Medical Assistance — Transportation	14,046	14,046	14,467	14,829	15,200	15,580	15,970
Medical Assistance — Long-Term Care ..	232,056	318,101	352,439	409,778	460,866	518,483	583,462
Medical Assistance — Pre-Admission Assessment	3,175	3,200	3,824	3,920	4,018	4,118	4,221
State General Hospitals	21,545	15,249	9,575				
TOTAL GENERAL FUND	<u>\$ 1,257,419</u>	<u>\$ 1,548,533</u>	<u>\$ 1,649,574</u>	<u>\$ 1,773,475</u>	<u>\$ 1,891,422</u>	<u>\$ 2,016,514</u>	<u>\$ 2,149,495</u>
LOTTERY FUND:							
Medical Assistance — Long-Term Care ..	\$ 106,000	\$ 96,000	\$ 76,000	\$ 66,000	\$ 66,000	\$ 66,000	\$ 66,000
TOTAL LOTTERY FUND	<u>\$ 106,000</u>	<u>\$ 96,000</u>	<u>\$ 76,000</u>	<u>\$ 66,000</u>	<u>\$ 66,000</u>	<u>\$ 66,000</u>	<u>\$ 66,000</u>

Program Revision: Expansion of Healthy Beginnings

The health status of Pennsylvania's children continues to be a concern. Over the past three years, the Commonwealth has provided expanded medical coverage to low-income pregnant women and children through the Healthy Beginnings Program. This Program Revision builds upon that effort by again expanding eligibility thresholds to include additional categories of women and children.

The Healthy Beginnings Program, which was implemented by the Commonwealth on April 1, 1988, as an optional service under the Medical Assistance Program, currently provides prenatal and preventive health care to low-income families who have limited or no health care insurance. Since its inception, the program's age eligibility threshold for children has been gradually raised from under age two in 1987-88 to under age six in 1990-91. In 1990-91, the income eligibility limit was increased from 100 percent of the Federal poverty level to 133 percent of the Federal poverty level for children in this age group.

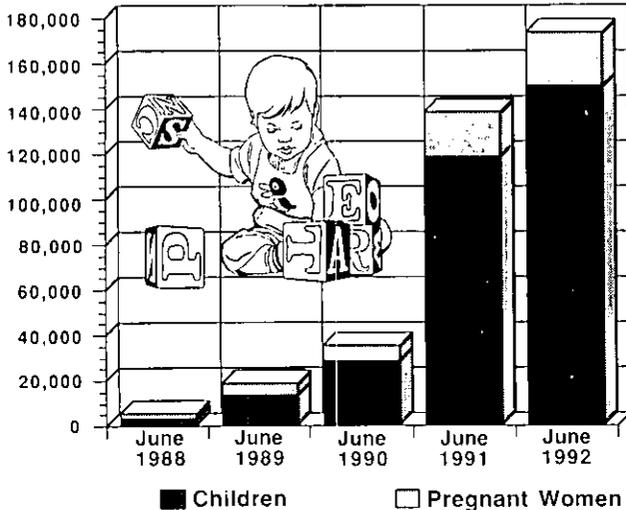
This Program Revision will phase in medical benefits for children

born after September 30, 1983, in families with incomes under 100 percent of the Federal poverty level. Beginning July 1, 1991, the age limit will gradually rise so that by June 30, 1992, 18,400 children under the age of 8 years, 9 months will be eligible for medical coverage through the Healthy Beginnings Program. The anticipated improvement in the health status of these children will enhance their ability to function in school, at home and in the community.

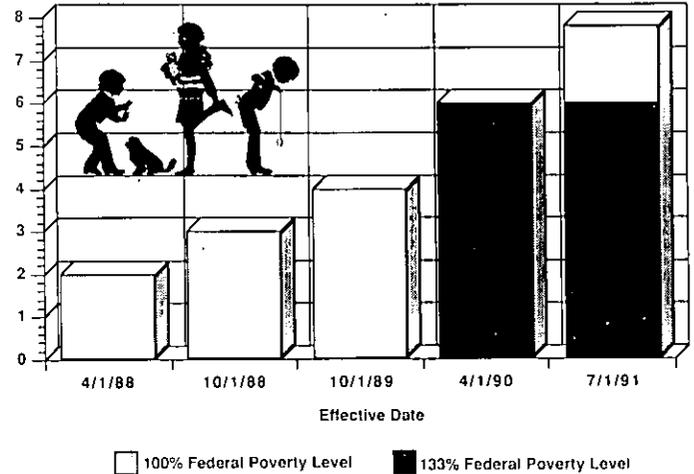
This Program Revision will also provide extended medical coverage to women and infants who become ineligible for coverage after initial enrollment in the Healthy Beginnings Program. Pregnant women will continue to receive services throughout their pregnancy and postpartum period (60 days), and infants throughout their first year of life, even though a change in family income would otherwise make them ineligible for assistance. Through this expansion, 770 women and their infants will receive extended medical coverage through the Healthy Beginnings Program in 1991-92.

Healthy Beginnings Medical Assistance

PERSONS SERVED



AGE OF CHILDREN SERVED



Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Children receiving Medical Assistance services							
Current	28,093	118,121	135,857	135,178	137,578	137,500	137,500
Program Revision .....	.....	.....	149,716	150,000	149,000	149,000	149,000
Additional women and infants receiving extended medical coverage							
Program Revision .....	.....	.....	770	770	770	770	770

PUBLIC WELFARE

Program: Expansion of Healthy Beginnings (continued)

Program Revision Recommendations:

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

Medical Assistance-Outpatient		Medical Assistance-Inpatient	
\$ 678	—to expand outpatient services to children who are under nine years of age.	\$ 2,175	—to expand inpatient services to children who are under nine years of age.
\$ 1,419	—to continue outpatient coverage for pregnant and postpartum women and their infants who become ineligible due to income after initial enrollment in the program.	\$ 2,359	—to continue inpatient coverage for pregnant and postpartum women and their infants who become ineligible due to income after initial enrollment in the program.
<u>\$ 2,097</u>	<i>Appropriation Increase</i>	<u>\$ 4,534</u>	<i>Appropriation Increase</i>
		<u>\$ 6,631</u>	<i>Program Revision Total</i>

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Medical Assistance-Outpatient	\$ 2,097	\$ 3,948	\$ 5,071	\$ 5,198	\$ 5,327
Medical Assistance-Inpatient	4,534	11,039	14,174	15,166	16,228
TOTAL GENERAL FUND	<u>.....</u>	<u>.....</u>	<u>\$ 6,631</u>	<u>\$ 14,987</u>	<u>\$ 19,245</u>	<u>\$ 20,364</u>	<u>\$ 21,555</u>

Program Revision: Medical Assistance Cost Containment

The State cost of Pennsylvania's Medical Assistance Program exceeded \$1.36 billion in Fiscal Year 1989-90. This cost is expected to increase to \$1.65 billion in 1990-91. The primary reasons for this increase include: a major increase in caseload due to decline in the national economy; a recent Federal court decision mandating increased Medical Assistance payments to hospitals; a Federal regulation which revised billing practices for Medical Assistance providers; and decisions by Congress to significantly expand Medical Assistance eligibility requirements for pregnant women, children and the elderly. To avoid significant eligibility reductions or greatly restricting services, this Program Revision proposes to reduce the amounts paid for Medical Assistance services. Cost containment initiatives are proposed in several areas including: pharmaceutical, psychiatric, long term care and selected inpatient costs. This Program Revision also proposes an initiative that will increase revenues applicable to the Medical Assistance Program.

Pharmaceutical costs continue to increase annually. In an effort to reduce the rising cost of drugs, this Program Revision proposes that drug manufacturers provide rebates to the Commonwealth. State Government is the single largest volume purchaser of prescription drugs in the Commonwealth. However, unlike other large volume purchasers, the State does not receive a discount on large volume purchases. The Federal Budget Reconciliation Act of 1990 requires all drug manufacturers to enter into agreements with states to provide a 10 percent rebate for generic drugs and a 12.5 percent rebate for brand name drugs dispensed to Medical Assistance recipients after January 1, 1991. In addition, drug manufacturers must rebate the difference between the average manufacturer's price increase and the consumer price index. State fund savings from this program are estimated to be \$19.3 million. In addition, this Program Revision proposes changing the copay on drug prescriptions from \$.50 to \$1.00. This change is estimated to save \$1.6 million in State funds.

and units according to group ceilings similar to the current nursing home system. This will introduce competition and the need for efficient and effective use of resources. Savings of \$7.8 million in State funds are expected to be realized as a result of this change.

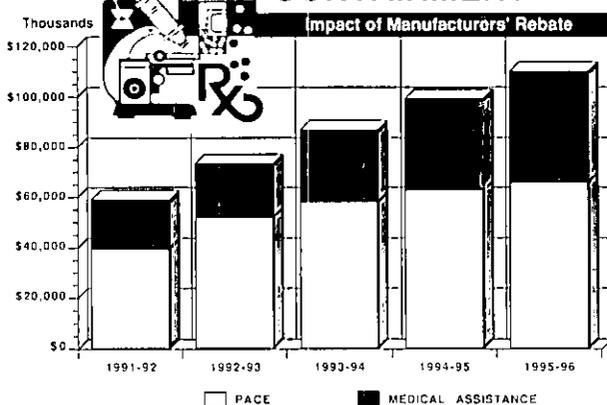
Federal regulations do not allow reimbursement for services provided in freestanding psychiatric hospitals for Medical Assistance recipients between the ages of 22 and 64. Thus, the Commonwealth receives no Federal reimbursement for services it purchases in freestanding psychiatric hospitals for this group of recipients. This Program Revision proposes discontinuing the current practice of using 100 percent State funds to provide this care. Freestanding psychiatric hospitals will be encouraged to join with a general hospital. The psychiatric hospital will then be considered a unit of the general hospital and, therefore, eligible for Federal financial participation. If a hospital does not affiliate, State payment for services rendered to Medical Assistance recipients aged 22 to 64 will be made assuming Federal reimbursement is available. Thus, the hospital will be reimbursed for only a portion of total costs incurred. State fund savings from this change are expected to be \$3.7 million.

Nursing homes in the Commonwealth are reimbursed for allowable net operating costs limited by ceilings established by the Department of Public Welfare. The ceilings currently in effect are set at 115 percent of the median. To better manage rising nursing home costs and ensure adequate reimbursement for different types of services, the Department is developing a new case-mix reimbursement system which will be implemented in July of 1992. In the interim, this Program Revision proposes reducing the current nursing home ceiling from 115 percent of the median to the 60th percentile. This proposal is estimated to save \$8.1 million in State funds during 1991-92.

Currently, the Medical Assistance Program makes inpatient cost outlier payments for neonatal and major burn claims. The cost outlier payment is equal to that amount of the hospital's cost that exceeds 150 percent of the base DRG payment. Cost outlier payments to hospitals for 1989-90 totaled \$46.5 million. This Program Revision proposes to continue to allow for these cost outlier payments based on 80 percent of the calculated costs in excess of 150 percent of the base DRG payment. This policy change is intended to encourage hospitals to reduce costs for these cases and provide incentives for reducing length of stay. This change is estimated to save \$4 million in State funds.

In addition to cost containment initiatives, this Program Revision proposes making adjustments to certain recipient eligibility requirements. In determining eligibility for the medically needy only aid category, 75 percent of billed medical costs rather than 100 percent of billed costs will be deducted from the applicant's income in determining initial and ongoing eligibility. This reduction will save an estimated \$20.1 million in State funds. The veterans Aid and Attendance allowance will be applied toward the cost of the care a veteran receives in a nursing facility thereby reducing reliance on Medical Assistance funding. The allowance effective January 1, 1991 is \$356.00 per month. It is estimated this change will save \$8.3 million in State funds and will avoid Federal sanctions. There are other eligibility adjustments proposed which will save an estimated \$766,000 and avoid \$4.0 million in State funds in 1991-92. These include implementing a 60 day ineligibility period for Medical Assistance recipients who fail to cooperate in establishing eligibility for Federal programs, and maintaining the medically needy income limit for a one person family at the current level of \$2,550.

PHARMACEUTICAL COST CONTAINMENT



Pennsylvania's cost reimbursement system for psychiatric hospitals does not provide sufficient incentives for efficient and economic hospital operations. This Program Revision proposes that the current reimbursement system be revised to pay private psychiatric hospitals

PUBLIC WELFARE

Program Revision: Medical Assistance Cost Containment (continued)

Several cost avoidance initiatives will be pursued. These initiatives will enable the Commonwealth to identify legally responsible parties who are liable for the medical care costs of certain Medical Assistance eligibles. State fund savings are estimated to be \$7.9 million for 1991-92. These include, insuring that medical support is part of child support orders and implementing the Medical Assistance advisor computer system.

This Program Revision also proposes the implementation of a hospital and nursing home pooling arrangement. This proposal will generate additional revenue through hospital and nursing home volun-

tary contributions which would subsequently be matched with Federal Medicaid funds. The Federal Omnibus Reconciliation Act of 1990 approved the use of voluntary contributions until December of 1991. After that date, State legislation must allow for these arrangements and identify provider specific assessments. This program attempts to "level the playing field" so that hospitals and nursing homes that serve a high percentage of Medical Assistance patients receive a greater benefit from the fund than those facilities which serve few or no Medical Assistance patients. The Administration is in the process of implementing these initiative during the current fiscal year.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Average monthly number of cases eligible for Medical Assistance							
Current	786,591	844,824	887,643	883,204	878,788	874,394	870,022
Cases avoided by implementation of limiting medical expense deductions							
Program Revision			65,783	65,454	65,127	64,801	64,477
Cases avoided after implementation of Veterans Aid and Attendance allowance revision							
Program Revision			4,409	4,453	4,497	4,542	4,587
Cases avoided after implementing the Medical Assistance advisor computer evaluation							
Program Revision			1,235	2,457	2,444	2,432	2,420
Average monthly number of recipients affected by increased pharmaceutical co-pay.							
Program Revision			217,540	222,748	224,975	223,850	222,730

Program Revision Recommendations:

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

Public Welfare		
Medical Assistance—Outpatient		
\$ -30,428	—savings estimated as a result of the following cost containment initiatives: manufactures' drug rebate (\$19.3 million), limiting medical expense deductions (\$5.9 million), 60 day ineligibility period (\$380,000), medical support included in child support orders (\$ 1.9 million), Medical Assistance advisor computer system (\$1.3 million), changing copay on drug prescriptions (\$1.6 million).	day ineligibility period (\$386,000) medical support included in child support orders (\$2.8 million), Medical Assistance advisor computer system (\$1.9 million), psychiatric group ceilings (\$7.8 million), State share only for freestanding psychiatric hospitals (\$3.7 million).
		Long Term Care Facilities
\$ -28,958	Medical Assistance—Inpatient —savings estimated as a result of the following cost containment initiatives: Medical Assistance cost outliers (\$4.0 million), limiting medical expense deductions (\$8.4 million), 60	—savings estimated as a result of the following cost containment initiatives: limiting nursing home ceilings (\$8.1 million), limiting medical expense deductions (\$5.8 million), including Veterans Aid and Attendance allowance (\$8.3 million).
		\$ -22,167
		\$ -81,553
		<i>Program Revision Total</i>

Details within Program Revision Recommendations do not add to totals due to rounding.

PUBLIC WELFARE

Program Revision: Medical Assistance Cost Containment (continued)

Recommended Program Revision Costs by Appropriation: _____

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
GENERAL FUND:							
Medical Assistance—Outpatient	\$ -30,428	\$ -34,869	\$ -41,748	\$ -76,099	\$ -110,344
Medical Assistance—Inpatient	-28,958	-34,901	-36,786	-38,774	-40,713
Long-Term Care Facilities	-22,167	-23,863	-24,877	-25,942	-26,980
TOTAL GENERAL FUND	<u>.....</u>	<u>.....</u>	<u>\$ -81,553</u>	<u>\$ -93,633</u>	<u>\$ -103,411</u>	<u>\$ -140,815</u>	<u>\$ -178,037</u>

PUBLIC WELFARE

Program Revision: Women's Service Programs

Initiative: Women's Service Programs Providing Alternatives to Abortion

This Initiative allocates \$1.0 million to fund women's service programs that provide alternatives to abortion. Eligible persons are those women whose income is below 133 percent of the Federal poverty level.

These funds are allocated to provide specifically enumerated services for women, not to include abortion or abortion counseling, but including: medical services; counseling and referral services on adoption

and other alternatives to abortion; and, counseling on the availability and access to other medical, prenatal, nutritional and supportive programs and services for pregnant women.

This Initiative is designed to provide alternatives to abortion by utilizing \$1.0 million in State funds to deliver services to low-income women throughout the Commonwealth.

Initiative Recommendations:

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

Women's Service Programs
\$ 1,000 —to provide women with services that offer alternatives to abortion.

Recommended Initiative Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Women's Service Programs.....	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000

Initiative: Women's Medical Services (Supplement to Breast Cancer Screening Program)

This Initiative allocates \$1.0 million to fund the following enumerated medical services for women: pap smears, hematocrit/hemoglobin (anemia), urine dipstick (diabetes), hypertension screening, sexually transmittable disease screening and treatment, and follow-up of abnormal test results on the above named procedures.

These funds are allocated to provide additional medical services to women who receive subsidized breast cancer screenings under the existing program implemented through the Department of Public Welfare. Eligible persons are those women whose income is below 150 percent of the Federal poverty level.

Initiative Recommendations:

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

Women's Service Programs
\$ 1,000 —to provide additional medical services to women receiving subsidized breast cancer screenings.

Recommended Initiative Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Women's Service Programs.....	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000

Program Revision Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Women receiving services							
Program Revision	48,000	48,000	48,000	48,000	48,000

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
TOTAL GENERAL FUND:							
Women's Service Programs.....	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>

PUBLIC WELFARE

PROGRAM OBJECTIVE: To provide job training opportunities, cash and other assistance in support of minimum standards of living and economic independence to individuals who are dependent or disadvantaged.

Program: Income Maintenance

The broad purpose of public assistance is to provide cash and other forms of assistance to the needy and distressed to enable them to maintain a decent and healthful standard of living for themselves and their dependents and to do this in such a way as to promote self-respect, rehabilitation and, if possible, self-dependency.

Program Element: Income Assistance

The County Assistance Office is the department's direct link with the assistance client. Staff reviews applicant eligibility for all program benefits and insures that required documentation is on file. Data is entered into the department's client information system and is available for Medical Assistance Program determinations as well as income maintenance. All final claims payments are generated through the central office using automated systems.

Cash assistance is provided to persons determined by the staff in county assistance offices to be eligible under the Federal Aid to Families with Dependent Children (AFDC) Program, the State's General Assistance (GA) Program and the State Blind Pension (SBP) Program. AFDC provides cash support for dependent children who cannot be maintained properly due to the absence, illness, unemployment, or death of a parent or parents. In Pennsylvania, the AFDC payments in 1990-91 are funded by 57 percent Federal and 43 percent State dollars. GA and SBP on the other hand are entirely State funded programs. Most GA recipients are individuals, or married couples with no dependent children. State Blind Pension recipients are persons who meet age, vision, and personal resource requirements specified in the Public Welfare Code.

The Low Income Home Energy Assistance Program (LIHEAP) assists eligible households by offsetting the burden of high energy costs and intervening in energy crisis situations. The eligibility standard of 150 percent of the Federal poverty level includes every household member's income. Cash payments are made to energy suppliers for persons responsible for paying heating costs or directly to those households where home heating is included in the rent. Crisis payments may cover heating costs when a household has received a termination notice for not paying bills as well as emergency repairs to heating systems. Since 1988-89, the LIHEAP Program has been supplemented with Federal funds from Title IV-A of the Social Security Act. When AFDC households are composed of exactly the same people as the LIHEAP household, the AFDC special energy supplement will replace LIHEAP funds. The State match is provided from the Energy Conservation and Assistance Fund.

Effective January 1, 1974, the Federally operated Supplemental

Security Income (SSI) Program replaced the State assisted public assistance programs for Old Age Assistance, Aid to the Blind, and Aid to the Disabled. The SSI Program provides aged, blind, and disabled persons with a monthly payment based on nationally uniform eligibility standards. Presently, the basic monthly rate for individuals is \$407.00 and \$610.00 for couples. In order to maintain benefit levels that previously existed, Pennsylvania contributes a supplemental grant of \$32.40 for an individual and \$48.70 for a couple to SSI recipients through the Federal government. A special monthly State supplement is paid to SSI eligible persons in domiciliary care facilities (May 1976) and personal care boarding homes (November 1982). The department is administering a Disabilities Advocacy Program (DAP) to assist mentally and physically disabled individuals in establishing their eligibility for Federal SSI benefits. For SSI residents of personal care boarding homes, the minimum personal care allowance is \$30 a month.

Program Element: Employment Training Program

The purpose of the New Directions Program is to assist Aid to Families with Dependent Children, General Assistance, and Food Stamp clients to obtain full-time permanent employment, and to improve vocational and basic skills needed to qualify for employment.

Beginning in April, 1987, the Department reorganized its employment and training efforts to better respond to individual client needs and target resources to clients who have barriers to employment such as lack of education, training or work experience. Job-ready clients are referred directly to the Job Service for placement assistance. Job Service staff have been located in major county assistance offices to facilitate the process. Those clients who need additional preparation for employment are matched by county assistance office staff with education, training, and work experience opportunities.

The Department continues to implement two inter-departmental initiatives that provide specialized education and training services to clients under the Single Point of Contact (SPOC) and Transitionally Needy (TN) programs.

Single Point of Contact coordinates the resources of the Department of Public Welfare, the Job Service, and the Job Training participants from a range of target groups. As of October 1, 1989, SPOC became the vehicle through which the training and employment activities mandated by the Family Support Act of 1988 are carried out. The TN program provides intensive training and employment services to clients with barriers to employment who are eligible for cash assistance for only 90 days a year.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Average monthly number of persons receiving cash assistance	612,728	654,700	673,650	670,300	666,900	666,900	666,900
Average monthly number of persons receiving State Supplemental Grants	184,872	193,200	198,900	203,900	209,000	214,200	219,500
Households receiving energy cash payments	359,142	365,000	365,000	365,000	365,000	365,000	365,000

The number of persons receiving cash assistance increased in 1990-91 as a result of the national economic downturn.

PUBLIC WELFARE

Program: Income Maintenance (continued)

Program Recommendations:

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

<p>General Fund</p> <p>County Administration Statewide</p> <p>\$ 1,878 —to continue current program.</p> <p>1,133 —to reimburse federally disallowed costs.</p> <p>1,823 —increased Medical Assistance contract costs including expanded blood screening and evaluations.</p> <p>850 —increased operating for client information system telephone links.</p> <hr style="width: 10%; margin-left: 0;"/> <p>\$ 5,684 <i>Appropriation Increase</i></p> <p>Cash Grants</p> <p>\$ 9,466 —increased Aid to Families with Dependent Children and General Assistance caseloads.</p> <p>-1,354 —benefit cost decreases achieved through fraud abuse disqualification and other measures.</p> <p>658 —provide equal treatment for GA budget groups.</p> <p>4,138 —transitional child care for increased AFDC clients participating in job training.</p> <hr style="width: 10%; margin-left: 0;"/> <p>\$ 12,908</p> <p>County Assistance Offices</p> <p>\$ 6,191 —to continue current program.</p> <p>2,469 —increased operating for rent and equipment purchase options.</p> <hr style="width: 10%; margin-left: 0;"/> <p>\$ 8,660 <i>Appropriation Increase</i></p>	<p>New Directions</p> <p>\$ 276 —to continue current program.</p> <p>4,151 —PRR — Increased Access to Job Training - to add 4,000 AFDC persons to Single Point of Contact training programs to meet the 11 percent Federal mandate. See the PRR following this program for further information.</p> <p>880 —to replace JTPA Federal funds.</p> <p>-390 —change in priority of services to meet the Federal mandate.</p> <hr style="width: 10%; margin-left: 0;"/> <p>\$ 4,917 <i>Appropriation Increase</i></p> <p>—The New Directions program will also receive \$12.812 million from new Federal At-Risk Child Care funds. See the Program Revision — Improved Child Care Services for further information.</p> <p>Supplemental Grants — Aged, Blind and Disabled</p> <p>\$ 2,193 —increased caseload of persons eligible for benefits.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1998-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
County Assistance Offices	\$ 183,023	\$ 187,737	\$ 196,397	\$ 202,289	\$ 208,358	\$ 214,609	\$ 221,047
County Administration — Statewide	27,676	30,443	36,127	37,211	38,327	39,477	40,661
New Directions	18,078	19,843	24,760	25,008	25,258	25,510	25,765
Cash Grants	565,564	630,699	643,607	640,400	637,200	637,200	637,200
Supplemental Grants — Aged, Blind and Disabled	78,570	83,075	85,268	87,400	89,585	91,825	94,121
TOTAL GENERAL FUND	\$ 872,911	\$ 951,797	\$ 986,159	\$ 992,308	\$ 998,728	\$ 1,008,621	\$ 1,018,794
ENERGY CONSERVATION AND ASSISTANCE FUND:							
Low Income Energy Assistance	\$ 18,000	\$ 26,925	\$ 13,500	\$ 4,500	\$ 3,375	\$ 675	\$ 585

Program Revision: Increasing Access to Job Training

In order to help financially dependent Pennsylvanians break the cycle of dependency, this Program Revision proposes expanding the Single Point of Contact Program (SPOC). The SPOC Program will be expanded to provide additional education, training and job search services needed to overcome the employment barriers experienced by recipients of Aid to Families with Dependent Children (AFDC). SPOC provides access to the services of the Department of Labor and Industry's Job Training Partnership Act Program and the Office of Employment Security's Job Service, and the Department of Public Welfare's Employment and Training Program through a single point of contact—the County Assistance Office. Through SPOC, a client can access a number of services including a wide range of vocational training, literacy and adult education, work experience, job readiness and job development. Health insurance is provided and child care services may be obtained while the client is in training, and for a period of time after employment is achieved. Each client receives intensive case management to assure that all barriers to employment are recognized and that services are matched to the client's need.

Recognizing that permanent employment is critical to ending dependency, the Federal Government has increased education and

training requirements for the Job Opportunities and Basic Skills (JOBS) Program. Consistent with the Federal changes, Pennsylvania will increase enrollment of the eligible client group from the current 7 percent to 11 percent in 1991-92. In so doing, Pennsylvania will increase the intensity of education and training by insuring that a larger number of clients receive an average of 20 hours of instruction per week. To insure that training results are maximized, additional attendance standards will be implemented. If these goals are achieved, Pennsylvania will serve a greater number of the AFDC eligible participant group and continue to receive enhanced Federal funding.

Through additional State and Federal funding, Pennsylvania will increase the number of clients receiving intensive education and skills training by 4,000 from the current 1990-91 level of 7,000. The increase in client participation is estimated to save an additional \$6.9 million in the Cash Grants Program. If Pennsylvania does not expand the SPOC Program, the reduction in Federal funding will reduce the number of clients served from the current 7,000 to 3,871. The variation in the level of clients placed in jobs is a direct consequence of clients participating and the funding levels.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Average Monthly AFDC registrants for education & training							
Current	88,201	100,000	100,000	100,000	100,000	100,000	100,000
Program Revision .....	.....	.....	100,000	100,000	100,000	100,000	100,000
AFDC registrants fulfilling the participation rate requirement							
Current	NA	7,000	3,871	3,871	3,871	3,871	3,871
Program Revision .....	.....	.....	11,000	11,000	11,000	11,000	11,000
AFDC registrants placed in jobs							
Current	21,013	22,455	20,891	20,891	20,891	20,891	20,891
Program Revision .....	.....	.....	24,456	24,456	24,456	24,456	24,456

Program Revision Recommendations:

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

New Directions

\$ 4,151 —to provide job preparation services to an additional 4,000 clients.

In addition, \$5,500,000 in Federal Job Opportunities and Basic Skills Program funding will supplement State funding. Further, the New Directions appropriation has been increased by \$880,000 to replace reduced Federal JTPA funds supporting the current program.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
New Directions	\$ 4,151	\$ 4,151	\$ 4,151	\$ 4,151	\$ 4,151

PROGRAM OBJECTIVE: To reduce the mental disabilities of individuals and to restore their capacity to function in as independent a manner as possible through the provision of an array of service and support programs.

Program: Mental Health

This program provides for an integrated mental health system consisting of a comprehensive community service delivery system, State operated hospitals and mental health research facilities. The community mental health system is administered under the Pennsylvania Mental Health and Mental Retardation (MH/MR) Act of 1966 and the Mental Health Procedures Act (MHPA) of 1976. Fourteen mental hospitals and one restoration (long-term care) center evolved over the years into the State mental hospital system.

Program Element: Community Mental Health Services

The MH/MR Act of 1966 requires that county governments provide an array of community-based mental health services, including information and referral, unified intake, community consultation and education, case management, short-term inpatient treatment, partial hospitalization, outpatient care, emergency services, specialized rehabilitation training, vocational rehabilitation, and residential arrangements. Services are generally administered by a single county, county jointers, or through contracts with other provider organizations or agencies. Services, except inpatient and partial hospitalization services, are funded ninety percent with State funds and ten percent with county matching funds. Community residential services consist of residential treatment, inpatient services, crisis and community residential rehabilitation (CRR) services. Community services are targeted to adults with serious mental illness and children/adolescents with or at risk of

serious disturbance. Program expansions that focus on these priority groups include intensive case management and family based mental health services.

Program Element: State Mental Hospitals

Even though the mental hospitals have continued to provide inpatient psychiatric services for patients who require more than short-term inpatient care, the mental hospitals role has changed from being the only available resource for mental health referrals to one of many mental health treatment alternatives. Some State mental hospitals offer specialized treatment programs for those requiring long-term care and treatment, children and adolescents, and criminal offenders.

Efforts continue to integrate community programs with the State mental hospitals as a single system providing a continuum of services to persons experiencing serious mental illness.

Philadelphia State Hospital was closed June 30, 1990. Patients discharged from the hospital during the closure receive ongoing care and support from the Community Treatment Teams.

Woodville State Hospital is scheduled to close June 30, 1992. New patients will be redirected to the nearby Mayview State Hospital beginning in the Spring of 1991; during the 1991-92 fiscal year the current Woodville population will gradually be transferred to Mayview or to appropriate community placements.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Persons provided community mental health services (unduplicated)	232,478	232,478	232,478	232,478	232,478	232,478	232,478
State Mental Hospital population at end of fiscal year	6,923	6,855	6,756	6,611	6,511	6,393	6,309
Persons readmitted to State Mental Hospitals after last discharge:							
within 30 days	204	204	204	204	204	204	204
31-92 days	315	315	315	315	315	315	315
93-182 days	345	345	345	345	345	345	345
183-364 days	487	477	467	458	449	440	431
over 365 days	1,388	1,360	1,330	1,306	1,280	1,255	1,230
Persons served in community residential mental health services	6,040	6,076	6,170	6,170	6,170	6,170	6,170
Persons served in intensive case management	3,877	8,504	8,457	8,880	9,324	9,790	10,280
School Districts participating in Student Assistance Program	124	440	500	500	500	500	500

PUBLIC WELFARE

Program: Mental Health (continued)

The hospital and restoration center populations for the prior, current and upcoming year are:

	Projected Patient Capacity July 1991	Population July 1989	Population July 1990	Projected Population July 1991	Projected Percent of Capacity July 1991
State Mental Hospitals					
Allentown	469	462	453	459	97.87%
Clarks Summit	512	478	487	482	94.14%
Danville	530	460	470	484	91.32%
Eastern State School and Hospital	180	165	164	155	86.11%
Farview	175	155	152	160	91.43%
Harrisburg	487	457	471	468	96.10%
Haverford	424	439	427	436	102.83%
Mayview	852	720	759	728	85.45%
Norristown	1,090	847	955	850	77.98%
Philadelphia		266			
Somerset	283	244	237	258	91.17%
Torrance	474	415	426	423	89.24%
Warren	589	547	554	555	94.23%
Wernersville	522	526	511	517	99.04%
Woodville	592	563	446	445	75.17%
South Mountain	489	439	426	435	88.96%
TOTAL	7,668	7,183	6,938	6,855	89.40%

Total Proposed Expenditures by Hospital and Restoration Center:

	(Dollar Amounts in Thousands)			(Dollar Amounts in Thousands)			
	1989-90 Actual	1990-91 Available	1991-92 Budget	1989-90 Actual	1990-91 Available	1991-92 Budget	
ALLENTOWN							
State Funds	\$ 21,149	\$ 25,012	\$ 26,972	EASTERN STATE SCHOOL AND HOSPITAL			
Federal Funds	5,494	4,655	4,624	State Funds	\$ 9,107	\$ 11,777	\$ 11,209
Augmentations	2,059	1,633	1,561	Federal Funds	10,826	9,971	10,824
TOTAL	\$ 28,702	\$ 31,300	\$ 33,157	Augmentations	577	640	647
				TOTAL	\$ 20,510	\$ 22,388	\$ 22,680
CLARKS SUMMIT							
State Funds	\$ 20,171	\$ 22,779	\$ 23,466	FARVIEW			
Federal Funds	7,941	7,350	7,693	State Funds	\$ 16,473	\$ 14,037	\$ 14,212
Augmentations	1,574	1,483	1,520	Federal Funds			
TOTAL	\$ 29,686	\$ 31,612	\$ 32,679	Augmentations	3,993	4,057	4,235
				TOTAL	\$ 20,466	\$ 18,094	\$ 18,447
DANVILLE							
State Funds	\$ 16,536	\$ 19,291	\$ 21,082	HARRISBURG			
Federal Funds	11,141	9,274	9,358	State Funds	\$ 22,371	\$ 24,758	\$ 26,472
Augmentations	1,822	1,889	1,889	Federal Funds	6,026	5,232	5,195
TOTAL	\$ 29,499	\$ 30,454	\$ 32,329	Augmentations	1,333	1,583	1,460
				TOTAL	\$ 29,730	\$ 31,573	\$ 33,127

PUBLIC WELFARE

Program: Mental Health (continued)

Total Proposed Expenditures by Hospital and Restoration Center (continued):

	(Dollar Amounts in Thousands)				(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget		1989-90 Actual	1990-91 Available	1991-92 Budget
HAVERFORD				TORRANCE			
State Funds	\$ 22,075	\$ 26,057	\$ 28,064	State Funds	\$ 19,290	\$ 21,524	\$ 23,252
Federal Funds	6,013	5,351	4,889	Federal Funds	7,914	7,270	6,910
Augmentations	1,582	1,190	1,204	Augmentations	1,130	1,160	1,151
TOTAL	\$ 29,670	\$ 32,598	\$ 34,157	TOTAL	\$ 28,334	\$ 29,954	\$ 31,313
MAYVIEW				WARREN			
State Funds	\$ 35,993	\$ 40,091	\$ 50,683	State Funds	\$ 23,232	\$ 26,700	\$ 30,407
Federal Funds	11,571	10,672	13,358	Federal Funds	8,617	7,747	5,592
Augmentations	2,699	2,282	3,921	Augmentations	2,640	3,864	2,002
TOTAL	\$ 50,263	\$ 53,045	\$ 67,962	TOTAL	\$ 34,489	\$ 38,311	\$ 38,001
NORRISTOWN				WERNERSVILLE			
State Funds	\$ 44,288	\$ 58,777	\$ 61,324	State Funds	\$ 18,178	\$ 21,594	\$ 22,548
Federal Funds	13,137	10,746	11,101	Federal Funds	7,471	6,571	7,312
Augmentations	4,140	4,560	4,351	Augmentations	1,786	1,884	1,884
TOTAL	\$ 61,565	\$ 74,083	\$ 76,776	TOTAL	\$ 27,435	\$ 30,049	\$ 31,744
PHILADELPHIA				WOODVILLE			
State Funds	\$ 39,410	.....	.....	State Funds	\$ 23,400	\$ 22,734	\$ 10,371
Federal Funds	1,640	.....	.....	Federal Funds	8,797	10,770	3,519
Augmentations	990	.....	.....	Augmentations	1,596	1,355	756
TOTAL	\$ 42,040	.....	.....	TOTAL	\$ 33,793	\$ 34,859	\$ 14,646
SOMERSET				SOUTH MOUNTAIN RESTORATION CENTER			
State Funds	\$ 13,505	\$ 14,021	\$ 14,765	State Funds	\$ 8,049	\$ 8,879	\$ 10,484
Federal Funds	2,535	2,833	2,715	Federal Funds	12,644	12,461	11,869
Augmentations	929	902	885	Augmentations	1,223	1,237	1,022
TOTAL	\$ 16,969	\$ 17,756	\$ 18,365	TOTAL	\$ 21,916	\$ 22,577	\$ 23,375

PUBLIC WELFARE

Program: Mental Health (continued)

Program Recommendations:

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

<p>State Mental Hospitals</p> <p>\$ 22,165 —to continue current program.</p> <p style="padding-left: 20px;">-4,886 —closing Woodville State Hospital.</p> <p>\$ 17,279 Appropriation Increase</p> <p>Community Mental Health Services</p> <p>\$ 900 —annualization of the Family Based Services program.</p> <p style="padding-left: 20px;">3,576 —to continue current program.</p> <p>\$ 4,476 Appropriation Increase</p>	<p>Closing of Philadelphia State Hospital</p> <p>\$ 3,347 —to continue current program.</p> <p>Philadelphia Class Patients</p> <p>\$ 2,101 —to provide community placement for former patients of the Philadelphia State Hospital.</p>
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All other appropriations in this subcategory were not continued.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
State Mental Hospitals	\$ 353,227	\$ 358,032	\$ 375,311	\$ 386,570	\$ 398,167	\$ 410,112	\$ 422,415
Community Mental Health Services	158,519	166,394	170,870	175,141	179,520	184,008	188,608
Eastern Pennsylvania Psychiatric Institute	7,694	.....	.....	.....	.....	.....	.....
Closing of Philadelphia State Hospital .....	.....	39,049	42,396	42,396	42,396	42,396	42,396
Philadelphia Class Patients .....	.....	.....	2,101	2,154	2,208	2,263	2,320
PENNFREE - Student Assistance	6,000	.....	.....	.....	.....	.....	.....
TOTAL GENERAL FUND	\$ 525,440	\$ 563,475	\$ 590,678	\$ 606,261	\$ 622,291	\$ 638,779	\$ 655,739

PUBLIC WELFARE

PROGRAM OBJECTIVE: To provide mentally retarded persons with the requisite skills and behavior that will assist them in community and family living.

Program: Mental Retardation

The Department of Public Welfare supports a comprehensive mental retardation (MR) delivery system including State intermediate care facilities and community residential and non-residential programs that are operated by the counties or a network of private service providers funded with Federal, State and local funds. The community mental retardation system was established under the Pennsylvania Mental Health and Mental Retardation (MH/MR) Act of 1966.

Program Element: State Centers for the Mentally Retarded

Nine State centers and four mental retardation units located on the grounds of State Mental Hospitals have been integrated into the State mental retardation system. The primary goal of these State operated facilities is to develop each resident's ability to function more independently to enable them to live in less restricted environments. All facilities are currently certified for Medical Assistance under standards established by the Federal Intermediate Care Facilities for the Mentally Retarded (ICF/MR) Program. The resident census continues to move toward a more aged and disabled population.

Program Element: Private Intermediate Care for the Mentally Retarded (ICF/MRs)

Private ICF/MRs provide intensive habilitative services to mentally

retarded persons. Large facilities are single or multiple buildings on campus-like sites accommodating more than 8 persons; small facilities are located on noncontiguous sites in the community and serve 8 or less persons. Persons served are typically more disabled and require more intensive services than those currently served in community residential MR facilities.

Program Element: Community Mental Retardation Services

The Mental Health and Mental Retardation Act of 1966 provides the statutory basis for the development of community-based services to the mentally disabled. Services are provided to the clients that enable them to function and live in a manner as close to normal as possible. Non-residential services are available to meet the needs of persons with mental retardation and provide an alternative to residential placement. Early intervention for children from birth to age two years nine months, family support services necessary for families to maintain the family member in the home, adult day care, prevocational and vocational training services for adults are a few of these services. Community residential facilities provide an opportunity for persons with mental retardation to live in a culturally normative residential setting within the community.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Persons receiving MR services during fiscal year	53,173	53,173	53,173	53,173	53,173	53,173	53,173
Persons receiving community (non-residential) services:							
Early Intervention	5,600	5,600	6,770	8,385	10,000	10,000	10,000
Adult day services	17,472	17,472	17,472	17,472	17,472	17,472	17,472
Family support services	15,293	15,500	15,500	15,500	15,500	15,500	15,500
Persons receiving residential services (at end of fiscal year):							
Residents of community residential facilities (CRF)	7,788	7,913	7,913	7,913	7,913	7,913	7,913
Residents in private ICF/MRs	3,178	3,389	3,468	3,468	3,468	3,468	3,468
Residents in State centers and mental retardation units	3,940	3,920	3,900	3,900	3,900	3,900	3,900
Residents transferred to more independent settings during fiscal year from:							
Community residential facilities	224	224	224	224	224	224	224
State Centers and MR units	134	100	100	50	50	50	50

PUBLIC WELFARE

Program: Mental Retardation (continued)

The State Centers population for the prior, current, and upcoming year are:

	Projected Bed Capacity July 1991	Population July 1989	Population July 1990	Projected Population July 1991	Projected Percent Capacity July 1991
State Centers					
Altoona	138	129	130	130	94.2%
Ebensburg	528	498	487	485	91.9%
Embreeville	310	252	251	258	83.2%
Hamburg	412	364	356	353	85.7%
Laurelton	268	234	223	221	82.5%
Polk	850	763	745	757	89.1%
Selinsgrove	804	732	710	710	88.3%
Western	420	427	390	376	89.5%
White Haven	496	442	421	415	83.7%
TOTAL STATE CENTERS	4,226	3,841	3,713	3,705	87.7%
Units for Mentally Retarded					
Clarks Summit	18	22	20	15	83.3%
Mayview	84	86	92	81	96.4%
Somerset	75	60	59	60	80.0%
Torrance	68	52	56	59	86.8%
TOTAL UNITS FOR MENTALLY RETARDED	245	220	227	215	87.8%
GRAND TOTAL	4,471	4,061	3,940	3,920	87.7%

Proposed Expenditures by Center:

	(Dollar Amounts in Thousands)			(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget	1989-90 Actual	1990-91 Available	1991-92 Budget
ALTOONA						
State Funds	\$ 2,560	\$ 2,657	\$ 2,840	State Funds	\$ 7,603	\$ 8,508
Federal Funds	4,452	4,532	4,638	Federal Funds	10,342	10,656
Augmentations	292	257	255	Augmentations	705	650
TOTAL	\$ 7,307	\$ 7,446	\$ 7,733	TOTAL	\$ 18,650	\$ 19,856
EMBREEVILLE						
State Funds	\$ 11,978	\$ 13,580	\$ 14,328	State Funds	\$ 8,962	\$ 9,962
Federal Funds	18,542	18,735	19,230	Federal Funds	14,431	14,350
Augmentations	965	1,097	1,006	Augmentations	906	963
TOTAL	\$ 31,458	\$ 33,412	\$ 34,564	TOTAL	\$ 24,229	\$ 25,275
EBENSBURG						
State Funds	\$ 11,978	\$ 13,580	\$ 14,328	State Funds	\$ 8,962	\$ 9,962
Federal Funds	18,542	18,735	19,230	Federal Funds	14,431	14,350
Augmentations	965	1,097	1,006	Augmentations	906	963
TOTAL	\$ 31,458	\$ 33,412	\$ 34,564	TOTAL	\$ 24,229	\$ 25,275
HAMBURG						
State Funds	\$ 11,978	\$ 13,580	\$ 14,328	State Funds	\$ 8,962	\$ 9,962
Federal Funds	18,542	18,735	19,230	Federal Funds	14,431	14,350
Augmentations	965	1,097	1,006	Augmentations	906	963
TOTAL	\$ 31,458	\$ 33,412	\$ 34,564	TOTAL	\$ 24,229	\$ 25,275

PUBLIC WELFARE

Program: Mental Retardation (continued)

Proposed Expenditures by Center:

	(Dollar Amounts in Thousands)				(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget		1989-90 Actual	1990-91 Available	1991-92 Budget
LAURELTON							
State Funds	\$ 6,832	\$ 7,645	\$ 7,711	CLARKS SUMMIT			
Federal Funds	10,517	10,511	10,761	MR UNIT			
Augmentations	556	581	605	State Funds	\$ 458	\$ 496	\$ 521
				Federal Funds	825	688	705
TOTAL	\$ 17,905	\$ 18,737	\$ 19,077	Augmentations	52	41	43
				TOTAL	\$ 1,335	\$ 1,225	\$ 1,269
POLK							
State Funds	\$ 18,984	\$ 20,668	\$ 22,262	MAYVIEW			
Federal Funds	29,610	29,205	30,430	MR UNIT			
Augmentations	2,176	2,197	2,267	State Funds	\$ 1,158	\$ 1,298	\$ 1,037
				Federal Funds	1,924	1,950	1,511
TOTAL	\$ 50,770	\$ 52,070	\$ 54,959	Augmentations	272	302	209
				TOTAL	\$ 3,354	\$ 3,550	\$ 2,757
SELINGROVE							
State Funds	\$ 18,304	\$ 19,905	\$ 20,387	SOMERSET			
Federal Funds	27,157	27,200	27,872	MR UNIT			
Augmentations	2,241	2,270	2,287	State Funds	\$ 924	\$ 1,018	\$ 1,071
				Federal Funds	1,570	1,580	1,619
TOTAL	\$ 47,702	\$ 49,375	\$ 50,546	Augmentations	214	146	150
				TOTAL	\$ 2,708	\$ 2,744	\$ 2,840
WESTERN							
State Funds	\$ 12,130	\$ 11,436	\$ 12,214	TORRANCE			
Federal Funds	17,075	16,500	16,908	MR UNIT			
Augmentations	1,173	1,182	1,202	State Funds	\$ 991	\$ 1,007	\$ 1,064
				Federal Funds	1,612	1,570	1,609
TOTAL	\$ 30,378	\$ 29,118	\$ 30,324	Augmentations	166	172	174
				TOTAL	\$ 2,769	\$ 2,749	\$ 2,847
WHITE HAVEN							
State Funds	\$ 11,036	\$ 11,895	\$ 12,523				
Federal Funds	17,686	17,790	18,229				
Augmentations	1,300	1,257	1,287				
TOTAL	\$ 30,022	\$ 30,942	\$ 32,039				

PUBLIC WELFARE

Program: Mental Retardation (continued)

Program Recommendations:

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

<p>\$ 6,077</p> <p>-280</p> <hr/> <p>\$ 5,797</p>	<p>State Centers for the Mentally Retarded</p> <p>—to continue current program.</p> <p>—to reflect a change in Federal reimbursement rate.</p> <p><i>Appropriation Increase</i></p> <p>Community Mental Retardation Services</p> <p>—to provide funding for the Allegheny Court Settlement.</p> <p>—cost to continue current program including savings resulting from increased Federal participation.</p> <hr/> <p>\$ 2,975 <i>Appropriation Increase</i></p>	<p>\$ 2,156</p> <p>\$ -70</p> <p>\$ 1,875</p> <p>-10</p> <hr/> <p>\$ 1,865</p>	<p>Intermediate Care Facilities/Mentally Retarded.</p> <p>—to continue current program.</p> <p>Philadelphia Association for Retarded Citizens</p> <p>—nonrecurring projects.</p> <p>Early Intervention</p> <p>—PRR — Part of the expansion of Preschool Education Programs. This PRR will increase the average Early Intervention daily case load by 4,400 children over the next five years. See the Program Revision in the Department of Education for further information.</p> <p>—nonrecurring project.</p> <p><i>Appropriation Increase</i></p>
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Other appropriations in this subcategory were not continued or reduced for nonrecurring projects.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
State Centers for the Mentally Retarded	\$ 101,920	\$ 110,075	\$ 115,872	\$ 119,348	\$ 122,928	\$ 126,616	\$ 130,414
Community Mental Retardation Services	272,225	292,111	295,086	302,463	310,024	317,775	325,719
Elwyn Institute	200	200	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Pennhurst Dispersal	2,600	2,700	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Philadelphia Association for Retarded Citizens	220	220	150	150	150	150	150
Intermediate Care Facilities/Mentally Retarded	66,883	79,646	81,802	83,847	85,943	88,091	90,294
Early Intervention	18,778	20,461	22,326	27,157	31,129	32,452	33,423
MH/MR—Residential Wage and Hour Ruling	3,000	3,000	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL GENERAL FUND	\$ 465,826	\$ 508,413	\$ 515,236	\$ 532,965	\$ 550,174	\$ 565,084	\$ 580,000

PUBLIC WELFARE

PROGRAM OBJECTIVE: To enhance the social and economic well being of families and individuals through the provision of an array of services and support programs.

Program: Human Services

The department operates a variety of programs designed to provide supportive services to people while they overcome an adverse behavior or circumstance which has affected their lives.

Program Element: Youth Development Services

Pennsylvania's juvenile justice system is designed to minimize institutionalization while recognizing that confinement in a treatment environment is necessary for certain juveniles who pose a threat to themselves or others. The Youth Development Center and Youth Forestry Camp (YDC/YFC) system provides both open and secure residential programs for the treatment of Pennsylvania's most serious juvenile offenders and those with special problems. The purpose of the YDC and YFC system is to bring about positive changes in the juveniles committed to its care by developing skills and attitudes which will enable them to become responsible, productive members of society.

The YDCs and YFCs across the Commonwealth have a total capacity of 723: 341 secure and 382 open residential beds. The secure care capacity includes a 30 bed drug and alcohol unit on the grounds of Danville State Hospital. Specialized treatment services have been developed in both open and secure programs. These services include programs for sex offenders, firesetters, drug and alcohol abusers, emotionally disturbed and mentally retarded youth. For 1991-92, State and Federal Drug Control System Improvement funds totalling \$560,000 have been added to purchase residential services for 25 delinquent youths with drug related offences.

Secure care programs are highly structured and exercise substantial control over individual student behavior. Open residential programs operate in a less structured atmosphere. They offer greater opportunity for individuals to make their own decisions under the guidance of program staff.

Residential	Projected July 1991 Capacity	July 1989 Population	July 1990 Population	Projected July 1991 Population	Projected July 1992 % of Capacity
Camp No. 2 ..	49	43	46	54	110%
Camp No. 3 ..	82	64	66	68	110%
Loysville	72	75	70	79	110%
New Castle ..	111	73	91	122	110%
Bensalem	88	62	75	97	110%
Total Residential Program	382	317	346	420	110%
Secure					
Camp No.2 ..	23	24	26	26	113%
Loysville	112	75	121	129	115%
New Castle ..	109	85	113	131	120%
Bensalem	97	73	96	107	110%
Total Secure Program	341	257	356	393	115%
TOTAL ALL PROGRAMS .	723	574	704	813	112%

Loysville Secure: Includes long-term care unit that opened during 1988-89.

Treatment of youth within the YDC's/YFC's is guided by the Master Case Planning System. This system requires the comprehensive diagnosis and assessment of each youth in care, the development of an individualized treatment plan, implementation strategies, periodic reviews and revisions of each plan and the identification of aftercare needs. Individual and group counseling form the core of the treatment process.

The YDCs/YFCs also emphasize programs and activities designed to break the cycle of dependency and prepare youth for their return to the community. Each program provides vocational training and ongoing education in daily living skills. Many YDCs/YFCs also provide actual job training and work experience opportunities, many of which are paid. Youth are encouraged, and in some cases required, to use a portion of their earnings for restitution.

Education is also a major component of the YDC/YFC system. Each program includes both academic and vocational curricula. Educational diagnostic testing precedes all academic placements and is utilized in the development of Individual Education Plans for each youth.

Program Element: Family Support Services

The provision of services to children who are in need of care and protection is the joint responsibility of the Department of Public Welfare and county government. Each county is responsible for developing and administering a program of services designed to treat and prevent child abuse, neglect and exploitation, and to provide services which reduce dependency and delinquency. The county children and youth program includes services to parents and children to enable children to remain in their own homes and communities, temporary placement services for children who cannot live with their own family, adoption services, assistance to provide a permanent legal family for any child who cannot be returned to his own family, and any service or care ordered by the court for children who have been adjudicated dependent or delinquent. For 1991-92 Federal Drug Control System Improvement funds totalling \$565,000 have been added to provide placement alternatives for 75 delinquent youths with drug or alcohol programs.

The Office of Fraud and Abuse Investigations and Recovery is the department's primary agency for benefits recovery and welfare fraud investigation. The Office of Fraud and Abuse Investigations and Recovery is also the administrative agency for the Child Support Enforcement Program.

Child Support Enforcement ensures adequate support for dependent children by enforcing the payment of established support orders by responsible absent parents. This activity is accomplished through cooperative agreement with 66 Domestic Relation Sections who perform child support program functions at the local level. Through cooperative efforts, the State and local agencies establish paternity and initiate actions to obtain support for dependent children, locate parents for support, and recover public assistance paid to recipients who have support included as part of their grants. Recovery is obtained through redirection of paid support for Aid to Families with Dependent Children recipients and interception of tax refunds and unemployment compensation benefits for support arrearages.

Special programs have been developed to support the delivery of services by county child welfare agencies.

One program provides adoptive homes for black children. The One Church One Child Program utilizes churches in the recruitment of prospective adoptive families for black children awaiting adoption.

PUBLIC WELFARE

Program: Human Services (continued)

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Visually handicapped clients	12,451	12,618	12,802	12,936	13,065	13,203	13,337
Visually handicapped clients placed in employment	346	360	370	380	390	400	410
YDC — youths served	1,345	1,351	1,351	1,351	1,351	1,351	1,351
YDC — occupancy rates	110%	111%	112%	112%	112%	112%	112%
YDC — youths in work experience	437	444	444	444	444	444	444
YDC — rate of recidivism	41%	41%	41%	41%	41%	41%	41%
Family Support Services							
Children receiving child welfare services In home	54,113	54,650	63,642	67,311	70,637	74,131	77,801
Out of home placement in:							
Community residential programs	12,789	13,300	16,225	15,972	15,488	15,019	14,566
Institutional care programs	3,298	3,430	4,679	4,445	4,223	4,012	3,811
Agency arranged adoptions	604	630	703	745	777	819	861
Children waiting for adoption	730	690	670	641	602	573	554
Children receiving day care	28,945	29,245	36,141	36,141	36,141	36,141	36,141
Percent of child abuse reports substantiated	34%	35%	36%	37%	37%	38%	38%

Number of children receiving protective services will increase in 1991-92 as the result of the needs-based budget. In subsequent years, the number of children receiving in-home care will increase and the number of children receiving out-of-home care will decrease to reflect the goal of serving more children in the home.

Number of children waiting for adoption will increase in 1991-92 as activities to make children eligible for adoption increase. In addition, there is a time lag between the establishment of a goal of adoption, the legal process which makes a child eligible to be adopted and the finalization of an agency arranged adoption.

Domestic Violence and Rape Crisis

Domestic violence persons served	37,349	35,527	35,527	35,527	35,527	35,527	35,527
Rape crisis/sexual assault persons served	11,381	13,100	13,100	13,100	13,100	13,100	13,100
Breast Cancer screening clients	112,600	117,800	117,800	117,800	117,800	117,800	117,800
Legal service clients	47,614	39,445	39,445	39,445	39,445	39,445	39,445
Attendant care persons served	1,176	1,176	1,776	1,776	1,776	1,776	1,776
Developmentally disabled persons receiving services	286	336	386	436	486	536	586

The measure of clients receiving legal services and services to the developmentally disabled, rape victims and breast cancer screenings differ from projections in last year's budget as the agency serves more clients than were anticipated.

Homeless Assistance

Homeless:							
Persons served in shelters	17,704	18,064	19,811	19,811	19,811	19,811	19,811
Bridge housing persons served	1,901	1,939	1,939	1,939	1,939	1,939	1,939
Persons receiving housing assistance ..	29,152	29,152	57,146	57,146	57,146	57,146	57,146
Persons maintained in their own residence	2,612	2,665	2,665	2,665	2,665	2,665	2,665

The measure of homeless people served in shelters shows a decrease from projections in last year's budget because more services are provided in therapeutic assistance areas to reduce chronic homelessness.

PUBLIC WELFARE

Program: Human Services (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Visually Handicapped	\$ 6,019	\$ 6,410	\$ 6,541	\$ 6,737	\$ 6,939	\$ 7,147	\$ 7,361
Youth Development Institutions	34,232	40,947	42,117	43,236	44,533	45,869	47,245
Beacon Lodge Camp — Blind Services ..	77	77	77	77	77	77	77
Arsenal Center	168	168	168	168	168	168	168
Overbrook School	175	175	.....	.....	.....	.....	.....
County Child Welfare	161,993	193,134	235,000	246,750	259,088	272,042	285,644
County Child Welfare Overmatch .....	.....	.....	6,000	6,000	6,000	6,000	6,000
PENNFREE — Children and Youth Programs	5,000	.....	.....	.....	.....	.....	.....
PENNFREE — Family Preservation	1,900	.....	.....	.....	.....	.....	.....
Day Care Services	36,527	37,147	37,147	37,147	37,147	37,147	37,147
Domestic Violence	4,386	5,779	5,779	5,779	5,779	5,779	5,779
PENNFREE — Domestic Violence	449	.....	.....	.....	.....	.....	.....
Rape Crisis	1,805	2,778	2,778	2,778	2,778	2,778	2,778
Breast Cancer Screening	706	706	706	706	706	706	706
Legal Services	2,000	2,000	1,940	1,940	1,940	1,940	1,940
Human Services Development Fund	18,041	18,165	.....	.....	.....	.....	.....
Attendant Care	6,467	7,013	9,761	9,761	9,761	9,761	9,761
Homeless Assistance	13,858	14,423	14,698	14,698	14,698	14,698	14,698
PENNFREE — Transitional Housing	2,000	.....	.....	.....	.....	.....	.....
Services for the Developmentally Disabled	300	1,200	1,302	1,335	1,368	1,402	1,437
TOTAL GENERAL FUND	\$ 296,103	\$ 330,122	\$ 364,014	\$ 377,112	\$ 390,982	\$ 405,514	\$ 420,741

Program Revision: Child Welfare Needs-Based Budget

In May 1990, the Commonwealth signed an agreement with the City of Philadelphia, Allegheny County, the Pennsylvania State Association of County Commissioners and the Philadelphia Citizens for Children and Youth concerning the preparation and review of the counties' annual child welfare plans and budgets. The agreement requires that, beginning in 1991-92, the counties forward a needs-based budget request for child welfare services to the Department of Public Welfare. The department is to review the needs-based request and forward recommendations to the Governor and the Secretary of the Budget based on the aggregate amount of the counties' projected costs deemed to be reimbursable. The Governor's Office will forward this information to the General Assembly. This Program Revision responds to that agreement by proposing a needs-based budget that is based on estimates of the number of abused, neglected and delinquent children in need of protective services in 1991-92, and by establishing a maximum expenditure amount per child, by category of service, for which the State will pay a portion of the cost.

The child welfare funding reform resulting from this Program Revision will reimburse the counties for in-home, community residential, institutional and administrative services up to a maximum amount per child per year at the existing reimbursement percentages (except for adoption services as discussed below). Currently, the State reimburses without regard to cost per child. By establishing a maximum amount per child which the State will reimburse, the Commonwealth will equitably participate in the cost of care for every child projected to be in need of protective services in 1991-92. State reimbursement will be available for every child served in accordance with the Administration's goal of increasing in-home services and decreasing out-of-home placements. The Secretary of Public Welfare will have the authority to negotiate with service providers on behalf of counties unable to negotiate acceptable rates.

This Program Revision provides an additional \$41.8 million for county child welfare in 1991-92. A total of \$235.0 million will be available for county child welfare in 1991-92 and will support services to approximately 84,500 abused, neglected and delinquent children. This represents a 96 percent increase in funding over the five years of this Administration compared to a 10 percent decrease in funding during the three preceding years. While great strides have been made over

the past four years, there continues to be a need to reform the manner in which services are provided to the State's abused, neglected and delinquent children. Consequently, in addition to changing the method of State reimbursement, this Program Revision recommends several other changes to improve children's programs administered by the counties.

First, a series of initiatives will be implemented to better meet the service needs of children at the local level. A mechanism will be established to provide counties with the flexibility to transfer funds between county child welfare, mental health, mental retardation, drug and alcohol, and homeless assistance programs. The department will implement a demonstration program to reduce the number of children in out-of-home placement. This demonstration is discussed in the Program Revision entitled "Securing Permanent Homes for Children in Foster Care". The department will also increase its reimbursement for adoption services from 80 percent to 100 percent of the established reimbursement rate. In addition, a portion of the appropriation will be available to assist counties with special circumstances, particularly those involving special needs children.

Second, to meet the information needs imposed by the revised funding mechanism, the department will implement common client, fiscal and service reporting procedures. The department will also tighten fiscal regulations and audit standards for all human services provided through the counties. These actions are expected to improve fiscal and program accountability, and the county plan preparation, review and approval process. To support these management improvement activities, this Program Revision also provides funds to automate the department's child welfare data collection system which, once operational, will link with compatible systems at the county level.

Third, the department will continue working with county administrators and child welfare advocates to study the child welfare system in its entirety to determine how the service delivery system could be improved to better meet the needs of the Commonwealth's abused, neglected and delinquent children.

This Program Revision also provides an additional \$6.0 million to reimburse counties for a portion of the 1990-91 allowable State costs that may exceed the 1990-91 available State dollars as required by the May 1990 agreement.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Children receiving in-home services .							
Current	54,113	54,650	55,200	55,750	56,310	56,870	57,440
Program Revision			63,642	67,311	70,637	74,131	77,801
Children receiving community residential services							
Current	12,789	13,300	13,833	14,382	14,962	15,558	16,178
Program Revision			16,225	15,972	15,488	15,019	14,566
Children receiving institutional care services							
Current	3,298	3,430	3,567	3,708	3,858	4,012	4,172
Program Revision			4,679	4,445	4,223	4,012	3,811

PUBLIC WELFARE

Program Revision: Child Welfare Needs-Based Budget (continued)

Program Measures: (continued)

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Agency arranged adoptions							
Current	604	630	660	700	730	770	810
Program Revision			703	745	777	819	861

Number of children receiving protective services will increase in 1991-92 as the result of a needs-based budget. In subsequent years, the number of children receiving in-home care will increase and the number of children receiving out-of-home care will decrease to reflect the goals of serving more children in the home.

Program Revision Recommendations:

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

- County Child Welfare**
- \$ 40,816 —to provide protective services to abused, neglected and delinquent children.
- 550 —to implement an automated data collection system.
- 500 —to implement a demonstration program to reduce foster care placements. Refer to the Program Revision entitled "Securing Permanent Homes for Children in Foster Care" for additional information.

\$ 41,866 *Appropriation Increase*

- County Child Welfare Overmatch**
- \$ 6,000 —to reimburse counties for a portion of the 1990-91 overmatch.

\$ 47,866 *Program Revision Total*

The department will also use \$565,000 in Federal Drug Control Systems Improvement funds to provide placement alternatives to 75 delinquent youths with drug or alcohol related problems. A local match of \$190,000 will be required.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
County Child Welfare			\$ 41,866	\$ 43,959	\$ 46,157	\$ 48,464	\$ 50,888
County Child Welfare Overmatch			6,000	6,000	6,000	6,000	6,000
TOTAL GENERAL FUND.....			<u>\$ 47,866</u>	<u>\$ 49,959</u>	<u>\$ 52,157</u>	<u>\$ 54,464</u>	<u>\$ 56,888</u>

**Program Revision: Securing Permanent Homes
for Children in Foster Care**

On average in 1988-89, there were approximately 10,400 children in foster care in Pennsylvania. These children were removed from their homes because of abuse, neglect or delinquency. While placement in foster care is intended to be temporary, many children remain in this status for years. Of the 10,400 children in foster care, over 45 percent had been in placement for two or more years and over 20 percent for five or more years. Experience suggests that the longer a child is in placement, the less likely he/she is to return home or be adopted. This Program Revision provides funds for the first year of a three-year demonstration program designed to assess alternative approaches to securing permanent homes for children in foster care.

Currently, when a child is placed in foster care, one of the following outcomes is established as a goal: return home, placement with a relative, adoption, placement with a legal guardian, independent living or long-term foster care. For those in placement during 1988-89, nearly 50 percent had the goal of returning home, close to 14 percent had the goal of adoption, and because of circumstances that would prohibit the child from returning home or make adoption unlikely, over 24 percent had the goal of long-term foster care. Of the 1,450 children who had the goal of adoption in 1988-89, 750 children were eligible for placement with adoptive parents. Of those eligible for adoption, however, 37 percent had been in that status for two or more years and 13 percent for five or more years.

This Program Revision provides \$500,000 in State funds for a demonstration program to explore various methods to improve the process of securing permanent placements for abused, neglected and delinquent children who have been removed from their homes and placed in foster care. Counties will be encouraged to submit proposals

which focus on those children who have been in placement for extended periods of time and have either the goal of returning home or of being adopted. Activities funded through this Program Revision will include services to the natural parents to remedy those circumstances which preclude the child from returning home, or, consistent with the best interest and needs of the child, the pursuit of adoption as an alternative to indefinite foster care. Activities to assist those children with the goal of adoption will include the recruitment of adoptive parents, with emphasis being placed on children with special needs, and the enhancement of services to parents adopting these special needs children as they proceed through the planning, placement and adjustment phases of the adoption process. Adoption efforts will further be enhanced through the proposal that the Commonwealth reimburse the counties for 100 percent of the established rate for adoption services. See the Program Revision entitled "Child Welfare Needs-Based Budget" for additional information.

Through this Program Revision, select county child welfare agencies will have the opportunity to implement programs designed to improve the process of securing permanent placements for abused, neglected and delinquent children who have been in foster care for extended periods of time. Approximately 300 children are expected to receive services. This demonstration program will permit the exploration of alternative approaches to assist children to return to their natural parents or establish roots with adoptive parents. In both cases, the goal is to enable children in foster care to secure permanent homes. In addition, by moving children out of foster care, State and county placement costs will be reduced.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Additional foster children receiving intensive assistance to secure permanent homes							
Program Revision			300	300	300	300	300

Program Revision Recommendations:

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

County Child Welfare
\$ 500 —to assist children in foster care to secure permanent homes.

This Program Revision will generate \$250,000 in Federal Foster Care (IV-E) funds to supplement State funds.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
County Child Welfare			\$ 500	\$ 500	\$ 500	\$ 500	\$ 500

Program Revision: Improving Child Care Services

With the changing family structure and an increasing number of women in the workforce, the demand for an adequate supply of affordable child care continues to grow. In response to that demand, this Administration has increased State funds for subsidized child care by 51 percent over four years. In addition, child care services are now being provided to individuals participating in certified job training programs and to parents as they make the transition from job training to gainful employment. Nonetheless, over 4,000 children are on waiting lists for subsidized child care. This Program Revision will use two new Federal child care funding streams totaling \$39 million to improve the quality, availability and affordability of the child care services provided in Pennsylvania.

The first new Federal funding stream, At-Risk Child Care, will target low-income families who are at risk of welfare dependency and who need child care in order to work. Currently, the State provides child care through the New Directions Program to individuals who are receiving welfare benefits and are in a certified job training program. When a job has been secured, Transitional Child Care services are provided for up to one year to support the family as it moves toward financial independence. The At-Risk Child Care funds will enable the State to continue to assist these low-income families after the Transitional Child Care benefits have expired. Other at-risk families, to be defined when further guidance is issued by the Federal Government, will also receive child care services through these new funds. By allocating \$9.8 million of the State child care appropriation for the at-risk population, an additional \$12.8 million in Federal funds will be available to provide

expanded child care services to Pennsylvania's low-income families.

The second new Federal funding stream is the Child Care and Development Block Grant (CCDBG). Pennsylvania is expected to receive \$26.2 million in 1991-92 which will be available for a wide variety of services including subsidized child care, school-based early childhood development, before- and after-school care, and quality enhancements. The income eligibility range for CCDBG services is 75 percent of the State median income by family size and is higher than the income eligibility for any of the other child care programs. As a result, the CCDBG funds will enable the Commonwealth to expand the availability of services to families with more moderate incomes.

In accordance with Federal guidelines, Pennsylvania will use 75 percent (\$19.65 million) of the grant funds for subsidized child care and activities to improve quality and expand availability. The department will implement a child care system which enables parents to use the qualified provider of their choice and reimburses those providers at rates that reflect market values. This Statewide parent choice system will be operational by October 1992 and will build upon the experience gained through the existing Local Management Agency (LMA) demonstration program. The department will also increase its licensing and monitoring activities to ensure that quality child care is provided at affordable rates.

Of the \$26.2 million, 18.75 percent (\$4.912 million) will be used for early childhood development and before- and after-school care; 5 percent (\$1.31 million) for quality enhancement activities such as facility inspections and caregiver training; and the remaining amount (\$328,000) for discretionary purposes.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Counties providing parent choice							
Current	12	12	12	12	12	12	12
Program Revision				67	67	67	67
Children receiving child care							
Current	28,945	29,245	29,245	29,245	29,245	29,245	29,245
Program Revision			36,141	36,141	36,141	36,141	36,141

Program Revision Recommendations:

This Program Revision is supported entirely with Federal funds. The proposed use of these funds is outlined below: (Dollar Amounts in Thousands)

<p>Public Welfare New Directions: <i>At-Risk Child Care</i> \$ 12,812 —to provide child care services to an additional 3,416 children of families at-risk of welfare dependency.</p> <p>Day Care Services: <i>Child Care & Development Block Grant</i> \$ 19,251 —to implement a Statewide system of parent choice and to provide child care services to an additional 3,480 children. 1,638 —to improve quality and availability of child care services. \$ 20,889 <i>Appropriation Increase</i></p>	<p>\$ 399</p> <hr/> <p>\$ 34,100</p>	<p>General Government Operations: <i>Child Care & Development Block Grant</i> —to improve the licensing and monitoring of child care providers. <i>Agency Increase</i></p> <p>Education Early Intervention—Handicapped Children: <i>Child Care & Development Block Grant</i> —to provide early childhood development and before- and after-school care. \$ 4,912 \$ 39,012 <i>Program Revision Total</i></p>
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Program Revision: Expanded Services to the Needy

Almost everyone is affected by the national economic downturn. The most vulnerable among us feel the effects first and suffer the longest. This Program Revision expands a group of critical services to reduce the hardship placed on these individuals.

Services are expanded through four initiatives: (1) changing State regulations to leverage more Federal Emergency Assistance funds for the homeless and those threatened with eviction; (2) creating a Pennsylvania Housing Partnership to increase the supply of high quality housing for AFDC recipients participating in the New Directions Program; (3) expanding case management services for the homeless and near homeless to seven additional counties; and (4) expanding the State Emergency Food Assistance Program so that larger numbers of individuals and families can be provided nutritious and adequate food.

This Program Revision will expand available Federal funding to increase the number of homeless clients provided with housing through Housing Assistance. This program provides rental payments, utility payments and security deposits to those threatened by eviction and expedites the movement of people out of shelters and into available housing. In so doing, Housing Assistance helps keep families together by allowing them to remain in, or obtain, permanent housing, and by preventing the placement of children in foster care. Current State regulations restrict the use of Federal Emergency Assistance funds by limiting housing assistance payments for the prevention of eviction to \$300 per case per year and payments to the homeless to \$100 per case per year. These payments may be made only in those situations where the crisis is expected to be resolved. Federal Emergency Assistance funds will match appropriate State expenditures for an eligible target group on a 50/50 basis. The proposed changes will broaden eligibility to include a greater number of persons and increase the maximum payments. These changes will allow additional current State expenditures to qualify as Federal matching funds, thereby earning additional Federal Emergency Assistance funds. Specifically, proposed regulation changes include increasing the maximum payment to homeless families with children to \$300 per year, families threatened with eviction to \$400 per year, and expanding eligibility for participation in the program.

This Program Revision will enable the Department of Public Welfare, in partnership with the Department of Community Affairs and the Housing Finance Agency, to expand the supply of housing. The Partnership for Housing initiative will provide AFDC recipients who participate in the New Directions employment and training program with more affordable higher quality housing. This effort will require no additional expenditure of State funds. The Department of Community Affairs will commit \$600,000 of its Housing and Redevelopment Assistance appropriation to the rehabilitation of housing units. The Department of Public Welfare will commit a minimum of \$300,000 of the State Homeless Assistance appropriation to subsidize rental payments. The Housing Finance Agency

is expected to commit \$100,000 of its own funds for acquisition and rehabilitation of housing units. In return for assistance with acquisition and rehabilitation costs, the landlord must agree to rent the property to a New Directions participant for three years at a subsidized rate, and for seven years thereafter at fair market rent. The Department of Community Affairs will administer the Housing Partnership initiative.

This Program Revision will also expand case management services to seven additional counties that have populations of more than 200,000. Case management has been operating in 16 of the 31 counties in which the Housing Assistance Program exists. The purpose of case management is to link clients with needed services and community resources. After client needs are assessed, information and guidance is provided regarding appropriate services, ranging from drug and alcohol detoxification and counseling to job training and placement services. As a result, case management helps stabilize clients suffering from multiple problems and assists others who are unaware of available services to obtain the appropriate services more efficiently. This Program Revision provides funding for two case managers in each of four of the seven counties with the largest caseload (more than 400); the remaining three counties will each receive funding for one case manager.

Finally, this Program Revision expands the State funded Emergency Food Assistance Program administered by the Department of Agriculture. The Emergency Food Assistance Program provides grants to counties to purchase food for the needy. The allocation of grants is based on the level of unemployment, the number of Food Stamp recipients not on Public Assistance and Medical Assistance recipients. Grants to counties are used for at least two types of food distribution efforts, prepared meals served in kitchens and packaged food items given out at regular intervals from pantries. The number of persons participating in the Emergency Food Assistance Program is projected to remain unchanged, with the additional funds making increased amounts of food available for the program participants.

The expected result of these initiatives is to provide many individuals and families with the basic necessities of life—decent and affordable housing and nutritious and adequate food. During the first year, an additional 9,049 cases (about 27,994 individuals) will be provided with some type of housing assistance. Within this group, it is expected that an additional 5,709 persons will be moved from homeless shelters into permanent housing, an additional 10,526 evictions will be prevented, an additional 1,196 foster placements will be prevented or ended and an additional 11,000 persons will be maintained in a stable living situation for at least one year. The Partnership for Housing is expected to provide 100 families with an opportunity to rent decent, safe and affordable permanent housing. As a result of implementing case management in seven additional counties, the number of clients that remain self-sufficient after one year is expected to increase by nearly 73% in the first year, from 1,693 to 2,921.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Persons receiving housing assistance							
Current	29,152	29,152	29,152	29,152	29,152	29,152	29,152
Program Revision .....	.....	.....	57,146	57,146	57,146	57,146	57,146
Permanent housing created							
Current .....	.....	.....	.....	.....	.....	.....	.....
Program Revision .....	.....	.....	100	100	100	100	100

PUBLIC WELFARE

Program Revision: Expanded Services to the Needy (continued)

Program Measures: (continued)

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Evictions prevented							
Current	4,112	4,112	4,112	4,112	4,112	4,112	4,112
Program Revision .....	.....	.....	14,638	14,638	14,638	14,638	14,638
Persons moved out of shelters							
Current	7,524	7,524	7,524	7,524	7,524	7,524	7,524
Program Revision .....	.....	.....	13,233	13,233	13,233	13,233	13,233
Foster care placements avoided or reduced							
Current	1,245	1,245	1,245	1,245	1,245	1,245	1,245
Program Revision .....	.....	.....	2,441	2,441	2,441	2,441	2,441
Persons who are self-sufficient after one year							
Current	11,583	11,583	11,583	11,583	11,583	11,583	11,583
Program Revision .....	.....	.....	23,934	23,934	23,934	23,934	23,934

Program Revision Recommendations:

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

	Public Welfare	
	Homeless Assistance	
\$ 275	—to provide case management services in an additional seven counties to help the homeless obtain permanent housing.	
	Agriculture	
	Emergency Food Assistance	
\$ 1,000	—to provide additional nutritious food to the needy.	
<hr/>		
\$ 1,275	<i>Program Revision Total</i>	

In addition, \$3,493,000 in Federal funds (Title-IV A) will be used to expand Homeless Emergency Assistance and provide for the Pennsylvania Partnership for Housing and \$1 million of existing Public Welfare, Community Affairs and Housing Finance Agency funds have been or will be committed to the Pennsylvania Partnership for Housing.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Public Welfare							
Homeless Assistance	\$ 275	\$ 275	\$ 275	\$ 275	\$ 275
Agriculture							
Emergency Food Assistance	1,000	1,000	1,000	1,000	1,000
TOTAL GENERAL FUND	<hr/>	<hr/>	<hr/> \$ 1,275	$ 1,275	$ 1,275	$ 1,275	$ 1,275

Program Revision: Attendant Care Service Expansion

The Statewide Attendant Care Program, as required by Act 150 of 1986, provides in-home personal care and housekeeping service for mentally alert but physically disabled adults between the ages of 18 and 59 who do not require daily, professional, supervised medical care. This program began as a demonstration in 1984-85. This Program Revision commits additional State and Federal dollars to this successful program so more Pennsylvanians can receive these services.

Individuals must meet specific criteria to receive Attendant Care services. In addition to the age and mental condition criteria, the physical disability must be expected to last at least 12 months. Individuals must also be able to manage their own financial and legal affairs. They must demonstrate that they need an attendant to assist with functions of daily living, self-care or mobility. Examples of Attendant Care services include assistance with dressing, eating, bathing and caring for routine bodily functions. Many consumers depend almost entirely on an attendant to carry out these daily living activities.

Eighteen contractors provide Attendant Care services in all 67

counties. Each contractor is responsible for providing a continuum of care, ranging from agency-directed management of the services to complete consumer control of the services. This continuum of care enables clients to enter the program at a level of independence at which they feel comfortable with a goal of attaining progressively higher levels of control over the services they receive. A major component of the program is that clients have the authority to screen, interview, hire, supervise, manage, pay and, if necessary, fire their attendants. In 1990-91, attendant care services were provided to an estimated 1,176 individuals throughout the State. A waiting list of over 600 individuals exists.

This Program Revision will provide Attendant Care services to those 600 individuals. Thus, in 1991-92, an estimated 1,776 individuals will be able to receive these services. This, in turn, will reduce the need for institutional care and maximize life independence for these individuals.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Persons provided with attendant care							
Current	1,176	1,176	1,176	1,176	1,176	1,176	1,176
Program Revision .....	.....	.....	1,776	1,776	1,776	1,776	1,776

Program Revision Recommendations:

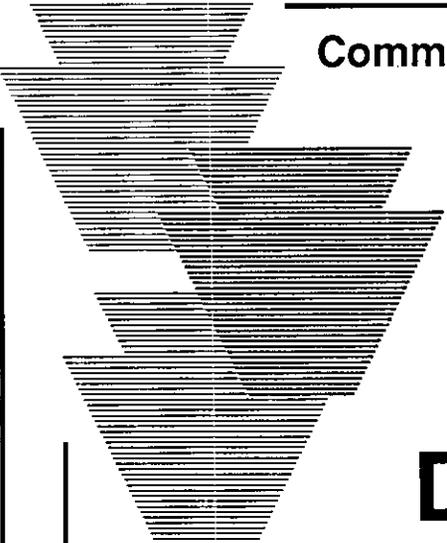
This budget recommends the following changes: (Dollar Amounts in Thousands)

Attendant Care
 \$2,393 —to provide attendant care services to an additional 600 individuals.

In addition, \$3.607 million in Social Services Block Grant funds will be used to provide attendant care services to these 600 individuals.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Attendant Care	\$ 2,393	\$ 2,393	\$ 2,393	\$ 2,393	\$ 2,393



Commonwealth of Pennsylvania

Department of Revenue

The Department of Revenue collects all tax levies as well as various fees, fines and other monies due the Commonwealth. The department also supervises the administration and collection of monies for various special funds.

The department prepares the official estimates of the tax yield due the Commonwealth while also analyzing the effect on revenues of proposed changes in either the laws or the tax structure of the Commonwealth.

REVENUE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
<i>GENERAL GOVERNMENT:</i>			
General Government Operations	\$ 75,429	\$ 77,151^a	\$ 85,852
(A) Audit of State Authorities .....	.....	1	1
(A) Cigarette Fines and Penalties	13	15	15
(A) Services to Special Funds	4,747	5,473	5,473
(A) Escheat Sales	1,645	1,759	1,847
(A) EDP and Staff Support	4,223	4,437	4,581
(A) Tax Information	127	130	130
(A) Graphic Arts	4	4	4
(A) Small Games of Chance	289	356	288
Commissions - Inheritance and Realty			
Transfer Tax Collections (EA)	4,226	4,890	5,044
Computer Rentals	1,328	1,315	1,328
(A) Special Fund Charges	229	230	230
Subtotal — State Funds	<u>\$ 80,983</u>	<u>\$ 83,356</u>	<u>\$ 92,224</u>
Subtotal — Augmentations	11,277	12,405	12,569
Total — General Government	<u>\$ 92,260</u>	<u>\$ 95,761</u>	<u>\$ 104,793</u>
 <i>GRANTS AND SUBSIDIES:</i>			
Distribution of Public Utility Realty Tax	<u>\$ 94,233</u>	<u>\$ 98,637</u>	<u>\$ 143,975</u>
 STATE FUNDS	 \$ 175,216	 \$ 181,993	 \$ 236,199
AUGMENTATIONS	<u>11,277</u>	<u>12,405</u>	<u>12,569</u>
 GENERAL FUND TOTAL	 <u>\$ 186,493</u>	 <u>\$ 194,398</u>	 <u>\$ 248,768</u>
 MOTOR LICENSE FUND			
<i>GENERAL GOVERNMENT:</i>			
Collection — Liquid Fuels Tax	\$ 7,125	\$ 7,687	\$ 8,121
Refunding Liquid Fuels Tax (EA)	<u>2,875</u>	<u>5,275</u>	<u>5,300</u>
 STATE FUNDS	 <u>\$ 10,000</u>	 <u>\$ 12,962</u>	 <u>\$ 13,421</u>
 MOTOR LICENSE FUND	 <u>\$ 10,000</u>	 <u>\$ 12,962</u>	 <u>\$ 13,421</u>

^aIncludes recommended supplemental appropriation of \$500,000.

REVENUE

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
LOTTERY FUND			
GENERAL GOVERNMENT:			
General Operations (EA)	\$ 64,337	\$ 45,000	\$ 45,328
(A) License Fees	98	100	100
(A) Telephone Lines	3,439	3,411	3,616
(A) Lotto Numbers Publication	1	1	1
On-line Vendor Commissions (EA) .....	. . . .	24,000	21,813
Personal Income Tax for Lottery Prizes (EA)	16,282	15,820	16,316
Payment of Prize Money (EA)	205,408	184,417	190,196
Subtotal — State Funds	\$ 286,027	\$ 269,237	\$ 273,653
Subtotal — Augmentations	3,538	3,512	3,717
Total — General Government Operations	<u>\$ 289,565</u>	<u>\$ 272,749</u>	<u>\$ 277,370</u>
GRANTS AND SUBSIDIES:			
Property Tax and Rent Assistance for Older Pennsylvanians (EA)	\$ 121,535	\$ 116,000	\$ 113,900
Older Pennsylvanians' Inflation Dividend (EA)	31,478	28,900	. . . .
Total — Grants and Subsidies	<u>\$ 153,013</u>	<u>\$ 144,900</u>	<u>\$ 113,900</u>
STATE FUNDS	\$ 439,040	\$ 414,137	\$ 387,553
AUGMENTATIONS	3,538	3,512	3,717
LOTTERY FUND TOTAL	<u><u>\$ 442,578</u></u>	<u><u>\$ 417,649</u></u>	<u><u>\$ 391,270</u></u>
RACING FUND			
GENERAL GOVERNMENT:			
Collections — Racing (EA)	\$ 128	\$ 129	\$ 134
RACING FUND TOTAL	<u>\$ 128</u>	<u>\$ 129</u>	<u>\$ 134</u>
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 175,216	\$ 181,993	\$ 236,199
SPECIAL FUNDS	449,168	427,228	401,108
AUGMENTATIONS	14,815	15,917	16,286
TOTAL ALL FUNDS	<u><u>\$ 639,199</u></u>	<u><u>\$ 625,138</u></u>	<u><u>\$ 653,593</u></u>

REVENUE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
REVENUE COLLECTION AND ADMINISTRATION							
General Funds.....	\$ 80,983	\$ 83,356	\$ 92,224	\$ 94,800	\$ 96,125	\$ 98,857	\$ 101,671
Special Funds.....	296,155	282,328	287,208	296,929	302,376	307,960	313,682
Other Funds.....	14,815	15,917	16,286	16,773	17,276	17,793	18,326
TOTAL.....	\$ 391,953	\$ 381,601	\$ 395,718	\$ 408,502	\$ 415,777	\$ 424,610	\$ 433,679
HOMEOWNERS AND RENTERS ASSISTANCE							
Special Funds.....	\$ 153,013	\$ 144,900	\$ 113,900	\$ 113,800	\$ 113,200	\$ 112,700	\$ 112,100
TOTAL.....	\$ 153,013	\$ 144,900	\$ 113,900	\$ 113,800	\$ 113,200	\$ 112,700	\$ 112,100
COMMUNITY DEVELOPMENT AND PRESERVATION							
General Funds.....	\$ 94,233	\$ 98,637	\$ 143,975	\$ 131,271	\$ 137,835	\$ 144,727	\$ 151,963
TOTAL.....	\$ 94,233	\$ 98,637	\$ 143,975	\$ 131,271	\$ 137,835	\$ 144,727	\$ 151,963
ALL PROGRAMS:							
GENERAL FUND.....	\$ 175,216	\$ 181,993	\$ 236,199	\$ 226,071	\$ 233,960	\$ 243,584	\$ 253,634
SPECIAL FUNDS.....	449,168	427,228	401,108	410,729	415,576	420,660	425,782
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	14,815	15,917	16,286	16,773	17,276	17,793	18,326
TOTAL.....	\$ 639,199	\$ 625,138	\$ 653,593	\$ 653,573	\$ 666,812	\$ 682,037	\$ 697,742

REVENUE

PROGRAM OBJECTIVE: To assure the availability of resources for the Commonwealth's programs through the equitable and efficient administration of Pennsylvania's revenue system.

Program: Revenue Collection and Administration

This program administers the Commonwealth's revenue statutes by assessing and collecting various taxes. Major revenue sources for the General Fund include corporation, personal income, inheritance, sales and use, cigarette and beverage and realty transfer taxes. Tax revenue is also collected for the Motor License and Racing Funds and ticket sales for the Lottery Fund are administered.

The department has extensively automated procedures thereby permitting staff to quickly deposit funds and review and make a rapid determination of the tax return's accuracy. This has permitted the department to keep the cost of collection under \$.90 for every \$100

collected.

To insure fairness in tax administration, the department audits and cross checks tax returns to detect fraud and non-filers. In addition, there is extensive delinquent tax collection effort that involves automation as well as traditional tax collection methods.

This program is also responsible for the administration of the State Lottery. Through a network of private retailers, the Commonwealth sells Lottery tickets, the proceeds of which support programs for older Pennsylvanians.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Lottery Bureau operating costs as a percent of ticket sales	2.33%	2.75%	2.81%	2.88%	2.95%	3.03%	3.10%
Collections from delinquent accounts (in millions)	\$274	\$289	\$305	\$322	\$340	\$359	\$379
Amounts due as a result of audit assessments (in millions)	\$118	\$126	\$133	\$140	\$148	\$156	\$164
Tax returns processed (in thousands)							
Personal Income	5,317	5,374	5,399	5,425	5,451	5,477	5,503
Corporation	230	230	230	230	230	230	230
Average settlement time for corporation tax documents (in months)	14	12	9	8	8	8	8

Program Recommendations:

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

GENERAL FUND:		Refunding of Liquid Fuels Tax	
General Government		\$ 25	—to continue current program.
\$ 4,281	—to continue current program.		
652	—increased postage costs.		
419	—increased fuel costs.		
38	—improve processing of income tax returns.	\$ 33	LOTTERY FUND:
2,181	—maintain current computer capability.	100	General Operations
1,130	—PRR—Revenue Recovery and Enforcement.	115	—to continue current program.
	This Program Revision will increase tax collections by developing a discovery unit to find non-filing businesses and expanding the corporation tax bureau. See the Program Revision following this program.	80	—increase of on-line telephone costs.
		80	—increased postage costs.
		\$ 328	—improved lottery computer operations.
			Appropriation Increase
\$ 8,701	Appropriation Increase	\$ -2,187	On-line Vendor Commissions
			—to reflect current estimate of ticket sales.
	Commissions — Inheritance and Realty Transfer Tax	\$ 5,779	Payment of Prize Money
\$ 154	—to continue current program.		—to continue current program.
		\$ 496	Personal Income Tax for Lottery Prizes
	Computer Rentals		—to continue current program.
\$ 13	—to continue current program.		
		\$ 5	RACING FUND:
	MOTOR LICENSE FUND:		Collections — Racing
	Collections		—to continue current program.
\$ 134	—to continue current program.		
300	—increased audits of motor carriers.		
\$ 434	Appropriation Increase		

REVENUE

Program: Revenue Collection and Administration (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	\$ 75,429	\$ 77,151	\$ 85,852	\$ 88,428	\$ 91,081	\$ 93,813	\$ 96,627
Commissions — Inheritance and Realty							
Transfer Tax	4,226	4,890	5,044	5,044	5,044	5,044	5,044
Computer Rentals	1,328	1,315	1,328	1,328	.....	.....	.....
TOTAL GENERAL FUND	\$ 80,983	\$ 83,356	\$ 92,224	\$ 94,800	\$ 96,125	\$ 98,857	\$ 101,671
MOTOR LICENSE FUND:							
Collections — Liquid Fuels Tax	\$ 7,125	\$ 7,687	\$ 8,121	\$ 8,365	\$ 8,616	\$ 8,874	\$ 9,140
Refunding Liquid Fuels Tax	2,875	5,275	5,300	5,300	5,300	5,300	5,300
TOTAL MOTOR LICENSE FUND	\$ 10,000	\$ 12,962	\$ 13,421	\$ 13,665	\$ 13,916	\$ 14,174	\$ 14,440
LOTTERY FUND:							
General Operations	\$ 64,337	\$ 45,000	\$ 45,328	\$ 46,688	\$ 48,089	\$ 49,532	\$ 51,018
On-line Vendor Commissions .....	.....	24,000	21,813	23,245	23,602	23,968	24,343
Personal Income Tax for Prizes	16,282	15,820	16,316	16,844	17,115	17,393	17,676
Payment of Prize Money	205,408	184,417	190,196	196,349	199,512	202,747	206,055
TOTAL LOTTERY FUND	\$ 286,027	\$ 269,237	\$ 273,653	\$ 283,126	\$ 288,318	\$ 293,640	\$ 299,092
RACING FUND:							
Collections — Racing	\$ 128	\$ 129	\$ 134	\$ 138	\$ 142	\$ 146	\$ 150

Program Revision: Revenue Recovery and Enforcement

Pennsylvania is the only state that requires desk audits of tax returns for every corporation doing business in the State. State law requires, however, that these audits and related aspects of each corporation's tax settlement process be completed in 18 months. The number of staff available for auditing the Commonwealth's 250,000 corporations is no greater today than when desk audits were required for only 50,000 corporations. This Program Revision will provide funds for additional staff and equipment required to support the timely completion of those audits. It is anticipated that these efforts will generate \$50 million in new revenues in 1991-92.

During the past two years, a very small staff has worked on identifying corporations, registered and chartered outside of Pennsylvania, that were doing business in the Commonwealth but failing to file tax returns here. Discovery of these foreign corporations and the returns subsequently filed have yielded nearly \$35 million in revenues. In order to increase the effort to discover sources of uncollected

revenues, this Program Revision provides for the creation of a new unit in the Office of the Deputy Secretary for Taxation. The Discovery Unit will be dedicated to researching and locating unregistered corporations doing business in the Commonwealth and to processing tax returns for those corporations. Support for this unit will be provided in the Bureau of Computer Services Systems.

The time required to analyze complex corporate tax structures in order to facilitate the settlement of corporate tax returns will be significantly reduced by funding an additional 16 positions in the Bureau of Corporation Taxes. The efficiency with which taxpayer records are selected and audited will be improved as a result of this Program Revision Request. Revenue collection will be further enhanced in the Bureau of Trust Fund Taxes and the Bureau of Collections and Taxpayer Services.

The increased capability for collection of revenues and discovery of revenue sources will impact strongly and positively on the Commonwealth's annual tax receipts.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Average settlement time (in months)							
Current	14	12	9	8	8	8	8
Program Revision			7	6	6	6	6
Collections from delinquent accounts (in millions)							
Current	\$ 274	\$ 289	\$ 305	\$ 322	\$ 340	\$ 359	\$ 379
Program Revision			355	375	390	409	429
Corporate tax reports settled							
Current	230,000	230,000	230,000	230,000	230,000	230,000	230,000
Program Revision			270,000	270,000	230,000	230,000	230,000

Program Revision Recommendations:

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

General Government
 \$ 1,130 —to provide full funding for existing vacancies to enhance revenue collection.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government			\$ 1,130	\$ 1,163	\$ 1,198	\$ 1,234	\$ 1,272

REVENUE

PROGRAM OBJECTIVE: To equitably distribute the public utility realty tax to all reporting local taxing authorities.

Program: Community Development and Preservation

A 1968 amendment to the State Constitution exempted public utilities from locally administered property taxes and authorized the collection of a similar Statewide tax. The proceeds of the tax are distributed to each local taxing authority thereby providing local revenue while insuring fair treatment for utilities.

The distribution is based on the ratio between the total tax receipts of a local taxing authority and the total tax receipts of all reporting tax authorities. This ratio is then applied to the total amount of taxes that reporting authorities could have collected had they been able to directly tax public utility realty.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Taxing authorities receiving funds	3,068	3,069	3,080	3,080	3,080	3,080	3,080

Program Recommendations:

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

Distribution of Public Utility Realty Tax	
\$ 33,438	—to continue current program.
11,900	—to add the Limerick Nuclear Power facility to the program.
<u>\$ 45,338</u>	<i>Appropriation Increase</i>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Distribution of Public Utility Realty Tax . . .	<u>\$ 94,233</u>	<u>\$ 98,637</u>	<u>\$ 143,975</u>	<u>\$ 131,271</u>	<u>\$ 137,835</u>	<u>\$ 144,727</u>	<u>\$ 151,963</u>

REVENUE

PROGRAM OBJECTIVE: To increase economic stability by assisting eligible Pennsylvania citizens maintain their home.

Program: Homeowners and Renters Assistance

Property tax and rent rebates allow older Pennsylvanians, surviving spouses over 50 and permanently disabled citizens to lead fuller lives by restoring a portion of their limited income. The assistance declines

from a maximum benefit of 100 percent of the tax or \$500 for household incomes under \$5,000. Act 53 of 1985 set the income ceiling for program eligibility at \$15,000. Ninety-eight percent of refunds are mailed on July 1.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Households provided property tax or rent assistance	476,528	447,625	436,434	429,888	423,440	417,088	410,832

A change in the Federal regulations regarding Medical Assistance eligibility resulted in a substantial decrease in applications.

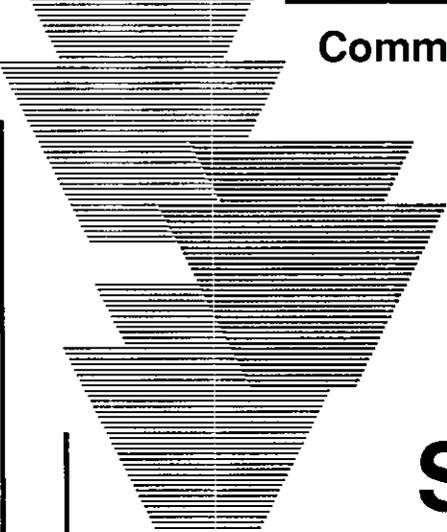
Program Recommendations:

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

<p>Property Tax and Rent Assistance for Older Pennsylvanians \$ -2,100 —decreased applications resulting from Medical Assistance eligibility changes.</p>	<p>Older Pennsylvanians Inflation Dividend \$ -1,600 —decreased applications resulting from Medical Assistance eligibility changes. -27,300 —PRR — Lottery Restructuring. This Program Revision will eliminate funding for the Older Pennsylvanians Inflation Dividend. See the Program Revision following the Pharmaceutical Assistance subcategory in the Department of Aging for further information.</p>
	<p>\$ -28,900 <i>Appropriation decrease</i></p>

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
LOTTERY FUND:							
Property Tax and Rent Assistance for Older Pennsylvanians	\$ 121,535	\$ 116,000	\$ 113,900	\$ 113,800	\$ 113,200	\$ 112,700	\$ 112,100
Older Pennsylvanians' Inflation Dividend ..	31,478	28,900					
TOTAL LOTTERY FUND	\$ 153,013	\$ 144,900	\$ 113,900	\$ 113,800	\$ 113,200	\$ 112,700	\$ 112,100



Commonwealth of Pennsylvania

Securities Commission

The Securities Commission oversees the State controlled securities industry to ensure compliance with Commonwealth statutes.

SECURITIES COMMISSION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
<i>GENERAL GOVERNMENT:</i>			
General Government Operations	\$ 3,170	\$ 3,112	\$ 3,193
GENERAL FUND TOTAL	<u>\$ 3,170</u>	<u>\$ 3,112</u>	<u>\$ 3,193</u>

SECURITIES COMMISSION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
REGULATION OF SECURITIES							
INDUSTRY							
General Funds.....	\$ 3,170	\$ 3,112	\$ 3,193	\$ 3,289	\$ 3,388	\$ 3,490	\$ 3,595
TOTAL.....	\$ 3,170	\$ 3,112	\$ 3,193	\$ 3,289	\$ 3,388	\$ 3,490	\$ 3,595
ALL PROGRAMS:							
GENERAL FUND.....	\$ 3,170	\$ 3,112	\$ 3,193	\$ 3,289	\$ 3,388	\$ 3,490	\$ 3,595
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
TOTAL.....	\$ 3,170	\$ 3,112	\$ 3,193	\$ 3,289	\$ 3,388	\$ 3,490	\$ 3,595

SECURITIES COMMISSION

PROGRAM OBJECTIVE: To reduce fraud and to protect public investors involved in securities transactions, as well as to facilitate legitimate capital formation in the State.

Program: Securities Industry Regulation

The primary function of the Pennsylvania Securities Commission is to encourage the financing of legitimate business and industry in the Commonwealth while protecting the investing public from fraudulent and unfair practices in the securities industry.

The commission protects the investing public through the registration and regulation of salesmen and companies dealing in securities, issues orders to persons and corporations attempting to sell

securities without approval, and seeks prosecution of violators of the Pennsylvania Securities Act.

It also works with other State, Federal and independent regulatory agencies and the various stock exchanges to develop uniform filing requirements that alleviate the burden on the securities industry by eliminating duplicative examination and registration requirements involved in complying with various State and Federal filing procedures.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Formal investigations conducted	251	280	305	330	355	380	405
Dollar amounts of securities cleared for sale (billions)	\$ 5,400	\$ 5,400	\$ 5,400	\$ 5,400	\$ 5,400	\$ 5,400	\$ 5,400
Securities filings received	4,562	4,600	4,700	4,800	4,900	5,000	5,100
Securities filings cleared	4,027	4,100	4,200	4,300	4,400	4,500	4,600
Broker-dealers registered	1,830	1,922	2,018	2,119	2,225	2,337	2,454
Agents registered	65,910	67,887	69,924	72,022	74,183	76,408	78,700
Investment advisers registered	458	503	553	608	669	739	813

The increase in the dollar amounts of securities cleared for sale compared to projections in last year's budget reflects the tendency of firms to register greater dollar amounts of securities, mainly mutual funds, in Pennsylvania.

The decrease in the number of securities filings received compared to projections in last year's budget is attributed to the continued softening of the securities market.

The decrease in the number of securities filings cleared compared to projections in last year's budget reflects the filings registered by the agency.

Program Recommendations:

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

	General Government Operations	
\$ -2	—nonrecurring projects.	
83	—to continue current program.	
\$ 81	Appropriation Increase	

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	<u>\$ 3,170</u>	<u>\$ 3,112</u>	<u>\$ 3,193</u>	<u>\$ 3,289</u>	<u>\$ 3,388</u>	<u>\$ 3,490</u>	<u>\$ 3,595</u>



Commonwealth of Pennsylvania

Department of State

The Department of State compiles, publishes and certifies all election ballots and returns; monitors campaign expense reports; issues all commissions to elected and appointed officials; records all laws passed by the General Assembly and proclamations issued by the Governor; administers corporate and selected noncorporate business laws; administers the professional and occupational licensing boards; and regulates solicitation activities, boxing and wrestling matches.

The Department of State is administered by the Secretary of the Commonwealth and includes the State Athletic Commission, the Commission on Charitable Organizations, and 27 professional and occupational licensing boards.

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
GENERAL FUND	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL GOVERNMENT:			
General Government Operations	\$ 3,028	\$ 3,053	\$ 1,381
(A) Professional Licensure Augmentation Account .....	.....^a	.....^a	.....^a
(A) Registration of Charitable Organizations	278	240	280
(R) Professional Licensure Augmentation Account ^b	11,800	11,943	12,136
(R) Medical Fees ^b	1,420	1,600	1,680
(R) Osteopathic Fees ^b	436	417	281
(R) Podiatry Fees ^b	127	120	116
(R) State Athletic Commission	350	292	305
(R) Athletic Commission Augmentation Account .....	.....^c	.....^c	.....^c
(R) Boxing and Wrestling Fees .....	.....	.....	.....
(R) Corporation Bureau ^e .....	.....	.....	.....^d
(R) Corporation Bureau (EA) .....	.....	.....	1,678
Total — General Government Operations	<u>\$ 17,439</u>	<u>\$ 17,665</u>	<u>\$ 17,857</u>
Publishing Constitutional Amendments	60	820 ^f	60
Reapportionment Expenses .....	.....	.....	700
Subtotal — State Funds	\$ 3,088	\$ 3,873	\$ 2,141
Subtotal — Augmentations	278	240	280
Subtotal — Restricted Revenue	14,133	14,372	16,196
Total — General Government	<u>\$ 17,499</u>	<u>\$ 18,485</u>	<u>\$ 18,617</u>
GRANTS AND SUBSIDIES:			
Voting of Citizens in Military Service	\$ 8	\$ 8	\$ 8
Voter Registration by Mail	350	400	350
Total — Grants and Subsidies	<u>\$ 358</u>	<u>\$ 408</u>	<u>\$ 358</u>
STATE FUNDS	\$ 3,446	\$ 4,281	\$ 2,499
AUGMENTATIONS	278	240	280
RESTRICTED REVENUES	<u>14,133</u>	<u>14,372</u>	<u>16,196</u>
GENERAL FUND TOTAL	<u>\$ 17,857</u>	<u>\$ 18,893</u>	<u>\$ 18,975</u>

^aAmounts not shown to avoid double counting: 1989-90 \$857,300; 1990-91 \$911,000; 1991-92 \$957,000.

^bAppropriation from restricted revenue accounts.

^cAmounts not shown to avoid double counting: 1989-90 \$40,000; 1990-91 \$40,000; 1991-92 \$42,000.

^dAmount not shown to avoid double counting: 1991-92 \$300,000.

^eAct 198 of 1990 authorized establishment of a restricted account for the Corporation Bureau from which the Governor may executive authorize funds.

^fIncludes recommended supplemental authorization of \$760,000.

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
	ACTUAL	AVAILABLE	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED
CONSUMER PROTECTION							
General Funds.....	\$ 3,446	\$ 4,281	\$ 2,499	\$ 2,123	\$ 1,883	\$ 1,977	\$ 1,972
Other Funds.....	14,411	14,612	16,476	16,960	17,461	17,976	18,507
TOTAL.....	\$ 17,857	\$ 18,893	\$ 18,975	\$ 19,083	\$ 19,344	\$ 19,953	\$ 20,479
ALL PROGRAMS:							
GENERAL FUND.....	\$ 3,446	\$ 4,281	\$ 2,499	\$ 2,123	\$ 1,883	\$ 1,977	\$ 1,972
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	14,411	14,612	16,476	16,960	17,461	17,976	18,507
TOTAL.....	\$ 17,857	\$ 18,893	\$ 18,975	\$ 19,083	\$ 19,344	\$ 19,953	\$ 20,479

PROGRAM OBJECTIVE: To protect the consumer from fraudulent solicitation and unqualified professional and occupational practitioners and establishments.

Program: Consumer Protection

The Department of State administers several program elements within the Consumer Protection Program.

Program Element: Protection of the Electoral Process

Public policy is formulated by citizens through electoral participation. Because the electoral process is the basic public policymaking mechanism, it is important to insure that this process conforms to legally defined specifications. Abuse of the electoral process causes decline in voter participation.

Efforts in this program are keyed towards ensuring efficiency, honesty and uniformity in the administration of the Election Code. Some of the more serious problems within the election system have included: burdensome registration and voting procedures; the lack of easily obtainable published information concerning the State's electoral process; instances of unfair and unjust administration of election processes; and a pervading lack of consistency in activities at all levels of election administration.

Other functions in this program include commissioning gubernatorial appointees to boards and commissions, and preparing commissions for judges, justices of the peace and notaries public. In addition, extraditions are prepared for the Governor and bond issues for the Commonwealth are processed. Finally, a record of all legislation passed by the General Assembly is maintained by docketing the bills and assigning act numbers.

Program Element: Protection of Professional Licensing

The focus of this program element is on assuring acceptable professional and technical services to the Commonwealth's residents. To accomplish this, twenty-seven boards of the Bureau of Professional and Occupational Affairs (BPOA) utilize licensing, enforcement and administrative powers to regulate and service the various professions.

Mechanisms utilized in controlling the quality of practitioners include regulating age, education, experience and degree of technical expertise demonstrated through applications and subsequent written examination and/or demonstrated practical ability. Requirements for continuing education also serve as a means of meeting the constantly changing developments in the various professions and occupations.

Effective July 1, 1978, Act 124 created a restricted Professional Licensure Augmentation Account (PLAA) enabling this program to be

funded from fees and fines collected by the Bureau of Professional and Occupational Affairs. Thus, the bureau operates entirely out of restricted funds, considered for budgetary purposes as "Other" funds, rather than from a General Fund appropriation.

After experience with the PLAA concept and the current exposure to the sunset review process, it has been determined that each individual board must take steps to equalize revenues with expenditures over each two year period by adjusting license fees where required. The methodology to accomplish this task is in place and fee adjustment packages are being submitted according to schedule.

Program Element: Regulation of Consumer Products and Promotion of Fair Business Practices

This program element encompasses the activities of the Corporation Bureau, the Bureau on Charitable Organizations and the State Athletic Commission.

The Corporation Bureau is responsible for registering all businesses in the Commonwealth, which currently has an estimated 1,673,000 profit and nonprofit corporations, uniform commercial code financial statements and fictitious name registrations. An important goal is to promote a more favorable atmosphere for commerce to enter Pennsylvania.

Act 198 of 1990 made the Corporation Bureau a restricted account, with funding levels to be executively authorized by the Governor.

The Bureau on Charitable Organizations is responsible for the registration of charitable organizations, professional fund raisers and solicitors, as well as regulation of the actual solicitation and distribution of collected funds. There are currently approximately 7,600 registrations of charitable organizations. The major objective of the bureau is to increase the awareness and understanding of the Charitable Solicitations Act among Pennsylvania consumers and charitable organizations.

The State Athletic Commission monitors and regulates all professional and amateur boxing and kickboxing, amateur wrestling contests, and the licensing of all persons who participate in these events. There are eleven categories of licenses issued by the Athletic Commission. These categories include announcer, boxer, judge, manager, matchmaker, physician, promoter (including those promoting professional wrestling), referee, second, timekeeper and trainer.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Voter registration transactions	378,974	600,000	600,000	850,000	450,000	600,000	600,000
Professional licenses and renewals issued	382,926	390,000	380,000	390,000	380,000	390,000	380,000
Disciplinary actions by boards	649	700	700	700	700	700	700
Complaints processed by legal staff	3,716	4,500	4,500	4,500	4,500	4,500	4,500
Case files opened	4,146	4,300	4,300	4,300	4,300	4,300	4,300
Uniform Commercial Code financing statement filings and information requests fulfilled	222,061	225,000	225,000	225,000	225,000	225,000	225,000
Reviews of fictitious names, business corporations, trademark applications	89,309	90,000	90,000	90,000	90,000	90,000	90,000

Program: Consumer Protection (continued)

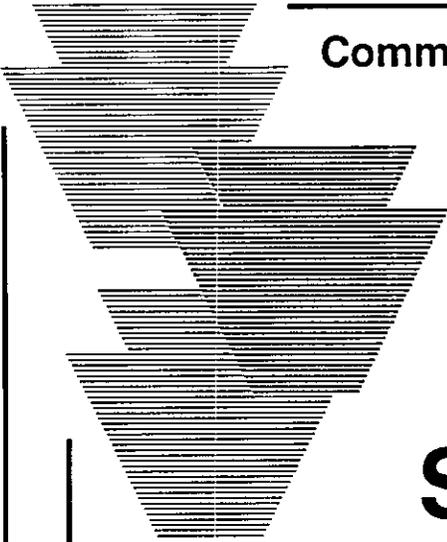
Program Recommendations:

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

<p>General Government Operations</p> <p>\$ -127 —to continue current program.</p> <p>-1,545 —Corporation Bureau now funded with dedicated revenue through a restricted account as a result of Act 198 of 1990.</p> <hr/> <p>\$ -1,672 <i>Appropriation Decrease</i></p>	<p>Professional Licensure Augmentation Account</p> <p>\$ -491 —nonrecurring projects.</p> <p>684 —to continue current program.</p> <hr/> <p>\$ 193 <i>Appropriation Increase</i></p>	<p>State Board of Medical Education and Licensure</p> <p>\$ -45 —nonrecurring projects.</p> <p>125 —to continue current program.</p> <hr/> <p>\$ 80 <i>Appropriation Increase</i></p>
<p>Publishing Constitutional Amendments</p> <p>\$ -760 —to fund expense for publication of constitutional amendment in newspapers as mandated by law.</p>	<p>State Board of Osteopathic Examiners</p> <p>\$ -3 —nonrecurring projects.</p> <p>-133 —to continue current program.</p> <hr/> <p>\$ -136 <i>Appropriation Decrease</i></p>	<p>State Board of Podiatry Examiners</p> <p>\$ -1 —nonrecurring projects.</p> <p>-3 —to continue current program.</p> <hr/> <p>\$ -4 <i>Appropriation Decrease</i></p>
<p>Reapportionment Expenses</p> <p>\$ 700 —to fund Reapportionment expenses. Done every 10 years.</p>	<p>Athletic Commission Augmentation Account</p> <p>\$ -2 —nonrecurring projects.</p> <p>15 —to continue current program.</p> <hr/> <p>\$ 13 <i>Appropriation Increase</i></p>	<p>Corporation Bureau</p> <p>\$ -100 —nonrecurring projects.</p> <p>1,778 —to continue current program.</p> <hr/> <p>\$ 1,678 <i>Appropriation Increase</i></p>
<p>Voter Registration by Mail</p> <p>\$ 50 —nonrecurring projects.</p> <p>In addition this budget recommends the following changes in the Bureau of Professional and Occupational Affairs for the Professional Licensure Augmentation Account (PLAA); as well as for the State Boards of Medical Education and Licensure, Osteopathic Examiners, and Podiatry Examiners, the Athletic Commission Augmentation Account and the Corporation Bureau.</p> <p>Request assumes that fees for all boards will be sufficient to absorb the level of expenditure appropriated.</p>		

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	\$ 3,028	\$ 3,053	\$ 1,381	\$ 1,422	\$ 1,465	\$ 1,509	\$ 1,554
Publishing Constitutional Amendments . . .	60	820	60	60	60	60	60
Electoral College Expenses . . . . .	. . . . .	. . . . .	. . . . .	8	. . . . .	. . . . .	. . . . .
Reapportionment Expenses . . . . .	. . . . .	. . . . .	700	. . . . .	. . . . .	. . . . .	. . . . .
Voting of Citizens in Military Service . . .	8	8	8	8	8	8	8
Voter Registration by Mail	350	400	350	625	350	400	350
TOTAL GENERAL FUND	\$ 3,446	\$ 4,281	\$ 2,499	\$ 2,123	\$ 1,883	\$ 1,977	\$ 1,972



Commonwealth of Pennsylvania

State Employees' Retirement System

The State Employees' Retirement System is responsible for administering the State Employees' Retirement Fund and the supplemental retirement allowances and cost-of-living increases for annuitants.

STATE EMPLOYEES' RETIREMENT SYSTEM

Summary by Fund and Appropriation

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
GENERAL FUND			
<i>GRANTS AND SUBSIDIES:</i>			
National Guard -- Employer Contribution	\$ 679	\$ 672	\$ 672
GENERAL FUND TOTAL	<u>\$ 679</u>	<u>\$ 672</u>	<u>\$ 672</u>
OTHER FUNDS			
<i>STATE EMPLOYEES' RETIREMENT FUND:</i>			
Administration	\$ 6,654	\$ 8,294	\$ 8,727
(A) Legal Fee Augmentations	<u>5</u>	<u>97</u>	<u>.....</u>
OTHER FUNDS TOTAL	<u>\$ 6,659</u>	<u>\$ 8,391</u>	<u>\$ 8,727</u>
DEPARTMENT TOTAL -- ALL FUNDS			
GENERAL FUND	\$ 679	\$ 672	\$ 672
OTHER FUNDS	<u>6,659</u>	<u>8,391</u>	<u>8,727</u>
TOTAL ALL FUNDS	<u>\$ 7,338</u>	<u>\$ 9,063</u>	<u>\$ 9,399</u>

STATE EMPLOYEES' RETIREMENT SYSTEM

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
	ACTUAL	AVAILABLE	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED
GENERAL ADMINISTRATION AND SUPPORT							
General Funds.....	\$ 679	\$ 672	\$ 672	\$ 672	\$ 672	\$ 672	\$ 672
Other Funds.....	6,659	8,391	8,727	8,989	9,259	9,537	9,823
TOTAL.....	\$ 7,338	\$ 9,063	\$ 9,399	\$ 9,661	\$ 9,931	\$ 10,209	\$ 10,495
ALL PROGRAMS:							
GENERAL FUND.....	\$ 679	\$ 672	\$ 672	\$ 672	\$ 672	\$ 672	\$ 672
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	6,659	8,391	8,727	8,989	9,259	9,537	9,823
TOTAL.....	\$ 7,338	\$ 9,063	\$ 9,399	\$ 9,661	\$ 9,931	\$ 10,209	\$ 10,495

STATE EMPLOYEES' RETIREMENT SYSTEM

PROGRAM OBJECTIVE: To provide an effective administrative system for the operation of the retirement system for State employes.

Program: State Employes' Retirement

The State Employes' Retirement System was established to administer the pension system created in 1924. Contributions by the employes and the employing agencies are made to the State Employes' Retirement Fund which uses those moneys and interest earnings for payment of annuities and disability benefits and for administration of the system. The State Employes' Retirement Fund is shown in the Special Funds Appendix.

The assets of the system are in excess of \$9 billion dollars. The system is funded in accordance with accepted actuarial standards; the funding is reviewed annually by a contracted actuarial firm and an experience review is completed every five years.

The greatest source of current income to the system is earnings from investments. Payments from member employes are the second major source of income; the rate for employers is established annually by the board upon the recommendation of the actuary. Employer contributions differ in accordance with the class of employes for which they are contributing. There is additional cost for employes in safety positions, the Legislature, and the Judiciary. Member contributions are the third source of income. The majority of current members contribute

5 percent of pay to the system. Members hired after July of 1983 contribute 6.25 percent of pay to the system.

Normal retirement from the system is at age 60, age 50 for safety employes and members of the legislature, or at any age with 35 years of service. Retirement before those times is possible after ten years of service but is actuarially reduced to the equivalent of the annuity which would have been payable at superannuation retirement.

Legislation has provided for an early retirement window for the past four years. This window was recently extended to September 30 of 1991. During that time employes with 30 years of service who are age 53 can retire with a full allowance based on service without actuarial reduction. Those at age 50 to 53 with 30 years of service can retire with a .25 percent reduction for each month remaining, before age 53 is attained.

Act 81 of 1987 established the Commonwealth Deferred Compensation Program which allows Commonwealth employes to defer a portion of their salaries to a retirement savings account. The State Employes' Retirement Board is responsible for its administration. The Deferred Compensation Fund is shown in the Special Funds Appendix to this volume.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Benefit payments processed	10,600	10,600	10,600	10,600	10,600	10,600	10,600
Average processing time for benefit payments (in days)	12	12	12	12	12	12	12
Return on investment (in millions)	\$565.5	\$607.9	\$653.5	\$702.5	\$755.2	\$811.8	\$872.7

The measure showing the return on investments has been modified from previous projections because of the volatility of the investment market.

Program Recommendations:

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

GENERAL FUND

National Guard — Employer Contribution

—program is funded at the current year level based upon actuarial determination.

In addition this budget recommends the following changes for the appropriation from the State Employes' Retirement Fund for General Government Operations for the State Employes' Retirement System:

STATE EMPLOYEES' RETIREMENT FUND

General Government Operations

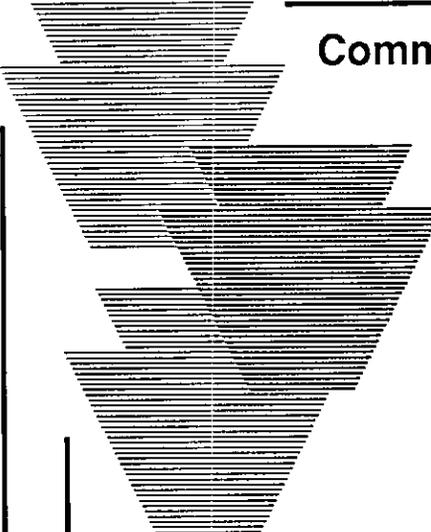
\$ -259	—nonrecurring purchases.
692	—to continue current program.
<u>\$ 433</u>	<i>Appropriation Increase</i>

STATE EMPLOYEES' RETIREMENT SYSTEM

Program: State Employees' Retirement (continued)

Appropriations within this Program: _____

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
National Guard — Employer Contribution	\$ 679	\$ 672	\$ 672	\$ 672	\$ 672	\$ 672	\$ 672
STATE EMPLOYEES' RETIREMENT FUND:							
General Government Operations	\$ 6,654	\$ 8,294	\$ 8,727	\$ 8,989	\$ 9,259	\$ 9,537	\$ 9,823



Commonwealth of Pennsylvania

State Police

The State Police enforce the law and preserve the peace through detection of crime and apprehension of criminals, patrol of highways, enforcement of the Vehicle Code and enforcement of the Liquor Code.

The State Police receive a General Fund appropriation for criminal law enforcement and a Motor License Fund transfer for traffic patrol activities. In 1991-92, the recommended ratio is 32 percent General Fund and 68 percent Motor License Fund. In addition, the State Police receive augmentations from the Turnpike Commission for turnpike patrol and from the State Stores Fund for liquor control enforcement.

STATE POLICE

Summary by Fund and Appropriation

GENERAL FUND	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL GOVERNMENT:			
General Government Operations	\$ 91,165	\$ 93,101^a	\$ 93,671
(F) DCSI — Drug Law Enforcement .....	.....	1,441	985
(F) DCSI — Crime Lab Upgrade .....	.....	.....	747
(F) Drug Enforcement	120	200	200
(F) Operation C.A.R.E.	222	225	.....
(F) Program Management	14	20	20
(F) Highway Line Markings	79	.....	.....
(F) Alcohol Safety Training	6	6	.....
(F) Alcohol Program Management	32	36	36
(F) Selective Traffic Enforcement	76	.....	.....
(F) Motor Carrier Safety	1,424	1,800	1,500
(F) DUI Enforcement	451	995	440
(F) Patrol Administration	21	32	32
(F) Police Motorcycles	19	22	.....
(F) Statewide Enforcement	288	15	.....
(F) Radar Units	110	.....	.....
(F) Aviation Navigation	33	.....	.....
(F) Highway Safety .....	.....	100	.....
(F) Drug Identification	55	124	.....
(F) DNA Analysis	145	30	.....
(F) Law Enforcement Radio Operation .....	.....	96	.....
(F) Aerial Enforcement Equipment	1	3	.....
(F) Breath Testing Equipment .....	.....	43	.....
(F) School Bus Inspections .....	.....	45	.....
(F) Traffic Accident Reviews .....	.....	45	.....
(F) Safety Education	1	50	.....
(F) Traffic Safety Conference .....	.....	25	5
(F) Interstate Highway Enforcement .....	.....	486	273
(F) Speed Enforcement .....	.....	40	.....
(F) C.A.R.E. Conference .....	.....	15	.....
(F) Drug Lab Enforcement .....	.....	117	.....
(F) Unconventional Vehicles .....	.....	150	.....
(F) Aerial Display Units .....	.....	5	.....
(F) Criminal History Records .....	.....	526	.....
(A) Turnpike Commission	11,614	14,192	15,274
(A) Criminal History Record Checks	2,165	2,200	2,200
(A) Photo License Centers	66	53	53
(A) Training Fees	349	290	290
(A) Miscellaneous Services	279	255	255
(A) Transfer From Motor License Fund ^b .....	.....	.....	.....
Enhanced Retirement for Enlisted Personnel .....	.....	.....	12,102
Subtotal — State Funds	\$ 91,165	\$ 93,101	\$ 105,673
Subtotal — Federal Funds	3,097	6,692	4,238
Subtotal — Augmentations	14,473	16,990	18,072
Total — General Government Operations	\$ 108,735	\$ 116,783	\$ 127,983
Patrol Vehicles	\$ 1,707	\$ 1,612	\$ 2,116
(A) Automobile Sales	1,196	1,000	600
(A) Transfer From Motor License Fund ^b .....	.....	.....	.....
Total — Patrol Vehicles	\$ 2,903	\$ 2,612	\$ 2,716
Municipal Police Training	\$ 2,874	\$ 3,767	\$ 4,567
(A) Transfer From Motor License Fund ^b .....	.....	.....	.....
Automated Fingerprint Identification System	860	1,472	2,085
Resident Trooper .....	.....	1,250	.....

^aIncludes recommended supplemental appropriation of \$1,776,000.

^bNot added to total to avoid double counting. See Motor License Fund section of this summary for dollar amounts.

STATE POLICE

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
GENERAL FUND			
<i>GENERAL GOVERNMENT: (continued)</i>			
PENNFREE — Mobile Narcotic Teams	\$ 1,947	.....	.....
PENNFREE — Drug Law Enforcement	5,000 ^a	.....	.....
Subtotal — State Funds	\$ 103,553	\$ 101,202	\$ 114,441
Subtotal — Federal Funds	3,097	6,692	4,238
Subtotal — Augmentations	15,669	17,990	18,672
Total — General Government	<u>\$ 122,319</u>	<u>\$ 125,884</u>	<u>\$ 137,351</u>
 <i>GRANTS AND SUBSIDIES:</i>			
PENNFREE — Local Drug Law Enforcement	2,000 ^a	.....	.....
(F) DCSI — Municipal Police Drug Law Enforcement .....	.....	2,000	1,334
Total—Grants and Subsidies	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 1,334</u>
 STATE FUNDS	 \$ 105,553	 \$ 101,202	 \$ 114,441
FEDERAL FUNDS	3,097	8,692	5,572
AUGMENTATIONS	15,669	17,990	18,672
GENERAL FUND TOTAL	<u>\$ 124,319</u>	<u>\$ 127,884</u>	<u>\$ 138,685</u>
 MOTOR LICENSE FUND			
<i>GENERAL GOVERNMENT:</i>			
General Government Operations	\$ 175,261	\$ 182,723	\$ 198,840
Enhanced Retirement for Enlisted Personnel .....	.....	.....	25,716
Patrol Vehicles	3,636	4,020	4,498
Municipal Police Training	2,875	3,805	4,567
Commercial Driver Safety and Licensing	461	3,035	2,529
 MOTOR LICENSE FUND TOTAL	 <u>\$ 182,232</u>	 <u>\$ 193,583</u>	 <u>\$ 236,150</u>
 OTHER FUNDS			
<i>STATE STORES FUND:</i>			
Liquor Control Enforcement	\$ 11,511	\$ 12,868	\$ 13,418
STATE STORES FUND TOTAL	<u>\$ 11,511</u>	<u>\$ 12,868</u>	<u>\$ 13,418</u>
 DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND	\$ 105,553	\$ 101,202	\$ 114,441
SPECIAL FUNDS	182,232	193,583	236,150
FEDERAL FUNDS	3,097	8,692	5,572
AUGMENTATIONS	15,669	17,990	18,672
OTHER FUNDS	11,511	12,868	13,418
TOTAL ALL FUNDS	<u>\$ 318,062</u>	<u>\$ 334,335</u>	<u>\$ 388,253</u>

^aThis continuing appropriation provided funds for both 1989-90 and 1990-91.

STATE POLICE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
PUBLIC PROTECTION AND LAW ENFORCEMENT							
General Funds.....	\$ 105,553	\$ 101,202	\$ 114,441	\$ 118,007	\$ 120,609	\$ 123,314	\$ 127,015
Special Funds.....	182,232	193,583	236,150	243,234	250,531	258,045	265,786
Federal Funds.....	3,097	8,692	5,572	3,253	3,253	3,253	3,253
Other Funds.....	27,180	30,858	32,090	33,636	34,646	35,685	36,756
TOTAL.....	\$ 318,062	\$ 334,335	\$ 388,253	\$ 398,130	\$ 409,039	\$ 420,297	\$ 432,810
ALL PROGRAMS:							
GENERAL FUND.....	\$ 105,553	\$ 101,202	\$ 114,441	\$ 118,007	\$ 120,609	\$ 123,314	\$ 127,015
SPECIAL FUNDS.....	182,232	193,583	236,150	243,234	250,531	258,045	265,786
FEDERAL FUNDS.....	3,097	8,692	5,572	3,253	3,253	3,253	3,253
OTHER FUNDS.....	27,180	30,858	32,090	33,636	34,646	35,685	36,756
TOTAL.....	\$ 318,062	\$ 334,335	\$ 388,253	\$ 398,130	\$ 409,039	\$ 420,297	\$ 432,810

STATE POLICE

Program: Public Protection and Law Enforcement (continued)

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Operator Qualifications Control							
New driver examinations	371,973	372,000	375,700	379,400	383,200	387,000	390,000
Reexamined operators	121,973	120,000	120,000	120,000	120,000	120,000	120,000
Vehicle Standards Control							
Inspection station visitations	17,695	18,500	18,500	18,500	18,500	18,500	18,500
School bus and mass transit vehicle inspections	23,233	23,250	23,250	23,250	23,250	23,250	23,250
Traffic Supervision							
Accidents per 1,000 miles of highways in Pennsylvania	1,329	1,345	1,365	1,385	1,405	1,425	1,445
Accidents per 1,000 miles of highways patrolled by State Police	618	625	635	645	655	665	675
Traffic citations issued	406,820	410,000	412,000	414,000	416,000	418,000	420,000
Crime Prevention							
Crimes per 100,000 population in State Police jurisdiction areas:							
Against persons	88	90	92	94	96	98	100
Against property	1,064	1,070	1,075	1,080	1,085	1,090	1,095
Criminal Law Enforcement							
Crimes against persons:							
Persons arrested	1,788	1,880	1,970	2,060	2,150	2,240	2,330
Clearance rate	61.3%	63.0%	63.0%	63.0%	63.0%	63.0%	63.0%
Percent of those arrested who are convicted	57.4%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%
Crimes against property:							
Persons arrested	7,675	7,760	7,850	7,930	8,020	8,110	8,190
Clearance rate	21.9%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%
Percent of those arrested who are convicted	83.6%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%
Liquor Control Enforcement							
Enforcement Investigations	30,790	31,000	31,000	31,000	31,000	31,000	31,000

The method of gathering statistics for new driver examinations has been revised to include all those who take the examination, not just those who pass.

Clearance rate is the percentage of crimes cleared by arrest compared to the number of actual offenses known.

Projected increase in accidents is based on anticipated increase in the number of licensed drivers.

STATE POLICE

Program: Public Protection and Law Enforcement (continued)

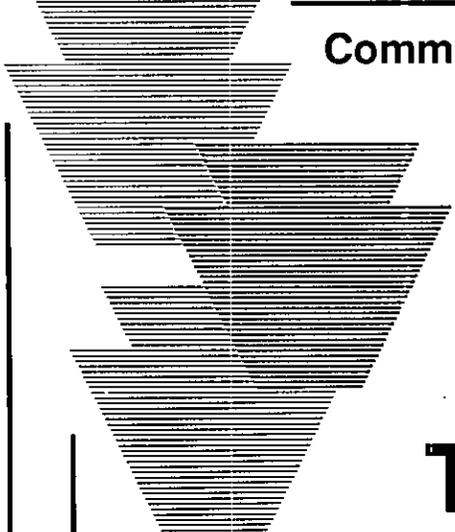
Program Recommendations:

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

GENERAL FUND AND MOTOR LICENSE FUND COMBINED			Patrol Vehicles
	General Government Operations	\$ 982	—to replace approximately 500 patrol vehicles.
\$ -1,560	—Initiative — Civilian Replacements — to reduce overtime within enlisted ranks by hiring civilian personnel to do clerical work presently performed by enlisted personnel.	\$ 1,562	Municipal Police Training —to provide basic training for 118 additional municipal police.
-1,543	—Initiative — Buy-out of Radio System — to purchase, operate and maintain the currently leased radio system until a new statewide integrated radio system is operational.	\$ 613	Automated Fingerprint Identification System —to continue installment payments on the acquisition of the Automated Fingerprint Identification System.
249	—Initiative — Crime Lab Upgrade — to improve criminal analysis. In addition, \$747,000 in Federal funds will be available.	\$ 174	Commercial Driver Licensing —Initiative — Additional Examiners — to administer a greater number of driving tests to commercial drivers and thereby enhance compliance with Federal requirements.
100	—Initiative — Vehicle Maintenance — to reduce contracted repairs by acquiring equipment for additional in-house repair of patrol vehicles.	300	—Initiative — Automated Equipment — to expedite the administration of written tests by acquiring automated equipment.
19,341	—to continue current program of law enforcement by maintaining State Police strength at current level.	151	—to maintain current program.
\$ 16,587	<i>Appropriation Increase</i>	-1,131	—nonrecurring cost of acquiring sites for the driving test.
\$ 37,818	Enhanced Retirement for Enlisted Personnel —additional cost of enhanced retirement program for enlisted personnel.	\$ -506	<i>Appropriation Decrease</i>
		\$ -1,250	Resident Trooper —nonrecurring item.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	\$ 91,165	\$ 93,101	\$ 93,571	\$ 96,378	\$ 99,269	\$ 102,247	\$ 105,314
Enhanced Retirement for Enlisted Personnel			12,102	12,465	12,839	13,224	13,621
Patrol Vehicles	1,707	1,612	2,116	2,179	2,244	2,311	2,380
Municipal Police Training	2,874	3,767	4,567	4,704	4,845	4,990	5,140
Automated Fingerprint Identification System	860	1,472	2,085	2,281	1,412	542	560
Resident Trooper		1,250					
PENNFREE Mobile Narcotic Teams	1,947						
PENNFREE Local Drug Law Enforcement	2,000						
PENNFREE Drug Law Enforcement	5,000						
TOTAL GENERAL FUND	\$ 105,553	\$ 101,202	\$ 114,411	\$ 118,007	\$ 120,609	\$ 123,314	\$ 127,015
MOTOR LICENSE FUND:							
General Government Operations	\$ 175,261	\$ 182,723	\$ 198,840	\$ 204,805	\$ 210,949	\$ 217,277	\$ 223,795
Enhanced Retirement for Enlisted Personnel			25,716	26,487	27,282	28,100	28,943
Patrol Vehicles	3,635	4,020	4,498	4,633	4,772	4,915	5,062
Municipal Police Training	2,875	3,805	4,567	4,704	4,845	4,990	5,140
Commercial Driver Licensing	461	3,035	2,529	2,605	2,683	2,763	2,846
TOTAL MOTOR LICENSE FUND	\$ 182,232	\$ 193,583	\$ 236,150	\$ 243,234	\$ 250,531	\$ 258,045	\$ 265,786
STATE STORES FUND:							
Liquor Control Enforcement	\$ 11,511	\$ 12,868	\$ 13,418	\$ 13,821	\$ 14,236	\$ 14,663	\$ 15,103



Commonwealth of Pennsylvania

Tax Equalization Board

The State Tax Equalization Board determines annually the aggregate market value of assessed taxable real property throughout the Commonwealth for use in determining the amount and allocation of Commonwealth subsidies to school districts, for use in determining State support of public libraries, and in determining certain tax limitations.

TAX EQUALIZATION BOARD

Summary by Fund and Appropriation

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
GENERAL FUND			
<i>GENERAL GOVERNMENT:</i>			
General Government Operations	\$ 1,089	\$ 1,168	\$ 1,194
GENERAL FUND TOTAL	<u>\$ 1,089</u>	<u>\$ 1,168</u>	<u>\$ 1,194</u>

TAX EQUALIZATION BOARD

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
EDUCATION SUPPORT SERVICES							
General Funds.....	\$ 1,089	\$ 1,168	\$ 1,194	\$ 1,230	\$ 1,267	\$ 1,305	\$ 1,344
TOTAL.....	\$ 1,089	\$ 1,168	\$ 1,194	\$ 1,230	\$ 1,267	\$ 1,305	\$ 1,344
ALL PROGRAMS:							
GENERAL FUND.....	\$ 1,089	\$ 1,168	\$ 1,194	\$ 1,230	\$ 1,267	\$ 1,305	\$ 1,344
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
TOTAL.....	\$ 1,089	\$ 1,168	\$ 1,194	\$ 1,230	\$ 1,267	\$ 1,305	\$ 1,344

TAX EQUALIZATION BOARD

PROGRAM OBJECTIVE: To provide an effective administrative system to assess taxable real property value which is the basis for an equitable distribution of tax funds to support education services.

Program: Education Support Services

The State Tax Equalization Board is an independent administrative board created to ensure equitable distribution of tax funds among the State's school districts. The board, in accordance with Act 147 of 1947, determines annually the aggregate market value of taxable real property in each of the more than 2,500 municipalities and 501 school districts in the Commonwealth and certifies the market value to the Secretary of Education. The results are used in determining distribution of State subsidies to school districts and local libraries, in lieu of tax payments under Project 70 Land Acquisitions, limitations on real estate taxes in

school districts lying in more than one county, tax limitations in financing community colleges, and overall tax limitations for political subdivisions and school districts. The program includes holding of hearings and analysis of real estate values and transactions. Act 267 of 1982 requires the board to establish annually a common level ratio of assessed value to market value in each county for the prior calendar year.

Act 192 of 1986 requires the board to certify assessors for the valuation of real property for ad valorem taxation purposes.

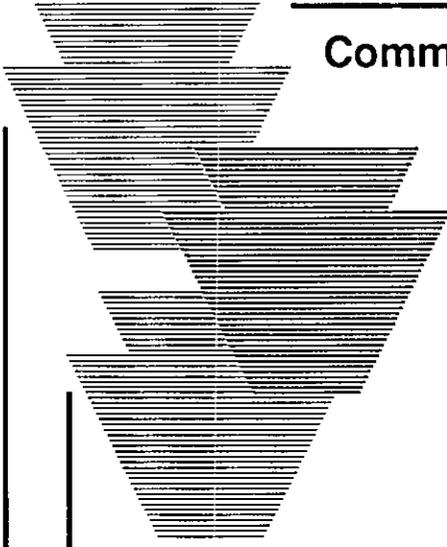
Program Recommendations:

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

General Government Operations
\$ 26 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
General Government Operations	\$ 1,089	\$ 1,168	\$ 1,194	\$ 1,230	\$ 1,267	\$ 1,305	\$ 1,344



Commonwealth of Pennsylvania

Department of Transportation

The responsibility of the Department of Transportation is to provide fast, efficient and safe movement of people and goods within the Commonwealth through a balanced transportation system. The department was formed July 1, 1970 by an act of the Legislature combining the former Department of Highways with other transportation-related activities in various departments.

TRANSPORTATION

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Title	Appropriation	1991-92 State Funds (In thousands)
GENERAL FUND		
Expanded Rail Safety Inspection Program	Rail Safety Inspection	\$ 340
<p>This Program Revision permits the Department of Transportation to expand its present inspection program for electric mass transit vehicles operated by the Commonwealth's transit systems. The focus will be on inspections and accident reports related to SEPTA in the southeast and PAT in the southwest regions of Pennsylvania.</p>		
DEPARTMENT TOTAL		<u>\$ 340</u>

TRANSPORTATION

Summary by Fund and Appropriation

GENERAL FUND	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL GOVERNMENT:			
Mass Transportation Operations	\$ 1,437 ^a	\$ 1,472 ^b	\$ 1,385
(F) UMTA — Technical Studies Grants	628	564	544
(F) Capital Assistance	60	60	62
(F) Surface Transportation Assistance	504	612	619
(F) UMTA — Capital Assistance	610	610	550
(F) UMTA — Capital Improvement Grants	1,979	2,000	2,000
(F) Title IV Rail Assistance	100	140	26
(A) User Fees — Ridesharing	7	.....	.....
(A) Local Contribution — Rail Freight	24	20	20
Rail Safety Inspection .....	.....	.....	340
Vehicle Sales Tax Collections	1,676	1,726	1,726
Welcome Centers	936	983	955
Covered Bridge Study	10	.....	.....
Subtotal — State Funds	\$ 4,059	\$ 4,181	\$ 4,406
Subtotal — Federal Funds	3,881	3,986	3,801
Subtotal — Augmentations	31	20	20
Total — General Government	<u>\$ 7,971</u>	<u>\$ 8,187</u>	<u>\$ 8,227</u>
GRANTS AND SUBSIDIES:			
Mass Transportation Assistance	\$ 229,366	\$ 239,687	\$ 234,893
Rural and Intercity Rail and Bus Transportation	4,100	4,300	4,300
(F) Surface Transportation — Operating	3,219	3,000	3,000
(F) Surface Transportation Assistance Capital	4,987	6,200	6,000
Rail Freight Assistance	4,299	4,500	3,600
(A) Rail Freight — Reimbursement	168	467	467
Civil Air Patrol	400	200	.....
Subtotal — State Funds	\$ 238,165	\$ 248,687	\$ 242,793
Subtotal — Federal Funds	8,206	9,200	9,000
Subtotal — Augmentations	168	467	467
Total — Grants and Subsidies	<u>\$ 246,539</u>	<u>\$ 258,354</u>	<u>\$ 252,260</u>
STATE FUNDS	\$ 242,224	\$ 252,868	\$ 247,199
FEDERAL FUNDS	12,087	13,186	12,801
AUGMENTATIONS	199	487	487
GENERAL FUND TOTAL	<u><u>\$ 254,510</u></u>	<u><u>\$ 266,541</u></u>	<u><u>\$ 260,487</u></u>

^aActually appropriated as Mass Transportation Operations \$953,000 and Goods Movement Operations \$484,000.

^bActually appropriated as Mass Transportation Operations \$947,000 and Goods Movement Operations \$525,000.

TRANSPORTATION

MOTOR LICENSE FUND	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL GOVERNMENT:			
General Government Operations	\$ 22,879	\$ 23,775	\$ 24,146
Refunding Collected Monies (EA)	1,783	1,800	1,800
(A) Mass Transportation	91	70	90
(A) Duplicating Services	69	355	350
(A) Aviation Restricted Revenue	298	145	150
(A) Administrative Hearings	14	50	50
(A) Inspector General	16	.....	.....
Subtotal — State Funds	\$ 24,662	\$ 25,575	\$ 25,946
Subtotal — Augmentations	488	620	640
Total — General Government Operations	\$ 25,150	\$ 26,195	\$ 26,586
Highway and Safety Improvement	190,000	167,000	151,760
High Accident Corridor Corrections	7,500	10,000	2,500
(F) Highway Research, Planning and Construction	497,459	469,250	427,350
(F) Highway Safety Program	144	150	150
(F) High Accident Corridor Corrections	899	15,000	26,250
(A) Highway Construction Contributions	14,423	6,300	7,000
(A) Capital Facilities Fund .....	.....^a	.....^a	.....^a
(A) Aviation Restricted Revenue	16	.....	.....
(A) Mass Transportation	11	.....	.....
(R) ACI Project Expenditures .....	.....^b	.....^b	.....^b
Timber Bridges	500	.....	.....
Demonstration Timber Bridge Program	300	.....	.....
(R) Highway Bridge Projects	22,741	33,700	44,000
(F) Federal Aid — Highway Bridge Projects	94,958	93,000	72,000
(A) Bridge Construction Contributions	968	2,000	1,000
(A) Capital Facilities Fund .....	.....^c	.....^c	.....
(A) Bridge Reimbursements from Local Governments	14	100	100
Subtotal — State Funds	\$ 198,300	\$ 177,000	\$ 154,260
Subtotal — Federal Funds	593,460	577,400	525,750
Subtotal — Augmentations	15,432	8,400	8,100
Subtotal — Restricted Revenue	22,741	33,700	44,000
Total — Highway and Safety Improvements	\$ 829,933	\$ 796,500	\$ 732,110

^aNot added to the total to avoid double counting; 1989-90 actual is \$2,045,000, 1990-91 available is \$32,500,000 and 1991-92 budget is \$70,600,000.
^bNot added to the total to avoid double counting; 1989-90 actual is \$87,084,000, 1990-91 available is \$107,210,000 and 1991-92 budget is \$25,397,000.
^cNot added to the total to avoid double counting; 1989-90 actual is \$35,683,000 and the 1990-91 available is \$75,300,000.

TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1989-90	1990-91	1991-92
	Actual	Available	Budget
GENERAL GOVERNMENT (continued):			
Highway Maintenance	\$ 575,486	\$ 627,192	\$ 627,427
Secondary Roads — Maintenance and Resurfacing (EA) ..	55,016	55,174	54,939
Highway Maintenance — Supplemental	14,879	8,108	7,986
Salt Storage Buildings	750	750	. . . .
Roadside Rest Areas	1,500	1,000	. . . .
Reinvestment — Facilities	1,868	2,000	1,000
Local Bridge Inspection	300	645	380
(F) Highway Research, Planning and Construction	114,359	174,800	175,000
(F) State and Community Highway Safety	162	200	200
(F) Federal Highway Administration	356	. . . .	. . . .
(F) Federal Emergency Management Agency	673	. . . .	. . . .
(F) Local Bridge Inspection	959	1,440	1,520
(A) Highway Maintenance Contributions	6,927	5,500	5,940
(A) Sale of Automobiles	10	150	150
(A) Sale of Equipment	996	2,000	2,000
(A) Heavy Hauling-Bonded Roads	1,229	1,700	1,500
(A) Sale of Signs	106	130	140
(A) Accident Damage Claims	3,088	4,000	4,000
(A) Litter Fine Receipts	43	9	9
(A) Keep Pennsylvania Beautiful Contributions	4	25	25
(A) Recovered Permit Compliance Cost	2	10	10
(A) Aviation Restricted Revenue .....	. . . .	26	26
Subtotal — State Funds	\$ 649,799	\$ 694,869	\$ 691,732
Subtotal — Federal Funds	116,509	176,440	176,720
Subtotal — Augmentations	12,405	13,550	13,800
Total — Highway Maintenance	\$ 778,713	\$ 884,859	\$ 882,252
Safety Administration and Licensing	49,344	51,788	50,944
(F) State and Community Highway Safety	1,724	1,972	2,023
(F) Driver Licensing Grant	69	70	70
(A) Computer Support	110	150	150
(A) Photo ID Program	4,786	5,013	5,046
(A) Vehicle Sales Tax Collections .....	. . . .^a	. . . .^a	. . . .^a
(A) Emission Mechanic Training Courses	4	4	4
(A) Video Sales Reimbursement	50	. . . .	. . . .
Motor Vehicle Insurance Compliance	390	4,468	3,873
Commercial Drivers Licensing	2,357	6,274	8,244
(F) Federal Aid — Commercial Drivers Licensing .....	. . . .	436	. . . .
Subtotal — State Funds	\$ 52,091	\$ 62,530	\$ 63,061
Subtotal — Federal Funds	1,793	2,478	2,093
Subtotal — Augmentations	4,950	5,167	5,200
Total — Safety Administration and Licensing	\$ 58,834	\$ 70,175	\$ 70,354

^aNot added to the total to avoid double counting; 1989-90 actual is \$1,678,000, 1990-91 available is \$1,726,000 and 1991-92 budget is \$1,726,000.

TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL GOVERNMENT (continued):			
(R) Aviation Operations ^a	\$ 8,543	\$ 10,921	\$ 13,083
(F) Airport Development Aid Program	140	100	100
(F) Airport Inspection	26	34	35
(F) Federal Aid — HIA	4,775	5,355	2,992
(F) Federal Aid — Other State Airports	1,056	1,485	1,416
(A) HIA Utility Services	109	195	200
(A) Other State Airports Utility Services	49	94	110
(A) Flight Operations	411	426	436
(A) Police Citations — HIA	6	18	18
(A) Airport Inspections and Licensing	14	5	5
(A) Airport Improvement Program	113	482	500
(A) Industrial Park Reimbursement	117	161	166
(A) Other State Owned Airports	122	173	180
(A) General Fund Reimbursement	14		
Subtotal — Federal Funds	\$ 5,997	\$ 6,974	\$ 4,543
Subtotal — Augmentations	955	1,554	1,615
Subtotal — Restricted Revenue	8,543	10,921	13,083
Total — Aviation Operations	\$ 15,495	\$ 19,449	\$ 19,241
STATE FUNDS	\$ 924,852	\$ 959,974	\$ 934,999
FEDERAL FUND	717,759	763,292	709,106
AUGMENTATIONS	34,230	29,291	29,355
RESTRICTED REVENUE	31,284	44,621	57,083
Total — General Government	\$ 1,708,125	\$ 1,797,178	\$ 1,730,543
DEBT SERVICE REQUIREMENTS:			
State Highway and Bridge Authority Rentals	\$ 18,026	\$ 12,500	\$ 7,000
GRANTS AND SUBSIDIES:			
Local Road Maintenance and Construction Payments	\$ 163,949	\$ 158,253	\$ 159,811
Supplemental Local Road Maintenance and Construction Payments	5,000	5,000	5,000
Philadelphia Payment — Franchise Tax (EA)	1,018	904	903
(R) Local Grants for Bridge Projects (EA)	25,046	44,000	20,100
(F) Federal Aid — Local Grants for Bridge Projects	538	900	600
(A) Local Governments	53	200	100
(A) Demonstration Timber Bridge Program			
(R) Annual Maintenance Payments — Highway Transfer (EA)	7,606	8,220	8,695
(R) Restoration Projects — Highway Transfer (EA)	7,652	6,635	7,985
(R) Business Airport Grants ^a	2,000	2,000	2,000
(R) Airport Development ^a	5,000	5,000	4,000
(R) Runway Rehabilitation ^a	500	500	500
(R) Real Estate Tax Rebate ^a	220	270	563
Subtotal — State Funds	\$ 169,967	\$ 164,157	\$ 165,714
Subtotal — Federal Funds	538	900	600
Subtotal — Augmentations	53	200	100
Subtotal — Restricted Revenue	48,024	66,625	43,843
Total — Grant and Subsidies	\$ 218,582	\$ 231,882	\$ 210,257

^aAppropriation from restricted revenue account.

^bNot added to avoid double counting: in 1989-90 a total of \$800,000 was transferred to Bridge Restricted Revenue.

TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
STATE FUNDS	\$ 1,112,845	\$ 1,136,631	\$ 1,107,713
FEDERAL FUNDS	718,297	764,192	709,706
AUGMENTATIONS	34,283	29,491	29,455
RESTRICTED REVENUES	79,308	111,246	100,926
MOTOR LICENSE FUND TOTAL	<u>\$ 1,944,733</u>	<u>\$ 2,041,560</u>	<u>\$ 1,947,800</u>
LOTTERY FUND			
<i>GRANTS AND SUBSIDIES:</i>			
Older Pennsylvanians Free Transit	\$ 71,932	\$ 80,100	\$ 63,700
Transfer to Motor License Fund— Vehicle Registration — Older Pennsylvanians	2,700	3,000	.....
Total — Grants and Subsidies	<u>\$ 74,632</u>	<u>\$ 83,100</u>	<u>\$ 63,700</u>
LOTTERY FUND TOTAL	<u>\$ 74,632</u>	<u>\$ 83,100</u>	<u>\$ 63,700</u>
OTHER FUNDS			
<i>GENERAL FUND:</i>			
Federal Grants — Railroad Freight Rehabilitation	\$ 41	\$ 5,000	\$ 1,000
GENERAL FUND TOTAL	<u>\$ 41</u>	<u>\$ 5,000</u>	<u>\$ 1,000</u>
<i>MOTOR LICENSE FUND:</i>			
Federal Reimbursements — Highway Safety Program	\$ 4,024	\$ 3,885	\$ 4,000
Federal Reimbursements — TOPICS	223	2,500	3,500
Federal Grants — Airport Development Aid Program .....	.....	100	100
Federal Reimbursements — Car Pool Service Costs .....	.....	1,000	1,000
Reimbursements to Municipalities — Vehicle Code Fines and Penalties	11,621	13,000	13,500
Federal Reimbursements — Flood Related Costs	673	1,000	500
Reimbursement to Other States — Apportioned Registration Plan	10,231	10,000	10,500
Federal Reimbursements — Bridge Projects	20,896	12,000	12,000
Motorcycle Safety Education	1,224	1,000	1,000
Equipment Rental Security Deposits	56	100	100
Payments to Blind/Visually Handicapped .....	.....	1,000	1,000
Vending Machine Contracts	1,050	.....	.....
Federal Reimbursements — Political Subdivisions	15,032	18,000	19,500
Advance Construction Interstate — Federal Share	78,761	96,188	22,857
MOTOR LICENSE FUND TOTAL	<u>\$ 143,791</u>	<u>\$ 159,773</u>	<u>\$ 89,557</u>

TRANSPORTATION

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
OTHER FUNDS			
<i>HIGHWAY BEAUTIFICATION FUND:</i>			
Control of Junkyards	\$ 16	\$ 35	\$ 36
Control of Outdoor Advertising	573	650	500
Outdoor Advertising Sign Removal	<u> </u>	<u>2</u>	<u>2</u>
HIGHWAY BEAUTIFICATION FUND TOTAL	<u>\$ 589</u>	<u>\$ 687</u>	<u>\$ 538</u>
<i>MOTOR VEHICLE TRANSACTION RECOVERY FUND:</i>			
Reimbursement to Transportation	<u>\$ </u>	<u>\$ 200</u>	<u>\$ 200</u>
MOTOR VEHICLE TRANSACTION RECOVERY FUND TOTAL	<u>\$ </u>	<u>\$ 200</u>	<u>\$ 200</u>
<i>LIQUID FUELS TAX FUND:</i>			
Payments to Counties	<u>\$ 22,710</u>	<u>\$ 22,560</u>	<u>\$ 22,739</u>
LIQUID FUELS TAX FUND TOTAL	<u>\$ 22,710</u>	<u>\$ 22,560</u>	<u>\$ 22,739</u>
OTHER FUNDS TOTAL	<u>\$ 167,131</u>	<u>\$ 188,220</u>	<u>\$ 114,034</u>
 DEPARTMENT TOTALS — ALL FUNDS			
GENERAL FUND	\$ 242,224	\$ 252,868	\$ 247,199
SPECIAL FUNDS	1,187,477	1,219,731	1,171,413
FEDERAL FUNDS	730,384	777,378	722,507
AUGMENTATIONS	34,482	29,978	29,942
RESTRICTED REVENUE	79,308	111,246	100,926
OTHER FUNDS	<u>167,131</u>	<u>188,220</u>	<u>114,034</u>
TOTAL ALL FUNDS	<u>\$ 2,441,006</u>	<u>\$ 2,579,421</u>	<u>\$ 2,386,021</u>

TRANSPORTATION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
TRANSPORTATION SUPPORT SERVICES							
General Funds.....	\$ 1,437	\$ 1,472	\$ 1,725	\$ 1,777	\$ 1,831	\$ 1,886	\$ 1,942
Special Funds.....	24,662	25,575	25,946	26,670	27,416	28,184	28,976
Federal Funds.....	3,881	3,986	3,801	3,838	3,877	3,919	3,963
Other Funds.....	495	620	640	650	660	680	700
TOTAL.....	\$ 30,475	\$ 31,653	\$ 32,112	\$ 32,935	\$ 33,784	\$ 34,669	\$ 35,581
STATE HIGHWAY AND BRIDGE CONSTRUCTION/RECONSTRUCTION							
General Funds.....	\$ 10	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Special Funds.....	216,326	189,500	161,260	125,000	125,000	125,000	125,000
Federal Funds.....	593,460	577,400	525,750	525,000	526,000	526,000	526,000
Other Funds.....	121,770	146,360	83,995	46,182	45,182	46,782	48,482
TOTAL.....	\$ 931,566	\$ 913,260	\$ 771,005	\$ 696,182	\$ 696,182	\$ 697,782	\$ 699,482
STATE HIGHWAY AND BRIDGE MAINTENANCE							
General Funds.....	\$ 936	\$ 983	\$ 955	\$ 984	\$ 1,014	\$ 1,044	\$ 1,075
Special Funds.....	649,799	694,869	691,732	662,380	662,380	664,380	700,380
Federal Funds.....	116,509	176,440	176,720	176,720	176,720	176,720	176,720
Other Funds.....	29,216	33,650	34,900	36,470	37,970	39,470	40,970
TOTAL.....	\$ 796,460	\$ 905,942	\$ 904,307	\$ 876,554	\$ 878,084	\$ 881,614	\$ 919,145
LOCAL HIGHWAY AND BRIDGE ASSISTANCE							
Special Funds.....	\$ 169,967	\$ 164,157	\$ 165,714	\$ 165,651	\$ 166,806	\$ 167,774	\$ 168,722
Federal Funds.....	538	900	600	600	600	600	600
Other Funds.....	95,584	106,615	85,119	78,726	82,228	83,431	84,538
TOTAL.....	\$ 266,089	\$ 271,672	\$ 251,433	\$ 244,977	\$ 249,634	\$ 251,805	\$ 253,860
URBAN MASS TRANSPORTATION							
General Funds.....	\$ 229,366	\$ 239,687	\$ 234,893	\$ 234,893	\$ 234,893	\$ 234,893	\$ 234,893
TOTAL.....	\$ 229,366	\$ 239,687	\$ 234,893	\$ 234,893	\$ 234,893	\$ 234,893	\$ 234,893
RURAL AND INTERCITY RAIL AND BUS TRANSPORTATION							
General Funds.....	\$ 8,399	\$ 8,800	\$ 7,900	\$ 7,900	\$ 7,900	\$ 7,900	\$ 7,900
Federal Funds.....	8,206	9,200	9,000	9,000	9,000	9,000	9,000
Other Funds.....	233	5,487	1,487	1,487	1,487	1,487	1,487
TOTAL.....	\$ 16,838	\$ 23,487	\$ 18,387	\$ 18,387	\$ 18,387	\$ 18,387	\$ 18,387

TRANSPORTATION

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
AIR TRANSPORTATION							
General Funds.....	\$ 400	\$ 200	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds.....	5,997	6,974	4,543	4,770	5,009	5,259	5,521
Other Funds.....	17,218	20,345	21,861	19,601	20,266	20,964	21,695
TOTAL.....	\$ 23,615	\$ 27,519	\$ 26,404	\$ 24,371	\$ 25,275	\$ 26,223	\$ 27,216
SAFETY ADMINISTRATION AND LICENSING							
General Funds.....	\$ 1,676	\$ 1,726	\$ 1,726	\$ 1,778	\$ 1,831	\$ 1,886	\$ 1,943
Special Funds.....	52,091	62,530	63,061	59,679	60,652	61,679	63,343
Federal Funds.....	1,793	2,478	2,093	2,120	2,150	3,070	3,095
Other Funds.....	16,405	16,367	16,900	17,434	17,974	18,504	19,044
TOTAL.....	\$ 71,965	\$ 83,101	\$ 83,780	\$ 81,011	\$ 82,607	\$ 85,139	\$ 87,425
OLDER PENNSYLVANIANS TRANSIT							
Special Funds.....	\$ 74,632	\$ 83,100	\$ 63,700	\$ 63,700	\$ 63,700	\$ 63,700	\$ 63,700
TOTAL.....	\$ 74,632	\$ 83,100	\$ 63,700	\$ 63,700	\$ 63,700	\$ 63,700	\$ 63,700
ALL PROGRAMS:							
GENERAL FUND.....	\$ 242,224	\$ 252,868	\$ 247,199	\$ 247,332	\$ 247,469	\$ 247,609	\$ 247,753
SPECIAL FUNDS.....	1,187,477	1,219,731	1,171,413	1,103,080	1,105,954	1,110,717	1,150,121
FEDERAL FUNDS.....	730,384	777,378	722,507	722,048	723,356	724,568	724,899
OTHER FUNDS.....	280,921	329,444	244,902	200,550	205,767	211,318	216,916
TOTAL.....	\$ 2,441,006	\$ 2,579,421	\$ 2,386,021	\$ 2,273,010	\$ 2,282,546	\$ 2,294,212	\$ 2,339,689

TRANSPORTATION

PROGRAM OBJECTIVE: To provide an effective administrative system supporting both non-highway and highway transportation programs.

Program: Transportation Support Services

This program provides for administrative and overhead services which support the operations of programs necessary for the achievement of Commonwealth and department objectives.

The non-highway related activities provide administrative coordination, planning and support for all urban, rural and intercity mass transportation as well as rail freight transportation. Efficient and effective urban mass transportation is promoted through analysis of local transit operations and procedures, coordination and funding of urban planning and study projects, and review of local operating subsidy and capital grant projects. Activities designed to continue and improve rail and bus service between Pennsylvania's urbanized areas and bus service in rural areas include: preparing and coordinating needs studies; analyzing existing and proposed service levels; and evaluating the overall effectiveness of the program.

The highway related activities develop basic guidelines for the highway program, while directing and coordinating specific construction, maintenance and safety and licensing activities. Among the various managerial responsibilities, support is provided in legal, budgetary, accounting, personnel, procurement, information systems, and public relations matters. In addition to supervisory functions performed by department employes, the work of the Inspector General's office, the State Transportation Commission and the Advisory Committee are included within this program.

This budget proposes that the Goods Movement Operations appropriation be combined with the Mass Transportation Operations appropriation to allow for more efficient administration of these programs.

Program Recommendations:

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

General Fund:
Mass Transportation Operations
 \$ -87 —to continue current program.

Motor License Fund:
General Government Operations
 \$ 371 —to continue current program.

Refunding Collected Monies is recommended at the current year level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Mass Transportation Operations	\$ 1,437	\$ 1,472	\$ 1,385	\$ 1,427	\$ 1,470	\$ 1,514	\$ 1,559
MOTOR LICENSE FUND:							
General Government Operations	\$ 22,879	\$ 23,775	\$ 24,146	\$ 24,870	\$ 25,616	\$ 26,384	\$ 27,176
Refunding Collected Monies	1,783	1,800	1,800	1,800	1,800	1,800	1,800
TOTAL MOTOR LICENSE FUND	\$ 24,662	\$ 25,575	\$ 25,946	\$ 26,670	\$ 27,416	\$ 28,184	\$ 28,976

TRANSPORTATION

PROGRAM OBJECTIVE: To provide a highway and bridge system capable of meeting the economic and recreational needs of the Commonwealth.

Program: State Highway and Bridge Construction/Reconstruction

This program involves major construction work on the interstate highway system, on other priority State highways and on State bridges.

Activities involve the construction or reconstruction of highways and bridges that contribute to the economic growth of the Commonwealth and the mobility of the State's citizens. The scope of this program includes Federal Interstate, Primary, Secondary, Urban and Appalachia Roads as well as those State roads that are not part of the Federal aid system. Within the funding available from Federal aid, local construction contributions and current State revenues, Transportation is charged with the responsibility of developing and executing a program that will correct the most critical deficiencies on the State-administered highway system. In addition, the department has a High Accident Corridor Corrections

Program which will make relatively low cost, high benefit improvements on 55 highway corridors which have experienced above average accident rates or exhibit the potential for significant accident problems.

This program also involves improvements to those State-owned bridges enumerated in the Highway Bridge Capital Budget Act of 1982 and subsequent amendments. These improvements are funded through annual registration fees for Commonwealth-registered vehicles having a gross weight in excess of 26,000 pounds and a six cent per gallon tax on motor fuel used by motor carriers in the operation of their vehicles having a gross weight in excess of 17,000 pounds on highways within the Commonwealth.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Miles of construction on new right-of-way	58	38	27	25	20	20	20
Miles of Interstate reconstruction	115	111	51	61	80	80	80
Miles of Non-Interstate reconstruction	19	27	9	31	22	22	22
Intersections improved to increase safety and capacity	250	210	230	200	200	200	200
Bridges maintained (larger than 8 feet)	25,044	25,059	25,074	25,089	25,104	25,119	25,134
Bridges replaced/repaired	279	230	265	240	240	240	240

The intersections improved measure is higher than projected in last year's budget since projects that improve safety as well as those that increase capacity are now being included in this measure.

Program Recommendations:

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

Highway and Safety Improvement
 \$ -15,240 —to maintain the schedule of having all Interstate gaps open to traffic in 1991. This funding is in combination with Federal Reimbursement Anticipation Notes (FRANS). For 1991-92 this budget recommends FRANS proceeds in the amount of \$11,381,000. The Commonwealth's mainline interstate system will be finished with the completion of I-476 (Mid-County Expressway) in Delaware and Montgomery counties. Other key economic development projects to be initiated or continued in 1991-92 include construction of the Southern Expressway in Allegheny County, the completion of the Uniontown Bypass, widening of US Routes 11 and 15 between Sellinsgrove and McKees Half Falls, relocation of Pa Route 23 in Lancaster County, reconstruction of US Route 220 between Altoona and Tyrone, construction of a portion of the Mon/Fayette Expressway between Chadville and Fairchance, completion of the North Cross Valley Expressway near Wilkes-Barre, relocation of Pa Route 512 in Northampton County, extension of the Ohio River Boulevard in Allegheny County, construction of the Newtown Bypass in Bucks County, and the reconstruction of Routes 29/202 in Chester County. The interstate restoration projects

also funded from this appropriation include 22 miles of Interstate 80 in Centre County, 11 miles of Interstate 70 in Washington County, 9 miles of Interstate 79 in Erie County, 6 miles of Interstate 81 in Schuylkill County, and 4 miles of Interstate 80 in Monroe County.

\$ -7,500 **High Accident Corridor Corrections**
 —to complete multi-year program.

\$ -5,500 **State Highway and Bridge Authority Rentals**
 —to provide for required principal and interest payments which are less than in 1990-91.

Major Bridge projects started or underway from the Bridge Restricted Revenue Account during 1991-92 include the Smithfield Street and Port Vue/15th Street Bridges in Allegheny County, the Wilson Shute Bridge in Crawford County, the Castanea Bridge in Clinton County, the Pine Creek Bridge in Tioga County, the Falls Bridge in Wyoming County, 4 Pa Route 82 Bridges in Berks County, the Springmill Road Bridge in Delaware County, the DeKalb Street Bridge in Montgomery County, the Harrisburg Expressway Bridge in Cumberland County, the Juniata River Bridge in Huntingdon County, the Connoquenessing Creek Bridge in Butler County, the Cheat River Bridge in Fayette County, and the Cokeburg Bridge in Washington County.

TRANSPORTATION

Program State Highway and Bridge Construction/Reconstruction (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Covered Bridge Study	\$ 10	.....	.....	.....	.....	.....	.....
MOTOR LICENSE FUND:							
Highway and Safety Improvement	\$ 190,000	\$ 167,000	\$ 151,760	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000
High Accident Corridor Corrections	7,500	10,000	2,500	.....	.....	.....	.....
State Highway and Bridge Authority Rentals	18,026	12,500	7,000	.....	.....	.....	.....
Timber Bridges	500	.....	.....	.....	.....	.....	.....
Demonstration Timber Bridge Program ..	300	.....	.....	.....	.....	.....	.....
TOTAL MOTOR LICENSE FUND	<u>\$ 216,326</u>	<u>\$ 189,500</u>	<u>\$ 161,260</u>	<u>\$ 125,000</u>	<u>\$ 125,000</u>	<u>\$ 125,000</u>	<u>\$ 125,000</u>

TRANSPORTATION

PROGRAM OBJECTIVE: To provide general routine maintenance, betterments and resurfacing necessary to preserve the quality of existing State-administered roads and bridges and to provide prompt winter services to enable safe passage of vehicles.

Program: State Highway and Bridge Maintenance

Pennsylvania, with one of the largest State maintained highway systems in the nation and one which is subjected to severe winters, is faced with significant and challenging maintenance demands.

Work carried out by the department or by contract includes patching, surface treatment, resurfacing, restabilization and minor betterment projects, plus repair of bridges, tunnels and minor storm damage. The department places a heavy emphasis on durable resurfacing of high-volume primary highways. Pennsylvania has about 11,000 miles of primary highways which carry high volumes of truck traffic. The department has labelled these highways the Priority Commercial Network. Snow and ice control services are performed on all State administered highways. Safety improvements such as skid resistant pavement applications, left turn lanes, intersection sight improvements, shoulder improvements, guiderail updates and curve banking adjustments are incorporated into other routine maintenance and betterment work. Other important maintenance activities, not involved directly with the roadway surface itself, include pipe replacement, ditch

cleaning, manufacturing and repairing highway signs, repainting pavement markings, shoulder cutting/gradings and repairing or replacing such safety features as traffic signals, guiderails, median barriers and right-of-way fences.

The department issues special permits to truck operators in the cases of weight restrictions or special operating restrictions on certain highways and bridges. By issuing these permits the department is able to facilitate economic growth in the Commonwealth without adversely affecting the structural integrity of the highways and bridges or the safe and convenient passage of traffic.

The Motor Carrier Enforcement Program is credited with reducing maintenance costs for highways and bridges and increasing the public safety by minimizing the number of dangerously overloaded trucks. The department continues to provide state-of-the-art training and equipment technology to maximize enforcement efficiency. At the same time, delays to motor carriers have been minimized through the use of weigh-in-motion technology.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Miles of State maintained highways	41,091	40,966	40,770	40,629	40,494	40,368	40,249
Miles of State maintained highways improved:							
Resurfaced	323	278	250	243	230	219	226
Surface treated	6,629	6,222	5,324	5,172	4,672	4,201	4,340
Total	6,952	6,500	5,574	5,415	4,902	4,420	4,566
Truck weight and safety enforcement:							
Trucks weighed	386,567	396,000	400,000	400,000	400,000	400,000	400,000
Weight violations	5,796	5,500	5,600	5,600	5,600	5,600	5,600
Trucks inspected	14,170	14,400	15,000	15,000	15,000	15,000	15,000
Safety violations	27,217	28,000	30,000	30,000	30,000	30,000	30,000

The decline in the number of trucks inspected versus last year's budget reflects more time consuming, rigorous inspections while safety violations which are also lower than in last year's budget are based on most recent experience.

TRANSPORTATION

Program: State Highway and Bridge Maintenance (continued)

Program Recommendations:

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

<p>GENERAL FUND: Welcome Centers \$ -28 —to continue current program.</p> <p>MOTOR LICENSE FUND: Highway Maintenance \$ 235 —to continue current program.</p> <p>Secondary Roads—Maintenance and Resurfacing \$ -235 —to continue current program.</p>	<p>Highway Maintenance Supplemental \$ -122 —to continue current program.</p> <p>Salt Storage Building \$ -750 —nonrecurring; current program completed.</p> <p>Roadside Rest Areas \$ -1,000 —nonrecurring; current program completed.</p> <p>Reinvestment — Facilities \$ -1,000 —to continue current program at a reduced level.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Welcome Centers	\$ 936	\$ 983	\$ 955	\$ 984	\$ 1,014	\$ 1,044	\$ 1,075
MOTOR LICENSE FUND:							
Highway Maintenance	\$ 575,486	\$ 627,192	\$ 627,427	\$ 557,035	\$ 556,705	\$ 566,449	\$ 635,504
Secondary Roads — Maintenance and Resurfacing	55,016	55,174	54,939	55,356	55,686	56,008	56,348
Highway Maintenance Supplemental	14,879	8,108	7,986	47,609	47,609	39,543	6,148
Salt Storage Building	750	750	.....	.....	.....	.....	.....
Roadside Rest Areas	1,500	1,000	.....	.....	.....	.....	.....
Reinvestment — Facilities	1,868	2,000	1,000	2,000	2,000	2,000	2,000
TOTAL MOTOR LICENSE FUND	\$ 649,499	\$ 694,224	\$ 691,352	\$ 662,000	\$ 662,000	\$ 664,000	\$ 700,000

TRANSPORTATION

PROGRAM OBJECTIVE: To assist local governments in the maintenance and construction of their portion of the total highway and bridge system.

Program: Local Highway and Bridge Assistance

The Commonwealth provides a number of financial programs to assist municipalities in the maintenance and construction of their highway bridge systems.

Legislatively mandated programs earmark a portion of Pennsylvania's liquid fuels tax and oil franchise tax for local governments to use on their roads. The first one-half cent of the twelve cent gallonage tax is deposited directly into the Liquid Fuels Tax Fund and apportioned to the 67 counties. Of the remaining eleven and one-half cent fuels tax, twenty percent is distributed from the Motor License Fund to 2,572 municipalities. Also included in the distribution to municipalities is twenty percent of 3.5 percent of the 6 percent oil franchise tax. As part of the oil franchise tax legislation, Philadelphia receives a separate payment annually in an amount equal to two percent of the retail sales within the city less increased State allocations to Philadelphia. In addition, in 1980 the General Assembly established an annual appropriation of \$5 million to be returned to local governments for further highway improvements.

Act 32 of 1983 established a local highway turnback program by authorizing the establishment of a separate restricted revenue account within the Motor License Fund. Funding for this program currently consists of three mills of the oil franchise tax. Funds deposited into this account are used for restoration work to upgrade the road to acceptable standards and to provide an annual maintenance payment in the amount

of \$2,500 per mile. Since inception of the program in 1983 nearly 3,700 miles of functionally local roads have been returned to the Commonwealth's municipalities.

The General Assembly authorized improvements to local bridges through the Highway Bridge Capital Act of 1982 and subsequent amendments. As with the State bridges contained in these capital acts, the improvements are funded through annual registration fees for Commonwealth registered vehicles having a registered weight in excess of 26,000 pounds and a six cent per gallon tax on motor fuel used by motor carriers in the operation of their vehicles having a gross vehicle weight in excess of 17,000 pounds on highways within the Commonwealth.

In 1986 the General Assembly authorized a separate appropriation for local bridge inspection work. This program is being administered by the department and is intended to assist local governments in meeting the requirements of National Bridge Inspection Standards as mandated by Federal Law. This action will eliminate the potential loss of Federal aid for non-compliance of standards as well as minimizing future tort liability in this area. Given the benefits to be realized by local governments, the General Assembly also authorized that State funds needed to support this program be deducted from their liquid fuels tax allocations.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Miles of highway locally administered:							
Total	70,557	70,952	71,370	71,749	72,124	72,485	72,829
Percent of all highways in the Commonwealth	63.2%	63.4%	63.6%	63.8%	64.0%	64.2%	64.4%
Miles of local highways improved	1,250	1,240	1,230	1,200	1,175	1,150	1,125
Local bridges:							
Total (Greater than 20 feet)	6,331	6,334	6,337	6,340	6,343	6,346	6,349
Brought up to standard through State Bridge Program	64	68	60	40	40	40	40

TRANSPORTATION

Program: Local Highway and Bridge Assistance (continued)

Program Recommendations:

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

	Local Road Maintenance and Construction Payments	\$ -265	Local Bridge Inspection
\$ 1,558	—to continue program based on current year estimated revenue collections and prior year adjustments.		—to continue current program.
			The Supplemental Local Road Maintenance and Construction Payments Program is recommended at the current year level.
\$ -1	Philadelphia Payment — Franchise Tax		
	—to continue current program.		

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
MOTOR LICENSE FUND:							
Local Road Maintenance and Construction Payments	\$ 163,949	\$ 158,253	\$ 159,811	\$ 159,754	\$ 160,910	\$ 161,879	\$ 162,828
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	1,018	904	903	897	896	895	894
Local Bridge Inspection	300	645	380	380	380	380	380
TOTAL MOTOR LICENSE FUND	\$ 170,267	\$ 164,802	\$ 166,094	\$ 166,031	\$ 167,186	\$ 168,154	\$ 169,102

TRANSPORTATION

PROGRAM OBJECTIVE: To provide frequent, fast, inexpensive transit services between residential neighborhoods and employment centers at a level sufficient to alleviate prevailing pressures on urban road systems caused by congestion and lack of parking facilities.

Program: Urban Mass Transportation

Act 73 of 1987 which amended the Pennsylvania Urban Mass Transportation Law radically changed the allocation methodology from one that was based primarily on a transit system's operating deficit to a grant formula based on fixed percentages of the total amount appropriated annually by the General Assembly. These percentages take into consideration historical funding, farebox revenues and vehicle miles. Under this formula three classes of transit entities have been established based on the number of vehicles operated during peak hours. A local or private funding commitment is required in an amount not less than

one-third of the total State grant. Each system is required to adopt a specific series of service standards and performance evaluation measures. The Commonwealth, along with Federal and local governments, provides grants to the State's twenty-one urban transit systems. Generally, Pennsylvania provides 38 percent of transit system income including lottery funds, while passenger revenues, Federal and local funds provide the balance. Individuals took over 355 million trips on public transit in the State's urbanized areas last year.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Urban passengers carried by State-assisted operators (millions annually)	355.6	365.8	365.4	364.8	364.2	363.8	362.9
Passengers per vehicle hour	32.7	33.4	34.2	34.2	34.1	34.0	33.8
Percentage share of average income of urban mass transit trips:							
From passenger	44.9%	45.4%	45.4%	45.4%	45.4%	45.4%	45.4%
From Commonwealth	40.2%	39.3%	39.3%	39.3%	39.3%	39.3%	39.3%
From Federal Government	4.9%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%
From local government	10.0%	9.6%	9.6%	9.6%	9.6%	9.6%	9.6%

The Federal share of the percentage share of average income of urban mass transit trips increases in 1990-91 because more of the available Federal dollars are used for operating rather than capital expenses.

Program Recommendations:

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

<p>Rail Safety Inspection \$ 340 —PRR— Expanded Rail Safety Inspection Program. To expand the electric mass transit vehicle inspection program. See Program Revision following this program for further information.</p>	<p>Mass Transportation Assistance \$ -4,794 —to continue current program based on estimated 1990-91 expenditure levels.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Rail Safety Inspection			\$ 340	\$ 350	\$ 361	\$ 372	\$ 383
Mass Transportation Assistance	\$ 229,366	\$ 239,687	234,893	234,893	234,893	234,893	234,893
TOTAL GENERAL FUND	\$ 229,366	\$ 239,687	\$ 235,233	\$ 235,243	\$ 235,254	\$ 235,265	\$ 235,276

TRANSPORTATION

Program Revision: Expanded Rail Safety Inspection Program

Currently, the Department of Transportation and the State Police administer an inspection program for all mass transit vehicles operated by the Commonwealth's transit systems. This program requires inspections of all mass transit vehicles including subway cars, trolleys, trackless trolleys and buses. As part of these inspection responsibilities, the Department of Transportation has certified nine inspection facilities and 119 inspection mechanics or supervisors to inspect 850 electric transit vehicles. The Department of Transportation reviews and approves inspection procedures, audits 1,850 vehicle inspection records annually and visits each facility at least once each year to review personnel and procedures.

This Program Revision responds to National Transportation Safety Board recommendations that Pennsylvania further expand its mass transit safety program through the regulation and oversight of rail safety inspections. This comprehensive program would include rail safety inspections of track, power systems, signals and operator training and qualifications which are not performed under the current rail vehicle

inspection program.

With this Program Revision, the Department of Transportation's audits of rail vehicle inspections under the existing electric mass transit vehicle inspection program would be expanded to include: more extensive on-site supervision of rail vehicle inspections; supervision and audit of track and structure inspections; supervision and audit of signal and power inspections; audit of operating rules and procedures, including operator training and qualifications; review of transit agency rail safety plans; and accident investigations.

This Program Revision will permit evaluations of about 10 percent of all vehicle and facility inspections performed during the year and review of about 10 percent of all accident investigations conducted. The expanded program will focus on the only two Pennsylvania transit operators that provide subway and trolley service — SEPTA and PAT. About 780 SEPTA vehicles and 240 miles of SEPTA track, and about 70 PAT vehicles and 30 miles of PAT track would be subject to inspection under this Program Revision.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Oversight vehicle inspections performed							
Current
Program Revision	180	180	180	180	180
Miles of track receiving oversight inspections							
Current
Program Revision	1,440	1,440	1,440	1,440	1,440
Miles of signalization track receiving oversight inspections							
Current
Program Revision	720	720	720	720	720
Accident investigation reviews performed							
Current
Program Revision	90	90	90	90	90
Operator inspections performed							
Current
Program Revision	360	360	360	360	360

Program Revision Recommendations:

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

Transportation
Rail Safety Inspection
 \$ 340 —to provide for an expanded mass transit rail safety inspection program.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Rail Safety Inspection	<u>\$ 340</u>	<u>\$ 340</u>	<u>\$ 340</u>	<u>\$ 340</u>	<u>\$ 340</u>

TRANSPORTATION

PROGRAM OBJECTIVE: To facilitate the development of improved rail passenger and cargo service between major urban areas of the Commonwealth, thereby providing relief for over utilized intercity highway and air systems, and to provide bus service that will increase the mobility of those rural Pennsylvanians who lack access to an automobile.

Program: Rural and Intercity Rail and Bus Transportation

Commonwealth activities involve four separate intercity and/or rural transportation programs: rural and small urban area public transit similar in nature, if not in scope, to SEPTA in Philadelphia and PAT in Pittsburgh; intercity bus service of the nature operated by Greyhound and Trailways; intercity rail passenger service operated by Amtrak; and rail freight service of importance to local shippers on the State's Rail Branchline System.

Act 10 of 1976 provided Transportation with the legislative authorization to provide financial assistance to the Commonwealth's small urban and rural public transportation systems. In 1978 the Federal Government passed similar legislation which made Federal funding available for rural and small urban transit systems. These Federal funds are apportioned to each state based on rural population distribution as determined by the U.S. Census Bureau. The Department of Transportation administers Federal funding apportioned to Pennsylvania. In many areas, small urban and rural transportation systems funded through the State appropriation provide the only alternative to private automobile transport.

The Commonwealth's intercity bus program supports systems where without operating assistance essential service would be terminated. It is estimated that 310,000 passengers will utilize Commonwealth subsidized intercity bus services in 1991-92. As private operators propose termination of such services, the Department of Transportation will continue to evaluate the economic and social impacts of service termination and the merits of public subsidy.

Intercity rail passenger service in Pennsylvania, as distinguished from local or regional commuter service, is presently provided by the National Railroad Passenger Corporation (Amtrak). The majority of the service is operated as part of Amtrak's National System without financial assistance from the Commonwealth. However, when service frequency or scheduling on some Amtrak routes has been found to be insufficient to meet Pennsylvania's needs, the department takes advantage of Federal law which directs the corporation to cooperate with a state which makes application for additional service or establishment of a new route. Funds are included in Amtrak's annual budget to finance its share of capital costs and operating deficits incurred to equip and operate such service, as long as matching State funding is available. The current funding ratio for Pennsylvania's sponsored service is 35 percent Amtrak,

65 percent State for established service and 55 percent Amtrak, 45 percent State for the first twelve months of new services.

The Commonwealth's rail freight network provides a competitive cost advantage for business and industry that depend upon cost effective transportation of bulk commodities.

In reaction to the pending abandonments of former Penn Central, Erie/Lackawanna and Lehigh Valley rail lines, Pennsylvania became actively involved in a rail freight assistance program in the late 1970's. With financial assistance from the Federal Railroad Administration, the Department of Transportation purchased 155 miles of track that was not retained in the Conrail system. Additional lines were saved from abandonment through acquisition by the private sector or local government — with financial assistance from the Federal Government. While the Federal Government initially provided operating subsidies for lines that were not included in the Conrail System the Federal operating subsidy program was terminated after 1981.

The Commonwealth continues to own 136 miles of rail line that serve 45 industries. The Commonwealth funds one-half of the operating deficit, with the non-State share usually coming from the affected shippers. Additional assistance is provided in the form of program maintenance grants for which the state provides 80 percent of the project funding.

Another component of the Commonwealth's rail freight program is assistance for accelerated maintenance and capital projects on non-state-owned lines. The Accelerated Maintenance Program was established in 1982 in response to a substantial, expedited abandonment program undertaken by Conrail in accordance with provisions of the Northeast Rail Service Act (NERSA) of 1981. NERSA allowed Conrail to rid itself of unprofitable lines in an unappealable procedure, as one of a number of ways for the Conrail system to achieve profitability. Under this Commonwealth program funding is provided for basic track rehabilitation and other infrastructure improvements.

The State share for the larger capital projects comes from bond funds, and generally represents 50 percent of the total project cost. Accelerated maintenance projects are funded from current revenues through the Rail Freight Assistance Appropriation. Transportation generally provides 80 percent of the funding for accelerated maintenance projects.

TRANSPORTATION

Program: Rural and Intercity Rail and Bus Transportation (continued)

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Total State cost per bus passenger:							
Rural and small urban	\$0.46	\$0.50	\$0.54	\$0.60	\$0.60	\$0.60	\$0.60
Intercity	\$4.44	\$4.58	\$4.95	\$4.95	\$4.95	\$4.95	\$4.95
Rail Passenger:							
Average fare	\$28.00	\$28.00	\$27.11	\$27.11	\$27.11	\$27.11	\$27.11
State cost per patron on assisted runs	\$5.25	\$3.62	\$3.22	\$3.22	\$3.22	\$3.22	\$3.22
Rail Freight:							
Miles of rail lines							
State assisted	361	336	336	336	336	336	336
State owned	136	136	136	136	136	136	136
Miles of rail lines rehabilitated:							
Federal/local assistance program	25						
Accelerated Rail Maintenance Assistance Program	190	170	170	170	170	170	170

For miles of rail lines rehabilitated, "Federal/local assistance program", no Federal funding is anticipated for 1990-91 and subsequent years.

Program Recommendations:

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

\$ -900	<p>Rail Freight Assistance —to continue operating assistance at the \$1.3 million level and the accelerated maintenance program at the \$2.3 million level.</p> <p>Rural and Intercity Rail and Bus Transportation is recommended at the current year level.</p>
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Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Rural and Intercity Rail and Bus Transportation	\$ 4,100	\$ 4,300	\$ 4,300	\$ 4,300	\$ 4,300	\$ 4,300	\$ 4,300
Rail Freight Assistance	4,299	4,500	3,600	3,600	3,600	3,600	3,600
TOTAL GENERAL FUND	\$ 8,399	\$ 8,800	\$ 7,900	\$ 7,900	\$ 7,900	\$ 7,900	\$ 7,900

TRANSPORTATION

PROGRAM OBJECTIVE: To promote the development of a system of airport facilities adequate to meet the passenger and cargo needs of the Commonwealth's citizens.

Program: Air Transportation

Aviation plays a major role in the movement of passengers and cargo throughout the Commonwealth. With nearly 800 landing areas, Pennsylvania is fourth nationally in both the number of airports and in landing facilities per square mile. All airline service airports in Pennsylvania are operated by local governments or authorities with the exception of the Harrisburg International Airport which is owned by the Commonwealth. In addition to facilitating the movement of people and goods, air transportation facilities bring substantial economic benefits to the State directly through air transportation or related jobs and indirectly through additional incentives to industry to locate and conduct business in Pennsylvania. The department provides programs to improve the safety and effectiveness of the Commonwealth's aviation network. These program activities include the highway directional sign program; the high visibility marker program to mark power lines near runways; maintenance of 40 aviation weather information systems throughout the State; and an airport inspection and licensing program.

The department also administers grant programs which are funded

from the Aviation Restricted Revenue Account. These grant programs include:

- An airport development grant program for public use airports. The amount of the state grant is dependent on the size of the project and economic viability.
- a business airport grant program to provide project improvement funding for small privately-owned public airports.
- A runway rehabilitation program for public airports. The Commonwealth provides between 50% and 75% of total project costs.
- A real estate tax rebate program for public airports funded exclusively from the statewide aviation fuel tax.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Harrisburg International Airport (HIA):							
Passengers handled	1,220,235	1,305,000	1,385,000	1,465,000	1,545,000	1,625,000	1,706,000
Flights handled	141,829	146,500	151,500	156,000	160,500	165,000	169,500
Tons of cargo handled	37,042	40,746	43,900	46,800	49,140	51,600	54,180
Airports receiving State grants:							
Runway rehabilitation grants	19	14	15	15	15	15	15
Airport development grants	32	27	25	24	23	23	22
Business airport grants	26	23	23	22	22	21	20

The flights handled at HIA are lower than anticipated versus data shown in last year's budget due to a combination of airlines switching to larger airplanes for regional flights and a movement of corporate and private flights to another local airport.

Airport development grants program measure data is lower than last year's budget due in part to larger individual grants.

Program Recommendations:

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

GENERAL FUND:

Civil Air Patrol

\$ -200 —nonrecurring appropriation.

The Business Airport Grants are recommended at a continuing \$2 million and the Airport Development Grants at the \$4 million level. Both of these amounts are appropriated from the Aviation Restricted Revenue Account.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Civil Air Patrol	\$ 400	\$ 200	.....	.....	.....	.....	.....

TRANSPORTATION

PROGRAM OBJECTIVE: To minimize traffic accidents attributable to driver error and mechanically defective vehicles and to promote highway safety programs.

Program: Safety Administration and Licensing

A primary responsibility of the department, within the Safety Administration and Licensing Program, is to process applications and collect fees for all vehicle registrations and operator licenses. Last year, 8.9 million vehicles were registered under Pennsylvania's annual renewal cycle. This total included 193,000 heavy vehicles that were registered at greater than 17,000 pounds, and nearly 100,000 trailers registered at greater than 10,000 pounds. In 1989-90, 7.8 million operator licenses were in effect. Actual processing of driver licenses occurs over a multi-year period under the Commonwealth's four year renewal cycle.

The testing, inspection and revocation aspects of operator and vehicular licensing activities within this program provide many opportunities to enforce safety standards. Perhaps the most basic of these is the operator license. The driver testing program is designed to screen out applicants with insufficient driving knowledge or skills, as well as to identify those with mental or physical disabilities. The State Police currently perform examinations, with the Department of Transportation issuing the licenses and maintaining records. A more extensive program of commercial and bus driver testing is now being initiated in order to comply with the Federal Commercial Motor Vehicle Safety Act of 1986.

The objective of the driver point system is to discourage licensed drivers from violating traffic laws. Illegal actions by motorists, particularly drunk driving, constitute a significant percentage of the accidents in which driver error is the principal causal factor. The department is empowered to suspend or revoke the licenses of motor vehicle drivers who have reached the 11 point limit or who have committed certain severe traffic violations.

The safety inspection program for the Commonwealth's 8.9 million motor vehicles is intended to minimize traffic accidents due to mechanical failure. The department licenses inspection stations and trains and licenses vehicle inspectors while maintaining all necessary records. The State Police periodically check inspection stations and the work of mechanics to insure compliance with approved safety standards.

The Commonwealth's emission inspection program currently inspects 3.2 million vehicles annually and is intended to reduce subject vehicle carbon monoxide and hydrocarbon pollutants and improve air quality. The areas affected are the Pittsburgh and Allentown-Bethlehem-Easton metropolitan areas (specific zip codes) and the Philadelphia region consisting of five counties. The department licenses inspection stations, trains and licenses vehicle inspection mechanics and periodically checks inspection stations, records and work of mechanics to assure compliance with approved emission program requirements.

Another major activity, the accident analysis program, deals entirely with safety by assembling listings of high accident locations which are used to establish priorities for improvements funded through the Highway Safety Projects Program. Computer programs have been written to identify those highway locations which have experienced statistically more accidents than similar highways with similar traffic volumes. Another program identifies locations that have had an inordinate number of accidents in which vehicles ran off the road or hit fixed objects. This ranking of nearly 8,000 high-accident locations provides the department with a systematic means of selecting the highest priority locations for highway improvements.

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Vehicles inspected:							
Safety inspection	8,188,764	8,147,819	8,202,099	8,256,828	8,339,396	8,422,791	8,507,018
Emission inspection	3,222,398	3,206,286	3,227,526	3,249,062	3,281,552	3,314,368	3,347,512
Registrations:							
New	1,471,000	1,463,000	1,455,685	1,462,963	1,477,592	1,492,369	1,507,292
Renewed	7,410,000	7,372,980	7,439,336	7,491,411	7,566,325	7,641,988	7,718,408
Licensed Drivers:							
New	207,161	225,000	227,000	229,000	231,000	233,000	235,000
Renewed	1,888,860	1,738,861	1,805,861	2,055,861	2,105,861	1,883,861	1,661,861
Photo Identification Cards Issued (Non-Driver Photo)	38,321	39,000	40,000	40,000	42,000	42,000	42,000
Commercial Drivers to be tested		170,000	190,000	40,000	40,000	40,000	40,000

The licensed drivers renewed measure reflects a cyclic trend due to the introduction of the four year drivers license.

Commercial drivers to be tested is a new measure reflecting the Federally mandated Commercial Drivers License Program. These licenses were previously included with the licensed driver new and renewed measures. This measure peaks in 1991-92 because all existing commercial drivers must be retested by April 1992.

TRANSPORTATION

Program: Safety Administration and Licensing (continued)

Program Recommendations:

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

<p>Motor License Fund: Safety Administration and Licensing</p> <p>\$ -282 —nonrecurring project. 217 —Initiative — Enhanced Emission Inspections — to provide for modifications to the existing urban area vehicle exhaust testing program to improve its effectiveness. <u>-779</u> —to continue current program. \$ -844 <i>Appropriation Decrease</i></p>	<p>Motor Vehicle Insurance Compliance</p> <p>\$ -100 —to continue current program. <u>-495</u> —nonrecurring projects \$ -595 <i>Appropriation Decrease</i></p> <p>Commercial Drivers Licensing</p> <p>\$ 2,200 —to implement mandatory sanction provisions of the Commercial Motor Vehicle Safety Act. <u>-230</u> —to continue current program. \$ 1,970 <i>Appropriation Increase</i></p>
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Vehicle Sales Tax Collections is recommended
at the current year level.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Vehicle Sales Tax Collections	\$ 1,676	\$ 1,726	\$ 1,726	\$ 1,778	\$ 1,831	\$ 1,886	\$ 1,943
MOTOR LICENSE FUND							
Safety Administration and Licensing	\$ 49,344	\$ 51,788	\$ 50,944	\$ 51,788	\$ 52,588	\$ 53,437	\$ 54,918
Motor Vehicle Insurance Compliance	390	4,468	3,873	3,627	3,700	3,775	3,852
Commercial Drivers Licensing	2,357	6,274	8,244	4,264	4,364	4,467	4,573
TOTAL - MOTOR LICENSE FUND.....	\$ 52,091	\$ 62,530	\$ 63,061	\$ 59,679	\$ 60,652	\$ 61,679	\$ 63,343

TRANSPORTATION

PROGRAM OBJECTIVE: To provide transportation services to older Pennsylvanians thereby increasing their ability to more fully participate in community life.

Program: Older Pennsylvanians Transit

The Commonwealth's older Pennsylvanians have benefited from State Lottery proceeds since 1973 with the implementation of the Free Transit program. Under this program older Pennsylvanians are eligible for free rides on participating local fixed route operations during off-peak hours on weekdays and all day on weekends and holidays. In July 1980, the free service was extended to commuter lines.

the limited availability of private transportation for older Pennsylvanians and their heavy reliance upon public transportation facilities. They further recognize that many retired persons must live within a fixed and limited income and cannot afford to use public transit as often as needed. This program increases the mobility of the Commonwealth's citizens 65 years of age and older.

The Free Transit Program authorized by Act 101 of 1980 recognizes

Program Measures:

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Free transit trips	62,224,000	62,250,000	62,250,000	62,250,000	62,250,000	62,250,000	62,250,000
Cost to the Commonwealth per free transit trip.....	\$1.19	\$1.31	\$1.05	\$1.05	\$1.05	\$1.05	\$1.05

Program Recommendations:

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

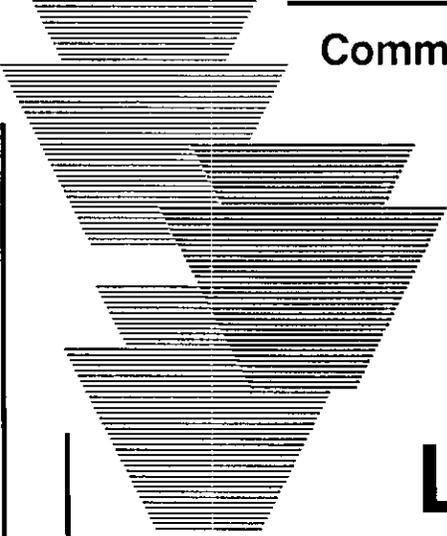
Older Pennsylvanians Free Transit
 \$ -16,400 —to continue current program. See the Lottery Restructuring Program Revision in the Department of Aging for further information.

Transfer to Motor License Fund — Vehicle Registration — Older Pennsylvanians
 \$ -3,000 —to discontinue current program. See the Lottery Restructuring Program Revision in the Department of Aging for further information.

In addition, the Older Pennsylvanians Shared Rides and Demand Response Equipment Grants appropriations have been transferred to the Department of Aging. See the Lottery Restructuring Program Revision in the Department of Aging for further information.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
LOTTERY FUND:							
Older Pennsylvanians Free Transit	\$ 71,932	\$ 80,100	\$ 63,700	\$ 63,700	\$ 63,700	\$ 63,700	\$ 63,700
Transfer to Motor License Fund — Vehicle Registration — Older Pennsylvanians	2,700	3,000	.....	.....	.....	.....	.....
TOTAL LOTTERY FUND	\$ 74,632	\$ 83,100	\$ 63,700	\$ 63,700	\$ 63,700	\$ 63,700	\$ 63,700



Commonwealth of Pennsylvania

Legislature

The General Assembly of Pennsylvania formulates and enacts the public policy of the Commonwealth. Through legislation and resolution, it defines the functions of the State Government, provides for revenue for the Commonwealth and appropriates money for the operation of State agencies and other purposes.

The General Assembly is composed of two bodies — the Senate and the House of Representatives. Its sessions begin on the first Tuesday of each year unless otherwise convened by the proclamation of the Governor.

LEGISLATURE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
GENERAL FUND	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL GOVERNMENT:			
SENATE:			
Fifty Senators	\$ 3,300	\$ 3,550	\$ 3,500
Employes of Senate President	153	159	164
Employes of Chief Clerk	3,200	3,267	3,267
Salaried Officers and Employes	4,450	4,626	4,769
Chief Clerk and Legislative Journal	1,385	1,426	1,426
Subtotal — Salaries and Postage	\$ 12,488	\$ 13,028	\$ 13,176
Contingent Expenses:			
President	\$ 5	\$ 5	\$ 5
President Pro Tempore	20	20	20
Floor Leader (D)	7	7	7
Floor Leader (R)	7	7	7
Whip (D)	6	6	6
Whip (R)	6	6	6
Chairman of the Caucus (D)	3	3	3
Chairman of the Caucus (R)	3	3	3
Secretary of the Caucus (D)	3	3	3
Secretary of the Caucus (R)	3	3	3
Chairman of the Appropriations Committee (D)	6	6	6
Chairman of the Appropriations Committee (R)	6	6	6
Chairman of the Policy Committee (D)	2	2	2
Chairman of the Policy Committee (R)	2	2	2
Caucus Administrator (D)	2	2	2
Caucus Administrator (R)	2	2	2
Subtotal — Contingent Expenses	\$ 83	\$ 83	\$ 83
Miscellaneous Expenses:			
Incidental Expense	\$ 1,300	\$ 1,485	\$ 1,485
Committee on Appropriations (D)	1,300	1,485	1,485
Committee on Appropriations (R)	1,300	1,485	1,485
Expenses — Senate	1,100	743	550
Legislative Printing and Expenses	6,875	3,764	3,877
Special Leadership Account (D)	4,990	5,188	5,344
Special Leadership Account (R)	4,990	5,188	5,344
Legislative Management Committee (D)	3,600	3,742	3,857
Legislative Management Committee (R)	3,600	3,742	3,857
Senate Computer Services .....	.....	3,364	3,465
Subtotal — Miscellaneous Expenses	\$ 29,055	\$ 30,186	\$ 30,749
TOTAL— SENATE	\$ 41,626	\$ 43,297	\$ 44,008
HOUSE OF REPRESENTATIVES:			
Members' Salaries, Speaker's Extra			
Compensation	\$ 13,168	\$ 13,627	\$ 13,627
House Employes (D)	7,822	6,485	6,679
House Employes (R)	6,122	6,485	6,679
Speakers Office	640	678	678
BI-Partisan Committee, Chief Clerk, Comptroller	507	7,593	7,750
Subtotal — Salaries	\$ 28,259	\$ 34,868	\$ 35,413
Mileage:			
Representatives, Officers and Employes	\$ 390	\$ 548	\$ 548
Subtotal — Mileage	\$ 390	\$ 548	\$ 548
Postage:			
Chief Clerk and Legislative Journal	\$ 525	\$ 594	\$ 612
Subtotal — Postage	\$ 525	\$ 594	\$ 612

LEGISLATURE

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
GENERAL FUND			
HOUSE OF REPRESENTATIVES: (continued)			
<i>Contingent Expenses:</i>			
Speaker	\$ 20	\$ 20	\$ 20
Chief Clerk	390	386	390
Floor Leader (D)	6	6	6
Floor Leader (R)	6	6	6
Whip (D)	4	4	4
Whip (R)	4	4	4
Chairman — Caucus (D)	3	3	3
Chairman — Caucus (R)	3	3	3
Secretary — Caucus (D)	3	3	3
Secretary — Caucus (R)	3	3	3
Chairman — Appropriations Committee (D)	6	6	6
Chairman — Appropriations Committee (R)	6	6	6
Chairman — Policy Committee (D)	2	2	2
Chairman — Policy Committee (R)	2	2	2
Caucus Administrator (D)	2	2	2
Caucus Administrator (R)	2	2	2
Administrator for Staff (D)	20	20	20
Administrator for Staff (R)	20	20	20
Subtotal — Contingent Expenses	<u>\$ 502</u>	<u>\$ 498</u>	<u>\$ 502</u>
<i>Miscellaneous Expenses</i>			
Legislative Office for Research Liaison	\$ 406	\$ 423	\$ 436
School for New Members .....	.....	15	.....
Incidental Expenses	3,027	6,237	6,237
Committee on Appropriations (D)	1,210	1,282	1,320
Committee on Appropriations (R)	1,210	1,282	1,320
Expenses — Representatives	1,035	2,010	2,010
Legislative Printing and Expenses	8,616	11,385	10,000
National Legislative Conference — Expenses .....	.....	297	200
Special Leadership Account (D)	3,104	4,772	4,915
Special Leadership Account (R)	4,504	4,772	4,915
Legislative Management Committee (D)	7,771	8,232	8,479
Legislative Management Committee (R)	7,771	8,232	8,479
Commonwealth Emergency Medical System	18	35	35
Member's Home Office Expenses	1,497	2,475	2,030
Subtotal — Miscellaneous Expenses	<u>\$ 40,169</u>	<u>\$ 51,449</u>	<u>\$ 50,376</u>
TOTAL — HOUSE OF REPRESENTATIVES	<u>\$ 69,846</u>	<u>\$ 87,957</u>	<u>\$ 87,451</u>
 LEGISLATIVE MISCELLANEOUS AND COMMISSIONS:			
<i>Legislative Reference Bureau:</i>			
Salaries and Expenses	\$ 3,555	\$ 3,904	\$ 4,021
Contingent Expenses	15	15	15
Printing of Pennsylvania Bulletin and Pennsylvania Code	389	450	463
Subtotal — Legislative Reference Bureau	<u>\$ 3,959</u>	<u>\$ 4,369</u>	<u>\$ 4,499</u>
<i>Legislative Budget and Finance Committee</i>	<u>\$ 1,857</u>	<u>\$ 2,059</u>	<u>\$ 2,121</u>
(A) Legislative Budget and Finance Committee	4	2	.....
Subtotal — Legislative Budget and Finance Committee	<u>\$ 1,861</u>	<u>\$ 2,061</u>	<u>\$ 2,121</u>
<i>Legislative Data Processing Center</i>	<u>3,038</u>	<u>3,107</u>	<u>3,100</u>
(A) Data Processing Services	9	.....	.....
Subtotal — Legislative Data Processing Center	<u>\$ 3,047</u>	<u>\$ 3,107</u>	<u>\$ 3,100</u>

LEGISLATURE

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Budget
GENERAL FUND			
LEGISLATIVE MISCELLANEOUS AND COMMISSIONS:			
(continued)			
Joint State Government Commission	\$ 1,372	\$ 1,634	\$ 1,683
Local Government Commission	407	519	535
Local Government Codes	48	50	51
Joint Legislative Air and Water Pollution Control Committee	227	232	239
House Flag Purchase	20	20	20
Senate Flag Purchase	20	20	20
Legislative Audit Advisory Commission	20	20	21
Ethics Commission	794	805	829
Independent Regulatory Review Commission	890	1,006	1,024
Capitol Preservation Committee	215	213	215
Capitol Restoration	100	99	100
Colonial History	80	97	97
Health Care Cost Containment Council	2,176	1,693	1,744
Commission on Sentencing	328	495	480
Center For Rural Pennsylvania	784	792	800
Subtotal — State Funds	\$ 16,335	\$ 17,230	\$ 17,578
Subtotal — Augmentations	13	2	.....
TOTAL — LEGISLATIVE MISCELLANEOUS AND COMMISSIONS	\$ 16,348	\$ 17,232	\$ 17,578
 STATE FUNDS	 \$ 127,806	 \$ 148,484	 \$ 149,037
AUGMENTATIONS	13	2	.....
GENERAL FUND TOTAL	\$ 127,819	\$ 148,486	\$ 149,037

LEGISLATURE

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
LEGISLATURE							
General Funds.....	\$ 127,806	\$ 148,484	\$ 149,037	\$ 149,037	\$ 149,037	\$ 149,037	\$ 149,037
Other Funds.....	13	2	0	0	0	0	0
TOTAL.....	\$ 127,819	\$ 148,486	\$ 149,037	\$ 149,037	\$ 149,037	\$ 149,037	\$ 149,037
ALL PROGRAMS:							
GENERAL FUND.....	\$ 127,806	\$ 148,484	\$ 149,037	\$ 149,037	\$ 149,037	\$ 149,037	\$ 149,037
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	13	2	0	0	0	0	0
TOTAL.....	\$ 127,819	\$ 148,486	\$ 149,037	\$ 149,037	\$ 149,037	\$ 149,037	\$ 149,037

LEGISLATURE

PROGRAM OBJECTIVE: To formulate and enact the public policy of the Commonwealth; to define the functions of State Government; to provide revenue for the Commonwealth; and to appropriate money for the operation of State agencies and for other purposes.

Program: Legislature

This program provides for the operation of the General Assembly, which consists of a 50 member Senate and a 203 member House of Representatives funded by numerous General Fund appropriations. These appropriations are detailed in the Summary by Fund and Appropriation portion of this presentation.

There is a continued effort on the part of the House and Senate to acquire more adequate professional staff to provide more useful analytical studies for use in debating Commonwealth issues.

Program Recommendations:

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

Legislature
\$ 553 —to continue current program.

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
TOTAL GENERAL FUND	\$ 127,806	\$ 148,484	\$ 149,037	\$ 149,037	\$ 149,037	\$ 149,037	\$ 149,037



Commonwealth of Pennsylvania

Judiciary

The objective of the judicial system of the Commonwealth is to provide citizens with prompt and equitable justice under the law.

The court system includes the Supreme Court, Superior Court, Commonwealth Court, Courts of Common Pleas and Community Courts including District Justices, Philadelphia Municipal Court and the Philadelphia Traffic Court.

JUDICIARY

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL FUND			
GENERAL GOVERNMENT:			
SUPREME COURT:			
Supreme Court	\$ 4,947	\$ 5,134	\$ 5,288
(A) Filing Fees	238	174	179
Home Office Expenses	1,415	1,420	1,463
Justice Expenses	130	129	130
Civil Procedural Rules Committee	237	235	242
Criminal Procedural Rules Committee	237	252	260
State Board of Law Examiners	78	40	41
(A) Law Student Fees	769	805	824
Judicial Inquiry and Review Board	690	676	696
Domestic Relations Committee .....	.....	193	199
Court Administrator	3,375	3,344	3,444
(F) Miscellaneous Federal .....	.....	.....	300
(A) Miscellaneous Services	2	.....	.....
(R) Judicial Computer System	4,700	5,400	9,500
Total — Supreme Court	<u>\$ 16,818</u>	<u>\$ 17,802</u>	<u>\$ 22,566</u>
SUPERIOR COURT:			
Superior Court	\$ 10,256	\$ 10,250	\$ 10,558
(A) Filing Fees	228	200	206
Home Office Expenses	3,128	3,065	3,157
Justice Expenses	184	182	184
Total — Superior Court	<u>\$ 13,796</u>	<u>\$ 13,697</u>	<u>\$ 14,105</u>
COMMONWEALTH COURT:			
Commonwealth Court	\$ 5,926	\$ 6,139	\$ 6,323
(A) Filing Fees	199	150	155
Home Office Expenses	1,842	1,936	1,994
Justice Expenses	112	111	112
Total — Commonwealth Court	<u>\$ 8,079</u>	<u>\$ 8,336</u>	<u>\$ 8,584</u>
COURTS OF COMMON PLEAS:			
Courts of Common Pleas	\$ 34,267	\$ 35,117	\$ 37,458
Senior Judges	2,431	2,430	2,503
Judicial Education	389	389	401
Total — Courts of Common Pleas	<u>\$ 37,087</u>	<u>\$ 37,936</u>	<u>\$ 40,362</u>

JUDICIARY

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Budget
GENERAL GOVERNMENT: (continued)			
COMMUNITY COURTS:			
District Justices	\$ 27,612	\$ 28,734	\$ 29,596
District Justice Education	393	406	418
(A) Registration Fees	37	13	14
Total — Community Court	<u>\$ 28,042</u>	<u>\$ 29,153</u>	<u>\$ 30,028</u>
PHILADELPHIA COURTS:			
Traffic Court	\$ 383	\$ 381	\$ 392
Municipal Court	2,790	2,754	2,837
Law Clerks	40	40	40
Domestic Violence .....	.....	70	.....
Total — Philadelphia Courts	<u>\$ 3,213</u>	<u>\$ 3,245</u>	<u>\$ 3,269</u>
Enhanced Retirement for Judges (All Courts) .....	.....	.....	\$ 4,905
Total — General Government	<u>\$ 107,035</u>	<u>\$ 110,169</u>	<u>\$ 123,819</u>
GRANTS AND SUBSIDIES:			
Reimbursement of County Costs:			
County Courts	\$ 27,671	\$ 27,741	\$ 27,227
District Justices	18,711	17,130	.....
Jurors	1,469	1,469	1,469
Total — Grants and Subsidies	<u>\$ 47,851</u>	<u>\$ 46,340</u>	<u>\$ 28,696</u>
STATE FUNDS	\$ 148,713	\$ 149,767	\$ 141,337
FEDERAL FUNDS .....	.....	.....	300
AUGMENTATIONS	1,473	1,342	1,378
RESTRICTED REVENUES	<u>4,700</u>	<u>5,400</u>	<u>9,500</u>
GENERAL FUND TOTAL	<u>\$ 154,886</u>	<u>\$ 156,509</u>	<u>\$ 152,515</u>

JUDICIARY

Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1989-90 ACTUAL	1990-91 AVAILABLE	1991-92 BUDGET	1992-93 ESTIMATED	1993-94 ESTIMATED	1994-95 ESTIMATED	1995-96 ESTIMATED
STATE JUDICIAL SYSTEM							
General Funds.....	\$ 148,713	\$ 149,767	\$ 141,337	\$ 145,888	\$ 149,389	\$ 152,994	\$ 156,710
Federal Funds.....	0	0	300	300	300	300	300
Other Funds.....	6,173	6,742	10,878	11,204	11,540	11,886	12,242
TOTAL.....	\$ 154,886	\$ 156,509	\$ 152,515	\$ 157,392	\$ 161,229	\$ 165,180	\$ 169,252
ALL PROGRAMS:							
GENERAL FUND.....	\$ 148,713	\$ 149,767	\$ 141,337	\$ 145,888	\$ 149,389	\$ 152,994	\$ 156,710
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	300	300	300	300	300
OTHER FUNDS.....	6,173	6,742	10,878	11,204	11,540	11,886	12,242
TOTAL.....	\$ 154,886	\$ 156,509	\$ 152,515	\$ 157,392	\$ 161,229	\$ 165,180	\$ 169,252

PROGRAM OBJECTIVE: To provide the citizens of the Commonwealth with prompt and equitable justice.

Program: State Judicial System

The judicial power of the Commonwealth is vested in a Unified Judicial System consisting of the Supreme, Superior, and Commonwealth Courts, Courts of Common Pleas, Philadelphia Municipal Court, Pittsburgh Magistrates Court, Traffic Court of Philadelphia and the District Justices.

At the first level in the court system are the special courts. In counties other than Philadelphia, these courts are presided over by district justices who have jurisdiction over summary criminal cases, landlord-tenant matters and other civil actions where the amount claimed does not exceed \$4,000. They also have jurisdiction to issue warrants, hold arraignments and preliminary hearings in all criminal cases, and to accept guilty pleas under certain circumstances.

Although district justices need not be lawyers, they must complete an educational course and pass a qualifying examination administered by the Minor Judiciary Education Board in order to be certified. They must also participate in one week of continuing education each year.

In Philadelphia, the special courts are the Municipal Court and the Traffic Court. Municipal Court is a court of record whose 22 judges must be lawyers. Its limited jurisdiction is analogous to that of the district justices.

The Philadelphia Traffic Court, composed of six judges, has jurisdiction over all summary offenses under the Motor Vehicle Code and related city ordinances.

The City of Pittsburgh has six police magistrates in addition to the county district justices who may issue arrest warrants and preside at arraignments and preliminary hearings for all criminal offenses occurring within the city.

The Courts of Common Pleas are the courts of general trial jurisdiction. They have original jurisdiction over all cases which are not exclusively assigned to another court. Appellate jurisdiction extends to appeals from final orders of the lower courts and appeals from certain

State and most local government agencies.

There are two levels of appellate courts in Pennsylvania. The first consists of the intermediate appellate courts: the Superior Court with 15 judges and the Commonwealth Court with nine judges. Above these is the Supreme Court which has seven judges and is the Commonwealth's court of last resort.

In general, appeals from the Courts of Common Pleas are taken to one of the two intermediate appellate courts. Commonwealth Court basically has jurisdiction over appeals involving government agencies and officials, as well as many matters involving not-for-profit corporations. It also has original jurisdiction of Election Code matters and cases involving State officials. Superior Court has jurisdiction over all direct appeals which are not within the specific statutory jurisdiction of another appellate court.

As defined by Constitution, statute and court rule, the Administrative Office of Pennsylvania Courts (AOPC) is vested with the responsibility for administering the Commonwealth's Unified Judicial System.

Currently, the AOPC's staff provides services for approximately 1600 members of the Judiciary and staff, including budgeting, accounting, benefits and retirement counseling, legal representation, policy guidance, technical advice, education, research, legislative affairs, communications and data processing.

The Supreme Court's Statewide Steering Committee on Court Automation has begun implementation of a plan to computerize the record-keeping systems of Pennsylvania's courts. Staff support to the Steering Committee and project management is provided by the AOPC.

The recently created Domestic Relations Committee is an advisory body to the Supreme Court on family law matters. The Committee proposes new and amended rules of civil procedure governing the family law actions of protection from abuse, support, custody and visitation, divorce and annulment of marriage.

Program Recommendations:

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

<p>Courts of Common Pleas</p> <p>\$ 1,250 —provides for 24 additional common pleas judges.</p> <p>1,091 —to maintain current program.</p> <p>\$ 2,341 Appropriation Increase</p>	<p>District Justice Reimbursement</p> <p>\$ -17,130 —district justices reimbursement eliminated.</p> <p>Domestic Violence</p> <p>\$ -70 —nonrecurring item.</p> <p>Enhanced Retirement for Judges (All Courts)</p> <p>\$ 4,905 —provides enhanced retirement benefits for judges in all courts.</p>
<p>Reimbursement of County Court Costs</p> <p>\$ -514 —adjusts reimbursement from \$70,000 to \$68,000.</p>	

This budget recommends all other appropriations either at current year levels or at levels to carry current programs forward.

JUDICIARY

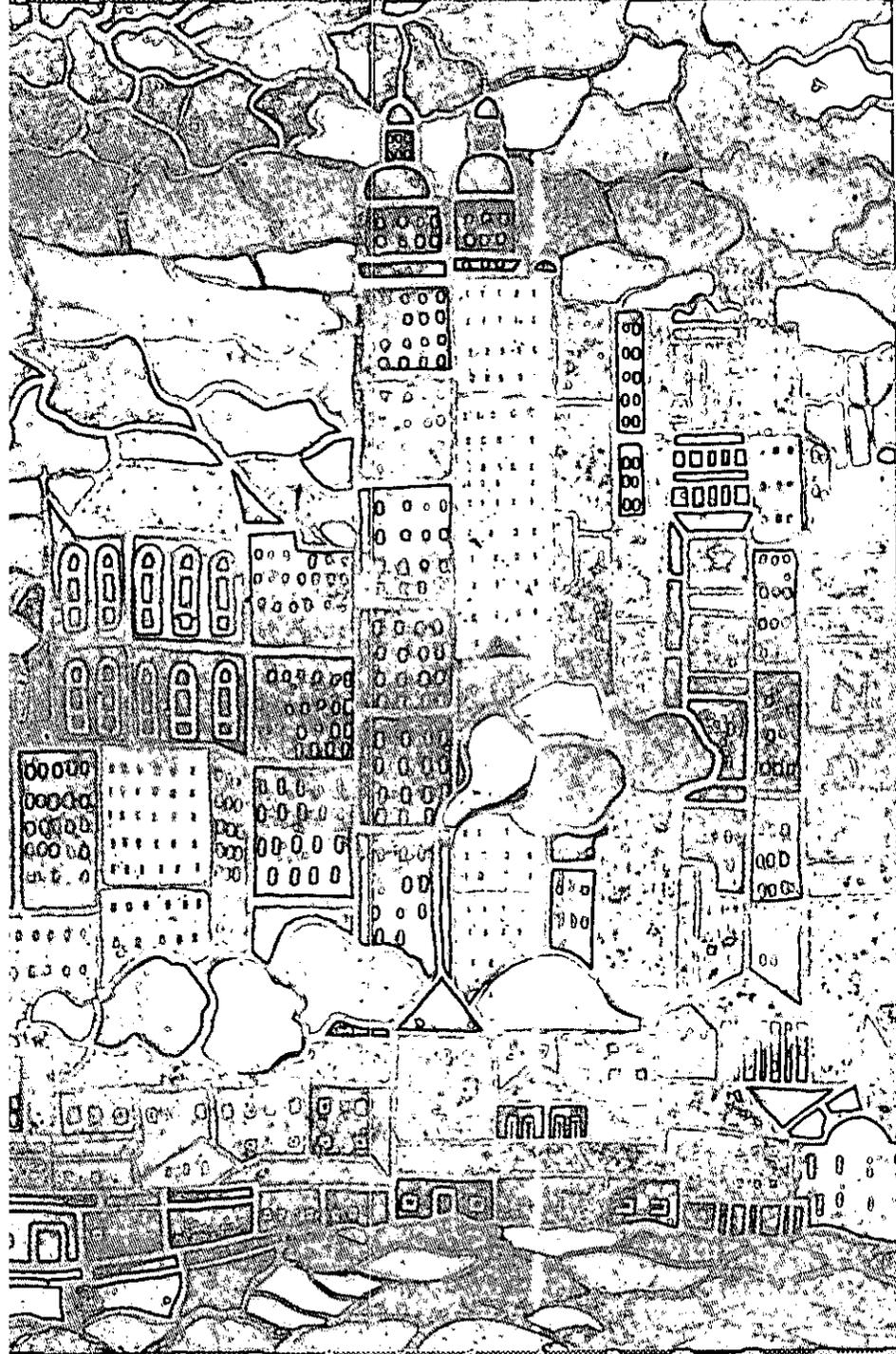
Program: State Judicial System (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1989-90 Actual	1990-91 Available	1991-92 Budget	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
GENERAL FUND:							
Supreme Court	\$ 4,947	\$ 5,134	\$ 5,288	\$ 5,447	\$ 5,610	\$ 5,778	\$ 5,951
Supreme Court — Home Office Expenses	1,415	1,420	1,463	1,507	1,552	1,599	1,647
Supreme Court Justice Expenses	130	129	130	130	130	130	130
Civil Procedural Rules Committee	237	235	242	249	256	264	272
Criminal Procedural Rules Committee	237	252	260	268	276	284	293
State Board of Law Examiners	78	40	41	42	43	44	45
Judicial Inquiry and Review Board	690	676	696	717	739	761	784
Domestic Relations Committee		193	199	205	211	217	224
Court Administrator	3,375	3,344	3,444	3,547	3,653	3,763	3,876
Superior Court	10,256	10,250	10,558	10,875	11,201	11,537	11,883
Superior Court — Home Office Expenses	3,128	3,065	3,157	3,252	3,350	3,451	3,555
Superior Court Justice Expenses	184	182	184	184	184	184	184
Commonwealth Court	5,926	6,139	6,323	6,513	6,708	6,909	7,116
Commonwealth Court — Home Office Expenses	1,842	1,936	1,994	2,054	2,116	2,179	2,244
Commonwealth Court Justice Expenses	112	111	112	112	112	112	112
Courts of Common Pleas	34,267	35,117	37,458	39,766	40,959	42,187	43,453
Common Pleas — Senior Judges	2,431	2,430	2,503	2,578	2,655	2,735	2,817
Common Pleas — Judicial Education	389	389	401	413	425	438	451
Community Courts — District Justices	27,612	28,734	29,596	30,484	31,399	32,341	33,311
District Justice Education	393	406	418	431	444	457	471
Philadelphia Traffic Court	383	381	392	404	416	428	441
Philadelphia Municipal Court	2,790	2,754	2,837	2,922	3,010	3,100	3,193
Law Clerks	40	40	40	40	40	40	40
Domestic Violence		70					
Enhanced Retirement for Judges (All Courts)			4,905	5,052	5,204	5,360	5,521
Reimbursement of County Court Costs	27,671	27,741	27,227	27,227	27,227	27,227	27,227
District Justice Reimbursement	18,711	17,130					
Juror Cost Reimbursement	1,469	1,469	1,469	1,469	1,469	1,469	1,469
TOTAL GENERAL FUND	\$ 148,713	\$ 149,767	\$ 141,337	\$ 145,888	\$ 149,389	\$ 152,994	\$ 156,710

1991-92

Capital Budget



CAPITAL BUDGET

This section contains the 1991-92 Capital Budget and Five Year Capital Program. The bonded indebtedness required to support the capital programs is projected and, along with currently outstanding debt, is compared to the Constitutional debt limit.

The Public Improvement, Original Furniture and Equipment, Redevelopment Assistance, Flood Control, Site Development and Transportation Assistance projects shown will be financed by general obligation bonds, 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—Original Furniture and Equipment — This category provides for the equipping of newly completed public improvement projects by purchasing original movable furniture and equipment through the Department of General Services.

Transportation Assistance Projects — These projects include: (a) the purchase of rolling stock and construction or improvement of facilities operated by mass transportation agencies throughout the Commonwealth, and (b) the acquisition, construction and equipping of rural and intercity common carrier surface transportation systems or any components thereof. These projects are administered through the Department of Transportation.

Redevelopment Assistance Projects — This category provides grants for the acquisition of land and its clearance, and the construction of buildings and other property appurtenances for municipal agencies and authorities for the prevention and elimination of blight. These projects are administered through the Department of Community Affairs.

Site Development Projects — This category provides grants for the acquisition, construction, improvement, expansion, extension, repair or rehabilitation of all or part of any facility or system, whether

publicly or privately owned, for the collection, treatment or disposal of wastewater, including industrial waste, or for the supply, treatment, storage or distribution of drinking water. These projects are administered through the Pennsylvania Infrastructure Investment Authority.

Flood Control Projects — This category provides the State's share of Federal flood control works and improvements to prevent floods and to preserve, control and regulate the flow of rivers and streams in the Commonwealth. These projects are administered through the Department of Environmental Resources.

Highway Projects — This category includes the design, purchase of rights-of-way, construction, reconstruction and other improvements to highways and bridges on the State highway system. These projects are designed and constructed through the Department of Transportation.

The Capital Budget section consists of the following subsections.

1991-92 New Project Authorizations — This section itemizes and describes the new capital projects recommended for authorization in 1991-92, and their proposed source of funding. The projects are listed by department and capital project category.

Forecast of Future Projects — This section contains a dollar forecast of new capital projects to be requested during each of the fiscal years 1992-93 through 1995-96. The projections are grouped by department and capital project category.

Estimate of Capital Expenditures — This section provides an estimate of expenditures for capital projects during each of the next five fiscal years. Since design, acquisition and construction of a project are not generally completed during the fiscal year in which the project is initiated, payment of costs incurred usually occurs over several fiscal years. The estimated expenditures determine the amount of bonds which must be issued, or current revenue appropriations required, each fiscal year. The projections are listed by capital project category and subdivided by projects currently authorized, new projects proposed for 1991-92 and future projects (1992-96).

CAPITAL BUDGET

FORECAST OF DEBT LIMIT AND OUTSTANDING DEBT 1990-91 Through 1995-96

This table includes debt subject to the constitutional debt limit, debt issued under Article 8, Section 7(a)(4) of the Pennsylvania Constitution for projects included in a capital budget, and debt issued by the State Highway and Bridge Authority. Debt issued under voter approved referendums and for disaster relief is not included.

	(Dollar Amounts in Thousands)					
	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Average Tax Revenues Previous Five Years	\$ 13,173,347	\$ 13,647,631	\$ 14,131,507	\$ 14,666,045	\$ 15,230,840	\$ 15,944,024
Debt Limit ^a	23,053,357	23,883,354	24,730,137	25,665,579	26,653,970	27,902,042
Debt Subject to Constitutional Debt Limit:						
Outstanding Debt—Beginning of Fiscal Year	3,950,019 ^b	4,111,366	4,256,816	4,189,869	4,040,082	3,884,165
Debt to be Issued	539,400 ^c	637,000	351,500	302,000	276,000	272,000
Debt to be Retired or Escrowed	-378,053	-491,550	-418,447	-451,787	-431,917	-397,429
Outstanding Debt—End of Fiscal Year	\$ 4,111,366	\$ 4,256,816	\$ 4,189,869	\$ 4,040,082	\$ 3,884,165	\$ 3,758,736
Ratio of Outstanding Debt to Debt Limit	17.8%	17.8%	16.9%	15.7%	14.6%	13.5%

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

^bExcludes sinking fund balances.

^cIncludes \$44.9 million in bonds issued to refund bonds originally issued for capital projects.

CAPITAL BUDGET

PROJECTED CAPITAL BUDGET DEBT ISSUES AND DEBT OUTSTANDING 1990-91 Through 1995-96

This table shows the projected amount of general obligation bonds and bond anticipation notes to be issued and the level of debt outstanding at the end of each fiscal year for projects included in a capital budget. Outstanding debt includes debt issued by the State Highway and Bridge Authority. A projection of all Commonwealth general obligation debt to be issued and debt outstanding is contained in the Public Debt section of this budget document.

	(Dollar Amounts in Thousands)					
	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Projected Capital Budget Debt Issues^a						
Buildings and Structures	\$ 105,000	\$ 250,000	\$ 184,000	\$ 192,000	\$ 194,000	\$ 192,000
Highways	32,500	100,000	12,500	.....	.....	.....
Transportation Assistance . . .	144,000	154,000	112,000	90,000	70,000	60,000
Furnishings and Equipment	5,000	17,000	15,000	15,000	8,000	15,000
Redevelopment Assistance . . .	50,000	50,000	22,000	.....	.....	.....
Advance Construction						
Interstate	65,000	32,000	.....	.....	.....	.....
Flood Control . . . . .	.....	7,000	6,000	5,000	4,000	5,000
Site Development	39,000	27,000	.....	.....	.....	.....
Bridges	54,000	.....	.....	.....	.....	.....
Total	\$ 494,500	\$ 637,000	\$ 351,500	\$ 302,000	\$ 276,000	\$ 272,000
Capital Budget Debt Outstanding Projections						
Buildings and Structures	\$ 1,378,645	\$ 1,515,110	\$ 1,570,280	\$ 1,620,375	\$ 1,658,765	\$ 1,691,390
Highways ^b	1,102,090	1,028,455	962,190	844,840	707,590	591,975
Transportation Assistance . . .	430,250	552,225	624,535	669,510	690,180	701,145
Furnishings and Equipment	23,800	36,350	45,100	52,550	53,500	60,650
Redevelopment Assistance . . .	258,610	293,040	296,720	277,300	257,880	238,460
Advance Construction						
Interstate	240,000	175,500	85,500	16,000	.....	.....
Flood Control	2,440	9,300	14,810	19,020	21,980	25,740
Site Development	115,800	136,850	129,350	121,850	114,350	106,850
Community Colleges	14,420	13,195	11,895	10,510	9,045	7,495
Refunding Bonds ^c	279,411	244,141	210,089	181,977	157,975	135,381
Bridges	265,900	252,650	239,400	226,150	212,900	199,650
Total	\$ 4,111,366	\$ 4,256,816	\$ 4,189,869	\$ 4,040,082	\$ 3,884,165	\$ 3,758,736

^aIncludes \$85.0 million in bond anticipation notes issued in 1990-91 which will be retired by a like amount of bonds to be issued in 1991-92. To avoid double counting, the issuance figures for 1991-92 do not include funding bond issuance.

^bIncludes outstanding debt of the State Highway and Bridge Authority.

^cBonds issued to refund Capital Budget Bonds and to refinance the General State Authority rentals.

CAPITAL BUDGET

FORECAST OF DEBT SERVICE REQUIREMENTS 1991-92 Through 1995-96

This table includes debt service on debt issued under Article 8, Section 7(a)(4) of the Pennsylvania Constitution for projects included in a capital budget, and debt issued by the State Highway and Bridge Authority. Debt service is shown in the year of appropriation and in gross amounts not reduced by interest earnings or other credits applied to debt service payments. Debt service on anticipated issues is also included. Debt service on all general obligation bonds is shown in the Public Debt section.

	(Dollar Amounts in Thousands)				
	1991-92	1992-93	1993-94	1994-95	1995-96
GENERAL FUND					
Treasury Department					
Building and Structure Projects	\$ 197,495	\$ 222,898	\$ 240,123	\$ 258,061	\$ 265,748
Transportation Assistance Projects	63,506	79,969	89,815	96,741	97,700
Community College Projects ^a	2,027	2,028	2,034	2,029	2,025
Furnishings and Equipment Projects	6,198	8,763	10,590	10,467	11,422
Redevelopment Assistance Projects	33,245	38,288	39,364	38,078	36,774
Flood Control Projects	388	1,215	1,863	2,407	2,813
Site Development Projects	13,833	16,655	16,162	15,670	15,176
Refunding ^b	53,152	49,772	41,862	36,057	33,063
Less: Augmentations, Interest Earnings and Miscellaneous Revenues	-10,281	-10,260	-10,087	-9,966	-9,947
TOTAL—GENERAL FUND	\$ 359,563	\$ 409,328	\$ 431,726	\$ 449,544	\$ 454,774
MOTOR LICENSE FUND					
Department of Transportation					
Highway and Bridge Authority Rentals	\$ 7,183	.....	.....	.....	.....
Advance Construction Interstate—Interest Payments ^c	14,572	\$ 10,079	\$ 3,875	\$ 976	.....
Treasury Department					
Highway Projects	171,286	181,843	182,332	181,972	\$ 152,494
Building and Structure Projects ^d	1,986	1,971	2,421	2,331	2,047
Less: Miscellaneous Revenue	-619	-58	.....	.....	.....
TOTAL—MOTOR LICENSE FUND	\$ 194,408	\$ 193,835	\$ 188,628	\$ 185,279	\$ 154,541
BOATING FUND					
Treasury Department					
Building and Structure Projects ^b	\$ 2	\$ 2	\$ 1	.....	.....
TOTAL—BOATING FUND	\$ 2	\$ 2	\$ 1	.....	.....
FISH FUND					
Treasury Department					
Building and Structure Projects ^b	\$ 50	\$ 43	\$ 34	\$ 24	\$ 4
TOTAL—FISH FUND	\$ 50	\$ 43	\$ 34	\$ 24	\$ 4

Footnotes are on the following page.

CAPITAL BUDGET

FORECAST OF DEBT SERVICE REQUIREMENTS 1991-92 Through 1995-96 (continued)

	(Dollar Amounts in Thousands)				
	1991-92	1992-93	1993-94	1994-95	1995-96
OTHER FUNDS					
Motor License Fund Restricted Receipts					
Aviation—Airport Building and Structure Projects ^b	\$ 1,355	\$ 1,670	\$ 1,664	\$ 1,661	\$ 1,650
Highway Bridge Improvement Projects	29,300	28,475	27,639	26,793	25,935
TOTAL—OTHER FUNDS	<u>\$ 30,655</u>	<u>\$ 30,145</u>	<u>\$ 29,303</u>	<u>\$ 28,454</u>	<u>\$ 27,585</u>
TOTAL DEBT SERVICE—ALL FUNDS	<u>\$ 584,678</u>	<u>\$ 633,353</u>	<u>\$ 649,692</u>	<u>\$ 663,301</u>	<u>\$ 636,904</u>

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

^bIncludes debt service on bonds to refund Capital Budget Bonds and to refinance the General State Authority Rentals.

^cPrincipal payments made from Federal reimbursements.

CAPITAL BUDGET

CAPITAL FACILITIES FUND FINANCIAL STATEMENT^a

1991-92 Through 1995-96

(Dollar Amounts in Thousands)

	Building & Structure Projects	Transportation Assistance Projects	Highway Projects	Advance Construction Interstate Projects	Furnishings & Equipment Projects	Redevelopment Assistance Projects	Flood Control Projects	Site Development Projects	Total
Balance, July 1, 1991	\$ 5,723	\$ 12,296	\$ 65	\$ 599	\$ 1,288	\$ 928	\$ 314	\$ 1,904	\$ 23,117
Bond Issues	250,000	154,000	100,000	32,000	17,000	50,000	7,000	27,000	637,000
Miscellaneous Revenue	483	495	786	263	58	24	2,212	49	4,370
Estimated Expenditures	-243,331	-160,000	-70,600	-32,862 ^b	-17,388 ^c	-50,951	-7,984	-28,953	-612,069
Balance, July 1, 1992	\$ 12,875	\$ 6,791	\$ 30,251	.....	\$ 958	\$ 1	\$ -1,542	.....	\$ 52,418
Bond Issues	184,000	112,000	12,500	.....	15,000	22,000	6,000	.....	351,500
Miscellaneous Revenue	652	317	881	.....	77	.....	68	.....	1,995
Estimated Expenditures	-188,011	-115,000	-43,632	.....	-14,356	-22,001	-6,825	.....	-389,825
Balance, July 1, 1993	\$ 9,516	\$ 4,108	.....	.....	\$ 1,679	.....	\$ 785	.....	\$ 16,088
Bond Issues	192,000	90,000	.....	.....	15,000	.....	5,000	.....	302,000
Miscellaneous Revenue	511	246	.....	.....	98	.....	48	.....	903
Estimated Expenditures	-194,000	-90,000	.....	.....	-15,093	.....	-4,972	.....	-304,065
Balance, July 1, 1994	\$ 8,027	\$ 4,354	.....	.....	\$ 1,684	.....	\$ 861	.....	\$ 14,926
Bond Issues	194,000	70,000	.....	.....	8,000	.....	4,000	.....	276,000
Miscellaneous Revenue	482	261	.....	.....	98	.....	35	.....	876
Estimated Expenditures	-194,000	-70,000	.....	.....	-8,095	.....	-4,567	.....	-276,662
Balance, July 1, 1995	\$ 8,509	\$ 4,615	.....	.....	\$ 1,687	.....	\$ 329	.....	\$ 15,140
Bond Issues	192,000	60,000	.....	.....	15,000	.....	5,000	.....	272,000
Miscellaneous Revenue	451	277	.....	.....	114	.....	20	.....	862
Estimated Expenditures	-194,000	-60,000	.....	.....	-14,561	.....	-5,000	.....	-273,561
Balance, July 1, 1996	<u>\$ 6,960</u>	<u>\$ 4,892</u>	.....	.....	<u>\$ 2,240</u>	.....	<u>\$ 349</u>	.....	<u>\$ 14,441</u>

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

^bExpenditures are net of Federal reimbursements.

^cIncludes funds to repay transfer made from Flood Control Projects subaccount of \$2.109 million in 1991-92.

CAPITAL BUDGET

ESTIMATED CAPITAL PROJECT EXPENDITURES State Funds 1991-92 Through 1995-96

	(Dollar Amounts in Thousands)				
	1991-92	1992-93	1993-94	1994-95	1995-96
FROM GENERAL OBLIGATION BONDS					
Public Improvement Projects—Buildings and Structures	\$ 243,331	\$ 188,011	\$ 194,000	\$ 194,000	\$ 194,000
Public Improvement Projects—Original Furniture and Equipment	15,279	14,356	15,093	8,095	14,561
Redevelopment Assistance Projects	50,951	22,001	.....	.....	.....
Flood Control Projects	7,984	6,825	4,972	4,567	5,000
Transportation Assistance Projects	160,000	115,000	90,000	70,000	60,000
Highway Projects	70,600	43,632	.....	.....	.....
Highway Projects—Advanced Construction Interstate	32,862	.....	.....	.....	.....
Site Development Projects	28,953	.....	.....	.....	.....
Total—Bond Funds	\$ 609,960	\$ 389,825	\$ 304,065	\$ 276,662	\$ 273,561
FROM CURRENT REVENUES					
Public Improvement Projects—Game Fund ..	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Highway Projects—Motor License Fund	81,343	69,680	67,000	67,000	67,000
Highway Projects—Motor License Fund Restricted Revenue	36,180	22,673	21,065	21,547	22,110
Total—Current Revenues	\$ 120,523	\$ 95,353	\$ 91,065	\$ 91,547	\$ 92,110
TOTAL—ALL STATE FUNDS	\$ 730,483	\$ 485,178	\$ 395,130	\$ 368,209	\$ 365,671

CAPITAL BUDGET

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

	1991-92	1992-93	(Dollar Amounts in Thousands)		1995-96	Total
			1993-94	1994-95		
Department of Agriculture		\$ 3,925	\$ 4,125	\$ 4,325	\$ 4,525	\$ 16,900
Department of Corrections	\$ 15,473	25,225	26,225	27,325	28,325	122,573
Department of Education	845	61,000	74,750	78,975	82,675	298,245
Emergency Management Agency		1,150	1,200	1,275	1,325	4,950
Department of Environmental Resources	1,421	16,475	17,275	18,200	19,000	72,371
Game Commission		3,000	3,000	3,000	3,000	12,000
Department of General Services	70,725	5,725	6,000	6,300	6,600	95,350
Historical and Museum Commission		9,775	10,300	10,900	11,425	42,400
Department of Military Affairs . .	1,615	4,100	4,250	4,425	4,575	18,965
Department of Public Welfare . .	17,328	22,350	23,450	24,675	25,775	113,578
State Police	793	3,275	3,425	3,600	3,775	14,868
Department of Transportation . .	47,726	86,000	89,000	92,000	95,000	409,726
TOTAL	\$ 155,926	\$ 242,000	\$ 263,000	\$ 275,000	\$ 286,000	\$ 1,221,926

CAPITAL BUDGET

RECOMMENDED 1991-92 NEW PROJECT AUTHORIZATIONS STATE FUNDS Summary by Department

(Dollar Amounts in Thousands)

	Bond Funds			Current Revenues	
	Public Improvement Projects	Original Furniture & Equipment	Transportation Assistance Projects	Highway Projects	Total All Funds
Department of Corrections	\$ 15,473	.....	.....	.....	\$ 15,473
Department of Education	270	\$ 575	.....	.....	845
Department of Environmental Resources	1,368	53	.....	.....	1,421
Department of General Services	70,725	.....	.....	.....	70,725
Department of Military Affairs	960	655	.....	.....	1,615
Department of Public Welfare	17,053	275	.....	.....	17,328
State Police	793	.....	.....	.....	793
Department of Transportation .....	.....	.....	\$ 25,673	\$ 22,053	47,726
TOTAL	\$ 106,642	\$ 1,558	\$ 25,673	\$ 22,053	\$ 155,926

CAPITAL BUDGET

DEPARTMENT OF CORRECTIONS

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
1991-92 PUBLIC IMPROVEMENT PROJECTS				
Institutionalization of Offenders	\$ 12,894	.....	\$ 2,579	\$ 15,473
TOTAL PROJECTS	<u>\$ 12,894</u>	<u>.....</u>	<u>\$ 2,579</u>	<u>\$ 15,473</u>
 SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 12,894	.....	\$ 2,579	\$ 15,473
TOTAL	<u>\$ 12,894</u>	<u>.....</u>	<u>\$ 2,579</u>	<u>\$ 15,473</u>

CAPITAL BUDGET

Department of Corrections 1991-92 Projects

	Base Project Cost	Land Cost	(Dollar Amounts in Thousands) Design & Contingencies	Total Project Cost
FROM BOND FUNDS				
PUBLIC IMPROVEMENT PROJECTS				
Program: Institutionalization of Offenders				
State Correctional Institution—Cresson				
DINING ROOM EXPANSION: This project will expand the existing inmate dining room by 5,000 square feet to accommodate the feeding of 500 inmates at one sitting	\$ 1,815	.....	\$ 363	\$ 2,178
State Correctional Institution—Huntingdon				
COAL STORAGE SHED: The project provides for the construction of a storage shed capable of storing 600 tons of coal	165	.....	33	198
State Correctional Institution—Muncy				
WATER FILTRATION SYSTEM: This project provides for the construction of a 300,000 gallons per day water filtration system to supply drinking water to 700 inmates	2,310	.....	462	2,772
PERIMETER LIGHTING: This project provides for the construction/installation of standard fence lighting along the approximately 8,000 feet perimeter fence around the institution	275	.....	55	330
State Correctional Institution—Pittsburgh				
WATER FILTRATION SYSTEM: This project will provide for the construction of a 750,000 gallons per day water filtration system to supply potable water to approximately 2,500 inmates	450	.....	90	540
State Correctional Institution—Rockview				
COAL STORAGE SHED: This project provides for construction of a covered open front concrete facility for the storage of 2,000 tons of coal and residue ash	200	.....	40	240
WATER FILTRATION SYSTEM: This project provides for the construction of a 750,000 gallons per day water filtration system to supply potable water for approximately 2,200 inmates	2,894	.....	579	3,473
State Correctional Institution—Smithfield				
BOILER PLANT EXPANSION: This project will expand the power plant capacities by adding pumps and expanding mechanical systems to provide additional HVAC load. The project also includes the installation of an automatic ash handling system	385	.....	77	462
EXPAND KITCHEN/DINING FACILITY: This will provide for the construction of a 8,000 square foot food preparation area adjacent to the existing food service building	1,650	.....	330	1,980

CAPITAL BUDGET

Department of Corrections 1991-92 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM BOND FUNDS (continued)				
<i>PUBLIC IMPROVEMENT PROJECTS (continued)</i>				
Program: Institutionalization of Offenders (continued)				
<i>State Correctional Institution—Waymart</i>				
LIFE SAFETY CODE IMPROVEMENTS: This project provides for the installation of a class A fire alarm system with smoke detectors, associated transponders and audio visual equipment, and egress improvements in various buildings at the institution	\$ 2,750	.....	\$ 550	\$ 3,300
 PROGRAM TOTAL	<u>\$ 12,894</u>	<u>.....</u>	<u>\$ 2,579</u>	<u>\$ 15,473</u>

CAPITAL BUDGET

DEPARTMENT OF EDUCATION

		(Dollar Amounts in Thousands)		
	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
1991-92 PUBLIC IMPROVEMENT PROJECTS				
State Owned Schools	\$ 225	.....	\$ 45	\$ 270
Higher Education — State-related Universities	575	.....	.....	575
TOTAL PROJECTS	\$ 800	.....	\$ 45	\$ 845
SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 225	.....	\$ 45	\$ 270
Capital Facilities Fund — Furniture and Equipment	575	.....	.....	575
TOTAL	\$ 800	.....	\$ 45	\$ 845

CAPITAL BUDGET

Department of Education 1991-92 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
FROM BOND FUNDS				
PUBLIC IMPROVEMENT PROJECTS				
Program: State Owned Schools				
<i>Scranton State School for the Deaf</i>				
CAMPUS SAFETY IMPROVEMENTS: This project will provide for the following safety related improvements for the students; (1) campus lighting system, (2) additional on-campus parking areas, and (3) enclose Meadowbrook Creek which runs through the campus				
	\$ 225	.....	\$ 45	\$ 270
PROGRAM TOTAL	\$ 225	.....	\$ 45	\$ 270
 Program: Higher Education — State-related Universities				
<i>Pennsylvania State University</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR PROJECT NO. DGS 800-194, CONSTRUCTION—EXPANSION—RENOVATION OF AGRICULTURAL RESEARCH UNITS: This provides for the purchase of movable equipment and furniture for the new/upgraded greenhouse, poultry, dairy and swine research facilities				
	\$ 575	.....	.....	\$ 575
PROGRAM TOTAL	\$ 575	.....	.....	\$ 575

CAPITAL BUDGET

DEPARTMENT OF ENVIRONMENTAL RESOURCES

	Base Project Cost	Land Cost	(Dollar Amounts in Thousands) Design & Contingencies	Total Project Cost
1991-92 PUBLIC IMPROVEMENT PROJECTS				
Management of Recreational Areas and Facilities	\$ 53	.....	.....	\$ 53
Management of Water and Mineral Resources	1,140	.....	\$ 228	1,368
TOTAL PROJECTS	<u>\$ 1,193</u>	<u>.....</u>	<u>\$ 228</u>	<u>\$ 1,421</u>

SOURCE OF FUNDS

General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 1,140	.....	\$ 228	\$ 1,368
Capital Facilities Fund — Furniture and Equipment	53	.....	.....	53
TOTAL	<u>\$ 1,193</u>	<u>.....</u>	<u>\$ 228</u>	<u>\$ 1,421</u>

CAPITAL BUDGET

Department of Environmental Resources 1991-92 Projects

		(Dollar Amounts in Thousands)		
	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM BOND FUNDS				
<i>PUBLIC IMPROVEMENT PROJECTS</i>				
Program: Management of Recreational Areas and Facilities				
<i>Oil Creek State Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR PROJECT NO. DGS 169-1, PARK DEVELOPMENT: This provides for the purchase of movable furniture and equipment to furnish the new petroleum center activity building	\$ 3	.....	.....	\$ 3
<i>Shawnee State Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR PROJECT NO. DGS 155-5, COMFORT STATIONS: This provides for the purchase of movable furniture and equipment to furnish the new comfort stations	50	.....	.....	50
PROGRAM TOTAL	\$ 53	.....	.....	\$ 53
 Program: Management of Water and Mineral Resources				
<i>Borough of Ligonier — Westmoreland County</i>				
FLOOD PROTECTION IMPROVEMENTS: This project provides for construction of a compacted earth embankment along the south bank of Mill Creek beginning upstream of the athletic field and extending to a downstream tie adjacent to Loyalhanna Creek. Total project reach is approximately 5,000 feet	\$ 1,140	.....	\$ 228	\$ 1,368
PROGRAM TOTAL	\$ 1,140	.....	\$ 228	\$ 1,368

CAPITAL BUDGET

DEPARTMENT OF GENERAL SERVICES

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
1991-92 PUBLIC IMPROVEMENT PROJECTS				
Management and Operation of Facilities	\$ 58,938	.....	\$ 11,787	\$ 70,725
TOTAL PROJECTS	<u>\$ 58,938</u>	<u>.....</u>	<u>\$ 11,787</u>	<u>\$ 70,725</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 58,938	.....	\$ 11,787	\$ 70,725
TOTAL	<u>\$ 58,938</u>	<u>.....</u>	<u>\$ 11,787</u>	<u>\$ 70,725</u>

CAPITAL BUDGET

Department of General Services 1991-92 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
FROM BOND FUNDS				
<i>PUBLIC IMPROVEMENT PROJECTS</i>				
Program: Management and Operations of Facilities				
<i>Capitol Complex</i>				
FIRE SAFETY CODE IMPROVEMENTS: This project provides for the installation of sprinkler systems in the following State office buildings: Finance, Forum, Health and Welfare, Labor and Industry, Main Capitol, North Office, South Office and Transportation and Safety.	\$ 58,938	.....	\$ 11,787	\$ 70,725
PROGRAM TOTAL	<u>\$ 58,938</u>	<u>.....</u>	<u>\$ 11,787</u>	<u>\$ 70,725</u>

CAPITAL BUDGET

DEPARTMENT OF MILITARY AFFAIRS

	(Dollar Amounts in Thousands)			Total Project Cost
	Base Project Cost	Land Cost	Design & Contin- gencies	
1991-92 PUBLIC IMPROVEMENT PROJECTS				
Disaster Assistance	\$ 3,450	.....	\$ 438	\$ 3,888
Veterans Homes	1,870	.....	.....	1,870
TOTAL PROJECTS	\$ 5,320	.....	\$ 438	\$ 5,758
 SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 800	.....	\$ 160	\$ 960
Capital Facilities Fund — Original Furniture and Equipment	655	.....	.....	655
Subtotal General Obligation Bonds	\$ 1,455	.....	\$ 160	\$ 1,615
Federal Funds	\$ 3,865	.....	\$ 278	\$ 4,143
TOTAL	\$ 5,320	.....	\$ 438	\$ 5,758

CAPITAL BUDGET

Department of Military Affairs 1991-92 Projects

		(Dollar Amounts in Thousands)		
FROM BOND FUNDS	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
PUBLIC IMPROVEMENT PROJECTS				
Program: Disaster Assistance				
<i>Norristown National Guard Armory</i>				
NEW ARMORY: This project provides for construction of a 45,000 sq. ft. armory to replace the current armory. The new armory will include classrooms, training areas, storage areas, kitchen, etc. The project also includes vehicle parking and demolition of the present armory	State \$ 800 Fed. 2,650	. . . . . . . .	\$ 160 278	\$ 960 2,928
PROGRAM TOTAL	<u>\$ 3,450</u>	<u>. . . .</u>	<u>\$ 438</u>	<u>\$ 3,888</u>
 Program: Veterans Homes				
<i>N.E. Pennsylvania Veterans Center</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR PROJECT NO. DGS 963-50, NEW STATE VETERANS HOME: This provides for the purchase of original movable furniture and equipment for the new veterans home.	State \$ 655 Fed. 1,215	. . . . . . . .	. . . . . . . .	\$ 655 1,215
PROGRAM TOTAL	<u>\$ 1,870</u>	<u>. . . .</u>	<u>. . . .</u>	<u>\$ 1,870</u>

CAPITAL BUDGET

DEPARTMENT OF PUBLIC WELFARE

		(Dollar Amounts in Thousands)		
	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
1991-92 PUBLIC IMPROVEMENT PROJECTS				
Human Services	\$ 2,406	.....	\$ 426	\$ 2,832
Mental Health	10,310	.....	2,062	12,372
Mental Retardation	1,770	.....	354	2,124
TOTAL PROJECTS	<u>\$ 14,486</u>	<u>.....</u>	<u>\$ 2,842</u>	<u>\$ 17,328</u>
 SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund—Buildings and Structures	\$ 14,211	.....	\$ 2,842	\$ 17,053
Capital Facilities Fund—Furniture and Equipment	275	.....	.....	275
TOTAL	<u>\$ 14,486</u>	<u>.....</u>	<u>\$ 2,842</u>	<u>\$ 17,328</u>

CAPITAL BUDGET

Department of Public Welfare 1991-92 Projects

		(Dollar Amounts in Thousands)		
	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
FROM BOND FUNDS				
PUBLIC IMPROVEMENT PROJECTS				
Program: Human Services				
<i>Bensalem Youth Development Center</i>				
RENOVATE EDUCATION BUILDING NO. 2: This project provides for handicapped access improvements, including installation of an elevator, and for air conditioning of the dining area	\$ 300	.....	\$ 60	\$ 360
<i>Loysville Youth Development Center</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR PROJECT NO. DGS 588-2, PHASE V, EDUCATION BUILDING: This project provides for the purchase of movable furniture and equipment to furnish the new school building.	275	.....	.....	275
<i>Youth Forestry Camp No. 3</i>				
NEW EDUCATION BUILDING: This project provides for the construction of a new school building which will house classrooms and activity areas.	1,831	.....	366	2,197
PROGRAM TOTAL	<u>\$ 2,406</u>	<u>.....</u>	<u>\$ 426</u>	<u>\$ 2,832</u>
 Program: Mental Health				
<i>Norristown State Hospital</i>				
UPGRADE RESERVOIR: This project provides for the installation of a floating cover over the reservoir and repair of the cracks	\$ 2,000	.....	\$ 400	\$ 2,400
<i>Torrance State Hospital</i>				
RENOVATE BUILDING NO. 13: This project provides for life safety code and security improvements and miscellaneous building renovations. .	2,150	.....	430	2,580
<i>South Mountain Restoration Center</i>				
RENOVATE BUILDING NO. 2: This project provides for life safety code and security improvements and general structural and mechanical renovations	6,160	.....	1,232	7,392
PROGRAM TOTAL	<u>\$ 10,310</u>	<u>.....</u>	<u>\$ 2,062</u>	<u>\$ 12,372</u>

CAPITAL BUDGET

Department of Public Welfare 1991-92 Projects

	(Dollar Amounts in Thousands)			
FROM BOND FUNDS	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
PUBLIC IMPROVEMENT PROJECTS				
Program: Mental Retardation				
<i>Ebensburg Center</i>				
UPGRADE VILLA (UNIT I): This project will upgrade and increase the capacity of the electrical system, install central air conditioning and install energy efficient windows in the building	\$ 550	.....	\$ 110	\$ 660
UPGRADE HORIZON HOUSE (UNIT II): This project will upgrade and increase the capacity of the electrical system, install central air conditioning and install energy efficient windows in the building ...	550	.....	110	660
<i>Embreeville Center</i>				
HANDICAPPED RAMPS FOR CENTRAL BUILDING: This project will install ramps for access to the central building	100	.....	20	120
<i>White Haven Center</i>				
NEW BATHROOMS IN HEMLOCK HALL: This project will install individual bathrooms to provide privacy. The new bathrooms will be designed in a normal configuration which is in accordance with Medical Assistance and Accreditation Council for the Developmentally Disabled standards	570	.....	114	684
PROGRAM TOTAL	\$ 1,770	.....	\$ 354	\$ 2,124

CAPITAL BUDGET

STATE POLICE

	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design & Contin- gencies	Total Project Cost
1991-92 PUBLIC IMPROVEMENT PROJECTS				
Public Protection and Law Enforcement	\$ 661	.....	\$ 132	\$ 793
TOTAL PROJECTS	<u>\$ 661</u>	<u>.....</u>	<u>\$ 132</u>	<u>\$ 793</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 661	.....	\$ 132	\$ 793
TOTAL	<u>\$ 661</u>	<u>.....</u>	<u>\$ 132</u>	<u>\$ 793</u>

CAPITAL BUDGET

State Police 1991-92 Projects

	(Dollar Amounts in Thousands)			
Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost	
FROM BOND FUNDS				
<i>PUBLIC IMPROVEMENT PROJECTS</i>				
Program: Public Protection and Law Enforcement				
 <i>Embreeville Driver Examination Complex</i>				
DRIVER EXAMINATION COMPLEX: This project will provide for the construction of a new driver examination complex. The project will include construction of a 2,000 sq. ft. building which will house the waiting room, exam room, staff area, etc. The project will also include the construction of car and truck/bus exam courses.				
\$ 661	\$ 132	\$ 793	
<u>\$ 661</u>	<u>.</u>	<u>\$ 132</u>	<u>\$ 793</u>	
PROGRAM TOTAL				

CAPITAL BUDGET

DEPARTMENT OF TRANSPORTATION

	Base Project Cost	(Dollar Amounts in Thousands)		Total Project Cost
		Land Cost	Design & Contingencies	
1991-92 TRANSPORTATION ASSISTANCE PROJECTS				
Urban Mass Transportation	\$ 57,707	.....	\$ 2,334	\$ 60,041
1991-92 HIGHWAY PROJECTS				
Highway and Safety Improvement	\$ 146,260	\$ 3,350	\$ 6,165	\$ 155,775
TOTAL PROJECTS	<u>\$ 203,967</u>	<u>\$ 3,350</u>	<u>\$ 8,499</u>	<u>\$ 215,816</u>
 SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Transportation Assistance Projects	\$ 23,339	.....	\$ 2,334	\$ 25,673
Current Revenues				
Motor License Fund	\$ 20,410	\$ 588	\$ 1,055	\$ 22,053
Federal Funds	\$ 135,626	\$ 1,762	\$ 5,010	\$ 142,398
Local Funds	\$ 24,592	\$ 1,000	\$ 100	\$ 25,692
TOTAL	<u>\$ 203,967</u>	<u>\$ 3,350</u>	<u>\$ 8,499</u>	<u>\$ 215,816</u>

CAPITAL BUDGET

Department of Transportation 1991-92 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Conti- gencies	Total Project Cost
FROM BOND FUNDS:				
TRANSPORTATION ASSISTANCE PROJECTS				
Program: Urban Mass Transportation				
Area Transportation Authority of North Central Pennsylvania				
ADDITIONAL FUNDS FOR RPT-2002/012, PURCHASE OF BUSES, RELATED VEHICLE AND GARAGE EQUIPMENT, AND BUS WASHER:				
This project provides for additional funds for the purchase of 20 small transit vehicles, three 24 — 26 foot heavy duty transit vehicles, 2 wreckers, 2 bus washers, spare engines and related garage equipment				
	State	\$ 253	\$ 25	\$ 278
	Fed.	1,253	.....	1,253
	Local	139	.....	139
Berks Area Reading Transportation Authority				
REPLACE PARATRANSIT MINIVANS: This project provides for the purchase of eighteen replacement minivans for paratransit demand-response service. The vans purchased will all be lift-equipped with capacity varying from 12 to 16 passengers each				
	State	98	10	108
	Fed.	488	.....	488
	Local	54	.....	54
ALTERNATIVE FUEL STATION, FIRE AND SAFETY IMPROVEMENTS, AND VEHICLE REPLACEMENTS: This project provides for the design and construction of an alternative fuel station, replacement of three 1986 administrative vehicles, miscellaneous fire and safety improvements, and replacement of one 1967 service vehicle and two 1980 service vehicles				
	State	75	8	83
	Fed.	388	.....	388
	Local	29	.....	29
Carbon Transportation System				
ADDITIONAL FUNDS FOR RPT-0026/009, PURCHASE OF BUSES: This project provides additional funds for the replacement of 4 buses				
	State	25	2	27
	Fed.	121	.....	121
	Local	15	.....	15
City of Philadelphia				
ELEVATORS AT SECOND STREET STATION: This project provides for the installation of elevators at the Second Street Station of the Market-Frankford Line. Elevators will be installed at the eastbound and westbound sides of the station				
	State	290	29	319
	Fed.	1,533	.....	1,533
	Local	64	.....	64
County of Lebanon Transit Authority				
ADDITIONAL FUNDS FOR RPT-0016/008, MAINTENANCE GARAGE AND ADMINISTRATIVE OFFICES: This project provides for additional funds for the building program, miscellaneous office and shop equipment, display panels and bus stop signs				
	State	48	5	53
	Fed.	252	.....	252
	Local	10	.....	10
Mid Mon Valley Transit Authority				
BUS REPLACEMENTS AND WHEELCHAIR LIFTS: This project provides for the replacement of 5 buses and a retrofit of 5 buses with wheelchair lifts and securement systems				
	State	202	20	222
	Fed.	998	.....	998
	Local	110	.....	110

CAPITAL BUDGET

Department of Transportation 1991-92 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Conti- nencies	Total Project Cost
FROM BOND FUNDS: (continued)				
TRANSPORTATION ASSISTANCE PROJECTS (continued)				
Program: Urban Mass Transportation (continued)				
<i>New Castle Area Transportation Authority</i>				
MAINTENANCE EQUIPMENT AND HANDICAPPED ACCESSIBLE VEHICLES: This project provides for the purchase of maintenance equipment and two demand-response handicapped accessible vehicles. The maintenance equipment consists of a painting booth, an automatic bus washer, an air compressor and a vehicle exhaust extractor system				
State	\$ 30	. . . .	\$ 3	\$ 33
Fed.	148	. . . .	. . . .	148
Local	16	. . . .	. . . .	16
<i>Southeastern Pennsylvania Transportation Authority</i>				
VEHICLE OVERHAUL PROGRAM: This project provides for the programmed overhaul of SEPTA's rolling stock including advanced design buses, trackless trolleys, light rail vehicles, subway cars and regional rail cars				
State	21,364	. . . .	2,136	23,500
Fed.	. . . .	. . . .	. . . .	. . . .
Local	23,500	. . . .	. . . .	23,500
ADDITIONAL FUNDS FOR PT-285, TEMPLE UNIVERSITY STATION: This project provides additional funding for the construction of a replacement station to serve Temple University on the SEPTA Mainline of its Regional Rail Division. The additional funds will be used for site preparation, demolition of two arch bridges and construction of temporary bridge structures. New platforms as well as track and catenary will also be installed. In addition, a pedestrian underpass, a platform canopy, graphics and other passenger amenities will be provided				
State	757	. . . .	76	833
Fed.	3,750	. . . .	. . . .	3,750
Local	417	. . . .	. . . .	417
<i>Williamsport Bureau of Transportation</i>				
PURCHASE OF LIFT EQUIPPED TRANSIT BUSES AND ASSOCIATED SPARE PARTS: This project provides for the purchase of six, 35-foot, lift equipped transit buses and associated spare parts				
State	197	. . . .	20	217
Fed.	845	. . . .	. . . .	845
Local	238	. . . .	. . . .	238
Total State Funds	\$ 23,339	. . . .	\$ 2,334	\$ 25,673
Total Federal Funds	9,776	. . . .	. . . .	9,776
Total Local Funds	24,592	. . . .	. . . .	24,592
PROGRAM TOTAL	<u>\$ 57,707</u>	<u>. . . .</u>	<u>\$ 2,334</u>	<u>\$ 60,041</u>

CAPITAL BUDGET

Department of Transportation 1991-92 Projects

		(Dollar Amounts in Thousands)			
		Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM CURRENT REVENUES:					
HIGHWAY PROJECTS					
Program: Highway and Safety Improvement					
ALLEGHENY COUNTY, S.R. 0051 Saw Mill Run Road, Fort Pitt Tunnel to Warrington: Restoration and Upgrade: Length 2.7 Miles	State Fed.	\$ 125 375	. . . . . . . .	. . . . . . . .	\$ 125 375
ALLEGHENY COUNTY, S.R. 0079, I-79, Bridgeville to Kirwan Heights Restoration: Length 2.0 Miles	State Fed.	1,150 10,350	. . . . . . . .	\$ 55 495	1,205 10,845
ARMSTRONG COUNTY, S.R. 3029, 3006, 3017 Interim Access Route SR 28 to McVillie, Restoration/Reconstruction: Length 2.3 Miles	State Fed.	915 2,745	\$ 75 225	50 150	1,040 3,120
CAMBRIA COUNTY, S.R. 0056 PA 56 Haws Pike Reconstruction, Seward to Johnstown Widen to 24 Feet: Length 5.9 Miles	State Fed.	3,250 11,250	150 450	100 300	3,500 12,000
COLUMBIA COUNTY, S.R. 0080 I-80 East Bound, Susquehanna River Bridge: Restoration: Length 5.7 Miles	State Fed.	1,150 10,350	. . . . . . . .	50 450	1,200 10,800
ERIE COUNTY, S.R. 0090 I-90 MP 18-30 Exit 5 to Exit 9 Restoration: Length 12.6 Miles	State Fed.	2,600 23,400	. . . . . . . .	30 270	2,630 23,670
LUZERNE COUNTY, S.R. 0081 I-80 Concrete Rehabilitation, County Line North to I-80: Restoration: Length 7.0 Miles	State Fed.	1,900 17,100	. . . . . . . .	100 900	2,000 18,000
MERCER COUNTY, S.R. 0080 I-80 Rehabilitation MP 0.0 — MP15, Ohio Line to US 19: Restoration: Length 15.0 Miles	State Fed.	3,720 33,480	. . . . . . . .	80 720	3,800 34,200
MONTGOMERY COUNTY, S.R. 0029 PA Eastbound On-Ramp, 29/422 Interchange: Construct Ramp: Length 0.1 Miles	State Fed. Other	375 1,125 . . . .	. . . . . . . . 1,000	15 100	390 1,125 1,100
MONTGOMERY COUNTY, S.R. 3014 Bethlehem Pike, PA Avenue to Morris Road: Intersection Improvements, Relocate Lafayette Road: Length 0.2 Miles	State Fed.	412 1,238	50 150	37 113	499 1,501
SOMERSET COUNTY, S.R. 6219 Meyersdale Bypass, Shaw Mines to Pony Farm: 4 Lane Divided Relocation, Design/Contingencies: Length 3.6 miles	State Fed.	. . . . . . . .	. . . . . . . .	125 375	125 375
SOMERSET COUNTY, S.R. 0056 TR 56 Windber Bypass Windber to Scalp Level, Reconstruct to 48 Feet include Ramps: Length 5.2 miles	State Fed.	2,783 8,347	63 187	163 487	3,009 9,021
YORK COUNTY, S.R. 0030, York Bypass PA 116 to No. Hills Road: Widen to 72 Feet Improve Signalization: Length 8.4 miles	State Fed.	2,030 6,090	250 750	250 750	2,530 7,590
Total State Funds		\$ 20,410	\$ 588	\$ 1,055	\$ 22,053
Total Federal Funds		125,850	1,762	5,010	132,622
Other Funds		. . . .	1,000	100	1,100
PROGRAM TOTAL		<u>\$ 146,260</u>	<u>\$ 3,350</u>	<u>\$ 6,165</u>	<u>\$ 155,775</u>

CAPITAL BUDGET

SUMMARY OF FORECAST OF FUTURE NEW PROJECT AUTHORIZATIONS STATE FUNDS

	1992-93	(Dollar Amounts in Thousands)		1995-96
		1993-94	1994-95	
Agriculture	\$ 3,925	\$ 4,125	\$ 4,325	\$ 4,525
Department of Corrections	25,225	26,225	27,325	28,325
Department of Education	61,000	74,750	78,975	82,675
Emergency Management Agency	1,150	1,200	1,275	1,325
Department of Environmental Resources	16,475	17,275	18,200	19,000
Game Commission	3,000	3,000	3,000	3,000
Department of General Services	5,725	6,000	6,300	6,600
Historical and Museum Commission	9,775	10,300	10,900	11,425
Department of Military Affairs	4,100	4,250	4,425	4,575
Department of Public Welfare	22,350	23,450	24,675	25,775
State Police	3,275	3,425	3,600	3,775
Department of Transportation	86,000	89,000	92,000	95,000
TOTAL	<u>\$ 242,000</u>	<u>\$ 263,000</u>	<u>\$ 275,000</u>	<u>\$ 286,000</u>

CAPITAL BUDGET

Forecast of Future Projects

This section contains estimated authorizations (State funds only) for future Capital Budgets for the fiscal years 1992-93 through 1995-96. Amounts in this section have been grouped by department and are identified by capital project category.

FROM BOND FUNDS	(Dollar Amounts in Thousands)			
	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
Department of Agriculture				
PUBLIC IMPROVEMENT PROJECTS: Provides for improvements at the Farm Show Complex and the Summerdale Laboratory.	\$ 3,925	\$ 4,125	\$ 4,325	\$ 4,525
Department of Corrections				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of administrative, industrial, educational and housing facilities, and utilities at the State-owned correctional institutions. Also includes the purchase of original furniture and equipment to furnish such facilities.	25,225	26,225	27,325	28,325
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.	61,000	74,750	78,975	82,675
Emergency Management Agency				
PUBLIC IMPROVEMENT PROJECTS: Provides for improvements and renovation of facilities etc. at the State Fire Academy and the Regional Emergency Operating Centers.	1,150	1,200	1,275	1,325
Department of Environmental Resources				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of support, day use, camping facilities, and utility systems at the State parks; construction of district offices, central garages, radio communication systems, and rehabilitation of forest roads in State forest districts; and construction of flood protection projects. Also includes the purchase of original furniture and equipment to furnish such facilities.	16,475	17,275	18,200	19,000
Department of General Services				
PUBLIC IMPROVEMENT PROJECTS: Provides for renovation and improvements of State office buildings and facilities.	5,725	6,000	6,300	6,600
Historical and Museum Commission				
PUBLIC IMPROVEMENT PROJECTS: Provides for restoration and renovation of historic facilities, installation of fire and security systems, development of fixed exhibits, and miscellaneous building and utility improvements at Commonwealth owned museums and historical sites. Also includes the purchase of original furniture and equipment to furnish such facilities.	9,775	10,300	10,900	11,425

CAPITAL BUDGET

Forecast of Future Projects

FROM BOND FUNDS (continued)	1992-93 Estimated	(Dollar Amounts in Thousands)		1995-96 Estimated
	1993-94 Estimated	1994-95 Estimated		1995-96 Estimated
Department of Military Affairs				
PUBLIC IMPROVEMENT PROJECTS: Provides for land acquisition, renovations, additions and replacement facilities at the State armories and veterans' homes. Also includes the purchase of original furniture and equipment to furnish such facilities.				
	\$ 4,100	\$ 4,250	\$ 4,425	\$ 4,575
Department of Public Welfare				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of patient buildings, support facilities and utilities at the State institutions for the mentally ill and mentally retarded, restoration centers and youth development centers. Also includes the purchase of original furniture and equipment to furnish such facilities.				
	22,350	23,450	24,675	25,775
State Police				
PUBLIC IMPROVEMENT PROJECTS: Provides for renovation, expansion, and construction of troop headquarters/station facilities and driver examination facilities.				
	3,275	3,425	3,600	3,775
Department of Transportation				
TRANSPORTATION ASSISTANCE PROJECTS: Provides for the purchase/rehabilitation of rolling stock and equipment and for construction/renovation of facilities operated by local mass transportation agencies. Also includes the purchase and improvement of rail lines.				
	51,000	54,000	57,000	60,000
Total—Public Improvement Program	\$ 153,000	\$ 171,000	\$ 180,000	\$ 188,000
Total—Transportation Assistance Program	51,000	54,000	57,000	60,000
SUBTOTAL—BOND FUNDS	\$ 204,000	\$ 225,000	\$ 237,000	\$ 248,000

CAPITAL BUDGET

Forecast of Future Projects

	(Dollar Amounts in Thousands)			
	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
FROM CURRENT REVENUES				
Game Commission				
PUBLIC IMPROVEMENT PROJECTS: Provides for acquisition of additional State game lands.	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Department of Transportation				
HIGHWAY PROJECTS: Provides for the purchase of right-of-way, construction, and reconstruction of highways and bridges on the Commonwealth road system; and major Federally-designated safety projects.	35,000	35,000	35,000	35,000
Total—Public Improvement Program	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Total—Highway Program	35,000	35,000	35,000	35,000
SUBTOTAL—CURRENT REVENUES	\$ 38,000	\$ 38,000	\$ 38,000	\$ 38,000
TOTAL—ALL PROGRAMS	\$ 242,000	\$ 263,000	\$ 275,000	\$ 286,000

CAPITAL BUDGET

SUMMARY OF ESTIMATED CAPITAL PROJECT EXPENDITURES STATE FUNDS

Department	(Dollar Amounts in Thousands)				
	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
Agriculture	\$ 2,704	\$ 521	\$ 573	\$ 1,546	\$ 3,293
Community Affairs	50,951	22,001	.....	.....	.....
Corrections	68,094	52,662	40,218	42,571	39,774
Economic Development Partnership	7,943	5,671	4,437	3,734	1,526
Education	91,597	66,230	60,854	63,487	79,095
Emergency Management Agency	1,511	682	546	769	1,093
Environmental Resources	24,652	26,235	22,309	22,400	24,703
Game Commission	3,000	3,000	3,000	3,000	3,000
General Services	31,163	20,658	50,880	29,875	7,415
Health	268	520	407	342	140
Historical and Museum Commission	2,267	3,561	3,703	6,034	9,983
Infrastructure Investment Authority	28,953	.....	.....	.....	.....
Military Affairs	6,404	4,093	2,459	2,448	3,757
Public Welfare	15,665	11,457	11,441	17,793	28,353
State Police	693	1,259	1,939	1,917	2,998
Transportation	386,056	257,809	183,280	162,936	150,903
Public Improvement Administration	8,562	8,819	9,084	9,357	9,638
TOTAL	\$ 730,483	\$ 485,178	\$ 395,130	\$ 368,209	\$ 365,671

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
BOND FUNDS	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
Department of Agriculture					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 2,704	\$ 482	\$ 179	\$ 151	\$ 62
Future Projects (1992-96)					
Buildings and Structures .....	.....	39	394	1,395	3,231
TOTAL—AGRICULTURE	<u>\$ 2,704</u>	<u>\$ 521</u>	<u>\$ 573</u>	<u>\$ 1,546</u>	<u>\$ 3,293</u>
Department of Community Affairs					
Redevelopment Assistance Projects					
Projects Currently Authorized					
Acquisition and Construction	\$ 50,951	\$ 22,001	.....	.....	.....
TOTAL—COMMUNITY AFFAIRS	<u>\$ 50,951</u>	<u>\$ 22,001</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
Department of Corrections					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 66,639	\$ 51,017	\$ 35,365	\$ 29,765	\$ 12,162
Furniture and Equipment	1,300	.....	.....	.....	.....
Projects in 1991-92 Budget					
Buildings and Structures	155	1,393	2,321	3,868	6,963
Future Projects (1992-96)					
Buildings and Structures .....	.....	252	2,532	8,938	20,649
TOTAL—CORRECTIONS	<u>\$ 68,094</u>	<u>\$ 52,662</u>	<u>\$ 40,218</u>	<u>\$ 42,571</u>	<u>\$ 39,774</u>
Economic Development Partnership					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 7,943	\$ 5,671	\$ 4,437	\$ 3,734	\$ 1,526
TOTAL—ECONOMIC DEVELOPMENT PARTNERSHIP	<u>\$ 7,943</u>	<u>\$ 5,671</u>	<u>\$ 4,437</u>	<u>\$ 3,734</u>	<u>\$ 1,526</u>
Department of Education					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 86,038	\$ 56,320	\$ 40,065	\$ 33,721	\$ 13,778
Furniture and Equipment	5,413	8,613	13,130	7,120	12,323
Projects in 1991-92 Budget					
Buildings and Structures	3	24	243	.....	.....
Furniture and Equipment	143	428	.....	.....	.....
Future Projects (1992-96)					
Buildings and Structures .....	.....	353	5,715	21,971	52,994
Furniture and Equipment .....	.....	492	1,701	675	.....
TOTAL—EDUCATION	<u>\$ 91,597</u>	<u>\$ 66,230</u>	<u>\$ 60,854</u>	<u>\$ 63,487</u>	<u>\$ 79,095</u>
Emergency Management Agency					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 1,511	\$ 671	\$ 431	\$ 362	\$ 149
Future Projects (1992-96)					
Buildings and Structures .....	.....	11	115	407	944
TOTAL—EMERGENCY MANAGEMENT	<u>\$ 1,511</u>	<u>\$ 682</u>	<u>\$ 546</u>	<u>\$ 769</u>	<u>\$ 1,093</u>

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
BOND FUNDS	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
Department of Environmental Resources					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 16,562	\$ 19,010	\$ 14,232	\$ 11,979	\$ 4,894
Furniture and Equipment	79	.....	.....	.....	.....
Projects in 1991-92 Budget					
Buildings and Structures	14	123	1,231	.....	.....
Furniture and Equipment	13	40	.....	.....	.....
Future Projects (1992-96)					
Buildings and Structures .....	.....	164	1,654	5,854	13,559
Furniture and Equipment .....	.....	73	220	.....	1,250
Subtotal	<u>\$ 16,668</u>	<u>\$ 19,410</u>	<u>\$ 17,337</u>	<u>\$ 17,833</u>	<u>\$ 19,703</u>
Flood Control Projects					
Projects Currently Authorized					
Structures and Improvements	\$ 7,984	\$ 6,825	\$ 4,972	\$ 4,567	\$ 5,000
Subtotal	<u>\$ 7,984</u>	<u>\$ 6,825</u>	<u>\$ 4,972</u>	<u>\$ 4,567</u>	<u>\$ 5,000</u>
TOTAL—ENVIRONMENTAL RESOURCES	<u>\$ 24,652</u>	<u>\$ 26,235</u>	<u>\$ 22,309</u>	<u>\$ 22,400</u>	<u>\$ 24,703</u>
Department of General Services					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 24,712	\$ 10,223	\$ 7,870	\$ 6,623	\$ 2,706
Furniture and Equipment	5,744	4,013	.....	.....	.....
Projects in 1991-92 Budget					
Buildings and Structures	707	6,365	42,435	21,218	.....
Future Projects (1992-96)					
Buildings and Structures .....	.....	57	575	2,034	4,709
TOTAL—GENERAL SERVICES	<u>\$ 31,163</u>	<u>\$ 20,658</u>	<u>\$ 50,880</u>	<u>\$ 29,875</u>	<u>\$ 7,415</u>
Department of Health					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 268	\$ 520	\$ 407	\$ 342	\$ 140
TOTAL—HEALTH	<u>\$ 268</u>	<u>\$ 520</u>	<u>\$ 407</u>	<u>\$ 342</u>	<u>\$ 140</u>
Historical and Museum Commission					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 2,244	\$ 3,464	\$ 2,679	\$ 2,255	\$ 921
Furniture and Equipment	23	.....	.....	.....	.....
Future Projects (1992-96)					
Buildings and Structures .....	.....	97	982	3,479	8,074
Furniture and Equipment .....	.....	.....	42	300	988
TOTAL—HISTORICAL AND MUSEUM	<u>\$ 2,267</u>	<u>\$ 3,561</u>	<u>\$ 3,703</u>	<u>\$ 6,034</u>	<u>\$ 9,983</u>

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
BOND FUNDS	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
Infrastructure Investment Authority					
Site Development Projects					
Projects Currently Authorized					
Water and Sewer	\$ 28,953	.....	.....	.....	.....
TOTAL—INFRASTRUCTURE					
INVESTMENT AUTHORITY	<u>\$ 28,953</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
 Department of Military Affairs					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 4,541	\$ 3,475	\$ 1,184	\$ 997	\$ 407
Furniture and Equipment	1,689	.....	.....	.....	.....
Projects in 1991-92 Budget					
Buildings and Structures	10	86	864	.....	.....
Furniture and Equipment	164	491	.....	.....	.....
Future Projects (1992-96)					
Buildings and Structures .....	.....	41	411	1,451	3,350
TOTAL—MILITARY AFFAIRS	<u>\$ 6,404</u>	<u>\$ 4,093</u>	<u>\$ 2,459</u>	<u>\$ 2,448</u>	<u>\$ 3,757</u>
 Department of Public Welfare					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 14,783	\$ 9,493	\$ 6,638	\$ 5,587	\$ 2,283
Furniture and Equipment	642	.....	.....	.....	.....
Projects in 1991-92 Budget					
Buildings and Structures	171	1,535	2,558	4,263	7,674
Furniture and Equipment	69	206	.....	.....	.....
Future Projects (1992-96)					
Buildings and Structures .....	.....	223	2,245	7,943	18,396
TOTAL—PUBLIC WELFARE	<u>\$ 15,665</u>	<u>\$ 11,457</u>	<u>\$ 11,441</u>	<u>\$ 17,793</u>	<u>\$ 28,353</u>
 State Police					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 685	\$ 1,156	\$ 897	\$ 755	\$ 308
Projects in 1991-92 Budget					
Buildings and Structures	8	71	714	.....	.....
Future Projects (1992-96)					
Buildings and Structures .....	.....	32	328	1,162	2,690
TOTAL—STATE POLICE	<u>\$ 693</u>	<u>\$ 1,259</u>	<u>\$ 1,939</u>	<u>\$ 1,917</u>	<u>\$ 2,998</u>

CAPITAL BUDGET

Estimate of Capital Expenditures

BOND FUNDS	(Dollar Amounts in Thousands)				
	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
Department of Transportation					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 5,071	\$ 6,824	\$ 5,215	\$ 4,389	\$ 1,793
Subtotal	\$ 5,071	\$ 6,824	\$ 5,215	\$ 4,389	\$ 1,793
Highway Projects					
Projects Currently Authorized					
Highway Construction and Restoration ..	\$ 70,600	\$ 43,632	.....	.....	.....
Advanced Construction Interstate	32,862	.....	.....	.....	.....
Subtotal	\$ 103,462	\$ 43,632	.....	.....	.....
Transportation Assistance Projects					
Projects Currently Authorized					
Mass Transit, Rail and Air	\$ 136,500	\$ 108,000	\$ 60,000	\$ 30,000	\$ 15,000
Projects in 1991-92 Budget					
Mass Transit and Rail	23,500	2,000	.....	.....	.....
Future Projects (1992-96)					
Mass Transit and Rail .....	.....	5,000	30,000	40,000	45,000
Subtotal	\$ 160,000	\$ 115,000	\$ 90,000	\$ 70,000	\$ 60,000
TOTAL—TRANSPORTATION	\$ 268,533	\$ 165,456	\$ 95,215	\$ 74,389	\$ 61,793
Administration					
Public Improvement Program					
Department of General Services					
Buildings and Structures	\$ 8,562	\$ 8,819	\$ 9,084	\$ 9,357	\$ 9,638
TOTAL—ADMINISTRATION	\$ 8,562	\$ 8,819	\$ 9,084	\$ 9,357	\$ 9,638
TOTAL—BOND FUNDS					
Public Improvement Projects					
Buildings and Structures	\$ 243,331	\$ 188,011	\$ 194,000	\$ 194,000	\$ 194,000
Furniture and Equipment	15,279	14,356	15,093	8,095	14,561
Redevelopment Assistance Projects					
Acquisition and Construction	50,951	22,001	.....	.....	.....
Flood Control Projects					
Structures and Improvements	7,984	6,825	4,972	4,567	5,000
Highway Projects					
Advanced Construction Interstate	32,862	.....	.....	.....	.....
Highway Construction and Restoration ..	70,600	43,632	.....	.....	.....
Transportation Assistance Projects					
Mass Transit, Rail and Air	160,000	115,000	90,000	70,000	60,000
Site Development Projects					
Water and Sewer	28,953	.....	.....	.....	.....
TOTAL	\$ 609,960	\$ 389,825	\$ 304,065	\$ 276,662	\$ 273,561

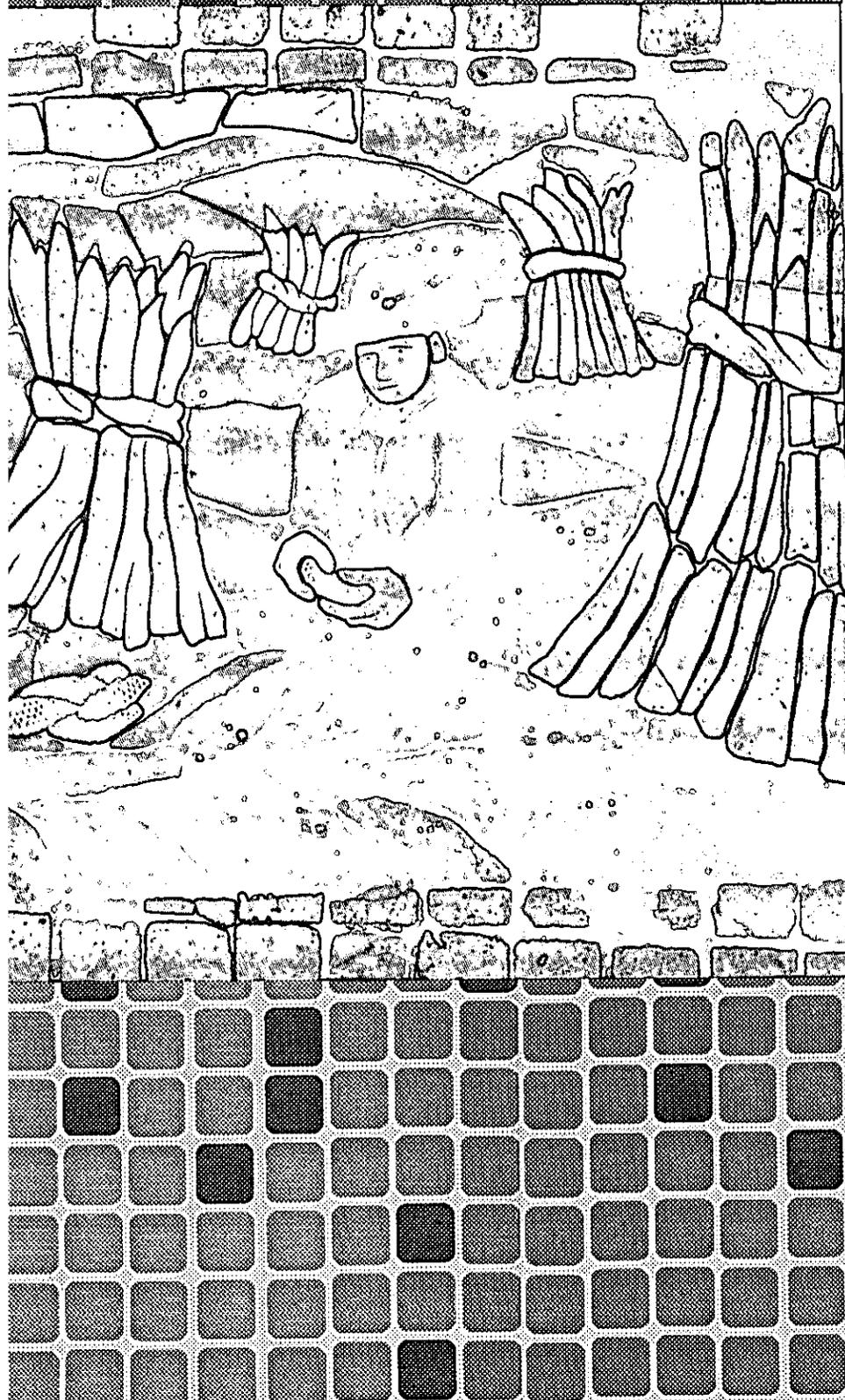
CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
CURRENT REVENUES	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated	1994-95 Estimated	1995-96 Estimated
Game Commission					
Public Improvement Projects					
Projects Currently Authorized					
Game Fund	\$ 3,000	.....	.....	.....	.....
Future Projects (1992-96)					
Game Fund .....	.....	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
TOTAL—GAME COMMISSION	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>
Department Transportation					
Highway Projects					
Projects Currently Authorized					
Motor License Fund	\$ 81,123	\$ 67,345	\$ 56,884	\$ 46,384	\$ 35,884
Motor License Fund Restricted Revenue	36,180	22,673	21,065	21,547	22,110
Projects in 1991-92 Budget					
Motor License Fund	220	1,985	6,616	6,616	6,616
Future Projects (1992-96)					
Motor License Fund .....	.....	350	3,500	14,000	24,500
TOTAL—TRANSPORTATION	<u>\$ 117,523</u>	<u>\$ 92,353</u>	<u>\$ 88,065</u>	<u>\$ 88,547</u>	<u>\$ 89,110</u>
TOTAL—CURRENT REVENUES					
Public Improvement Projects					
Game Fund	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Highway Projects					
Motor License Fund	81,343	69,680	67,000	67,000	67,000
Motor License Fund Restricted Revenue	36,180	22,673	21,065	21,547	22,110
TOTAL	<u>\$ 120,523</u>	<u>\$ 95,353</u>	<u>\$ 91,065</u>	<u>\$ 91,547</u>	<u>\$ 92,110</u>
TOTAL—ALL STATE FUNDS	<u>\$ 730,483</u>	<u>\$ 485,178</u>	<u>\$ 395,130</u>	<u>\$ 368,209</u>	<u>\$ 365,671</u>

1991-92

Sinking Funds And Public Debt



PUBLIC DEBT

DEBT AUTHORIZED, ISSUED AND OUTSTANDING

The Commonwealth issues general obligation debt for purposes which cannot be financed from current revenues. Existing programs for which debt is proposed to be incurred in 1991-92 are Land and Water Development, Volunteer Companies Loans, PENNVEST, Economic Revitalization, Agricultural Conservation Easement, Local Criminal Justice and Capital Budget projects.

The following statement reflects the debt of the Commonwealth as of December 31, 1990. Issues which have been completely redeemed are not included.

	(Dollar Amounts in Thousands)					
Debt Subject to Constitutional Limit	Total Debt Authorized	Total Debt Issued	Debt Redeemed or Escrowed	Debt Outstanding	Sinking Fund	Net Indebtedness
Capital Budget	\$ 19,655,843	\$ 6,184,830 ^a	\$ 2,602,855 ^b	\$ 3,581,975	\$ 751	\$ 3,581,224
Refunding Bonds .....	.....	307,927	71,191	236,736	.....	236,736
General State Authority	1,165,250	1,165,250	1,165,250 ^c	.....	.....	.....
State Highway and Bridge Authority	580,000	580,000	573,060	6,940	.....	6,940
Subtotal	<u>\$ 21,401,093</u>	<u>\$ 8,238,007</u>	<u>\$ 4,412,356</u>	<u>\$ 3,825,651</u>	<u>\$ 751</u>	<u>\$ 3,824,900</u>
Debt Not Subject to Constitutional Limit						
Disaster Relief	\$ 192,708	\$ 170,800	\$ 83,865	\$ 86,935	.....	\$ 86,935
Economic Revitalization	190,000	73,000	46,795	26,205	.....	26,205
Land and Water Development	500,000	482,700	228,925 ^d	253,775	\$ 6	253,769
Nursing Home Loan Agency	100,000	69,000	36,065	32,935	58	32,877
Project 70 Land Acquisition	70,000	70,000	64,215	5,785	.....	5,785
Vietnam Veterans' Compensation	65,000	62,000	29,310	32,690	1	32,689
Volunteer Companies Loan	50,000	25,000	11,120	13,880	.....	13,880
Water Facilities—1981 Referendum	300,000	138,000 ^e	40,515 ^f	97,485	37	97,448
PENNVEST—1988 Referendum	300,000	55,000 ^g	2,000	53,000	.....	53,000
Agricultural Conservation Easement	100,000	.....	.....	.....	.....	.....
Local Criminal Justice	200,000	.....	.....	.....	.....	.....
Refunding Bonds .....	.....	43,805	2,958	40,847	.....	40,847
Matured Loans Unclaimed .....	.....	.....	.....	141	145	-4
Subtotal	<u>\$ 2,067,708</u>	<u>\$ 1,189,305</u>	<u>\$ 545,768</u>	<u>\$ 643,678</u>	<u>\$ 247</u>	<u>\$ 643,431</u>
TOTAL	<u>\$ 23,468,801</u>	<u>\$ 9,427,312</u>	<u>\$ 4,958,124</u>	<u>\$ 4,469,329</u>	<u>\$ 998</u>	<u>\$ 4,468,331</u>

^aIncludes \$93,000,000 of bond anticipation notes.

^bIncludes \$108,945,000 of outstanding bonds refunded by Refunding Bonds.

^cFunds sufficient to pay, when due, the debt service on all outstanding bonds of the General State Authority have been deposited by the Commonwealth with an escrow agent for the GSA bonds. A Refunding Bond issue was the escrow funding source.

^dIncludes \$5,275,000 of outstanding bonds refunded by Refunding Bonds.

^eIncludes \$2,000,000 of bond anticipation notes.

^fIncludes \$7,100,000 of outstanding bonds refunded by Refunding Bonds.

^gIncludes \$5,000,000 of bond anticipation notes.

PUBLIC DEBT

PROJECTED DEBT ISSUES AND DEBT OUTSTANDING 1989-90 Through 1994-95

This table shows the projected amount of general obligation bonds and bond anticipation notes of the Commonwealth to be issued and the level of debt outstanding at the end of the fiscal year. Outstanding debt 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.

Projected Debt Issues ^a	(Dollar Amounts in Thousands)					
	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96
Capital Budget						
Buildings and Structures	\$ 105,000	\$ 250,000	\$ 184,000	\$ 192,000	\$ 194,000	\$ 192,000
Highways	32,500	100,000	12,500	.....	.....	.....
Transportation Assistance	144,000	154,000	112,000	90,000	70,000	60,000
Furnishings and Equipment	5,000	17,000	15,000	15,000	8,000	15,000
Redevelopment Assistance	50,000	50,000	22,000	.....	.....	.....
Advance Construction Interstate	65,000	32,000	.....	.....	.....	.....
Flood Control .....	.....	7,000	6,000	5,000	4,000	5,000
Site Development	39,000	27,000	.....	.....	.....	.....
Bridges	54,000	.....	.....	.....	.....	.....
Total	\$ 494,500	\$ 637,000	\$ 351,500	\$ 302,000	\$ 276,000	\$ 272,000
Special Purpose						
Economic Revitalization	\$ 55,000	\$ 112,000	\$ 150,000	\$ 100,000	.....	.....
Land and Water Development	2,000	2,000	2,000	2,000	\$ 2,000	\$ 2,000
Water Facilities Loan — 1981 Referendum	21,000	40,000	40,000	45,000	17,000	.....
PENNVEST — 1988 Referendum	16,000	50,000	64,000	62,000	30,000	28,000
Agricultural Conservation Easement ..	10,000	10,000	10,000	10,000	10,000	10,000
Volunteer Companies Loan .....	.....	4,000	4,000	4,000	4,000	4,000
Local Criminal Justice .....	.....	39,000	93,000	61,000	7,000	.....
Total	\$ 104,000	\$ 257,000	\$ 363,000	\$ 284,000	\$ 70,000	\$ 44,000
TOTAL	\$ 598,500	\$ 894,000	\$ 714,500	\$ 586,000	\$ 346,000	\$ 316,000
Debt Outstanding Projection						
Capital Budget	\$ 3,825,015	\$ 4,012,675	\$ 3,979,780	\$ 3,858,105	\$ 3,726,190	\$ 3,623,355
Refunding Bonds ^b	279,411	244,141	210,089	181,977	157,975	135,381
State Highway and Bridge Authority ..	6,940	.....	.....	.....	.....	.....
Special Purpose						
Disaster Relief	84,150	78,100	71,720	65,000	57,910	50,435
Economic Revitalization	79,615	181,968	315,210	390,607	359,727	331,312
Land and Water Development	242,725	222,475	201,480	179,140	155,395	130,150
Nursing Home Loan	32,775	28,460	23,920	19,145	14,120	11,160
Project 70 Land Acquisition	5,370	4,920	4,440	3,930	3,380	2,790
Vietnam Veterans' Compensation	30,275	27,465	24,485	21,320	17,955	14,375
Volunteer Companies Loan	13,510	16,090	18,430	20,530	22,385	23,995
Water Facilities Loan — 1981 Referendum	109,410	141,765	171,620	204,475	207,080	192,625
PENNVEST — 1988 Referendum	62,250	109,100	167,300	220,300	238,200	252,600
Agricultural Conservation Easement ..	10,000	19,500	28,500	37,000	45,000	52,500
Refunding Bonds ^b	45,066	41,291	36,908	32,635	28,642	24,336
Local Criminal Justice .....	.....	39,000	130,050	184,450	181,800	171,800
TOTAL	\$ 4,826,512	\$ 5,166,950	\$ 5,383,932	\$ 5,418,614	\$ 5,215,759	\$ 5,016,814

^aIncludes \$78.0 million in bond anticipation notes issued in 1990-91 which will be retired by a like amount of bonds to be issued in 1991-92. To avoid double counting, the issuance figures for 1991-92 do not include funding bond issuance.

^bRefunding Bonds used to refinance other general obligation bonds and lease rental payments to the General State Authority.

PUBLIC DEBT

FORECAST OF DEBT SERVICE ON BONDED DEBT

This table shows the amounts necessary to pay estimated debt service by the Commonwealth on currently outstanding bonded indebtedness and authority rentals and on projected bond issues. Further detail for Capital Budget bonds by category of project is contained in the Capital Budget section.

	(Dollar Amounts in Thousands)				
	1991-92	1992-93	1993-94	1994-95	1995-96
General Fund					
Capital Budget ^a	\$ 369,844	\$ 419,588	\$ 441,813	\$ 459,510	\$ 464,721
Disaster Relief	10,657	10,633	10,597	10,570	10,536
Economic Revitalization	17,383	31,841	48,020	57,686	53,134
Land and Water Development	36,392	35,888	35,967	36,043	36,154
Nursing Home Loan	6,319	6,270	6,218	6,166	3,848
Project 70 Land Acquisition	770	770	769	775	779
Vietnam Veterans' Compensation	4,561	4,559	4,562	4,567	4,575
Volunteer Companies Loan	2,506	2,913	3,301	3,678	4,035
Water Facilities Loan—1981 Referendum	16,263	21,471	25,474	29,573	29,406
PENNVEST—1988 Referendum	7,901	14,333	21,533	27,746	30,455
Refunding Bonds	6,756	7,105	6,723	6,173	6,207
Agricultural Conservation Easement	1,350	2,509	3,632	4,720	5,774
Local Criminal Justice .....	.....	6,045	17,001	22,670	22,577
Less: Augmentations, Interest and Miscellaneous Revenue	-12,743	-13,472	-12,748	-11,627	-11,487
TOTAL	\$ 467,959	\$ 550,453	\$ 612,862	\$ 658,250	\$ 660,714
Motor License Fund					
Capital Budget—Highways	\$ 171,286	\$ 181,843	\$ 182,332	\$ 181,972	\$ 152,494
Capital Budget ^a	1,986	1,971	2,421	2,331	2,047
State Highway and Bridge Authority Rentals	7,183	.....	.....	.....	.....
Advance Construction Interstate—Interest Payments ^b	14,572	10,079	3,875	976	.....
Less: Miscellaneous Revenue	-619	-58	.....	.....	.....
TOTAL	\$ 194,408	\$ 193,835	\$ 188,628	\$ 185,279	\$ 154,541
Boating Fund					
Capital Budget ^a	\$ 2	\$ 2	\$ 1	.....	.....
Fish Fund					
Capital Budget ^a	\$ 50	\$ 43	\$ 34	\$ 24	\$ 4
Motor License Fund Restricted Receipts					
Aviation—Capital Budget ^a	\$ 1,355	\$ 1,670	\$ 1,664	\$ 1,661	\$ 1,650
Highway Bridge Improvement—Capital Budget	29,300	28,475	27,639	26,793	25,935
TOTAL	\$ 30,655	\$ 30,145	\$ 29,303	\$ 28,454	\$ 27,585
TOTAL	\$ 693,074	\$ 774,478	\$ 830,828	\$ 872,007	\$ 842,844

^aIncludes bonds issued to refund Capital Budget bonds and to refinance General State Authority Rentals.

^bPrincipal payments made from Federal reimbursements.

PUBLIC DEBT

TERMS OF BONDS ISSUED

The following table reflects the terms of the Commonwealth's general obligation bonds that were issued in the calendar year ending December 31, 1990.

Purpose of Bonds	Bond Date	Average Interest Rate	First and Last Year of Maturity	Original Amount in Thousands
Capital Budget — Buildings and Structures	May 1, 1990	7.08%	1991-10	\$ 32,000
Capital Budget — Furnishings and Equipment . .	May 1, 1990	6.95%	1991-00	\$ 5,000
Capital Budget — Transportation Assistance . . .	May 1, 1990	7.07%	1991-10	\$ 35,000
Capital Budget — Bridges	May 1, 1990	7.07%	1991-10	\$ 22,000
Capital Budget — Advance Construction Interstate	May 1, 1990	7.01%	1992-93	\$ 34,000
Capital Budget — Highways	May 1, 1990	7.07%	1991-10	\$ 8,000
Capital Budget — Redevelopment Assistance . .	May 1, 1990	7.07%	1991-10	\$ 25,000
Capital Budget — Site Development (PENNVEST)	May 1, 1990	7.07%	1991-10	\$ 6,000
PENNVEST — 1988 Referendum	May 1, 1990	7.07%	1991-10	\$ 15,000
PENNVEST — 1981 Referendum	May 1, 1990	7.07%	1991-10	\$ 2,000
Land and Water Development	May 1, 1990	7.07%	1991-10	\$ 1,000
TOTAL				<u>\$ 185,000</u>

PUBLIC DEBT

ANNUAL DEBT SERVICE ON OUTSTANDING GENERAL OBLIGATION BONDS AND AUTHORITY RENTALS Bonds Issued as of December 31, 1990

(Dollar Amounts in Thousands)

Fiscal Year	State Highway and Bridge Authority Rentals	Capital Budget (Non-highway) ^a	Highways	Advance Construction Interstate	Bridges	Land and Water	Disaster Relief	Vietnam Veterans' Compensation
1990-91	\$12,823	\$346,725	\$166,043	\$ 80,638	\$23,615	\$36,361	\$10,675	\$4,559
1991-92	7,183	330,593	165,916	106,105	22,971	36,157	10,657	4,560
1992-93	316,796	165,760	69,636	22,321	35,419	10,633	4,559
1993-94	302,004	165,665	13,416	21,661	35,272	10,597	4,562
1994-95	287,573	165,807	.....	20,990	35,128	10,570	4,567
1995-96	264,648	136,831	.....	20,307	35,027	10,536	4,575
1996-97	238,591	104,783	.....	19,615	29,014	10,489	4,574
1997-98	224,034	100,704	.....	18,912	26,258	10,448	4,572
1998-99	199,053	97,919	.....	18,200	21,548	9,102	2,592
1999-00	186,109	85,316	.....	17,475	19,627	7,280	2,602
2000-01	162,071	67,244	.....	16,740	18,545	7,270	478
2001-02	139,221	47,153	.....	15,996	12,798	7,285	482
2002-03	116,272	28,399	.....	15,245	9,399	7,297	487
2003-04	97,488	18,065	.....	14,488	5,472	371	491
2004-05	75,165	568	.....	13,728	512	311	.....
2005-06	61,186	540	.....	12,961	485	177	.....
2006-07	50,527	512	.....	12,192	458	168	.....
2007-08	37,895	484	.....	9,672	431	159	.....
2008-09	24,722	456	.....	3,481	308	149	.....
2009-10	12,138	428	.....	1,177	54	.....	.....

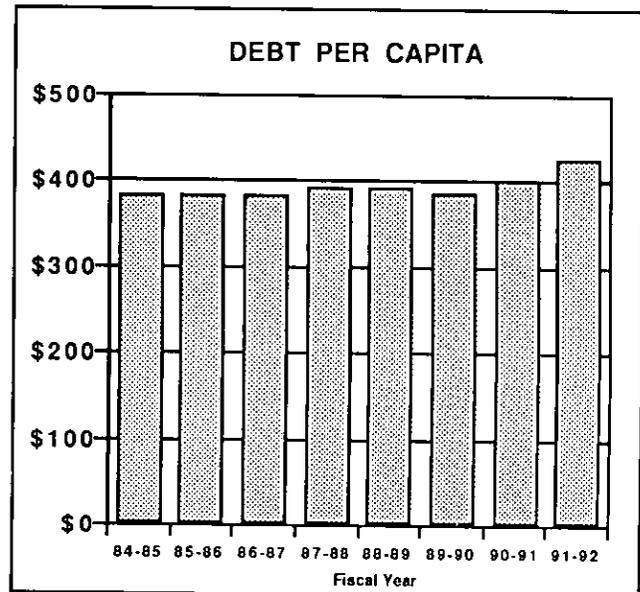
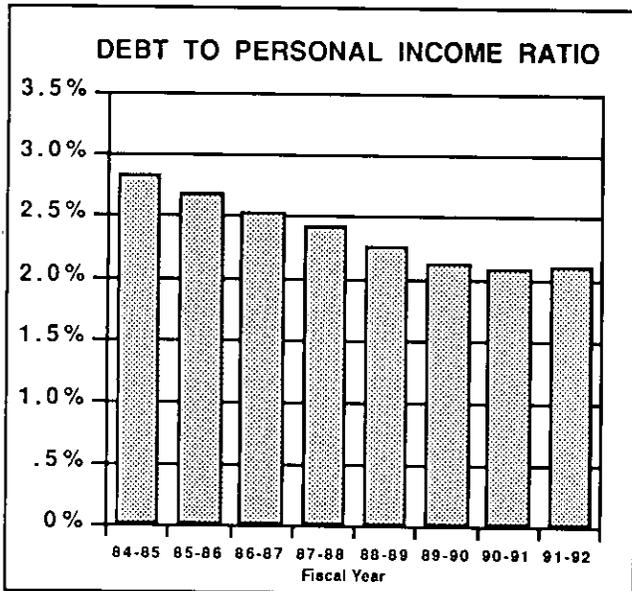
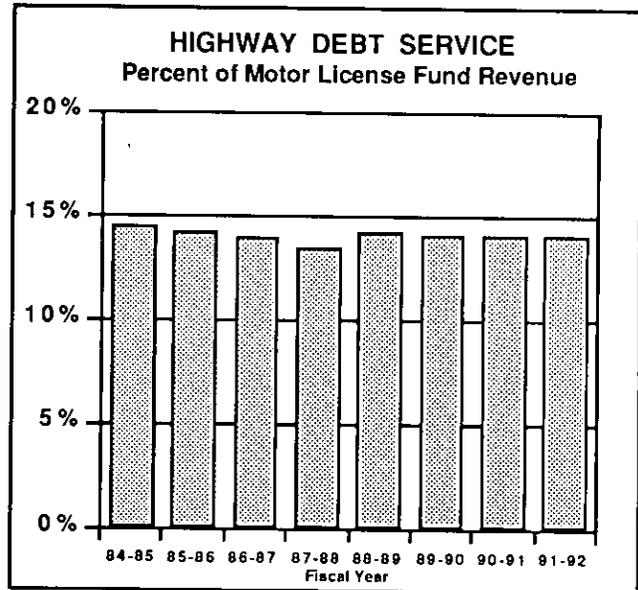
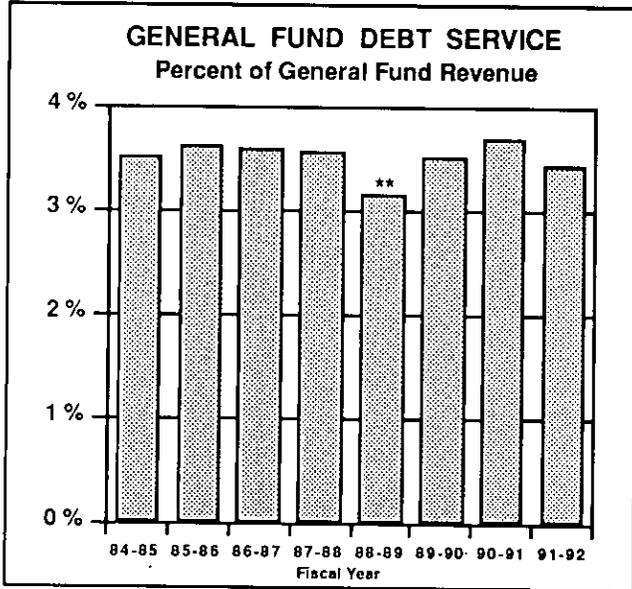
Fiscal Year	Project 70	Volunteer Companies Loan Fund	Nursing Home Loan Agency	Water Facilities Loan 1981 Referendum	PENNVEST 1988 Referendum	Economic Revitalization	Refunding Bonds (Non-capital)	Total
1990-91	\$763	\$2,509	\$6,377	\$14,930	\$5,737	\$8,430	\$6,235	\$726,420
1991-92	770	2,436	6,319	14,410	5,576	7,983	6,256	727,892
1992-93	770	2,366	6,270	13,876	5,415	7,169	6,605	667,595
1993-94	769	2,292	6,218	13,328	5,254	4,653	6,223	591,914
1994-95	775	2,220	6,166	12,766	5,092	3,974	5,673	561,301
1995-96	779	2,143	3,848	11,439	4,931	1,344	5,707	502,115
1996-97	780	2,063	3,783	10,930	4,767	1,274	5,251	435,914
1997-98	778	1,114	2,429	10,480	4,602	1,202	4,879	410,412
1998-99	783	1,032	2,355	9,948	4,436	1,131	4,524	372,623
1999-00	785	950	1,105	9,410	4,269	971	3,613	339,512
2000-01	.....	868	1,034	8,869	4,100	547	1,922	289,688
2001-02	.....	789	963	8,327	3,930	514	1,415	238,873
2002-03	.....	440	940	7,833	3,760	481	882	191,435
2003-04	.....	.....	326	6,826	3,589	453	808	148,377
2004-05	.....	.....	185	4,633	3,418	370	.....	98,890
2005-06	.....	.....	175	1,571	3,248	.....	.....	80,343
2006-07	.....	.....	165	1,475	3,077	.....	.....	68,574
2007-08	.....	.....	.....	756	2,905	.....	.....	52,302
2008-09	.....	.....	.....	114	2,733	.....	.....	31,963
2009-10	.....	.....	.....	107	1,320	.....	.....	15,224

^aDebt service on bonds issued to refund Capital Budget Bonds and refinance General State Authority rentals is included.



Trends in Debt Service and Debt Ratios

1984-85 Through 1991-92



** Temporary drop due to refinancing of General State Authority rentals.

**OUTSTANDING INDEBTEDNESS OF
PENNSYLVANIA AGENCIES AND AUTHORITIES**

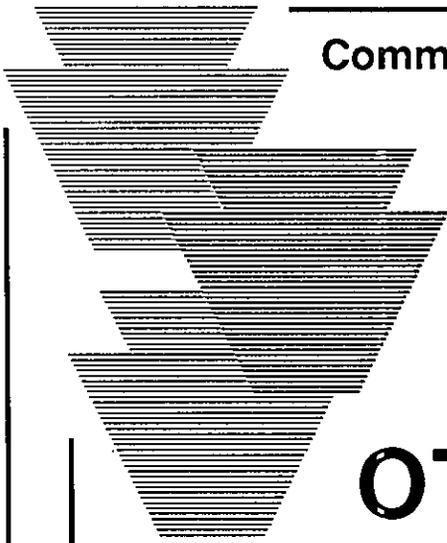
The indebtedness of the following agencies and authorities is not an obligation of the Commonwealth of Pennsylvania but represents the debt of those agencies and authorities created by the Commonwealth for a public purpose. These obligations are not considered as debt under the State Constitution because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

	As of December 31, 1990 (in thousands) Bonds and Notes
Delaware River Joint Toll Bridge Commission Created by Pennsylvania and New Jersey to construct, operate and maintain bridges crossing the upper Delaware River. Debt service on the bonds is paid from tolls and other revenues of the commission.	\$ 52,800
Delaware River Port Authority Created by Pennsylvania and New Jersey to control and operate bridges crossing the Delaware River, it may construct or acquire other bridges, tunnels and other projects for port improvement and development. The authority operates a rapid transit system, which it constructed. Debt service on the bonds is paid from tolls, fares, rents and other revenue of the authority.	253,054
Pennsylvania Economic Development Financing Authority Created to offer pooled bond issues of both taxable and tax-exempt bonds on behalf of local industrial and commercial development authorities for economic development projects. Debt service on the bonds is paid by loan interest and repayments and other authority revenues.	139,920
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.	175,150
Pennsylvania Higher Education Assistance Agency Makes or guarantees student loans for graduate or undergraduate programs to students or parents, lending institutions or postsecondary institutions. Debt service on the bonds is paid by loan interest and repayments and by other agency revenues.	1,158,074
Pennsylvania Higher Educational Facilities Authority Acquires, constructs, improves and leases (as lessor) college facilities and makes loans to colleges and universities within the Commonwealth. Debt service on the bonds is paid from rentals and from loan repayments collected for the use of the facilities.	1,377,021
Pennsylvania Housing Finance Agency Makes construction and permanent mortgage loans to qualified borrowers for the purchase and construction of multi and single family housing for low and moderate income persons or families. Debt service on the bonds is paid from mortgage loan interest and repayments and further secured by a "moral obligation" of the Commonwealth.	2,107,862
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.	90,055
Pennsylvania Turnpike Commission Constructs, maintains and operates the Pennsylvania Turnpike. Debt service on the bonds is paid from tolls and other revenue sources of the commission.	1,033,702
State Public School Building Authority Constructs, improves, equips and makes loans to local school districts for school facilities. Debt service on the bonds is paid from rentals collected for the use of the facilities and from loan repayments.	246,076
TOTAL	<u>\$6,633,714</u>

1991-92

Other
Special Funds





Commonwealth of Pennsylvania

OTHER SPECIAL FUNDS APPENDIX

This section provides brief descriptive and financial data for Commonwealth funds not given an expanded treatment in other sections of the Governor's Budget. This information is presented to demonstrate the magnitude and complexity of the Commonwealth's financial structure as well as give some details of the various funds.

OTHER SPECIAL FUNDS

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

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

Generally, the Commonwealth uses a modified accrual basis of accounting for financial reporting where certain revenues are accrued and expenditures are reflected when disbursed or committed. Unless otherwise noted in the fund description, all financial data shown herein is on a strictly cash basis, which means that the beginning and ending balances are cash plus investments. Receipts include only those items actually received and credited to the funds by the Department of Revenue. Disbursements represent checks drawn by the Treasury Department and do not include commitments, encumbrances or vouchers payable.

Several funds carrying long-term investments show an adjustment to reflect the current market value of those investments as of June 30, 1990.

This format for displaying financial data was chosen for its simplicity and easy adaptability to all funds. As such, the data may not present the best statement of the funds' condition nor accurately describe the operating characteristics of the funds.

One recurring detail on the financial statements requires further explanation. In those funds with complement, the State share of retirement is taken from general revenue of the fund and paid into a restricted account within the fund from which payments are made to the State Employees' Retirement Fund by the Executive Offices. Receipts and disbursements shown as a result of such transactions may not be equal within any given fiscal year.

A more comprehensive explanation of these funds is available in the "Report on the Funds of the Commonwealth of Pennsylvania" prepared by the

Legislative Budget and Finance Committee. Additional details are also available from the Office of the Budget.

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

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

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

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

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

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

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

ADMINISTRATION FUND

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

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 10,225	\$ 9,480	\$ 9,120
Receipts:			
Federal Unemployment Trust Fund .	\$ 131,394	\$ 133,740	\$ 138,932
Other Federal Funds	9,404	12,810	13,403
Other	14,398	12,185	12,710
Total Receipts	<u>155,196</u>	<u>158,735</u>	<u>165,045</u>
Total Funds Available	\$ 165,421	\$ 168,215	\$ 174,165
Disbursements:			
Executive Offices	\$ 10,663	\$ 11,000	\$ 11,600
Labor and Industry	145,278	148,095	153,565
Total Disbursements	<u>-155,941</u>	<u>-159,095</u>	<u>-165,165</u>
Cash Balance, Ending	\$ 9,480	\$ 9,120	\$ 9,000

AGRICULTURAL COLLEGE LAND SCRIP FUND

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

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 641	\$ 641	\$ 660
Receipts:			
Interest on Securities	\$ 49	\$ 49	\$ 49
Total Receipts	<u>49</u>	<u>49</u>	<u>49</u>
Total Funds Available	\$ 690	\$ 690	\$ 709
Disbursements:			
Treasury	\$ 49	\$ 30	\$ 30
Total Disbursements	<u>-49</u>	<u>-30</u>	<u>-30</u>
Cash Balance, Ending	\$ 641	\$ 660	\$ 679

AGRICULTURAL CONSERVATION EASEMENT PURCHASE FUND

This fund was created by Act 64 of 1988 to implement the referendum approved by the electorate November 8, 1988. That referendum authorized the Commonwealth to incur indebtedness of \$100 million to be used for the purchase of agricultural conservation easements.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning		\$ 31	
Receipts:			
Sale of Bonds	\$ 354	\$ 10,000	\$ 20,000
Total Receipts	354	10,000	20,000
Total Funds Available	\$ 354	\$ 10,031	\$ 20,000
Disbursements:			
Agriculture	\$ 323	\$ 10,031	\$ 20,000
Total Disbursements	-323	-10,031	-20,000
Cash Balance, Ending	\$ 31		

AGRICULTURAL CONSERVATION EASEMENT PURCHASE SINKING FUND

This fund was created by Act 64 of 1988 to implement the referendum approved by the electorate on November 8, 1988. That referendum authorized the Commonwealth to incur indebtedness of \$100 million to be used for the purchase of agricultural conservation easements.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning			\$ 48
Receipts:			
Transfer from General Fund			\$ 1,255
Accrued Interest on Bonds Sold		\$ 48	47
Total Receipts		48	1,302
Total Funds Available		\$ 48	\$ 1,350
Disbursements:			
Treasury			\$ 1,350
Total Disbursements			-1,350
Cash Balance, Ending		\$ 48	

ANTHRACITE EMERGENCY FUND

This fund was created by Act 171 of 1986 to provide loans for anthracite underground mine operators who cannot obtain necessary bonding or whose bonding has been cancelled due to insolvency or bankruptcy of the original bonding company.

Statement of Cash Receipts and Disbursements

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 131	\$ 205	\$ 231
Receipts:			
Transfer from the General Fund	\$ 50	.....	.....
Operator Payments	12	\$ 12	\$ 12
Production Fees .....	.....	6	8
Interest	12	13	14
Total Receipts	<u>74</u>	<u>31</u>	<u>34</u>
Total Funds Available	\$ 205	\$ 236	\$ 265
Disbursements:			
Environmental Resources .....	.....	\$ 5	\$ 5
Total Disbursements	<u>.....</u>	<u>-5</u>	<u>-5</u>
Cash Balance, Ending	<u>\$ 205</u>	<u>\$ 231</u>	<u>\$ 260</u>

CAPITAL DEBT FUND

Annual appropriations by the General Assembly for payment of interest and principal due on general obligation bonds are credited to this fund. Funds in excess of the interest and principal falling due in any one particular fiscal year may be used by the Board of Finance and Revenue to retire any other general obligation bonds issued to provide revenue to the Capital Facilities Fund.

Statement of Cash Receipts and Disbursements

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 1,006	\$ 993	\$ 8,756
Receipts:			
Transfer from Other Funds	\$ 604,084	\$ 538,398	\$ 569,569
Rentals — Pier 124	2,762	2,762	2,762
Rentals — State-Aided and State-Related Institutions	6,669	4,833	4,833
Interest Subsidy — Higher Education Construction Projects	158	158	158
Drexel University — Buy-out of Subleases .....	.....	8,756	.....
Sale of State Property	10	.....	.....
Miscellaneous	3	.....	.....
Refunding Bond Maturing Escrow Funds	60,695	83,642	12,855
Accrued Interest on Bonds Sold	1,275	1,510	2,223
Interest on Securities	36	42	42
Total Receipts	<u>675,692</u>	<u>640,101</u>	<u>592,442</u>
Total Funds Available	\$ 676,698	\$ 641,094	\$ 601,198
Disbursements:			
Treasury	\$ 675,705	\$ 632,338	\$ 601,198
Total Disbursements	<u>-675,705</u>	<u>-632,338</u>	<u>-601,198</u>
Cash Balance, Ending	<u>\$ 993</u>	<u>\$ 8,756</u>	<u>.....</u>

CAPITAL FACILITIES FUND

Revenue for this fund comes principally from the sale of general obligation debt. Such 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. Project money that remained after the refunding of the General State Authority was deposited in this fund. This money is used for the maintenance and repair of General State Authority projects.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 174,221	\$ 88,711	\$ 35,901
Receipts:			
Sale of Bonds	\$ 330,814	\$ 494,500	\$ 637,000
Interest on Securities	8,038	6,861	3,353
Interest on Grant Funds — RAP	601	515	.....
Other	6,643	13,580	.....
Total Receipts	<u>346,096</u>	<u>515,456</u>	<u>640,353</u>
Total Funds Available	\$ 520,317	\$ 604,167	\$ 676,254
Disbursements:			
Community Affairs	\$ 81,880	\$ 50,808	\$ 50,951
Environmental Resources .....	.....	1,217	7,984
General Services	101,941	137,500	260,719
Infrastructure Investment Authority	63,061	37,974	28,953
Transportation	184,273	340,767	263,462
Treasury	451	.....	.....
Total Disbursements	<u>-431,606</u>	<u>-568,266</u>	<u>-612,069</u>
Cash Balance, Ending	<u>\$ 88,711</u>	<u>\$ 35,901</u>	<u>\$ 64,185</u>

CAPITOL RESTORATION TRUST FUND

This fund was created in 1982 to finance the maintenance, restoration, preservation and rehabilitation of artifacts, documents and other historical objects or resources located within and around or associated with the State Capitol Building, and the acquisition of artifacts, documents and other historical objects or resources which contribute to the historical significance of the State Capitol Building. This fund is administered by the Capitol Preservation Committee. Revenue is derived from gifts, donations and legacies of money from individuals, organizations, public or private corporations, and from the sale of commemorative medals and other items of a similar nature which promote the historic preservation and restoration of the State Capitol Building.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 73	\$ 91	\$ 86
Receipts:			
Contributions and Sales	\$ 11	10	\$ 10
Other	7	5	5
Total Receipts	<u>18</u>	<u>15</u>	<u>15</u>
Total Funds Available	\$ 91	\$ 106	\$ 101
Disbursements:			
Capitol Preservation Committee .....	.....	\$ 20	\$ 15
Total Disbursements	<u>.....</u>	<u>-20</u>	<u>-15</u>
Cash Balance, Ending	<u>\$ 91</u>	<u>\$ 86</u>	<u>\$ 86</u>

CATASTROPHIC LOSS BENEFITS CONTINUATION FUND

This fund was established by Act 24 of 1989 to replace the Catastrophic Loss Trust Fund. The purpose of the Continuation Fund is to pay all medical claims resulting from motor vehicle accidents owed by the Catastrophic Loss Trust Fund. Monies in the former Catastrophic Loss Trust Fund have been transferred to this fund effective July 1, 1989. Additional revenue is obtained from a surcharge on certain motor vehicle moving violations.

Act 70 of 1990 permits the Continuation Fund to borrow from the Worker's Compensation Security Fund. No obligations or expense of, or claim against this fund constitutes a debt of the Commonwealth or a charge against the General Fund or Motor License Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning		\$ 5,456	\$ 466
Receipts:			
Transfer from Catastrophic Loss Trust Fund	\$ 42,670		
Loan from Worker's Compensation Security Fund		\$ 16,500	\$ 700
Moving Violation Surcharge	23,843	35,000	33,000
Interest	1,179	210	30
Miscellaneous	46		
Total Receipts	<u>67,738</u>	<u>51,710</u>	<u>33,730</u>
Total Funds Available	\$ 67,738	\$ 57,166	\$ 34,196
Disbursements:			
Executive Offices	\$ 23		
Insurance	62,259	\$ 56,700	\$ 33,570
Total Disbursements	<u>-62,282</u>	<u>-56,700</u>	<u>-33,570</u>
Cash Balance, Ending	<u>\$ 5,456</u>	<u>\$ 466</u>	<u>\$ 626</u>

CATASTROPHIC LOSS TRUST FUND

The purpose of this fund was to pay medical and rehabilitative expenses in excess of \$100,000 to residents of Pennsylvania injured in a motor vehicle accident as provided by The Motor Vehicle Financial Responsibility Law. The fund was administered by a nine-person administrative board in the Insurance Department. Act 144 of 1988 abolished the Catastrophic Loss Trust Fund (CLTF).

According to the enabling legislation, Act 12 of 1984, no obligation or expense of, or claim against the CLTF constitutes a debt of the Commonwealth or a charge against the General Fund or Motor License Fund.

Statement of Cash Receipts and Disbursements

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 45,671	\$ 38	.....
Receipts:			
Vehicle Fee ^a	\$ (25)	.....	.....
Interest	693	.....	.....
Refunds ^b	72	.....	.....
Total Receipts	740	.....	.....
Total Funds Available	\$ 46,411	\$ 38	.....
Disbursements:			
Insurance	\$ 3,703	.....	.....
Transfer to Catastrophic Loss Benefits Continuation Fund	42,670	\$ 38	.....
Total Disbursements	-46,373	-38	.....
Cash Balance, Ending	\$ 38	.....	.....

^aAdjustments made for erroneously collected fees.

^bRefund of expenditures paid for Catastrophic Loss Trust Fund benefits.

CHILDREN'S TRUST FUND

Act 151 of 1988 created the Children's Trust Fund. Revenue is generated by a \$10 fee on marriage licenses and divorce complaints. Expenditures are for community-based children's programs and services for child abuse and neglect prevention.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 304	\$ 1,666	\$ 2,519
Receipts:			
Marriage/Divorce Surcharge Act 151	\$ 1,286	\$ 1,398	\$ 1,520
Miscellaneous Revenue	79	80	80
Total Receipts	<u>1,365</u>	<u>1,478</u>	<u>1,600</u>
Total Funds Available	\$ 1,669	\$ 3,144	\$ 4,119
Disbursements:			
Public Welfare	\$ 3	\$ 625	\$ 1,100
Total Disbursements	<u>-3</u>	<u>-625</u>	<u>1,100</u>
Cash Balance, Ending	\$ <u>1,666</u>	\$ <u>2,519</u>	\$ <u>3,019</u>

COAL AND CLAY MINE SUBSIDENCE INSURANCE FUND

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

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 8,666	\$ 10,489	\$ 11,663
Receipts:			
Premiums Collected	\$ 2,304	\$ 3,474	\$ 3,006
Interest	828	800	815
Other	81	.....	.....
Total Receipts	<u>3,213</u>	<u>4,274</u>	<u>3,821</u>
Total Funds Available	\$ 11,879	\$ 14,763	\$ 15,484
Disbursements:			
Executive Offices	\$ 51	.....	.....
Environmental Resources	1,339	\$ 3,100	\$ 3,200
Total Disbursements	<u>-1,390</u>	<u>-3,100</u>	<u>-3,200</u>
Cash Balance, Ending	\$ <u>10,489</u>	\$ <u>11,663</u>	\$ <u>12,284</u>

COAL LANDS IMPROVEMENT FUND

This fund was created in 1965 to finance the restoration of land acquired by the Commonwealth through eminent domain or amicable methods which has been defaced by open pit or strip mining and has been declared a health hazard. Initially the fund was provided a \$1 million appropriation, but subsequent revenue is derived from the sale of restored land and interest on investments.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 296	\$ 322	\$ 347
Receipts:			
Sale of Land .....	.....	.....	.....
Interest	\$ 26	\$ 25	\$ 25
Total Receipts	<u>26</u>	<u>25</u>	<u>25</u>
Total Funds Available	\$ 322	\$ 347	\$ 372
Disbursements:			
Environmental Resources .....	.....	.....	.....
Total Disbursements	<u>.....</u>	<u>.....</u>	<u>.....</u>
Cash Balance, Ending	<u>\$ 322</u>	<u>\$ 347</u>	<u>\$ 372</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

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 40	\$ 43	\$ 46
Receipts:			
Interest on Securities	\$ 3	\$ 3	\$ 4
Redemption of Securities .....	.....	.....	.....
Total Receipts	<u>3</u>	<u>3</u>	<u>4</u>
Total Funds Available	\$ 43	\$ 46	\$ 50
Disbursements:			
Historical and Museum Commission .....	.....	.....	.....
Total Disbursements	<u>.....</u>	<u>.....</u>	<u>.....</u>
Cash Balance, Ending	<u>\$ 43</u>	<u>\$ 46</u>	<u>\$ 50</u>

DEFERRED COMPENSATION FUND

On November 6, 1987, Act 81 was signed into law establishing the Commonwealth Deferred Compensation Program. The program enables Commonwealth employees to defer a portion of their salaries into a retirement savings plan. The State Employees' Retirement System is responsible for administration of the act.

Contributions to the fund began in 1988. The disbursements shown under the Executive Offices are employee contribution funds transferred to one of the investment plan options. Those funds, together with the interest they earn, are available to employees upon retirement. Funds in this program, including interest, are expected to total \$89 million in 1991-92. The number of employees and the level of their contributions is expected to increase over the next several years.

Statement of Cash Receipts and Disbursements

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 23	\$ 26	\$ 19
Receipts:			
Employee Contributions	\$ 23,894	\$ 25,128	\$ 26,823
Total Receipts	23,894	25,128	26,823
Total Funds Available	\$ 23,917	\$ 25,154	\$ 26,842
Disbursements:			
Executive Offices	\$ 21,327	\$ 22,438	\$ 23,903
State Employees' Retirement System	2,564	2,697	2,873
Total Disbursements	-23,891	-25,135	-26,776
Cash Balance, Ending	\$ 26	\$ 19	\$ 66

DEFERRED COMPENSATION FUND — SHORT TERM PORTFOLIO

On November 6, 1987, Act 81 was signed into law establishing the Deferred Compensation Program. The program will enable Commonwealth employees to defer a portion of their salaries into a retirement savings plan.

Available for the employees investment selection is the Treasury Short Term Money Market Account. In order to maintain the identity of the investments and deferred compensation contributions, the Deferred Compensation Fund — Short Term Portfolio was established.

Statement of Cash Receipts and Disbursements

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 1,188	\$ 4,047	\$ 8,018
Receipts:			
Investments	\$ 2,661	\$ 3,562	\$ 3,360
Interest	198	444	694
Total Receipts	2,859	4,006	4,054
Total Funds Available	\$ 4,047	\$ 8,053	\$ 12,072
Disbursements:			
State Employees' Retirement System .....	.....	\$ 35	\$ 50
Total Disbursements .....	.....	-35	-50
Cash Balance, Ending	\$ 4,047	\$ 8,018	\$ 12,022

DISASTER RELIEF FUND

Act 4 of the 1972 Second Special Legislative Session provided authority for implementation of a \$140 million bond issue for redevelopment of flooded areas within the Commonwealth destroyed by the great storms and flood of September 1971 and June 1972. This was amended in October 1978 to include the flood of July 1977 and to increase the bond authority by \$50 million to \$190 million. The proceeds from these bonds are paid into the Disaster Relief Fund which is administered by the Department of Community Affairs. All activity in this program will be completed during 1990-91 and the ending balance will be transferred to the Disaster Relief Bond Redemption Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 2,888	\$ 338	.....
Receipts:			
Interest Earned	\$ 216	\$ 491	.....
Total Receipts	216	491	.....
Total Funds Available	\$ 3,104	\$ 829	.....
Disbursements:			
Community Affairs	\$ 2,766	\$ 183	.....
Total Disbursements	-2,766	-183	.....
Cash Balance, Ending	\$ 338	\$ 646*	.....

*Funds transferred to Bond Redemption Fund.

DISASTER RELIEF REDEMPTION FUND

This fund is used for the payment of interest and principal due on bonds issued for the Disaster Relief Fund. Funds in excess of the interest and principal due in any one fiscal period may be used for retirement of all or any part of such bonds issued which are still outstanding. The receipts of this fund include annual General Fund appropriations sufficient to pay interest and principal due on the disaster relief bonds and repayment of moneys provided from the Disaster Relief Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 11	.....	.....
Receipts:			
Transfer from General Fund	\$ 12,407	\$ 8,425	\$ 10,657
Transfer from Disaster Relief Fund .....	.....	2,250	.....
Total Receipts	12,407	10,675	10,657
Total Funds Available	\$ 12,418	\$ 10,675	\$ 10,657
Disbursements:			
Treasury	\$ 12,418	\$ 10,675	\$ 10,657
Total Disbursements	-12,418	-10,675	-10,657
Cash Balance, Ending .....	.....	.....	.....

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. Act 121 of 1988 added a \$25 fee on persons admitted to programs for Accelerated Rehabilitative Disposition (ARD) related to driving under the influence of drugs and/or alcohol. 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. This statement includes both the Emergency Medical and Catastrophic Medical and Rehabilitation components of the act.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 11,510 ^a	\$ 15,938	\$ 14,283
Receipts:			
Fines	\$ 9,863	\$ 11,036	\$ 11,036
Interest	1,183	1,344	1,300
Total Receipts	11,046	12,380	12,336
Total Funds Available	\$ 22,556	\$ 28,318	\$ 26,619
Disbursements:			
Health	\$ 6,618	\$ 14,035	\$ 12,000
Total Disbursements	-6,618	-14,035	-12,000
Cash Balance, Ending	\$ 15,938	\$ 14,283	\$ 14,619

^aRevised from 1990-91 budget presentation based on updated information.

EMPLOYMENT FUND FOR THE BLIND

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

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

At no time is the fund to exceed the sum of \$150,000.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 356	\$ 580	\$ 148
Receipts:			
Federal Reimbursement — Business Enterprise Program	\$ 590	\$ 600	\$ 600
Vending Stand Equipment Rentals	267	230	230
Vending Machine Receipts	239	210	210
Other	51	50	50
Total Receipts	1,147	1,090	1,090
Total Funds Available	\$ 1,503	\$ 1,670	\$ 1,238
Disbursements:			
Public Welfare	\$ 923	\$ 1,522	\$ 1,238
Total Disbursements	-923	-1,522	-1,238
Cash Balance, Ending	\$ 580	\$ 148	\$

ENERGY DEVELOPMENT FUND

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

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 4,964	\$ 6,346	\$ 3,866
Receipts:			
Transfer from General Fund	\$ 1,500	\$ 750	\$ 750
Interest	541	550	300
Other	13	10	10
Total Receipts	<u>2,054</u>	<u>1,310</u>	<u>1,060</u>
Total Funds Available	\$ 7,018	\$ 7,656	\$ 4,926
Disbursements:			
Executive Offices	\$ 672	\$ 3,790	\$ 3,290
Total Disbursements	<u>-672</u>	<u>-3,790</u>	<u>-3,290</u>
Cash Balance, Ending	<u>\$ 6,346</u>	<u>\$ 3,866</u>	<u>\$ 1,636</u>

FINANCIALLY DISTRESSED MUNICIPALITIES REVOLVING AID FUND

This fund was created by Act 157 of 1988 to make loans and grants to assist municipalities that are declared financially distressed. Initial funding was provided through the transfer of all unused funds remaining from a 1986-87 General Fund Appropriation for Distressed Community Emergency Aid. In addition, Act 157 stipulated that all repayments on loans made from the fund should be redeposited into the fund and used to make additional loans and grants to distressed municipalities. In 1990-91 the Distressed Communities Assistance appropriation to Community Affairs was transferred from the General Fund to this fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 1,170	\$ 2,668	\$ 1,391
Receipts:			
Transfer from General Fund	\$ 57		\$ 1,000
Loan Repayments	1,443	\$ 413	463
Interest	133	160	140
Total Receipts	<u>1,633</u>	<u>573</u>	<u>1,603</u>
Total Funds Available	\$ 2,803	\$ 3,241	\$ 2,994
Disbursements:			
Community Affairs	\$ 135	\$ 1,850	\$ 1,900
Total Disbursements	<u>-135</u>	<u>-1,850</u>	<u>-1,900</u>
Cash Balance, Ending	<u>\$ 2,668</u>	<u>\$ 1,391</u>	<u>\$ 1,094</u>

FIRE INSURANCE TAX FUND

The revenue for the Fire Insurance Tax Fund results from the two percent tax paid upon premiums received from foreign (out-of-state) fire insurance companies on business done within the Commonwealth. The funds are distributed based on the population and market value of real estate of each municipality. In addition, the distribution formula provides for differential payment for paid and volunteer firefighters. The amount to be distributed based on paid firefighters is transferred to the Municipal Pension Aid Fund for payment. This money must be paid by the local governmental organization into the relief, pension or retirement fund of the recognized fire fighting organization serving the city, town, township or borough.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 46,667	\$ 48,325	\$ 51,051
Receipts:			
Foreign Fire Insurance Premiums Tax Payable to Municipalities ..	\$ 48,301	\$ 51,027	\$ 53,905
Total Receipts	<u>48,301</u>	<u>51,027</u>	<u>53,905</u>
Total Funds Available	\$ 94,968	\$ 99,352	\$ 104,956
Disbursements:			
Revenue	\$ 46,643	\$ 48,301	\$ 51,027
Total Disbursements	<u>-46,643</u>	<u>-48,301</u>	<u>-51,027</u>
Cash Balance, Ending	\$ <u>48,325</u>	\$ <u>51,051</u>	\$ <u>53,929</u>

HAZARDOUS MATERIAL RESPONSE FUND

This fund was created by Act 165 of 1990 to carry out Pennsylvania's responsibilities under Title III of the Federal Superfund Amendments and Reauthorization Act (SARA Title III). Revenue is generated from toxic chemical registration fees and toxic chemical release form fees. Expenditures are for training programs for hazardous material response teams, public education programs, grants to counties to support their SARA Title III activities and for administration of the program including data collection and management.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning			
Receipts:			
Toxic Release Inventory Registration Fee			\$ 1,040
Chemical Inventory Fee			<u>360</u>
Total Receipts			<u>\$ 1,400</u>
Disbursements:			
Emergency Management Agency ...			\$ 1,260
Labor and Industry			<u>140</u>
Total Disbursements			<u>-1,400</u>
Cash Balance, Ending			<u>.....</u>

HAZARDOUS SITES CLEANUP FUND

This fund was created by Act 58 of 1987 to finance the cleanup and restoration of abandoned hazardous waste sites in the Commonwealth. Revenue is generated from a portion of the Capital Stock and Franchise Tax, and a new Hazardous Waste Fee. Expenditures are for cleaning up abandoned hazardous waste sites throughout the Commonwealth and restoring the land to productive use.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 33,269	\$ 57,757	\$ 1,537
Receipts:			
Capital Stock and Franchise Tax ...	\$ 19,956	.....	\$ 52,264
Hazardous Waste Fee	3,696	\$ 4,500	4,500
Transfer From General Fund	8,926	2,692 ^a	26,268 ^a
Interest	3,831	2,433	4,191
Federal Funds	921	3,000	3,000
Other	773	.....	.....
Repayment of Storage Tank Indemnification Fund Loan ....	.....	382	.....
Total Receipts	<u>38,103</u>	<u>13,007</u>	<u>90,223</u>
Total Funds Available	\$ 71,372	\$ 70,764	\$ 91,760
Disbursements:			
Executive Offices	\$ 545	.....	.....
Environmental Resources	13,070	\$ 69,227 ^b	\$ 51,324
Total Disbursements	<u>-13,615</u>	<u>-69,227</u>	<u>-51,324</u>
Cash Balance, Ending	<u>\$ 57,757</u>	<u>\$ 1,537</u>	<u>\$ 40,436</u>

^aIncludes unexpended balances from prior General Fund appropriations.

^bIncludes \$870,000 to be borrowed from this fund as startup money for the program regulating above and below ground storage tanks. This money will be repaid within two years from proposed storage tank permit fees.

HAZARDOUS SITES LOAN FUND

This fund was established by Act 108 of 1988 to provide long term low-interest loans to fund response costs at hazardous sites in the event of a release or threatened release of hazardous substances. Revenues consist primarily of two percent of fees collected from haulers of hazardous waste and from operators of hazardous waste facilities.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning
Receipts:			
Fees	\$ 100
Loan Principal	1
Interest — Loans	2
Interest — Securities	8
Total Receipts	<u>.....</u>	<u>.....</u>	<u>111</u>
Total Funds Available	\$ 111
Disbursements:			
Economic Development Partnership	\$ 100
Total Disbursements	<u>.....</u>	<u>.....</u>	<u>-100</u>
Cash Balance, Ending	<u>.....</u>	<u>.....</u>	<u>\$ 11</u>

HIGHER EDUCATION ASSISTANCE FUND

Moneys in this fund are currently used for the following purposes: (1) maintenance of a monetary reserve to be used for all expenses associated with loans guaranteed by the Pennsylvania Higher Education Assistance Agency (PHEAA); (2) provision of grants to students; (3) provision of grants to nonsectarian private postsecondary educational institutions; (4) provision of grants to institutions of higher learning for the purpose of helping the institution secure Federal funds to provide direct financial aid to students; (5) provision of funds to institutions for College Work Study Programs; (6) operation of the Information Technology Education Program and Math and Science Programs; (7) provision for minority students entering graduate professional schools under the Equal Opportunity Professional Education Program; (8) provision for loan forgiveness for teachers in urban and rural areas; and (9) payment of PHEAA administrative costs. Revenue to this fund is derived from appropriations by the General Assembly of General Fund money, gifts, Federal funds, interest earnings and servicing fees.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 151,305	\$ 143,047	\$ 133,302
Receipts:			
Transfer from General Fund	\$ 170,156	\$ 186,452	\$ 194,932
Interest Earning	16,565	15,743	16,258
Federal Revenue	74,156	74,866	75,016
Other	110,113	110,346	117,894
Total Receipts	<u>370,990</u>	<u>387,407</u>	<u>404,100</u>
Total Funds Available	\$ 522,295	\$ 530,454	\$ 537,402
Disbursements:			
Executive Offices	\$ 2,432	\$ 2,500	\$ 2,500
Pennsylvania Higher Education Assistance Agency	<u>376,816</u>	<u>394,652</u>	<u>411,902</u>
Total Disbursements	<u>-379,248</u>	<u>-397,152</u>	<u>-414,402</u>
Cash Balance, Ending	<u>\$ 143,047</u>	<u>\$ 133,302</u>	<u>\$ 123,000</u>

HIGHWAY BEAUTIFICATION FUND

The Highway Beautification Fund was created by Act 5, 1966, Third Special Session. Activities include control of outdoor advertising and control of junkyards. Although General Fund monies were initially appropriated to establish the fund, highway beautification activities are now supported by licenses and fees, fines, and 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 highway beautification activities.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 712	\$ 526	\$ 220
Receipts:			
Licenses and Fees	\$ 309	\$ 315	\$ 340
Federal Highway Beautification Funds			
Other	109	65	50
Total Receipts	<u>418</u>	<u>380</u>	<u>390</u>
Total Funds Available	\$ 1,130	\$ 906	\$ 610
Disbursements:			
Transportation	\$ 604	\$ 685	\$ 536
Treasury		1	
Total Disbursements	<u>-604</u>	<u>-686</u>	<u>-536</u>
Cash Balance, Ending	\$ <u>526</u>	\$ <u>220</u>	\$ <u>74</u>

HISTORICAL PRESERVATION FUND

This fund was created for expenditure by the Historical and Museum Commission for the preservation, care and maintenance of State historical properties, museums and records and for the financing of historical research and publication programs. Money in the fund can also be used to purchase publications and souvenirs of a historical nature for sale at commission administered properties. This fund is made up of moneys arising from the sale of publications of the Pennsylvania Historical and Museum Commission and all moneys received from admission fees or other sales by the commission at the State historical properties and/or museums. Most of the revenue results from admission fees and sale of publications and souvenirs.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 1,124	\$ 925	\$ 425
Receipts:			
Admission Fees	\$ 628	\$ 600	\$ 850
Other	349	100	100
Total Receipts	<u>977</u>	<u>700</u>	<u>950</u>
Total Funds Available	\$ 2,101	\$ 1,625	\$ 1,375
Disbursements:			
Historical and Museum Commission	\$ 1,176	\$ 1,200	\$ 800
Total Disbursements	<u>-1,176</u>	<u>-1,200</u>	<u>-800</u>
Cash Balance, Ending	\$ <u>925</u>	\$ <u>425</u>	\$ <u>575</u>

Estimated amounts for 1991-92 include \$200,000 of proposed changes in admission fees.

INDUSTRIAL DEVELOPMENT FUND

To this fund are credited appropriations made by the General Assembly to the Pennsylvania Industrial Development Authority (PIDA). The monies are used to make loans to local industrial development agencies to stimulate economic activity in areas of high unemployment. Repayments of loans, while not credited to this fund, represent the primary source of revenue to PIDA and are used by PIDA to make additional loans.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 6,278	\$ 35	
Receipts:			
Transfer from General Fund	\$ 6,250		
Transfer from Pennsylvania Economic Revitalization Fund ..			\$ 12,500
Interest on Securities	330	\$ 3	
Total Receipts	6,580	3	
Total Funds Available	\$ 12,858	\$ 38	\$ 12,500
Disbursements:			
Economic Development Partnership	\$ 12,823	\$ 38	\$ 12,500
Total Disbursements	-12,823	-38	-12,500
Cash Balance, Ending	\$ 35		

INSURANCE LIQUIDATION FUND

The Insurance Department is responsible for administering the liquidation of insolvent domestic insurance carriers pursuant to orders of Commonwealth Court under Article V of the Insurance Department Act. This special fund is utilized to permit the Treasury Department to invest the assets of insolvent insurance carriers. These assets are utilized to pay claims and expenses incurred in the administration of domestic insurance carrier insolvencies.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning		\$ 87,559	\$ 92,809
Receipts:			
Carrier Assets	\$ 84,170	\$ 1,000	\$ 1,000
Interest	3,708	7,250	8,000
Total Receipts	87,878	8,250	9,000
Total Funds Available	\$ 87,878	\$ 95,809	\$ 101,809
Disbursements:			
Insurance	\$ 319	\$ 3,000	\$ 3,000
Total Disbursements	-319	-3,000	-3,000
Cash Balance, Ending	\$ 87,559	\$ 92,809	\$ 98,809

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. Program ended in 1990-91.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 152	\$ 40	.....
Receipts:			
Income, Kellogg Foundation .....	.....	.....	.....
Interest Earnings	\$ 16	.....	.....
Total Receipts	<u>\$ 16</u>	<u>.....</u>	<u>.....</u>
Total Funds Available	\$ 168	\$ 40	.....
Disbursements:			
Executive Offices	\$ 5	.....	.....
Education	123	\$ 40	.....
Total Disbursements	<u>-128</u>	<u>-40</u>	<u>.....</u>
Cash Balance, Ending	<u>\$ 40</u>	<u>.....</u>	<u>.....</u>

LAND AND WATER DEVELOPMENT FUND

This fund was created in 1968 to finance projects to eliminate land and water scars, air pollution and subsidence due to past coal mining operations, to aid political subdivisions in constructing or improving sewage treatment plants, to develop public outdoor recreation lands and to aid local governments in acquiring land for recreation purposes. In addition, administrative expenses incurred in support of any of these activities may be paid with monies in this fund. Revenue is derived from the sale of Land and Water Development Bonds as approved by the electorate on May 16, 1967. The bond proceeds are not to exceed \$500 million.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 3,775	\$ 1,753	\$ 1,793
Receipts:			
Sale of Bonds	\$ 989	\$ 3,000	\$ 2,000
Federal Augmentations	42	40	.....
Other	433	.....	.....
Total Receipts	<u>1,464</u>	<u>3,040</u>	<u>2,000</u>
Total Funds Available	\$ 5,239	\$ 4,793	\$ 3,793
Disbursements:			
Executive Offices	\$ 314	.....	.....
Environmental Resources	3,172	\$ 3,000	\$ 3,000
Total Disbursements	<u>-3,486</u>	<u>-3,000</u>	<u>-3,000</u>
Cash Balance, Ending	<u>\$ 1,753</u>	<u>\$ 1,793</u>	<u>\$ 793</u>

LAND AND WATER DEVELOPMENT SINKING FUND

Moneys in this fund are obtained from annual appropriations by the General Assembly and from interest on invested balances in this fund and in the Land and Water Development Fund. These moneys are used solely for payment of interest and principal due on outstanding land and water development bonds.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 18		
Receipts:			
Transfer from General Fund	\$ 37,336	\$ 36,241	\$ 36,272
Interest on Securities	200	110	110
Accrued Interest on Bonds Sold	4	10	10
Total Receipts	<u>37,540</u>	<u>36,361</u>	<u>36,392</u>
Total Funds Available	\$ 37,558	\$ 36,361	\$ 36,392
Disbursements:			
Treasury	\$ 37,558	\$ 36,361	\$ 36,392
Total Disbursements	<u>-37,558</u>	<u>-36,361</u>	<u>-36,392</u>
Cash Balance, Ending	<u>18</u>	<u>18</u>	<u>18</u>

LIQUID FUELS TAX FUND

The Liquid Fuels Tax Fund was created in 1931 by an act of the General Assembly to assist in funding the local roads system. One-half cent per gallon of the tax on gasoline and diesel fuel is deposited into the fund for semi-annual distribution to county governments and payment of registration fees for vehicles operated by mass transportation systems. After payment of fees, remaining funds are allocated to the counties on a road mileage-population formula and must be used for highway purposes. Since the majority of counties have direct jurisdiction over a limited number of roads, a large portion of these funds are further allocated by the counties to their political subdivisions.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 2,725	\$ 2,392	\$ 2,381
Receipts:			
Tax on Gasoline	\$ 22,334	\$ 22,420	\$ 22,509
Tax on Diesel Fuel	5,070	5,170	5,274
Total Receipts	<u>27,404</u>	<u>27,590</u>	<u>27,783</u>
Total Funds Available	\$ 30,129	\$ 29,982	\$ 30,164
Disbursements:			
Treasury	\$ 126	\$ 123	\$ 122
Revenue	\$ 27,611	27,478	27,646
Total Disbursements	<u>-27,737</u>	<u>-27,601</u>	<u>-27,768</u>
Cash Balance, Ending	<u>2,392</u>	<u>2,381</u>	<u>2,396</u>

LIQUOR LICENSE FUND

This fund serves as a pass-through account for fees for hotel, restaurant and club liquor and/or beer licenses. These fees are returned semi-annually to the municipalities in which the licensees are located. Interest earned on fund deposits is credited to the General Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 2,628	\$ 2,653	\$ 2,686
Receipts:			
Liquor License Fees	\$ 5,044	\$ 5,100	\$ 5,100
Beer License Fees	126	125	125
Other	8	8	8
Total Receipts	<u>5,178</u>	<u>5,233</u>	<u>5,233</u>
Total Funds Available	\$ 7,806	\$ 7,886	\$ 7,919
Disbursements:			
Liquor Control Board	\$ 5,153	\$ 5,200	\$ 5,200
Total Disbursements	<u>-5,153</u>	<u>-5,200</u>	<u>-5,200</u>
Cash Balance, Ending	<u>\$ 2,653</u>	<u>\$ 2,686</u>	<u>\$ 2,719</u>

LOCAL CRIMINAL JUSTICE FUND

This fund was created July 1, 1990 by Act 71 to provide \$200,000,000 for grants to counties for the repair, expansion, construction, rehabilitation and improvement of local correctional facilities or multicounty regional prison facilities or the purchase of electronic monitoring equipment for alternative sentencing programs. These local criminal justice improvements will be funded by the issuance of general obligation bonds of the Commonwealth as approved by voters in the November 1990 election. To receive funds, counties make application to the Department of Corrections and must have submitted an intermediate punishment plan to the Pennsylvania Commission on Crime and Delinquency as prescribed by Act 193 of 1990.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning			
Receipts:			
Sale of Bonds			\$ 39,000
Interest			20
Total Receipts			<u>39,020</u>
Total Funds Available			\$ 39,020
Disbursements:			
Corrections			\$ 39,000
Total Disbursements			<u>-39,000</u>
Cash Balance, Ending			<u>\$ 20</u>

LOW-LEVEL WASTE FUND

This fund was created by Act 12 of 1988 to finance the selection, licensing, regulation and long-term care of a low-level radioactive waste disposal facility. Revenue is derived from fees for licenses and permits to generate, store and transport waste, surcharges on the disposal of waste, and fines and penalties for violating the provisions of the Low-Level Radioactive Waste Disposal Act.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 898	\$ 2,327	\$ 2,057
Receipts:			
Transfer from General Fund	\$ 736	\$ 950	\$ 200
Federal Funds — DOE	1,519	.....	.....
Fines and Penalties .....	.....	.....	.....
Licenses and Fees .....	.....	.....	.....
Surcharges	19	.....	.....
Interest	122	80	.....
Other	24	.....	.....
Total Receipts	<u>2,420</u>	<u>1,030</u>	<u>200</u>
Total Funds Available	\$ 3,318	\$ 3,357	\$ 2,257
Disbursements:			
Environmental Resources	\$ 972	\$ 1,300	\$ 1,400
Executive Offices	19	.....	.....
Total Disbursements	<u>-991</u>	<u>-1,300</u>	<u>-1,400</u>
Cash Balance, Ending	<u>\$ 2,327</u>	<u>\$ 2,057</u>	<u>\$ 857</u>

MACHINERY AND EQUIPMENT LOAN FUND

This fund was established by Act 120 of 1988 to provide low-interest machinery and equipment financing for Pennsylvania businesses in order to facilitate their growth, competitiveness and value-added capacity. The fund was initially capitalized by an appropriation from the Pennsylvania Economic Revitalization Fund (PERF) and will continue to be funded through PERF as well as from loan repayments and interest earnings.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 3,129	\$ 1,402	\$ 162
Receipts:			
Transfer from Pennsylvania Economic Revitalization Fund ..	\$ 3,000	\$ 2,700	\$ 8,000
Loan Principal Repayments	323	750	1,500
Loan Interest	78	175	350
Interest on Securities	277	100	10
Miscellaneous	63	35	40
Total Receipts	<u>3,741</u>	<u>3,760</u>	<u>9,900</u>
Total Funds Available	\$ 6,870	\$ 5,162	\$ 10,062
Disbursements:			
Economic Development Partnership	\$ 5,468	\$ 5,000	\$ 10,000
Total Disbursements	<u>-5,468</u>	<u>-5,000</u>	<u>-10,000</u>
Cash Balance, Ending	<u>\$ 1,402</u>	<u>\$ 162</u>	<u>\$ 62</u>

MANUFACTURING FUND

This fund, created in 1915, is a self-sustaining enterprise that provides institutionalized offenders an opportunity for vocational rehabilitation. Receipts are derived from the sale of inmate manufactured goods to government agencies or government-aided organizations.

Expenditures are made for the purchase of raw materials, machinery replacement, inmate wages, and other costs related to the sale and manufacture of their products.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 1,882	\$ 4,940	\$ 4,500
Receipts:			
Sale of Manufactured Products	\$ 19,234	\$ 19,000	\$ 19,500
Interest	320	610	500
Other	902	900	400
Total Receipts	<u>20,456</u>	<u>20,510</u>	<u>20,400</u>
Total Funds Available	\$ 22,338	\$ 25,450	\$ 24,900
Disbursements:			
Executive Offices	\$ 600	\$ 950	\$ 750
Corrections	16,798	20,000	20,500
Total Disbursements	<u>-17,398</u>	<u>-20,950</u>	<u>-21,250</u>
Cash Balance, Ending	<u>\$ 4,940</u>	<u>\$ 4,500</u>	<u>\$ 3,650</u>

MEDICAL PROFESSIONAL LIABILITY CATASTROPHE LOSS FUND

This fund was created in 1975 to make available professional liability insurance at a reasonable cost to health care providers and to establish a system through which injured parties can obtain a prompt determination and adjudication of their claims. Revenue is derived by levying an annual surcharge on health care providers.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 143,543	\$ 118,217	\$ 102,462
Receipts:			
Surcharges	\$ 113,632	\$ 121,900	\$ 147,344
Interest	11,590	7,808	7,154
Other	318	.....	.....
Total Receipts	<u>125,540</u>	<u>129,708</u>	<u>154,498</u>
Total Funds Available	\$ 269,083	\$ 247,925	\$ 256,960
Disbursements:			
Executive Offices	\$ 150,866	\$ 145,463	\$ 145,433
Total Disbursements	<u>-150,866</u>	<u>-145,463</u>	<u>-145,433</u>
Cash Balance, Ending	<u>\$ 118,217</u>	<u>\$ 102,462</u>	<u>\$ 111,527</u>

MINORITY BUSINESS DEVELOPMENT FUND

This fund was created in 1974 to accommodate the operations of the Pennsylvania Minority Business Development Authority. Receipts come from loan repayments, transfer of General Fund appropriations and interest. The authority also has the power to issue bonds or other obligations which would provide another source of income. To date this has not been done.

Expenditures are made for loans to minority business enterprises and for operating expenses of the authority.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 12,072	\$ 14,641	\$ 14,751
Receipts:			
Transfer from General Fund	\$ 2,000	\$ 1,000	.....
Loan Principal Repayments	1,056	1,300	\$ 1,500
Loan Interest	286	340	400
Interest on Securities	1,146	1,500	1,600
Other	233	170	150
Total Receipts	4,721	4,310	3,650
Total Funds Available	\$ 16,793	\$ 18,951	\$ 18,401
Disbursements:			
Economic Development Partnership	\$ 2,152	\$ 4,200	\$ 6,000
Total Disbursements	-2,152	-4,200	-6,000
Cash Balance, Ending	\$ 14,641	\$ 14,751	\$ 12,401

MOTOR VEHICLE TRANSACTION RECOVERY FUND

This fund was created by Act 83 of 1990 to provide protection from dealers or other agents who fail to forward fees or taxes pertaining to an application for titling or registration of a vehicle to the department. Revenues to the fund consist of assessments (or reassessments should the balance of the fund fall below \$500,000) on every applicant for motor vehicle dealer registration plates or for the authority to act as agent of the department with respect to vehicle titling and registration.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 579
Receipts:			
Motor Vehicle Dealer/Agent Assessment	\$ 759	\$ 30
Motor Dealer/Agent Reassessment	633
Interest	20	67
Total Receipts	779	730
Total Funds Available	\$ 779	\$ 1,309
Disbursements:			
Transportation	\$ 200	\$ 200
Total Disbursements	-200	-200
Cash Balance, Ending	\$ 579	\$ 1,109

MUNICIPAL PENSION AID FUND

This fund was created by Act 205 of 1984, the Municipal Pension Plan Funding Standard and Recovery Act, and is administered by the Auditor General. Beginning on July 1, 1985, this fund receives a portion of the revenues from the Foreign Casualty Insurance Premium Tax and the Foreign Fire Insurance Premium Tax. These revenues and earnings are for distribution to municipalities for distribution to the various municipal, police, and fire pension funds.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 109,464	\$ 111,813	\$ 111,728
Receipts:			
Foreign Casualty Insurance Premium Tax	\$ 101,440	\$ 106,396	\$ 108,000
Foreign Fire Insurance Premium Tax	12,552	11,994	12,000
Interest	4,628	5,150	5,000
Total Receipts	<u>118,620</u>	<u>123,540</u>	<u>125,000</u>
Total Funds Available	\$ 228,084	\$ 235,353	\$ 236,728
Disbursements:			
Auditor General	\$ 116,271	\$ 123,625	\$ 125,000
Total Disbursements	<u>-116,271</u>	<u>-123,625</u>	<u>-125,000</u>
Cash Balance, Ending	<u>\$ 111,813</u>	<u>\$ 111,728</u>	<u>\$ 111,728</u>

NON-COAL SURFACE MINING CONSERVATION AND RECLAMATION FUND

This fund was created in 1986 to finance reclamation projects on land scarred by non-coal surface mining. Projects include recontouring, terracing and planting of trees, shrubs and grasses. Revenues are provided by charging non-coal surface mining operators for licenses and permits and by fining them for failing to apply for the licenses and permits as well as by forfeiture of collateral bonds, cash or securities for failure to comply with an approved reclamation plan.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 1,524	\$ 2,190	\$ 2,615
Receipts:			
License and Fees	\$ 162	\$ 170	\$ 175
Penalties	73	55	55
Interest	152	150	150
Collateral	135	150	150
Forfeiture of Bond	162	50	50
Total Receipts	<u>684</u>	<u>575</u>	<u>580</u>
Total Funds Available	\$ 2,208	\$ 2,765	\$ 3,195
Disbursements:			
Environmental Resources	\$ 18	\$ 150	\$ 150
Total Disbursements	<u>-18</u>	<u>-150</u>	<u>-150</u>
Cash Balance, Ending	<u>\$ 2,190</u>	<u>\$ 2,615</u>	<u>\$ 3,045</u>

NURSING HOME LOAN DEVELOPMENT FUND

This fund serves as a depository for proceeds from the sale of General Obligation Bonds approved by referendum on May 21, 1974. Net proceeds are transferred to the Nursing Home Loan Fund as needed. Interest earnings in this fund and bond proceeds not required for nursing home loans are paid into the Nursing Home Loan Sinking Fund for debt retirement.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 11,656	\$ 9,069	\$ 7,569
Receipts:			
Miscellaneous	\$ 10	.....	.....
Total Receipts	10	.....	.....
Total Funds Available	\$ 11,666	\$ 9,069	\$ 7,569
Disbursements:			
Treasury	\$ 2,597	\$ 1,500	\$ 2,500
Total Disbursements	-2,597	-1,500	-2,500
Cash Balance, Ending	\$ 9,069	\$ 7,569	\$ 5,069

NURSING HOME LOAN FUND

Loans to nursing homes for repairs, reconstruction and rehabilitation to meet safety code standards are made from this fund. Loans are made from bond proceeds transferred from the Nursing Home Loan Development Fund. Repayments of loans are transferred from this fund to the General Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning .....	.....	.....	.....
Receipts:			
Transfer from Nursing Home Loan Development Fund	\$ 2,597	\$ 1,500	\$ 2,500
Total Receipts	2,597	1,500	2,500
Total Funds Available	\$ 2,597	\$ 1,500	\$ 2,500
Disbursements:			
Economic Development Partnership	\$ 2,597	\$ 1,500	\$ 2,500
Total Disbursements	-2,597	-1,500	-2,500
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 for payment of the interest and principal falling due for nursing home loan bonds is also credited to this fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning .....	.....	.....	.....
Receipts:			
Transfer from General Fund	\$ 5,500	\$ 5,625	\$ 5,567
Interest on Securities	941	752	752
Total Receipts	<u>6,441</u>	<u>6,377</u>	<u>6,319</u>
Total Funds Available	\$ 6,441	\$ 6,377	\$ 6,319
Disbursements:			
Treasury	\$ 6,441	\$ 6,377	\$ 6,319
Total Disbursements	<u>-6,441</u>	<u>-6,377</u>	<u>-6,319</u>
Cash Balance, Ending	<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. The program ended in 1989.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 1	.....	.....
Receipts:			
Revenue .....	.....	.....	.....
Interest .....	.....	.....	.....
Total Receipts	<u>.....</u>	<u>.....</u>	<u>.....</u>
Total Funds Available	\$ 1	.....	.....
Disbursements:			
Education	\$ 1	.....	.....
Total Disbursements	<u>-1</u>	<u>.....</u>	<u>.....</u>
Cash Balance, Ending	<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

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 8,894	\$ 10,628	\$ 10,628
Receipts:			
Rents and Royalties	\$ 4,921	\$ 4,650	\$ 4,650
Interest	865	800	800
Other	37	50	50
Total Receipts	<u>5,823</u>	<u>5,500</u>	<u>5,500</u>
Total Funds Available	\$ 14,717	\$ 16,128	\$ 16,128
Disbursements:			
Executive Offices	\$ 22	.....	.....
Environmental Resources	4,067	\$ 5,500	\$ 5,500
Total Disbursements	<u>-4,089</u>	<u>-5,500</u>	<u>-5,500</u>
Cash Balance, Ending	<u>\$ 10,628</u>	<u>\$ 10,628</u>	<u>\$ 10,628</u>

OIL OVERCHARGE FUND

Act 122 of 1986 created the Energy Conservation and Assistance Fund and stipulated that all uncommitted oil overcharge settlements received prior to the act be transferred to this new fund. Only funds committed prior to Act 122 remained in the Oil Overcharge Fund. All commitments in the Oil Overcharge Fund were liquidated by June 30, 1990 and residual interest has been transferred.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 612	.....	.....
Receipts:			
Settlements .....	.....	.....	.....
Interest	\$ 46	.....	.....
Total Receipts	<u>46</u>	<u>.....</u>	<u>.....</u>
Total Funds Available	\$ 658	.....	.....
Disbursements:			
Transfer to Energy Conservation and Assistance Fund	\$ 658	.....	.....
Total Disbursements	<u>-658</u>	<u>.....</u>	<u>.....</u>
Cash Balance, Ending	<u>.....</u>	<u>.....</u>	<u>.....</u>

PENNSYLVANIA CAPITAL LOAN FUND

The Pennsylvania Capital Loan Program began in 1982 with funding from the U.S. Appalachian Regional Commission and the U.S. Economic Development Administration (EDA) to provide low interest loans to businesses for capital development projects. Act 109 of July 1984 created this fund and provided additional funding from the Pennsylvania Economic Revitalization Fund.

Loans are used by manufacturing, industrial and export service businesses for the purchase of land, buildings, machinery, equipment and working capital. County and regional economic development organizations assist the department in packaging and reviewing the loan applications.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 21,642	\$ 21,807	\$ 22,818
Receipts:			
Loan Principal	\$ 7,566	\$ 8,720	\$ 10,436
Interest — Loans	2,252	1,490	1,103
Interest — Securities	1,910	1,807	1,619
Transfer From Pennsylvania Economic Revitalization Fund ..	875	1,000	1,000
EDA Receipts	100	300	.....
Total Receipts	<u>12,703</u>	<u>13,317</u>	<u>14,158</u>
Total Funds Available	\$ 34,345	\$ 35,124	\$ 36,976
Disbursements:			
Economic Development Partnership	\$ 12,538	\$ 12,306	\$ 20,155
Total Disbursements	<u>-12,538</u>	<u>-12,306</u>	<u>-20,155</u>
Cash Balance, Ending	<u>\$ 21,807</u>	<u>\$ 22,818</u>	<u>\$ 16,821</u>

PENNSYLVANIA ECONOMIC REVITALIZATION SINKING FUND

Annual appropriations from the General Fund by the General Assembly are deposited into this fund, and together with interest earned in this fund and interest earned in and transferred from the Pennsylvania Economic Revitalization Fund, are used to pay interest and principal payments due on outstanding economic revitalization bonds.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 3,182	\$ 6	.....
Receipts:			
Transfer from General Fund	\$ 3,881	\$ 7,115	\$ 16,860
Transfer from Pennsylvania Economic Revitalization Fund ..	3,438	1,003	.....
Interest on Securities	128	9	.....
Accrued Interest on Bonds Sold .....	.....	263	523
Total Receipts	<u>7,447</u>	<u>8,390</u>	<u>17,383</u>
Total Funds Available	\$ 10,629	\$ 8,396	\$ 17,383
Disbursements:			
Treasury	\$ 10,623	\$ 8,396	\$ 17,383
Total Disbursements	<u>-10,623</u>	<u>-8,396</u>	<u>-17,383</u>
Cash Balance, Ending	<u>\$ 6</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

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 84	\$ 92	\$ 99
Receipts:			
Interest on Securities	\$ 8	\$ 7	\$ 7
Total Receipts	<u>8</u>	<u>7</u>	<u>7</u>
Total Funds Available	\$ 92	\$ 99	\$ 106
Disbursements:			
Historical and Museum Commission	.....	.....	.....
Total Disbursements	<u>.....</u>	<u>.....</u>	<u>.....</u>
Cash Balance, Ending	<u>\$ 92</u>	<u>\$ 99</u>	<u>\$ 106</u>

PENNSYLVANIA MUNICIPAL RETIREMENT FUND

Act 15 of 1974 created the Pennsylvania Municipal Retirement System and replaced the "Municipal Employees Retirement Law" and the "Municipal Police Retirement Law" and combined all employees covered under both into a State-related municipal system.

The fund established under that act provides for payment of retirement allowances to officers, employees, firemen and police of political subdivisions (county, cities, boroughs, and townships of the first and second class).

Any municipality may elect by ordinance to join the system. Revenues are generated from the contributions of the members of the system and investment earnings.

The board established under Act 15 has control over the system's operation. The net investment adjustment shown below is to reflect carrying value of long-term investments as of June 30.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 236,715	\$ 286,718	\$ 313,404
Receipts:			
Contributions	\$ 20,523	\$ 21,301	\$ 22,099
Other	59	.....	.....
Interest	22,096	23,115	23,894
Net Investment Adjustment	24,750	.....	.....
Total Receipts	<u>67,428</u>	<u>44,416</u>	<u>45,993</u>
Total Funds Available	\$ 304,143	\$ 331,134	\$ 359,397
Disbursements:			
Executive Offices	\$ 57	\$ 1,799	\$ 1,822
Municipal Employees' Retirement Board	17,368	15,931	16,273
Total Disbursements	<u>-17,425</u>	<u>-17,730</u>	<u>-18,095</u>
Cash Balance, Ending	<u>\$ 286,718</u>	<u>\$ 313,404</u>	<u>\$ 341,302</u>

PENNSYLVANIA VETERANS' MEMORIAL TRUST FUND

Act 60 of 1988 established this fund to be administered by the Pennsylvania Veterans' Memorial Commission whose purpose it is to erect on the grounds of Fort Indiantown Gap a monument or memorial to Pennsylvania veterans who served in armed conflicts in which the United States was a participant. Funds will be solicited from public and private sources.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 59	\$ 81	\$ 145
Receipts:			
Public/Private Donations	\$ 53	\$ 60	\$ 70
Interest	5	8	9
Total Receipts	58	68	79
Total Funds Available	\$ 117	\$ 149	\$ 224
Disbursements:			
Military Affairs	\$ 36	\$ 4	\$ 4
Total Disbursements	-36	-4	-4
Cash Balance, Ending	\$ 81	\$ 145	\$ 220

PENNVEST BOND AUTHORIZATION FUND

This fund, created under the authority of Act 16 of 1988, receives the proceeds from the sale of bonds authorized by general referendum, transferred from the Water Facilities Loan Fund or from the Capital Facilities Fund for site development. Expenditures are for transfers of funds to the PENNVEST Water Pollution Control Revolving Fund the PENNVEST Revolving Fund, or the PENNVEST Non-Revolving Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 77,834	\$ 48,428	\$ 23,283
Receipts:			
Referendum Bonds	\$ 24,752	\$ 18,810	\$ 25,000
Water Facilities Bonds	1,975	11,880	39,600
Site Development Bonds	63,061	47,520	17,820
Interest	5,943	2,500	3,000
Other .....	.....	.....	.....
Total Receipts	95,731	80,710	85,420
Total Funds Available	\$ 173,565	\$ 129,138	\$ 108,703
Disbursements:			
PENNVEST Fund	\$ 11,015	\$ 2,710	\$ 3,000
PENNVEST Water Pollution Control Revolving Fund	1,391	3,400	6,800
PENNVEST Revolving Fund	112,263	100,275	67,474
PENNVEST Non-Revolving Fund	449	-530	11,421
Treasury	19	.....	.....
Total Disbursements	-125,137	-105,855	-88,695
Cash Balance, Ending	\$ 48,428	\$ 23,283	\$ 20,008

PENNVEST FUND

This fund was created under the authority of Act 16 of 1988 to receive funds from sources other than the sale of general obligation bonds. These sources include appropriations from the General Fund, payments of revolving loans, interest received from revolving and non-revolving loans, investment income, and the sale of assets. In addition to grants and loans for water and sewer projects, these funds can be used for administrative costs.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 20,106	\$ 26,074	\$ 14,965
Receipts:			
Transfer from General Fund	\$ 5,500	\$ 3,000	\$ 2,000
Revolving loan payments	72	.....	.....
Interest	1,395	.....	.....
Investment income	1,690	.....	.....
Bond Authorization Fund	11,015	2,710	3,000
Other	84	.....	.....
Total Receipts	<u>19,756</u>	<u>5,710</u>	<u>5,000</u>
Total Funds Available	\$ 39,862	\$ 31,784	\$ 19,965
Disbursements:			
Executive Offices	\$ 67	.....	.....
Infrastructure			
Investment Authority:			
Loans and Grants	11,024	\$ 10,210	\$ 12,000
Administration	2,697	4,128	3,896
Revenue Bond Transfer .....	.....	2,481	.....
Total Disbursements	<u>-13,788</u>	<u>-16,819</u>	<u>-15,896</u>
Cash Balance, Ending	<u>\$ 26,074</u>	<u>\$ 14,965</u>	<u>\$ 4,069</u>

PENNVEST NON-REVOLVING FUND

This fund, created under the authority of Act 16 of 1988, receives moneys transferred from the PENNVEST Bond Authorization Fund and used for non-revolving loans authorized by the act. These non-revolving loans can be made to public or private entities for drinking water supply or sewer projects. Repayments of loans and interest are deposited in the PENNVEST Redemption Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning .....	.....	.....	.....
Receipts:			
Bond Authorization Fund	\$ 530 ^a	\$ -530 ^b	\$ 11,421
Total Receipts	<u>530</u>	<u>-530^b</u>	<u>11,421</u>
Total Funds Available	\$ 530	\$ -530 ^b	\$ 11,421
Disbursements:			
Drinking Water Projects	\$ 530	\$ -530 ^b	\$ 6,000
Sewer Projects .....	.....	.....	5,421
Total Disbursements	<u>-530</u>	<u>530^b</u>	<u>-11,421</u>
Cash Balance, Ending	<u>.....</u>	<u>.....</u>	<u>.....</u>

^aIncludes \$82,000 due to be transferred.

^bNon-Revolving loans made in prior year have been reclassified as revolving loans and transferred to the PENNVEST Revolving Fund.

PENNVEST REDEMPTION FUND

This fund, created under the authority of Act 16 of 1988, receives repayments of non-revolving loans and investment interest along with annual appropriations by the General Assembly which are used to retire general obligation bonds.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 77	\$ 1	.....
Receipts:			
Transfer from General Fund	\$ 3,048	\$ 5,672	\$ 7,653
Interest on Securities	3	.....	.....
Accrued Interest on Bonds Sold	97	64	248
Total Receipts	<u>3,148</u>	<u>5,736</u>	<u>7,901</u>
Total Funds Available	\$ 3,225	\$ 5,737	\$ 7,901
Disbursements:			
Treasury	\$ 3,224	\$ 5,737	\$ 7,901
Total Disbursements	<u>-3,224</u>	<u>-5,737</u>	<u>-7,901</u>
Cash Balance, Ending	<u>\$ 1</u>	<u>.....</u>	<u>.....</u>

PENNVEST REVOLVING FUND

This fund, created under the authority of Act 16 of 1988, receives moneys transferred from the PENNVEST Bond Authorization Fund. Funds are used for revolving loans which can be made to public or private entities for drinking water supply or sewer projects. Repayments of loans and interest are deposited in the PENNVEST Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 120	\$ 10	\$ 19
Receipts:			
Bond Authorization Fund	\$ 113,342	\$ 100,275	\$ 67,474
Interest	10	9	6
Total Receipts	<u>113,352</u>	<u>100,284</u>	<u>67,480</u>
Total Funds Available	\$ 113,472	\$ 100,294	\$ 67,499
Disbursements:			
Infrastructure Investment Authority:			
Drinking Water Projects	\$ 33,027	\$ 53,975	\$ 44,500
Sewer Projects	80,435	46,300	22,974
Total Disbursements	<u>-113,462</u>	<u>-100,275</u>	<u>-67,474</u>
Cash Balance, Ending	<u>\$ 10</u>	<u>\$ 19</u>	<u>\$ 25</u>

PENNVEST WATER POLLUTION CONTROL REVOLVING FUND

This fund was created under the authority of Act 16 of 1988 for funds received from the Federal government to establish a revolving loan program for sewer projects. Required matching State funds are transferred from the PENNVEST Bond Authorization Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning		\$ 135	\$ 135
Receipts:			
Bond Authorization Fund	\$ 1,391	\$ 3,400	\$ 6,800
Federal Funds	1,693	20,000	40,000
Interest	<u>8</u>		
Total Receipts	<u>3,092</u>	<u>23,400</u>	<u>46,800</u>
Total Funds Available	\$ 3,092	\$ 23,535	\$ 46,935
Disbursements:			
Infrastructure Investment Authority	\$ 2,957	\$ 23,400	\$ 46,800
Total Disbursements	<u>-2,957</u>	<u>-23,400</u>	<u>-46,800</u>
Cash Balance, Ending	<u>\$ 135</u>	<u>\$ 135</u>	<u>\$ 135</u>

PHARMACEUTICAL ASSISTANCE FUND (Contract For The Elderly)

This fund was created by Act 63 of 1983 in order to provide a limited pharmaceutical assistance program for older Pennsylvanians who are 65 years of age or over, and whose annual income does not exceed the maximum specified in the act for program eligibility. Funds not expended in the fiscal year in which they were appropriated shall be available for use in the following fiscal year. For additional information on the program, refer to the Department of Aging program description.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 31,599	\$ 11,414	\$ 2,682
Receipts:			
Transfer from Lottery Fund	\$ 188,000	\$ 222,000	\$ 173,000
Interest on Securities	1,457	1,400	1,400
Other	<u>59</u>	<u>42</u>	<u>42</u>
Total Receipts	<u>189,516</u>	<u>223,442</u>	<u>174,442</u>
Total Funds Available	\$ 221,115	\$ 234,856	\$ 177,124
Disbursements:			
Executive Offices	\$ 42	\$ 40	\$ 42
Treasury	7	15	15
Aging	<u>209,652</u>	<u>232,119</u>	<u>174,664</u>
Total Disbursements	<u>-209,701</u>	<u>-232,174</u>	<u>-174,721</u>
Cash Balance, Ending	<u>\$ 11,414</u>	<u>\$ 2,682</u>	<u>\$ 2,403</u>

PROJECT 70 LAND ACQUISITION SINKING FUND

Annual appropriations by the General Assembly for payment of interest and principal falling due on Project 70 bonds are credited to this fund. In addition, interest from the investment or deposit of money in the Project 70 Land Acquisition Fund is credited to this fund. Moneys reimbursed to the Commonwealth by political subdivisions for inappropriate use of Project 70 funds are credited to this fund. Moneys in this fund are used solely to pay interest and principal of Project 70 bonds.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning .....	.....	\$ 1	.....
Receipts:			
Transfer from General Fund	\$ 763	\$ 755	\$ 770
Sale of Real Estate	<u>2</u>	<u>7</u>	.....
Total Receipts	<u>765</u>	<u>762</u>	<u>770</u>
Total Funds Available	\$ 765	\$ 763	\$ 770
Disbursements:			
Treasury	\$ 764	\$ 763	\$ 770
Total Disbursements	<u>-764</u>	<u>-763</u>	<u>-770</u>
Cash Balance, Ending	<u>\$ 1</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

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 5,846	\$ 9,734	\$ 9,934
Receipts:			
Reimbursement from other agencies	\$ 62,845	\$ 66,000	\$ 68,000
General Fund Loan	7,500	7,500	7,500
Other	<u>1,659</u>	<u>1,200</u>	<u>1,200</u>
Total Receipts	<u>72,004</u>	<u>74,700</u>	<u>76,700</u>
Total Funds Available	\$ 77,850	\$ 84,434	\$ 86,634
Disbursements:			
Executive Office	\$ 37,402	\$ 40,907	\$ 42,005
General Services*	<u>30,714</u>	<u>33,593</u>	<u>34,495</u>
Total Disbursements	<u>-68,116</u>	<u>-74,500</u>	<u>-76,500</u>
Cash Balance, Ending	<u>\$ 9,734</u>	<u>\$ 9,934</u>	<u>\$ 10,134</u>

*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

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 1,441	\$ 1,482	\$ 1,437
Receipts:			
Additional License Fees	\$ 79	\$ 80	\$ 82
Interest	127	125	125
Total Receipts	<u>206</u>	<u>205</u>	<u>207</u>
Total Funds Available	\$ 1,647	\$ 1,687	\$ 1,644
Disbursements:			
State	\$ 165	\$ 250	\$ 250
Total Disbursements	<u>-165</u>	<u>-250</u>	<u>-250</u>
Cash Balance, Ending	<u>\$ 1,482</u>	<u>\$ 1,437</u>	<u>\$ 1,394</u>

RECYCLING FUND

This fund was created by Act 101 of 1988 to finance the planning, processing, resource recovery and recycling of solid waste. Revenue is generated by a fee on all waste disposed of in landfills or processed by resource recovery facilities. Expenditures are for recycling and planning grants, market and waste minimization studies, and public information and education activities throughout the Commonwealth.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 10,033	\$ 33,608	\$ 17,260
Receipts:			
Recycling Fees	\$ 26,356	\$ 26,000	\$ 26,000
Fine and Penalties	1	2	2
Interest	1,896	1,500	1,500
Total Receipts	<u>28,253</u>	<u>27,502</u>	<u>27,502</u>
Total Funds Available	\$ 38,286	\$ 61,110	\$ 44,762
Disbursements:			
Environmental Resources	\$ 4,383	\$ 43,750	\$ 30,150
Commerce	295	100	100
Total Disbursements	<u>-4,678</u>	<u>-43,850</u>	<u>-30,250</u>
Cash Balance, Ending	<u>\$ 33,608</u>	<u>\$ 17,260</u>	<u>\$ 14,512</u>

REGIONAL FACILITY SITING FUND

This fund was created by Act 107 of 1990 to provide for establishing a low-level radioactive waste disposal facility in Pennsylvania. The act requires certain generators of low-level radioactive waste, primarily nuclear power generating facilities, to make advance payments of disposal fees which will fund the initial costs of designing and constructing the new disposal facility.

Statement of Cash Receipts and Disbursements

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Estimated
Cash Balance, Beginning			\$ 1,117
Receipts:			
Advance Payments		\$ 8,397	\$ 10,800
Interest		320	445
Total Receipts		8,717	11,245
Total Funds Available		\$ 8,717	\$ 12,362
Disbursements:			
Environmental Resources		\$ 7,600	\$ 11,100
Total Disbursements		-7,600	-11,100
Cash Balance, Ending		\$ 1,117	\$ 1,262

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

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 1,664	\$ 2,467	\$ 2,693
Receipts:			
Clients Fees	\$ 12,673	\$ 13,600	\$ 11,200
Other	1,638	1,640	1,260
Total Receipts	14,311	15,240	12,460
Total Funds Available	\$ 15,975	\$ 17,707	\$ 15,153
Disbursements:			
Executive Offices	\$ 789	\$ 836	\$ 861
Labor and Industry	12,719	14,178	13,880
Total Disbursements	-13,508	-15,014	-14,741
Cash Balance, Ending	\$ 2,467	\$ 2,693	\$ 412

REVENUE SHARING TRUST FUND

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

The Federal, State and Local Fiscal Assistance Act placed no restrictions upon purposes for which the funds are spent; however, expenditures had to be in accordance with the laws and procedures applicable to expenditures of State revenues, including appropriation, accounting and audit.

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

Federal legislation eliminated Revenue Sharing Funds for state governments beginning with the 1981-82 fiscal year. However, in 1982-83 the Federal Government released a reserve held for contingencies. Certain prior year appropriations to the Department of Environmental Resources are still involved in litigation, and the funds invested remain in the Revenue Sharing Trust Fund and are earning interest.

Act 51-A of 1982 earmarked all such interest earnings for the use of the Department of General Services to pay for moving costs of Commonwealth agencies.

Statement of Cash Receipts and Disbursements

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 281	\$ 203	.....
Receipts:			
Interest on Securities	\$ 19	.....	.....
Total Receipts	19	203	.....
Total Funds Available	\$ 300	\$ 203	.....
Disbursements:			
General Services	\$ 97	\$ 203	.....
Total Disbursements	-97	-203	.....
Cash Balance, Ending	\$ 203	.....	.....

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's is made by an annual appropriation from the General Fund and paid quarterly to the fund.

Earnings from investments provide additional revenue and pay for the expenses of the Public School Employees' Retirement Board. The board is responsible for management of the fund and payment of benefits.

The cash balance shown in the statement includes substantial investment assets. The net investment adjustment item is included to reflect the carrying value of long term investments as of June 30, 1988.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 12,975,579	\$ 17,062,598	\$ 19,078,504
Receipts:			
Transfer from General Fund —			
Employer Contribution	\$ 535,110	\$ 570,858	\$ 463,555
Transfers from State Retirement System	1,695	2,500	3,000
Contribution of School Employees Returned Contributions of School Employes	295,771	318,000	338,350
Contributions of School Districts ...	11,411	12,000	13,500
Interest on Securities	526,520	570,858	463,555
Other	1,141,012	1,075,000	1,144,000
Net Investment Adjustment	1,043	1,800	2,000
	<u>2,551,922</u>	<u>565,500</u>	<u>605,000</u>
Total Receipts	5,064,484	3,116,516	3,032,960
Total Funds Available	\$18,040,063	\$20,179,114	\$22,111,464
Disbursements:			
Executive Offices	\$ 699	\$ 580	\$ 650
Treasury	200	30	35
Public School Employees' Retirement Board	976,566	1,100,000	1,245,000
Total Disbursements	<u>-977,465</u>	<u>-1,100,610</u>	<u>-1,245,685</u>
Cash Balance, Ending	<u>\$ 17,062,598</u>	<u>\$ 19,078,504</u>	<u>\$ 20,865,779</u>

SINKING FUND

This one sinking fund existed prior to the practice of having a sinking fund for each separate bond fund. Moneys are held in this fund to cover the possible redemption of Commonwealth notes and bonds which had maturity dates from 1841 through 1871. There has been no activity on these old outstanding obligations, reportedly, since 1929. The redemption value of those obligations is \$141,320.06. Money not needed to pay principal of or interest on Commonwealth debt may also be used to suppress insurrection or defend the State in war, in accordance with the Constitution of the Commonwealth of Pennsylvania. Money in this fund may be invested only in United States or Commonwealth bonds. Interest accumulating on moneys remaining in the fund is credited to the State School Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 145	\$ 145	\$ 145
Receipts:			
Interest on Securities .....	.....	.....	.....
Total Receipts .....	.....	.....	.....
Total Funds Available	\$ 145	\$ 145	\$ 145
Disbursements:			
Treasury .....	.....	.....	.....
Total Disbursements .....	.....	.....	.....
Cash Balance, Ending	\$ 145	\$ 145	\$ 145

SOCIAL SECURITY CONTRIBUTION FUND

This fund was established to hold both employers' and employees' share of Social Security deductions of Commonwealth and local government or other instrumentality employees for payment of Social Security benefits under the Federal Insurance Contribution Act (FICA). Withdrawals from the fund are made to the Federal Agency in amounts required to extend the benefits of eligible employees under the Federal old-age and survivors insurance system and for payment of refunds and overpayments made by a political subdivision.

Effective January 1, 1987, the states were removed from the intermediary role of collecting and reporting Social Security contributions. The State retains responsibility for wage information prior to January 1, 1987.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 15,158	\$ 14,956	\$ 13,638
Receipts:			
Social Security Contributions —			
Public	\$ 2,592	\$ 1,116	\$ 175
Other	1,675	1,266	900
Total Receipts	4,267	2,382	1,075
Total Funds Available	\$ 19,425	\$ 17,338	\$ 14,713
Disbursements:			
Labor and Industry	\$ 4,469	\$ 3,700	\$ 13,635
Total Disbursements	-4,469	-3,700	-13,635
Cash Balance, Ending	\$ 14,956	\$ 13,638	\$ 1,078

SOLID WASTE — RESOURCE RECOVERY DEVELOPMENT FUND

Created in 1974, this fund provides financial assistance to municipalities in the planning, development, construction and operation of resource recovery and solid waste disposal facilities. Loans for new facilities are restricted to municipalities in seventh and eighth class counties, while loans for existing facilities are restricted to municipalities in fifth through eighth class counties. Revenue is provided through appropriations by the General Assembly and by the repayment of loans made to municipalities.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 9,454	\$ 8,497	\$ 7,277
Receipts:			
Interest	\$ 781	\$ 780	\$ 780
Transfer From General Fund .....	.....	.....	.....
Transfer From Energy Assistance and Conservation Fund	148	.....	.....
Total Receipts	<u>929</u>	<u>780</u>	<u>780</u>
Total Funds Available	\$ 10,383	\$ 9,277	\$ 8,057
Disbursements:			
Environmental Resources	\$ 1,886	\$ 2,000	\$ 2,000
Total Disbursements	<u>-1,886</u>	<u>-2,000</u>	<u>-2,000</u>
Cash Balance, Ending	\$ 8,497	\$ 7,277	\$ 6,057

SPECIAL ADMINISTRATION FUND

The purpose of this fund, administered by the Department of Labor and Industry, is to cover those administrative expenses of the Unemployment Compensation Law not properly and validly chargeable to the Administration Fund. The receipts of the fund are generated from interest and penalties collected from claimants and employers under provisions of the Unemployment Compensation Law. All moneys in excess of \$200,000 in the fund at the end of the fiscal year are transferred to the Unemployment Compensation Contribution Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 2,112	\$ 2,112	\$ 2,112
Receipts:			
Interest and Penalties	\$ 6,525	\$ 7,000	\$ 7,000
Other	322	200	200
Total Receipts	<u>6,847</u>	<u>7,200</u>	<u>7,200</u>
Total Funds Available	\$ 8,959	\$ 9,312	\$ 9,312
Disbursements:			
Labor and Industry	\$ 6,847	\$ 7,200	\$ 7,200
Total Disbursements	<u>-6,847</u>	<u>-7,200</u>	<u>-7,200</u>
Cash Balances, Ending	\$ 2,112	\$ 2,112	\$ 2,112

STATE COLLEGE EXPERIMENTAL FARM FUND

Act 56, approved May 13, 1887, authorized the sale of the eastern and western experimental farms which were purchased with Federal land grant moneys in 1862. These farms were sold for \$17,000 in 1888 and the proceeds were placed in this fund to be invested in bonds of the Commonwealth at 6 percent per annum with the interest serving as an ongoing revenue to this fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 25	\$ 25	\$ 25
Receipts:			
Miscellaneous	\$ 2	\$ 2	\$ 2
Total Receipts	2	2	2
Total Funds Available	\$ 27	\$ 27	\$ 27
Disbursements:			
Treasury	\$ 2	\$ 2	\$ 2
Total Disbursements	-2	-2	-2
Cash Balance, Ending	\$ 25	\$ 25	\$ 25

STATE EMPLOYES' RETIREMENT FUND

This fund was created in 1924 to accumulate reserves for the payment of pensions to former State employees. Money in this fund is used to pay retirement, disability, and death benefits to members of the State Employees' Retirement System and their beneficiaries. Membership in the system is mandatory for most State employees, and available to employees of nonstate entities; such as, the Pennsylvania State University, the Turnpike Commission, the Delaware River Port Authority, and other public and quasi-public institutions authorized by the Retirement Code.

Revenue to the fund comes from employe contributions, employer contributions from the Commonwealth and other employers, and income derived from investments of the fund. Employer contributions are an actuarially determined percentage of payroll sufficient to fund current and future benefit payments. Investment income is used to credit interest to each member's account; to pay the administrative expenses of the retirement system; and to accumulate reserves for the payment of future benefits.

Management of the fund and payment of benefits is overseen by the State Employees' Retirement Board.

The cash balance shown in the statement includes substantial investment assets; the net investment adjustment item is to reflect the carrying value of long term investments as of June 30.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 7,627,112	\$ 9,832,858	\$10,873,924
Receipts:			
Contributions of Employes	\$ 171,355	\$ 183,800	\$ 197,100
State Share Contribution	417,034	447,300	479,700
Interest on Securities	663,119	489,400	534,500
Other	613	360	365
Net Investment Adjustment	1,542,970	552,606	458,135
Total Receipts	2,795,091	1,673,466	1,669,800
Total Funds Available	\$10,422,203	\$11,506,324	\$12,543,724
Disbursements:			
Executive Offices	\$ 357	\$ 385	\$ 400
Treasury	60	4	5
State Employees' Retirement System	588,928	632,011	667,395
Total Disbursements	-589,345	-632,400	-667,800
Cash Balance, Ending	\$ 9,832,858	\$10,873,924	\$11,875,924

STATE INSURANCE FUND

Created in 1915, this fund finances expenditures relating to the rebuilding, restoring or replacing of buildings, structures, equipment or other property owned by the Commonwealth which have been damaged or destroyed by fire or other casualty. This includes natural or man made disasters. Revenue is derived from interest earned by the fund, interest received from the Fire Insurance Tax Fund and from reimbursements by insurance companies. If needed, money may also be directly appropriated to this fund. Any amount in the fund in excess of \$3 million on December 31st of each year is transferred to the General Fund. This fund satisfies the requirements of the Federal Government for the Disaster Insurance Program.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 4,811	\$ 15,248	\$ 15,248
Receipts:			
Recovered Damages	\$ 10,019	.....	.....
Interest	2,023	\$ 1,600	\$ 1,600
Total Receipts	12,042	1,600	1,600
Total Funds Available	\$ 16,853	\$ 16,848	\$ 16,848
Disbursements:			
General Services	\$ 1,605	\$ 1,600	\$ 1,600
Total Disbursements	-1,605	-1,600	-1,600
Cash Balance, Ending	\$ 15,248	\$ 15,248	\$ 15,248

STATE RESTAURANT FUND

This fund was created in 1943 to finance the purchase and maintenance of equipment for the operation of the restaurant in the State Capitol as well as any other restaurants in other State Office Buildings. At present, the only restaurant operated within this fund is in the Main Capitol Building and revenue is derived from the profits earned from that operation. During fiscal year 1986-87 the Main Capitol Restaurant was enlarged and relocated into the Capitol Addition.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 680	\$ 759	\$ 814
Receipts:			
Revenue from General Operations ..	\$ 69	\$ 70	\$ 70
Other	63	65	65
Total Receipts	132	135	135
Total Funds Available	\$ 812	\$ 894	\$ 949
Disbursements:			
General Services	\$ 53	\$ 80	\$ 100
Total Disbursements	-53	-80	-100
Cash Balance, Ending	\$ 759	\$ 814	\$ 849

STATE SCHOOL FUND

The fund was established in 1911 and is funded primarily by the sale of escheated estates and other nonpublic real estate and interest earnings of the Sinking Fund. Recent changes in the escheat law and lack of interest earnings from the Sinking Fund or investment of moneys in the State School Fund have resulted in a low revenue level; this fund is active in only a limited sense.

The original purpose of the fund was to equalize educational advantages across the Commonwealth; to provide advancements to school districts temporarily in need of aid; and to promote education in the conservation of natural resources, forestry, agriculture and other industrial pursuits. The law was amended in 1960 to change the purpose to equalization of educational opportunities, and paying part of the cost of repair or alteration of local public school or State college buildings when they are required to satisfy requirements of the Department of Labor and Industry or another relevant governmental agency.

Expenditures from the fund are made at the direction of the State Board of Education.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 426	\$ 347	\$ 354
Receipts:			
Sinking Fund: Interest	\$ 13	\$ 10	\$ 10
Treasury: Interest	30	22	23
Other	30	.....	.....
Total Receipts	<u>73</u>	<u>32</u>	<u>33</u>
Total Funds Available	\$ 499	\$ 379	\$ 387
Disbursements:			
Education	\$ 152	\$ 25	.....
Total Disbursements	<u>-152</u>	<u>-25</u>	<u>.....</u>
Cash Balance, Ending	<u>\$ 347</u>	<u>\$ 354</u>	<u>\$ 387</u>

STATE STORES FUND

The State Stores Fund serves as the general operating fund for the Liquor Control Board. The Pennsylvania State Police receive funds for the enforcement of the Liquor Code Law; the Department of Health receives funds for alcohol abuse programs. To this fund are credited revenues from the sale of goods in State Liquor Stores, fees not credited to the Liquor License Fund, fines and penalties, losses and damages recovered, and loans from the General Fund to provide working capital. Expenditures cover all costs associated with the operation and administration of the Liquor Stores System and enforcement of the Liquor Control Law. Any surplus is transferred to the General Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 46,698	\$ 25,170	\$ 17,450
Receipts:			
Fees	\$ 6,012	\$ 8,023	\$ 8,875 ^a
Fines and Penalties	1,972	2,020	2,100
Sale of Goods	781,608	791,364	801,415
Recovered Losses and Damages ...	1,041	1,100	1,100
General Fund Loans	116,000	66,000	66,000
Other	20,857	19,000	19,000
Total Receipts	<u>927,490</u>	<u>887,507</u>	<u>898,490</u>
Total Funds Available	\$ 974,188	\$ 912,677	\$ 915,940
Disbursements:			
Executive Offices	\$ 11,195	\$ 11,000	\$ 11,000
State Police	11,464	12,868	13,418
Health	442	633	606
Liquor Control Board ^b	925,917	870,726	865,000
Total Disbursements	<u>-949,018</u>	<u>-895,227</u>	<u>-890,024</u>
Cash Balance, Ending	\$ 25,170	\$ 17,450	\$ 25,916

^aEstimated amount includes \$775,000 of proposed changes in fees.

^bIncludes repayment of General Fund Loan.

STATE TREASURY ARMORY FUND

Created in accordance with Act 126 of 1979 and Act 92 of 1975, this fund receives monies derived from the sale of any armory building, armory site or other real estate. Funds shall be expended solely for the purchase of equipment, furniture and fixtures or for the construction of new armories in the Commonwealth.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 67	\$ 67	\$ 36
Receipts:			
Interest	\$ 6	\$ 5	\$ 3
Armory Rentals .....	.....	35	40
Total Receipts	<u>6</u>	<u>40</u>	<u>43</u>
Total Funds Available	\$ 73	\$ 107	\$ 79
Disbursements:			
Military Affairs	\$ 6	\$ 71	\$ 45
Total Disbursements	<u>-6</u>	<u>-71</u>	<u>-45</u>
Cash Balance, Ending	\$ 67	\$ 36	\$ 34

STATE WORKMEN'S INSURANCE FUND

The State Workmen's Insurance Fund (SWIF) was created by the Act of June 2, 1915, and operates within the Department of Labor and Industry. It is a self-sustaining fund providing workmen's compensation insurance to employers, including those refused policies by private insurance firms. SWIF is subject to underwriting rules, classifications and rates promulgated by rating bureaus authorized by the State Insurance Commissioner. Premium rates are established by them based on the history of accidents by industry. Administrative costs are paid from the fund including expenses related to Insurance Department and Auditor General examinations.

Act 60 of 1990 provides for the transfer of money from SWIF to the General Fund, the reserve funds and to policyholders. Annual payments will be made to the General Fund which would have been paid in taxes had SWIF been subject to taxes. The Act also established an Advisory Council to recommend the amount of surplus in SWIF, if any, that could be distributed without jeopardizing its legal obligations to policyholders. If such a surplus exists, the SWIF Board may then recommend distribution of the surplus to current or former policyholders and the Sunny Day and the Tax Stabilization Reserve funds. The funds recommended by the Board to be transferred to the reserve funds and refunded to policyholders must be approved and appropriated by the General Assembly.

The net investment adjustment shown below is to reflect the current market value of long-term investments as of June 30.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 1,025,213	\$ 1,070,728	\$ 975,393
Receipts:			
Premiums	\$ 193,148	\$ 209,890	\$ 171,656
Other	152,397	136,824	125,690
Net Investment Adjustment	7,052	.....	.....
Total Receipts	<u>352,597</u>	<u>346,714</u>	<u>297,346</u>
Total Funds Available	\$ 1,377,810	\$ 1,417,442	\$ 1,272,739
Disbursements:			
Executive Offices	\$ 711	\$ 750	\$ 776
Labor and Industry	211,358	210,362	225,700
Treasury	13	13	13
Transfer to General Fund	85,000	.....	.....
Transfer to Sunny Day Fund	5,000	.....	.....
Transfer to Tax Stabilization Reserve Fund	5,000	.....	.....
Payment to General Fund in Lieu of Taxes — Prior Years .....	.....	125,000	.....
Payment to General Fund in Lieu of Taxes — 1990-91 .....	.....	4,009	4,279
Transfer to Commonwealth Reserves .....	.....	101,915	.....
Total Disbursements	<u>-307,082</u>	<u>-442,049</u>	<u>-230,768</u>
Cash Balance, Ending	<u>\$ 1,070,728</u>	<u>\$ 975,393</u>	<u>\$ 1,041,971</u>

STORAGE TANK FUND

This fund was created by Act 32 of 1989 for the operation of an aboveground and underground storage tank regulation, registration and enforcement program. Revenues to the fund consist of registration and permit fees, fines, judgements, bond forfeitures, interest and recovered costs. Expenditures include the remediation of leaking underground storage tanks.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning .....	.....	\$ 4,753	\$ 9,091
Receipts:			
Registration Fees	\$ 5,467	\$ 7,500	\$ 9,500
Permit Fees .....	.....	100	100
Federal Funds — EPA	721	3,858	3,365
Cost Recovery .....	.....	.....	.....
Fines and Penalties	4	5	5
Interest	138	375	650
Other	59	.....	.....
Total Receipts	<u>6,389</u>	<u>11,838</u>	<u>13,620</u>
Total Funds Available	\$ 6,389	\$ 16,591	\$ 22,711
Disbursements:			
Environmental Resources	\$ 1,613	\$ 7,500	\$ 7,500
Executive Offices	23	.....	.....
Total Disbursements	<u>-1,636</u>	<u>-7,500</u>	<u>-7,500</u>
Cash Balance, Ending	\$ <u>4,753</u>	\$ <u>9,091</u>	\$ <u>15,211</u>

STORAGE TANK LOAN FUND

This fund was established by Act 32 of 1989 to provide financial assistance to small tank facility owners or operators identified by the Department of Environmental Resources (DER) as potentially liable for a release or danger of a release of a regulated substance from a storage tank. The assistance will be in the form of low-interest loans to finance the cost of all or a portion of the ordered response actions. Consists primarily of two percent of fees collected from revenue registration of above-ground and underground tanks in Pennsylvania.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning
Receipts:			
Fees	\$ 170
Loan Principal	2
Interest — Loans	4
Interest — Securities	10
Total Receipts	<u>.....</u>	<u>.....</u>	<u>186</u>
Total Funds Available	\$ 186
Disbursements:			
Economic Development Partnership	\$ 170
Total Disbursements	<u>.....</u>	<u>.....</u>	<u>-170</u>
Cash Balance, Ending	<u>.....</u>	<u>.....</u>	\$ <u>16</u>

SUNNY DAY FUND

The purpose of this fund, created by Act 32 of 1985 and administered by the Treasury Department, is to provide assistance to the Governor and the Economic Development Partnership in their efforts to attract industrial, manufacturing or research and development enterprises to this Commonwealth. Revenue is provided through an appropriation by the General Assembly for transfer to this fund. Appropriations out of the fund require approval by two thirds of the members of the General Assembly.

Act 60 of 1990 provides for the transfer of money from the State Workmen's Insurance Fund (SWIF) to the General Fund, the reserve funds and to policyholders. Annual payments will be made to the General Fund which would have been paid in taxes had SWIF been subject to taxes. The Act also established an Advisory Council to recommend the amount of surplus in SWIF, if any, that could be distributed without jeopardizing its legal obligations to policyholders. If such a surplus exists, the SWIF Board may then recommend distribution of the surplus to current or former policyholders and to the Sunny Day and the Tax Stabilization Reserve funds. The funds recommended by the Board to be transferred to the reserve funds and refunded to policyholders must be approved and appropriated by the General Assembly.

This statement is presented on a modified accrual, rather than a cash basis.

Statement of Receipts and Disbursements

	1989-90 Actual	(Dollar Amounts in Thousands) 1990-91 Available	1991-92 Estimated
Cash Balance, Beginning^a	\$ 44,238	\$ 58,508	\$ 23,183
Receipts:			
Transfer from State Workmen's Insurance Fund	\$ 5,000		
Loan Repayments	929	\$ 1,100	\$ 1,500
Interest on Securities	5,952	6,300	1,500
Interest on Loans	739	625	850
Miscellaneous	1,150	1,150	1,346 ^c
Total Receipts	<u>13,770</u>	<u>9,175</u>	<u>5,196</u>
Prior Year Lapses	\$ 10,500		
Total Funds Available	\$ 68,508	\$ 67,683	\$ 28,379
Expenditures:			
Economic Development Partnership	\$ 10,000	\$ 44,500	\$ 25,000 ^b
Total Expenditures	<u>-10,000</u>	<u>-44,500</u>	<u>-25,000</u>
Cash Balance, Ending^a	<u>\$ 58,508</u>	<u>\$ 23,183</u>	<u>\$ 3,379</u>

^aCash balance less encumbrances.

^bAnticipated projects; however, this amount is not carried forward to other financial presentations since specific projects have not been determined.

^cEstimated amounts for 1991-92 include \$196,000 of proposed changes in license and fee amounts.

SUPPLEMENTAL STATE ASSISTANCE FUND

This fund was created by Act 205 of 1984, the Municipal Pension Plan Funding Standard and Recovery Act, and is administered by the Auditor General. Effective July 1985, the fund includes a portion of the Foreign Casualty Insurance Premium Tax which in prior years was allocated to the State Employees Retirement Fund State Police account. Those revenues will be used for loans to municipalities in danger of default on their pension program. Loans have been available since 1985-86 fiscal year; however, no requests for assistance have been received and therefore no disbursements are anticipated. In 1988 a program of General Fund aid to distressed municipalities was started through this fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 143	\$ 5	.....
Receipts:			
General Fund Appropriation .....	.....	\$ 17,406	\$ 16,407
Interest	\$ 7	.....	.....
Total Receipts	7	17,411	\$ 16,407
Total Funds Available	\$ 150	\$ 17,411	\$ 16,407
Disbursements:			
Auditor General	\$ 145	\$ 17,411	\$ 16,407
Total Disbursements	-145	-17,411	-16,407
Cash Balances, Ending	\$ 5	.....	.....

SURFACE MINING CONSERVATION AND RECLAMATION FUND

This fund was created in 1945 to finance reclamation projects on land scarred by surface mining. Projects include recontouring, terracing and planting of trees, shrubs and grasses. Revenues are provided by charging surface mining operators for licenses and permits and by fining them for failing to apply for the licenses and permits as well as by forfeiture of collateral bonds, cash or securities for failure to comply with an approved reclamation plan.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 18,229	\$ 22,440	\$ 21,295
Receipts:			
Licenses and Fees	\$ 1,548	\$ 1,625	\$ 1,625
Interest	1,615	1,500	1,500
Forfeiture of Bonds	4,405	2,000	2,000
Trust Account Collateral	64	200	200
Other	52	50	50
Total Receipts	7,684	5,375	5,375
Total Funds Available	\$ 25,913	\$ 27,815	\$ 26,670
Disbursements:			
Executive Offices	\$ 23	\$ 20	\$ 20
Environmental Resources	3,450	6,500	5,500
Total Disbursements	-3,473	-6,520	-5,520
Cash Balance, Ending	\$ 22,440	\$ 21,295	\$ 21,150

TAX NOTE SINKING FUND

Moneys in this fund are used solely for the payment of principal and interest on tax anticipation notes issued for the General Fund or the Motor License Fund. Repayment of tax anticipation notes must be accomplished before the end of the fiscal period in which the notes were issued. Repayment of commercial paper issued in anticipation of tax revenues is made directly from the issuing fund and is not recorded in this fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning .....	.....	.....	.....
Receipts:			
Transfer from General Fund	\$ 576,343	\$ 443,925	\$ 628,500
Total Receipts	<u>576,343</u>	<u>443,925</u>	<u>628,500</u>
Total Funds Available	\$ 576,343	\$ 443,925	\$ 628,500
Disbursements:			
Treasury	\$ 576,343	\$ 443,925	\$ 628,500
Total Disbursements	<u>-576,343</u>	<u>-443,925</u>	<u>-628,500</u>
Cash Balance, Ending .....	.....	.....	.....

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.

Act 60 of 1990 provides for the transfer of money from the State Workmen's Insurance Fund to the General Fund, the reserve funds and to policyholders. Annual payments will be made to the General Fund which would have been paid in taxes had SWIF been subject to taxes. The Act also established an Advisory Council to recommend the amount of surplus in SWIF, if any, that could be distributed without jeopardizing its legal obligations to policy holders. If such a surplus exists, the SWIF Board may then recommend distribution of the surplus to current or former policyholders and to the Sunny Day and the Tax Stabilization Reserve funds. The funds recommended by the Board to be transferred to the reserve funds and refunded to policyholders must be approved and appropriated by the General Assembly.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 112,220	\$ 127,173	.....
Receipts:			
Capital Stock and Transfer Tax .....	.....	.....	\$ 42,000*
State Workmen's Insurance Fund Transfer	\$ 5,000	.....	.....
Interest on Securities	<u>9,953</u>	<u>\$ 6,627</u>	.....
Total Receipts	<u>14,953</u>	<u>6,627</u>	<u>42,000</u>
Total Funds Available	\$ 127,173	\$ 133,800	\$ 42,000
Disbursements:			
Education:			
Special Education .....	.....	\$ 20,200	.....
Public Welfare:			
Medical Assistance — Outpatient .....	.....	5,443	.....
Medical Assistance — Inpatient .....	.....	76,157	.....
Medical Assistance — Capitation .....	.....	<u>32,000</u>	.....
Total Disbursements .....	.....	<u>-133,800</u>	.....
Cash Balance, Ending	\$ 127,173	.....	\$ 42,000

*In 1991-92 it is proposed that 1/2 mill from the Capital Stock & Franchise Tax increase be dedicated for deposit into the Tax Stabilization Reserve Fund.

UNDERGROUND STORAGE TANK INDEMNIFICATION FUND

The Storage Tank and Spill Prevention Act (Act 32) of July 6, 1989 established the Underground Storage Tank Indemnification Fund to administer a program to provide claim payments to owners and operators of underground storage tanks who incur liability for taking corrective action or for bodily injury or property damage caused by a sudden or non-sudden release from underground storage tanks. Expenses for administration of the fund are also covered. The act authorized that a loan from the Hazardous Sites Cleanup Fund be provided to cover start up expenses of the fund.

The fund is administered by the Insurance Department in conjunction with a seven member Underground Storage Tank Indemnification Board.

Act 32 authorizes the board to establish a fee, to be paid by underground storage tank owner/operators, to fund the program. At the December 19, 1990 board meeting a \$100 tank fee and 2 cents per gallon gas fee were approved by the board. The fund is required by federal legislation to provide claim coverage on April 1, 1991.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning
Receipts:			
Tank Fee	\$ 10,000
Gallon Fee	118,000
Loan from Hazardous Sites Cleanup Fund	\$ 292	.....
Investment Income	4,480
Total Receipts	292	132,480
Total Funds Available	\$ 292	\$ 132,480
Disbursements:			
Insurance	\$ 292	\$ 78,454 ^a
Total Disbursements	-292	-78,454
Cash Balance, Ending	\$ 54,026

^aTo be expended: \$4,172,000 for administration, \$73,900,000 for claims, \$382,000 for loan repayment.

UNEMPLOYMENT COMPENSATION BENEFIT PAYMENT FUND

Employers' and employees' contributions under the Unemployment Compensation Law are credited to the Commonwealth's account in the Federal Unemployment Trust Fund. Requisitions of money from the Trust Fund for the payment of unemployment compensation benefits to eligible individuals are the revenue for the Unemployment Compensation Benefit Payment Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning			
Receipts:			
Regular Unemployment Compensation Program	\$ 1,070,415	\$ 1,144,000	\$ 1,125,000
Federal Receipts in Transit ^a	5,560	7,000	7,000
Other	62,234	63,000	63,000
Total Receipts	1,138,209	1,214,000	1,195,000
Total Funds Available	\$ 1,138,209	\$ 1,214,000	\$ 1,195,000
Disbursements:			
Labor and Industry	\$ 1,138,209	\$ 1,214,000	\$ 1,195,000
Total Disbursements	-1,138,209	-1,214,000	-1,195,000
Cash Balance, Ending .....	.....	.....	.....

^aRepresents future receipt of funds from the Federal Government for checks issued to individual claimants.

UNEMPLOYMENT COMPENSATION CONTRIBUTION FUND

This fund was created to hold moneys collected from employers under the Unemployment Compensation Law and, except for refunds of collections or transfers to the Special Administration Fund, the moneys are transferred to the United States Treasury for credit to the Commonwealth's account in the Federal Unemployment Trust Fund established under Section 904 of the Social Security Act.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 2	\$ 1	\$ 1
Receipts:			
Contributions of Employers and Employes	\$ 1,178,764	\$ 1,188,000	\$ 1,231,000
Other	598	50	50
Total Receipts	1,179,362	1,188,050	1,231,050
Total Funds Available	\$ 1,179,364	\$ 1,188,051	\$ 1,231,051
Disbursements:			
Labor and Industry	\$ 1,179,363	\$ 1,188,050	\$ 1,231,050
Total Disbursements	-1,179,363	-1,188,050	-1,231,050
Cash Balance, Ending	\$ 1	\$ 1	\$ 1

UNEMPLOYMENT COMPENSATION INTEREST FUND

This fund was created to pay the interest due on the Federal Unemployment Compensation Title XII Advances. The receipts in this fund are generated by employers under provisions of the Unemployment Compensation Law as amended in July 1983 and October 1988. Funds are used for interest payments with any payments exceeding interest requirements used for benefit payments. The 1988 amendment also required the transfer of \$41,000,000 to the General Fund. Act 2 of 1989 required the transfer of \$11,700,000 to the General Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 11,768	\$	\$
Receipts:			
Employer's Interest Taxes	\$	\$	\$
Other	184	. . . .	. . . .
Total Receipts	<u>184</u>	<u>. . . .</u>	<u>. . . .</u>
Total Funds Available	\$ 11,952	\$ . . . .	. . . .
Disbursements:			
Labor and Industry	\$ 252	\$	\$
Transfer to General Fund	11,700	. . . .	. . . .
Total Disbursements	<u>-11,952</u>	<u>. . . .</u>	<u>. . . .</u>
Cash Balance, Ending	<u>\$</u>	<u>\$</u>	<u>\$</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

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning .....	. . . .	\$ 1	. . . .
Receipts:			
Transfer from General Fund	\$ 4,560	\$ 4,558	\$ 4,561
Interest on Securities	3	. . . .	. . . .
Total Receipts	<u>4,563</u>	<u>4,558</u>	<u>4,561</u>
Total Funds Available	\$ 4,563	\$ 4,559	\$ 4,561
Disbursements:			
Treasury	\$ 4,562	\$ 4,559	\$ 4,561
Total Disbursements	<u>-4,562</u>	<u>-4,559</u>	<u>-4,561</u>
Cash Balance, Ending	<u>\$ 1</u>	<u>. . . .</u>	<u>. . . .</u>

VOCATIONAL REHABILITATION FUND

This fund, administered by the State Board of Vocational Rehabilitation (Department of Labor and Industry), was created to provide vocational rehabilitation services to any person who has a disability (mental or physical) which constitutes a handicap to employment or to achievement of an independent living status. Services can be provided directly or through a purchase of service arrangement. Receipts for this fund come from Federal vocational rehabilitation funds, transfer of General Fund appropriations (for matching the Federal funds) and interest earned.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 4,018	\$ 4,986	\$ 2,995
Receipts:			
Transfer from General Fund	\$ 18,359	\$ 17,359	\$ 17,359
Federal Vocational Rehabilitation Funds	76,327	81,150	83,500
Other	<u>3,914</u>	<u>3,000</u>	<u>3,500</u>
Total Receipts	<u>98,600</u>	<u>101,509</u>	<u>104,359</u>
Total Funds Available	\$ 102,618	\$ 106,495	\$ 107,354
Disbursements:			
Executive Offices	\$ 2,399	\$ 2,500	\$ 2,575
Labor and Industry	<u>95,233</u>	<u>101,000</u>	<u>104,000</u>
Total Disbursements	<u>-97,632</u>	<u>-103,500</u>	<u>-106,575</u>
Cash Balance, Ending	<u>\$ 4,986</u>	<u>\$ 2,995</u>	<u>\$ 779</u>

VOLUNTEER COMPANIES LOAN FUND

On November 4, 1975, a voter referendum authorized a \$10,000,000 bond issue to be used for acquisition and replacement of volunteer fire, ambulance and rescue company equipment and facilities. A second voter referendum in November 1981 authorized an additional \$15,000,000 to be added to the fund. Act 208 of 1976 established a revolving loan fund known as the Volunteer Companies Loan Fund administered by the Pennsylvania Emergency Management Agency. As the low interest loans are repaid by the volunteer companies, the monies are returned to the fund for reuse.

Act 100 of 1990 authorized a referendum providing for both a \$25 million bond issue to continue this program and an increase in individual loan limits. The referendum was approved by the electorate on November 12, 1990.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 7,472	\$ 4,359	\$ 2,394
Receipts:			
Loan Principal Repayments	\$ 7,880	\$ 8,118	\$ 8,468
Loan Interest	842	839	801
Interest on Securities	528	736	600
Sale of Bonds .....	.....	.....	4,000
Miscellaneous	9	9	9
Total Receipts	<u>9,259</u>	<u>9,702</u>	<u>13,878</u>
Total Funds Available	\$ 16,731	\$ 14,061	\$ 16,272
Disbursements:			
Pennsylvania Emergency Management Agency	\$ 12,372	\$ 11,667	\$ 12,000
Total Disbursements	<u>-12,372</u>	<u>-11,667</u>	<u>-12,000</u>
Cash Balance, Ending	<u>\$ 4,359</u>	<u>\$ 2,394</u>	<u>\$ 4,272</u>

VOLUNTEER COMPANIES LOAN SINKING FUND

Moneys in this fund are used to redeem or pay interest on bonds issued for the Volunteer Companies Loan Fund. An appropriation from the General Fund provides revenues to the fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning .....	.....	.....	.....
Receipts:			
Transfer from General Fund	\$ 2,578	\$ 2,509	\$ 2,487
Accrued Interest on Bonds Sold .....	.....	.....	19
Total Receipts	<u>2,578</u>	<u>2,509</u>	<u>2,506</u>
Total Funds Available	\$ 2,578	\$ 2,509	\$ 2,506
Disbursements:			
Treasury	\$ 2,578	\$ 2,509	\$ 2,506
Total Disbursements	<u>-2,578</u>	<u>-2,509</u>	<u>-2,506</u>
Cash Balance, Ending	<u>.....</u>	<u>.....</u>	<u>.....</u>

WATER FACILITIES LOAN FUND

This fund was created by Act 167 of 1982 in order to implement the water project loan referendum approved by the electorate on November 3, 1981. That referendum authorized the Commonwealth to incur an indebtedness of \$300 million for use as loans to repair, construct, reconstruct, rehabilitate, extend and improve water supply systems or to repair, reconstruct or rehabilitate flood control facilities, dams and port facilities. Act 16 of 1988 transferred the functions of the Water Facilities Loan Board to the Pennsylvania Infrastructure Investment Authority as part of the PENNVEST program.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 6,670	\$ 5,587	\$ 4,707
Receipts:			
Sale of Bonds	\$ 1,977	\$ 11,000	\$ 50,000
Total Receipts	<u>1,977</u>	<u>11,000</u>	<u>50,000</u>
Total Funds Available	\$ 8,647	\$ 16,587	\$ 54,707
Disbursements:			
Environmental Resources	\$ 1,085		
Infrastructure Investment Authority	<u>1,975</u>	<u>\$ 11,880</u>	<u>\$ 39,600</u>
Total Disbursements	<u>-3,060</u>	<u>-11,880</u>	<u>-39,600</u>
Cash Balance, Ending	\$ 5,587	\$ 4,707	\$ 15,107

WATER FACILITIES LOAN REDEMPTION FUND

Moneys in this fund are obtained from annual appropriations by the General Assembly and from interest and dividends on moneys in the Water Facilities Loan Fund. These moneys are used solely for payment of interest and principal due on outstanding water facilities loan bonds.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning .....	.....	\$ 1	.....
Receipts:			
Transfer from General Fund	\$ 14,651	\$ 14,185	\$ 15,558
Interest on Securities	539	471	471
Accrued Interest on Bonds Sold	<u>8</u>	<u>58</u>	<u>234</u>
Total Receipts	<u>15,198</u>	<u>14,714</u>	<u>16,263</u>
Total Funds Available	\$ 15,198	\$ 14,715	\$ 16,263
Disbursements:			
Treasury	\$ 15,197	\$ 14,715	\$ 16,263
Total Disbursements	<u>-15,197</u>	<u>-14,715</u>	<u>-16,263</u>
Cash Balance, Ending	\$ 1	.....	.....

WILD RESOURCES CONSERVATION FUND

This fund was created by Act 170 of 1982. Revenue is derived primarily from tax rebate check-offs and voluntary contributions. The fund collects information relating to population, distribution, habitat needs, limiting factors and other biological and ecological data to classify plants and to determine necessary management measures. These management measures do include promotion of a Statewide system of private wild plant sanctuaries, permitting of removal, collection or transplanting of endangered or threatened plant species, and regulation of the digging, harvesting, sale and exploitation of designated species.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 867	\$ 899	\$ 799
Receipts:			
Tax Check-Offs	\$ 383	\$ 380	\$ 400
Interest on Securities	75	70	75
Voluntary Donations	34	45	45
Other	4	5	5
Total Receipts	<u>496</u>	<u>500</u>	<u>525</u>
Total Funds Available	\$ 1,363	\$ 1,399	\$ 1,324
Disbursements:			
Environmental Resources	\$ 464	\$ 600	\$ 500
Total Disbursements	<u>-464</u>	<u>-600</u>	<u>-500</u>
Cash Balance, Ending	<u>\$ 899</u>	<u>\$ 799</u>	<u>\$ 824</u>

WORKMEN'S COMPENSATION ADMINISTRATION FUND

This fund was created by Act 2 of 1976 to finance the expenses of the Department of Labor and Industry in administering the Pennsylvania Workmen's Compensation Act and the Pennsylvania Occupational Disease Act. The fund is supported by annual assessments on insurers and self-insurers under the act. These administrative funds are approved by the Legislature for expenditure through the appropriation process.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 10,203	\$ 11,206	\$ 11,706
Receipts:			
Assessments	\$ 16,834	\$ 17,789	\$ 18,189
Other	2,460	2,500	2,640 ^a
Total Receipts	<u>19,294</u>	<u>20,289</u>	<u>20,829</u>
Total Funds Available	\$ 29,497	\$ 31,495	\$ 32,535
Disbursements:			
Executive Offices	\$ 1,067	\$ 1,100	\$ 1,200
Labor and Industry	17,224	18,689	19,639
Total Disbursements	<u>-18,291</u>	<u>-20,839</u>	<u>-20,839</u>
Cash Balance, Ending	<u>\$ 11,206</u>	<u>\$ 11,706</u>	<u>\$ 11,696</u>

^aEstimated amounts for 1991-92 include \$140,000 of proposed changes in license and fee amounts.

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.

Act 70 of 1990 authorized the Catastrophic Loss Benefits Continuation Fund to borrow funds from the Workmen's Compensation Security Fund.

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 preceding annual reporting period is credited to the fund. Such payments are required only if the balance (less known liabilities) of the fund is determined to be less than five percent of the loss reserves of all such stock companies for payments of benefits under the Workmen's Compensation Law.

As of June 30, 1990 the indemnity reserves were \$274.9 million and the medical reserves were \$43.3 million. The June 30, 1990 fund balance less reserves was negative \$59.5 million while five percent of the outstanding workers' compensation carrier reserves was \$259.3 million. A one percent assessment was made for 1989-90.

Statement of Cash Receipts and Disbursements

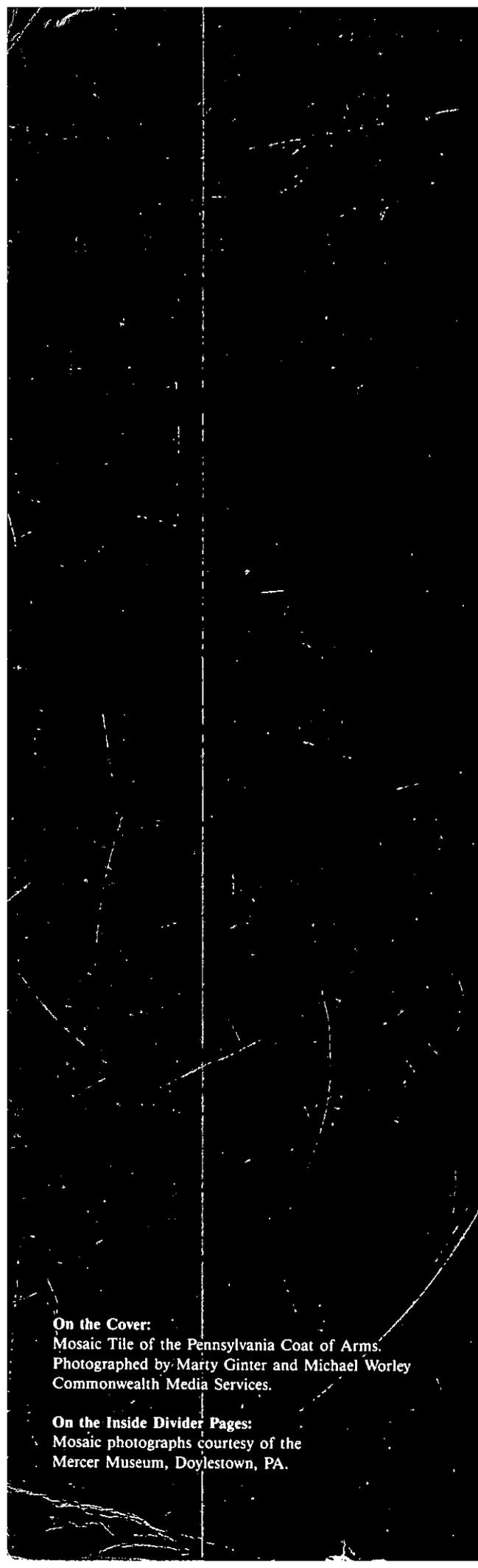
	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 239,003	\$ 252,369	\$ 251,201
Receipts:			
Premium Contributions	\$ 21,546	\$ 23,000	\$ 23,000
Interest on Securities	22,812	20,000	20,000
Net Investment Adjustment	310	.....	.....
Total Receipts	<u>44,668</u>	<u>43,000</u>	<u>43,000</u>
Total Funds Available	\$ 283,671	\$ 295,369	\$ 294,201
Disbursements:			
Insurance	\$ 31,302	\$ 27,668	\$ 27,400
Loan to Catastrophic Loss Benefits Continuation Fund .....	.....	<u>16,500</u>	<u>1,200</u>
Total Disbursements	<u>-31,302</u>	<u>-44,168</u>	<u>-28,600</u>
Cash Balance, Ending	<u>\$ 252,369</u>	<u>\$ 251,201</u>	<u>\$ 265,601</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

	(Dollar Amounts in Thousands)		
	1989-90 Actual	1990-91 Available	1991-92 Estimated
Cash Balance, Beginning	\$ 2	\$ 51	\$ 31
Receipts:			
Assessments	\$ 7,726	\$ 8,340	\$ 8,695
Other	336	.....	.....
Total Receipts	<u>8,062</u>	<u>8,340</u>	<u>8,695</u>
Total Funds Available	\$ 8,064	\$ 8,391	\$ 8,726
Disbursements:			
Labor and Industry	\$ 8,013	\$ 8,360	\$ 8,726
Total Disbursements	<u>-8,013</u>	<u>-8,360</u>	<u>-8,726</u>
Cash Balance, Ending	<u>\$ 51</u>	<u>\$ 31</u>	<u>.....</u>



On the Cover:
Mosaic Tile of the Pennsylvania Coat of Arms.
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